

Item:
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Report to Partnership Meeting 7 February 2025

FINANCE

REVENUE BUDGET PROPOSAL 2025-26

Annex 1 shows the budget that is being recommended for approval for the next financial year covering the Partnership's running costs and research and strategy development programme costs, and the income from Partner Councils, the Scottish Government and other external agencies to cover these costs.

Income

1. The funding formula for Council contributions was agreed by the Partnership in July 2006. This is based 50% on voting weight and 50% on population share. The population figures have been updated to take account of the 2017 position as shown in the General Register Office for Scotland. The 2018 position, the most recent published data, has been reviewed and there has been very little change in the population figures, therefore the percentage share of income to be contributed by each Council remains the same and is:

Council	Voting Share	Population share	Total
Argyll and Bute	6.25%	6.85%	13.1%
CnES	6.25%	3.05%	9.3%
Highland	18.75%	26.7%	45.45%
Moray	12.5%	10.9%	23.4%
Orkney	6.25%	2.5%	8.75%
	50%	50%	100%

2. There has been no indication from the Scottish Government that the RTP budget will be different to 2024/25 level of £496,612.50. As Scottish Government core grant (£200,000) has remained the same, the proposal is not to increase Constituent Authorities contributions.
3. Transport Scotland, through their regional active travel grant of £2,431,884, continues to support active travel work in 2025/26. This is an increase from 2024/25.
4. Other European projects have been budgeted for at the current known values.

Expenditure

1. **Staff Salary Costs** – The salaries, pension contributions, employers' national insurance contributions and apprentice levy for the Partnership Director, 3

Programme Managers, a Business Manager, and Projects and Policy Manager are included under running costs of the Partnership. In line with Scottish Local Authorities salaries provision, allowance has been made for a 2.5% increase in basic salary costs. Changes in National Insurance have also been reflected, this equates to an increase of circa £9k. Remaining staff costs have been accounted for in the individual project expenditure for which they support.

2. Other direct running costs are consistent with 24/25 levels.
3. Research and Strategy Development budget has reduced to £175,950 due to funding constraints within the budget.
4. All other project costs are matched with the expected income levels.
5. Finance and Administrative Services budget has been held at the same level and is in line with previous years actuals.

Board Members are asked to approve the above information as well as the following Annex 1.

Report by: Carolyn Pieraccini/Jennifer Johnston
Designation: Partnership treasurer/Accountant
Date: 7th February 2025

Annex 1

Budget Heading	Budget 2024/25	Budget 2025/26
		Recommendation
Income		
Argyll and Bute	26,200	26,200
CnES	18,600	18,600
Highland	90,900	90,900
Moray	46,800	46,800
Orkney	17,500	17,500
Scottish Government - Core	200,000	200,000
Scottish Government - Non-Core	322,750	296,612
Hi Travel PTI	0	100,000
Grants - Regional Active Travel	1,736,000	2,431,884
European and Other Project Grants	1,117,000	1,343,000
Total Income	3,575,750	4,571,496
Running Costs		
Staff Salary Costs	400,750	377,662
Staff/Member/Advisors Travel/Subsistence	14,000	15,000
Partnership/Consultation Meetings	11,000	11,000
Office Costs - Property	17,000	17,000
Office Costs - Administration	25,000	25,000
	467,750	445,662
Programme Costs		
Publicity	10,000	15,000
Research and Strategy Development	185,000	175,950
Specific Ring-fenced Project Costs	1,736,000	2,431,884
European and Other Project Salary Costs	1,117,000	1,443,000
	3,048,000	4,065,834
Finance/HR/Legal/Admin	60,000	60,000
	60,000	60,000
Total Costs	3,575,750	4,571,496
(Under)/Overspend	0	0
Reserves at the start of the year	71,000	71,000