

TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP**12 DECEMBER 2017****2017/18 REVENUE BUDGET AND MONITORING****JOINT REPORT BY DIRECTOR AND TREASURER**

This report provides a monitoring update on 2017/18 Revenue expenditure and seeks the Partnership's agreement to various revisions to the Core budget and to granting delegation of authority to officers and the Executive Committee to approve the use of underspends and Contingency funding.

1 RECOMMENDATIONS

1.1 That the Partnership :-

- (i) notes the position regarding Core Revenue expenditure as at 31 October 2017 as detailed in Appendix A;
- (ii) agrees to vire funds from the Staff Costs budget to the Supplies and Services Budget and delegates authority to the Director and Treasurer to approve replacement and upgrading of IT equipment and capacity, as discussed in section 3.5 of the report;
- (iii) notes progress on the 2017/18 RTS Revenue Programme and related expenditure as discussed in sections 3.7 - 3.49 of the report and detailed in Appendix B;
- (iv) agrees to delegate authority to approve the use of remaining Contingency funds in the RTS Revenue Programme budget to the Executive Committee; and
- (v) agrees that any final year end underspend in Core and RTS Revenue Programme funding is carried forward as Deferred Income to supplement the 2018/19 Revenue Budget and Programme.

2 BACKGROUND

2.1 At its meeting on 6 December 2016 the Partnership approved a Core Revenue Budget for financial year 2017/18 and agreed to request that constituent Councils make provision for their respective funding contributions within their 2017/18 Revenue Budgets (Report RTP/16/38 refers). At that time the Partnership also noted an anticipated Scottish Government Grant-in-Aid award of £522,750 in 2017/18, maintaining the annual level of Grant in Aid funding.

- 2.2 At its meeting on 14 March 2017 the Partnership noted the Partner Councils' approval of requested Revenue contributions towards the approved 2017/18 Core Budget and confirmed award of Scottish Government Grant-in-Aid of up to £522,750 in 2017/18. At the same meeting the Partnership approved an initial 2017/18 Regional Transport Strategy (RTS) Revenue Programme and agreed to receive a report on a finalised 2017/18 RTS Programme at its next meeting (Report RTP/17/05 refers).
- 2.3 At its meeting on 13 June 2017 the Partnership approved a revised 2017/18 RTS Revenue Programme and received a monitoring update on general Revenue expenditure (Report RTP/17/14 refers).
- 2.4 The Partnership received a further quarterly monitoring update on Revenue expenditure at its meeting on 12 September 2017 (Report RTP/17/21 refers).

3 DISCUSSION

2017/18 Core Revenue Budget

- 3.1 The approved Core Budget and expenditure to 31 October 2017 and projected expenditure to the financial year end are shown in Appendix A.
- 3.2 Projected expenditure on staff costs for the year has been updated to take account of progress in appointing to a number of vacancies in the previously approved revised staffing structure (Report RTP/P4/17 refers) as discussed in the further report to this meeting on Partnership Staffing. The unusually high staff turnover experienced over the past 9-12 months, coupled with delaying appointment to vacancies to enable review of the staffing structure to take account of and support the Partnership's evolving statutory roles and duties moving forward, whilst having regard to other potential demands and influences such as engaging in and influencing the ongoing National Transport Strategy and Strategic Transport Projects reviews and supporting emerging City Deals, has resulted in a projected underspend of £66,995 against the approved budget. It should be noted that this is an "in year" saving only, with staffing numbers and related costs returning to normal levels in future years, as discussed in the separate report on the proposed 2018/19 Core Budget.
- 3.3 In addition to savings in the staffing budget, a national review has resulted in the Partnership no longer being liable to pay Business Rates on its headquarters accommodation, resulting in a recurring saving of £5,985 in the approved Property Costs budget.
- 3.4 There is a projected overspend on Supplies and Services costs as a result of the Partnership hosting a meeting of the Regional Transport Partnership Chairs Forum.

- 3.5 The updated projections generate an overall forecast underspend of £71,180 against the approved 2017/18 Core budget. It is proposed that an element of this is allocated to funding upgrading of IT capacity and equipment for existing and new staff, including providing additional hardware and software capacity to support new commitments such as the Regional Transport Model discussed in 3.11 – 3.16 below. At the time of writing work on defining the most appropriate IT equipment and capacity upgrades is ongoing, in consultation with Perth & Kinross Council's IT service and Transport Scotland (in relation to the Regional Transport Model). It is currently estimated that these costs could be in the order of up to £12,000. The Partnership is asked to agree to vire funds from the Staff Costs budget to the Supplies and Services budget to accommodate this proposed expenditure, as provided for in Appendix A, and to delegate authority to the Director and Treasurer to approve final expenditure.
- 3.6 It is recommended that a residual projected underspend of up to £60,180 is carried forward as Deferred Income to support the 2018/19 Core and RTS Revenue Programme budgets.

2017/18 RTS Revenue Programme

- 3.7 The approved 2017/18 RTS Revenue Programme of £279,373 comprises Scottish Government Grant-in-Aid totalling £212,369 plus £67,004 Deferred Income. This is supplemented by additional Transport Scotland Grant-in-Aid funding of up to £30,000 to support the ongoing maintenance and further promotion and development of the Travelknowhow Travel Planning website across Scotland during 2017/18. In addition, Tactran has been awarded £8,790 by Paths for All from the national Smarter Choices Smarter Places (SCSP) initiative to take forward Liftshare Scoping and MyPTP (Personalised Travel Plan) initiatives with NHS Tayside and NHS Forth Valley.
- 3.8 RTS programme expenditure to 31 October 2017 and projected expenditure to the financial year end is shown in Appendix B. Progress on individual elements of the RTS Revenue programme is outlined below.

Development of RTS and Delivery Plan (£8,000)

- 3.9 This provision allows for annually recurring costs associated with statutory monitoring and reporting on the Regional Transport Strategy.
- 3.10 To date £1,350 expenditure has been incurred and a further £2,135 has been committed under this budget heading.

Strategic Connectivity (£50,000)

- 3.11 The review of the National Transport Strategy (NTS) and Strategic Transport Projects Review (STPR) are being progressed during 2017/18 and 2018/19. In addition, emerging City Deals for the Tay Cities and Stirling and Clackmannanshire city-regions identify a number of strategic connectivity priorities which it is envisaged the Partnership will have a key role in supporting during the months and years ahead, including the development of a Regional Transport Model for the Tay Cities region.
- 3.12 Work is continuing on developing a Regional Transport Model for the Tay Cities Region, which can be utilised to support development of transport projects included in the Tay Cities Deal proposals; NTS review and related STPR update; Tactran and SEStran Regional Transport Strategies and Delivery Plans; Strategic and Local Development Plans and other Constituent Council transport strategies and projects. This work is being taken forward by Tactran, Tay Cities Deal, Angus, Dundee City, Fife and Perth & Kinross Councils, in partnership with Transport Scotland.
- 3.13 It has been agreed by all partners involved that the procurement for developing the Tay Cities Regional Model should commence with the aim of having a Regional Model delivered by end of 2018/19 to enable its use to inform and influence the STPR update and Tay Cities Deal Connected Tay transport proposals.
- 3.14 Work undertaken to date has estimated the cost of procuring and developing the Tay Cities Regional Model, including data collection and audit, as up to £350,000 with ongoing maintenance estimated at £50,000 per annum. Tactran, Tay Cities Deal and constituent Council officers and Transport Scotland officials have agreed that Transport Scotland will fund 50% of the costs, with Tactran and other Tay Cities partners funding 50% (i.e. £175,000).
- 3.15 In discussion with Tay Cities Deal and partner Council officers it has been agreed that, over financial years 2017/18 and 2018/19, Tactran will seek to provide up to £105,000 with other Tay Cities Deal and partner Councils providing £70,000 over the same period. As provided for within the revised 2017/18 RTS Revenue Programme budget approved by the Partnership on 12 September 2017 (Report RTP/17/21 refers) Tactran will provide up to £50,000 in 2017/18 and a further £55,000 in 2018/19.
- 3.16 Officers are also in discussions regarding providing support to Stirling Council in progressing the transport elements of the Stirling and Clackmannanshire City Deal, in consultation with SEStran and Clackmannanshire Council.
- 3.17 To date £2,693 expenditure has been incurred and a further £50,000 has been committed under this budget heading.

Health & Transport (£22,000)

- 3.18 This allocation includes a recurring provision of £10,000 to support continued development of locally relevant Health & Transport Action Plans through Community Planning Partnerships (CPPs) and makes provision for an annual contribution of £12,000 towards the Safe Drive Stay Alive road safety campaign in all four partner Council areas, in support of CPP Community Safety Plans.
- 3.19 Tactran has been successful in securing additional match-funding support from Paths for All to enable provision of Liftshare and My PTP (Personalised Travel Plans) for the 5,800 staff at NHS Forth Valley, and updating the Liftshare and My PTP scope for the 14,000 staff at NHS Tayside. The overall cost of the initiative is £17,580 with 50% match funding of £8,790 provided by Paths for All as part of the Smarter Choices Smarter Places (SCSP) initiative. Work commenced on this initiative during November 2017 for completion by end of March 2018. A report on this initiative will be given at a future meeting.
- 3.20 To date £12,000 expenditure has been incurred and a further £17,580 has been committed under this budget heading.

Active Travel (£90,000)

- 3.21 This allocation includes provision for full year costs of up to £42,000 associated with appointment of the embedded Active Travel Officer in partnership with Sustrans, plus a contribution of up to £18,000 towards the continued appointment of the Regional Cycle Training & Development Officer, in partnership with Cycling Scotland.
- 3.22 The embedded Active Travel Officer had previously been appointed by Sustrans and fully funded by Tactran from the Active Travel budget. As noted on 12 September 2017 the previous post-holder left on 1 September 2017. The revised staffing structure approved by the Partnership on 12 September 2017 replaced the embedded Active Travel Officer with an “in-house” appointment of Strategy Officer (Report RTP/P4/17 refers). The resultant part year cost to 1 September 2017 of the embedded Active Travel Officer to be met from the Active Travel budget is £6,900, rather than full year cost of £42,000. The cost of employing the Strategy Officer to financial year end is now included in the Core Budget and revised projections for staffing expenditure, as described above and in Appendix A.
- 3.23 The budget includes £20,000 deferred income contribution towards the programme of Active Travel Audits. As discussed in a separate report to this meeting Phase 1 of the Active Travel Audits Programme, which reviewed existing and promoted improved Active Travel networks at 8 main settlement areas within the Tactran region, has been completed and was reported to the Partnership at its meeting on 12 September 2017 (Report RTP/17/19 refers) and a second phase commenced in November 2017/18.

- 3.24 The total cost of Phase 2 of the Active Travel Audits is up to £80,285 and is being 50% match funded by Sustrans. Tactran's 50% contribution towards this work will now be met from the difference between the allocated full year cost and the actual part year cost of the Active Travel Officer rather than from Contingency, as previously reported.
- 3.25 The budget also allows for a continued contribution of up to £10,000 towards annual cycle campaigns and promotions, in partnership with Cycling Scotland and Councils.
- 3.26 To date £20,222 expenditure has been incurred and a further £57,483 has been committed under this budget heading.

Travel Planning (£22,500)

- 3.27 This allocation allows for recurring costs of approximately £10,000 for maintaining the Tactran Liftshare website and other travel planning resources, plus an allowance of up to £10,000 to support other Travel Planning and Sustainable Travel Grant Scheme initiatives and projects. The budget also includes £2,250 deferred income contribution towards promotion of the Travelknowhow Scotland website.
- 3.28 Travelknowhow Scotland was launched in September 2016, following on from the success of Tactran Travelknowhow, and provides organisations across Scotland with Travel Planning resources and advice. Transport Scotland has agreed to provide continuation funding to support the Travelknowhow Scotland Travel Planning website and has provided an additional £30,000 Grant-in-Aid to Tactran to support the ongoing maintenance and further promotion and development of Travelknowhow Scotland during 2017/18.
- 3.29 Tactran has allocated £2,650 match funding through its Sustainable Travel Grant Scheme to Stirling University to update its existing travel plan and establish a private Liftshare scheme and purchase My PTPs.
- 3.30 To date £18,697 expenditure has been incurred and a further £25,101 has been committed under this budget heading.

Buses (£5,000)

- 3.31 This allocation provides for bus support initiatives, such as maintenance and potential development of the regional Thistle Assistance Card and development of enhancements to infrastructure and services.
- 3.32 Tactran is providing a funding contribution of up to £5,000 to Dundee City Council to specify a new real time information system covering Angus, Dundee and Perth & Kinross. This includes considering system management, maintenance for all areas and hardware upgrades for Dundee and Angus.
- 3.33 To date up to £5,000 has been committed under this budget heading.

Park & Ride

- 3.34 As previously reported, it is anticipated that Park & Ride/Choose proposals and priorities around Dundee, Perth and Stirling, as identified in the RTS and Park & Ride Strategy, will now be taken forward through the Tay Cities and Stirling and Clackmannanshire City Deals. Consequently no specific budgetary provision for Park & Ride is allocated in 2017/18.

Rail (£10,000)

- 3.35 This allocation provides for further development and promotion of the Tay Estuary Rail Strategy and related regional and local rail service and infrastructure enhancements and priorities, working with the rail industry, Transport Scotland, partner Councils and neighbouring RTPs.
- 3.36 Tactran held a Regional Rail Forum on 30 November 2017 with presentations given on 2018 Revolution in Rail timetable; Cross Border Services; Blackford Freight Facility; Highland Main Line project and timetable development; Stations; Transport Integration/Station Travel Plans and Community Rail Partnerships.
- 3.37 Consideration is being given, in partnership with the rail industry, Hitrans and Highland Main Line CRP, to undertaking research into demand for rail use on the Highland Main Line to assist with the development of a revised timetable for the Highland Mainline stations from 2019 onwards.

- 3.38 To date there has been no expenditure commitment under this budget heading.

Freight (£5,000)

- 3.39 This allocation provides support towards development and implementation of Regional Freight Quality Partnership initiatives and priorities, including an ongoing contribution supporting the Stirling & Tayside Timber Transport Group's continued appointment of a Timber Transport Officer and a £2,000 match funding contribution towards feasibility of a Sustainable Urban Logistics Plan (SULP) for Stirling.
- 3.40 To date £1,167 expenditure has been incurred and a further £2,000 has been committed under this budget heading.

Travel Information Strategy (£5,000)

- 3.41 This allocation allows for maintenance and ongoing development of the www.gotoo.com multi-modal travel information website.
- 3.42 Tactran is also contributing to a "Get on the Go" travel information campaign in partnership with Angus, Dundee City and Perth & Kinross Councils, aimed at providing people with sustainable and active travel information to encourage healthier and more active travel lifestyles. The campaign is

through a mixture of traditional radio advertising and social media with a dedicated Facebook page (<https://facebook.com/getonthegotayside/>).

- 3.43 To date £3,000 expenditure has been incurred and a further £3,000 has been committed under this budget heading.

Climate Change

- 3.44 Tactran's Transport Carbon Assessment, [Stage 2 Report](#) (June 2013) identifies 6 key priority mitigation areas where Tactran has significant potential to contribute to or support reduction in transport carbon emissions, as follows: low carbon vehicles and infrastructure; eco-driving; Travel Planning; supporting road based public transport; supporting rail improvements; influencing travel demand and behaviour.
- 3.45 Many of these are cross-cutting and the budget allocations under Health and Transport, Active Travel, Travel Planning, Buses and Rail will contribute towards achieving Tactran's Climate Change duties. In addition Tactran is involved in partnership with and supporting other stakeholders on projects to promote low carbon vehicles and infrastructure and eco-driving, without having a financial commitment.
- 3.46 No financial allocation is directly allocated to this budget heading, but Climate Change contributions are being pursued under other budget headings and with partner organisations.

Contingency (£62,123)

- 3.47 This budget is available to accommodate other emerging Revenue costs and priorities including further potential support to emerging City Deals proposals.
- 3.48 To date £3,693 has been committed to cover predicted overspends in the Strategic Connectivity and Travel Information budgets headings, as discussed above.
- 3.49 With the imminent return to a full staffing complement it is anticipated that further options and opportunities to utilise available contingency funding will be able to be proactively pursued during the last quarter of the financial year, and the Partnership is asked to delegate authority to the Executive Committee to consider and approve utilisation of the remaining Contingency budget.

4 CONSULTATIONS

- 4.1 The report has been prepared in consultation with the Transportation Officers Liaison Group, Public Transport Officers Liaison Group and Chief Officers Liaison Group.

5 RESOURCE IMPLICATIONS

- 5.1 The main resource implications are addressed within the report.

6 EQUALITIES IMPLICATIONS

- 6.1 This report has been screened for any policy implications in respect of Equality Impact Assessment and no major issues have been identified.

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NOTE

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing this Report.

Report to Partnership RTP/16/38, 2017/18 Core Revenue Budget, 6 December 2016

Report to Partnership RTP/17/04, 2016/17 Revenue Programme and Monitoring, 14 March 2017

Report to Partnership RTP/17/05, 2017/18 Revenue Budget and Programme, 14 March 2017

Report to Partnership RTP/17/14, 2017/18 Revenue Budget and Programme, 13 June 2017

Report to Partnership RTP/17/19, Active Travel Progress Update, 12 September 2017

Report to Partnership RTP/17/21, 2017/18 Revenue Budget and Monitoring, 12 September 2017

Report to Partnership RTP/P4/17, Partnership Staffing, 12 September 2017

Tactran Income and Expenditure Account
Revenue
2017/2018
Detailed Statement - Core

Appendix A

Income	Budget £	Actuals to 31 October 2017 £	Projected Outturn 2017/2018 £	Variance to Budget £
Scottish Government Grant Revenue Received	310,381	310,381	310,381	-
Deferred Income		0	-	-
Council Req's Revenue Rec'd	103,020	51,510	103,020	-
Interest Received	-	84	-	-
Other Income	2,230	828	2,230	-
	415,631	362,803	415,631	0
Expenditure				
<u>Staff Costs</u>				
Salary GP	250,815	88,049	198,686	(52,129)
Salary Supn	42,640	14,322	33,731	(8,909)
Salary NI	27,896	9,374	21,939	(5,957)
Training/Conferences	1,200	605	1,200	0
Subscriptions	330	295	330	0
	322,881	112,645	255,886	(66,995)
<u>Property Costs</u>				
Energy	4,800	1,279	4,800	0
Cleaning	2,000	(170)	2,000	0
Maintenance	1,000	0	1,000	0
Rent	13,400	9,443	13,400	0
Rates	5,985	0	-	(5,985)
	27,185	10,552	21,200	(5,985)
<u>Supplies and Services</u>				
Office Consumables	4,125	2,087	4,125	0
Communications	3,500	904	3,500	0
Insurance	6,140	3,614	6,140	0
Information Technology	1,000	48	12,000	11,000
Hospitality	700	509	1,500	800
Board Expenses - misc.	1,000	1,698	2,000	1,000
	16,465	8,861	29,265	12,800
<u>Transport Costs</u>				
Travel and Subsistence	2,000	854	2,000	0
Public Transport	2,200	773	2,200	0
Expenses - Board Members	1,000	296	1,000	0
	5,200	1,923	5,200	0
<u>Third Party Payments</u>				
Audit Fees External	9,900	25	9,900	0
PKC Finance Service	14,000	14,000	14,000	0
PKC Secretariat Service	8,000	8,000	8,000	0
Other Third Party Payments	12,000	3,298	12,000	0
	43,900	25,323	43,900	0
Gross Expenditure	415,631	159,304	355,451	(60,180)
Net Expenditure	0	(203,499)	(60,180)	(60,180)

Tactran Income and Expenditure Account
Revenue
2017/2018
Detailed Statement - RTS

Appendix B

	Approved Budget	Actuals to 31 October 2017 £	Committed 2017/2018 £	Projected Outturn 2017/2018 £	Variance to Budget £
Income					
Scottish Executive Grant Revenue Received	212,369		-	212,369	0
Deferred Income	67,004			67,004	0
Other Income - Transport Scotland - Travelknowhow		-	30,000	30,000	30,000
Other Income - Paths for All - SCSP			8,790	8,790	8,790
	279,373	-	38,790	318,163	38,790
Expenditure on Projects					
2016/2017 Accruals	-	371	(371)	0	0
Development of RTS & Delivery Plan	8,000	1,350	2,135	8,000	0
Strategic Connectivity	50,000	2,693	50,000	52,693	2,693
Health and Transport	22,000	12,000	17,580	30,790	8,790
Active Travel	90,000	20,222	57,483	90,000	0
Travel Planning	22,250	18,697	25,101	52,250	30,000
Buses	5,000	-	5,000	5,000	0
Park & Ride	-	-	-	0	0
Rail	10,000	-	-	10,000	0
Freight	5,000	1,167	2,000	5,000	0
Travel Information	5,000	3,000	3,000	6,000	1,000
Climate Change	-	-	-	0	0
Contingency	62,123	-	-	58,430	(3,693)
Gross Expenditure	279,373	59,500	161,928	318,163	38,790
Net Expenditure	0	59,500	123,138	0	0