

**TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP****28 OCTOBER 2008****REVENUE BUDGET MONITORING AND PROGRAMME 2008/09****JOINT REPORT BY TREASURER AND DIRECTOR**

This report provides a monitoring update on the 2008/09 Core Revenue Budget and on the RTS Implementation Programme for 2008/09, as projected at September 2008, and seeks approval of additional expenditure.

**1 RECOMMENDATIONS**

## 1.1 That the Partnership :-

- (i) notes the projected Core Revenue Budget outturn position for financial year 2008/2009, as detailed in Appendix A;
- (ii) notes the projected Travel Plan Budget outturn position, as detailed in Appendix B;
- (iii) notes the projected RTS Implementation Programme outturn position, as detailed in Appendix C;
- (iv) endorses expenditure totalling £14,800 relating to completion of the RTS sub-Strategies, as detailed in section 3.7;
- (v) endorses expenditure of £29,000 in relation to progressing development of Demand Responsive Transport pilots, as detailed in sections 3.13 – 3.15;
- (vi) endorses expenditure of £3,000 in relation to attendance and exhibiting at the Scottish Transport Conference 2008;
- (vii) approves a contribution of £13,925 towards a joint feasibility study into the potential for a rail freight facility at Highland Spring, Blackford and further expenditure of £3,950 on the scope for additional freight to rail opportunities in conjunction with this proposal;
- (viii) approves the amended RTS Implementation Programme for 2008/09, as detailed in sections 3.6 – 3.24 of the report; and
- (ix) agrees to receive a report setting the 2009/10 and 2010/11 Core Revenue Budget at its meeting on 9 December 2008.

**2 BACKGROUND**

- 2.1 At its meeting on the 30 January 2008 the Partnership approved a Revenue Budget for 2008/09 – 2010/11 (Report RTP/08/04 refers). This provides for a Core budget of £450,000 to cover staffing, premises and other operational costs. The Core Revenue Budget is made up of Scottish Government Grant of £210,000 with an equivalent sum requisitioned from the 4 constituent

Councils, plus a contribution of £30,000 towards Travel Plan staffing costs, which is funded from a separate Travel Plan Grant allocation by the Scottish Government for this purpose.

- 2.2 On 29 April 2008 the Partnership noted confirmation of Scottish Government Grant of up to £615,000, which included Government's contribution of £210,000 towards Core running costs, with a further £405,000 available to support development and implementation of the RTS in 2008/09. A separate Scottish Government Grant of £104,000 has been awarded in 2008/09 to progress mainstreaming Travel Planning and other "SMART" measures with Local Authorities and Health Boards (Report RTP/08/09 refers).
- 2.3 At the meeting on 29 April the Partnership approved an indicative RTS Implementation Programme utilising the £405,000 allocated Grant. The Partnership received a progress report on this programme at its meeting on 24 June, at which time adjustments to the programme were approved (Report RTP/08/21 refers).

### **3 DISCUSSION**

#### **Core Revenue Budget Monitoring**

- 3.1 Core Revenue Budget expenditure to 30 September 2008 and projected expenditure to the financial year end is shown in Appendix A. At this stage in the financial year Core running costs are projecting an underspend of £27,504. As approved by the Partnership on 24 June 2008, an additional underspend of £18,773 from 2007/08 has been allocated towards meeting any unforeseen costs in the 2008/09 Core or RTS Implementation budgets (Report RTP/08/21 refers).
- 3.2 The main area of underspend is within Supplies and Services where an underspend of £6,299 is currently projected. Under Staff Costs there is provision for Agency/Consultancy staff to be appointed, as required, to assist in the further development of the RTS and RTS Delivery plan during the current year. These costs will be met from staff slippage as a result of a management decision to defer appointing 2 vacancies in the core staffing establishment, pending agreement on the RTS Delivery Plan and consideration of related delivery responsibilities.
- 3.3 As outlined above the Partnership agreed its Core budget for 2008/09 and indicative Core Budget provisions for 2009/10 and 2010/11 on 30 January 2008. Partner Councils have commenced preparation of their Revenue Budgets for 2009/10 and 2010/11 and have requested that an indication of the level of Core funding required for next financial year be provided before the end of December. It is, therefore, proposed that a report on the Partnership's 2009/10 and indicative 2010/11 Core budgetary requirements will be submitted to the next meeting on 9 December 2008.
- 3.4 The Travel Plan Budget expenditure to 30 September 2008 and projected expenditure to the financial year end is shown in Appendix B. At this stage in the financial year the Travel Plan budget is projected to be fully committed. A detailed progress report on activity in this area will be submitted to the next Partnership meeting on 9 December 2008.

- 3.5 The Regional Transport Strategy Implementation expenditure to 30 September 2008 and projected expenditure to the financial year end is shown in Appendix C. At this stage in the financial year, and based on anticipated commitments, the RTS is projected to be on budget. Progress on the individual elements of the RTS Implementation Programme is outlined below.

### **RTS Implementation Programme**

#### Development of RTS Delivery Plan - £50,000

- 3.6 Development of the RTS Delivery Plan is discussed in detail in a separate report. This funding will be used to meet the costs of securing additional temporary staff or consultancy support to assist with developing scheme proposals and costings contained in the Delivery Plan.

#### Development of RTS Sub-Strategies - £30,000

- 3.7 Progress on development of the Buses and CT/DRT; Park & Ride; Travel Information; and Walking & Cycling sub-Strategies is also dealt with in a separate report. Approximately £14,800 has been used so far to meet costs of additional work and consultation incurred by the appointed consultants to complete the initial phase of sub-strategy development, taking account of the evolving Government/Local Government delivery framework within which the RTS now requires to be delivered, as broken down below :-

Buses and CT/DRT	- £5,317
Travel Information	- £5,090
Walking & Cycling	- £3,858
Park & Ride	- £517

- 3.8 The remaining element of this budget is available to address emerging costs of any work required to progress development of the sub-Strategies in consultation with Councils and other key stakeholders.

#### Development of Park & Ride Priorities - £80,000

- 3.9 This funding is available to support detailed feasibility work on the priorities emerging from the Regional Park & Ride strategy possibly including A90 West Dundee P&R, A90 East Perth P&R, A90 Forfar multimodal interchange, Springkerse waiting facilities improvements and further contribution to take forward joint SEStran/TACTRAN development of proposals for a Park & Ride/Choose facility south of the Tay.
- 3.10 This work will commence once the Partnership has given consideration to and approved the Park and Ride sub-strategy, as per item 7 on the Agenda (Report RTP/08/28 refers).

#### Tay Estuary Rail Service (TERS) - £120,000

- 3.11 This funding is available to undertake a STAG type appraisal and develop a business case for an additional hourly "semi-fast" service between Arbroath – Dundee – Perth – Stirling – Glasgow, with potential additional stations at locations including West Dundee, Blackford, Greenloaning and Bannockburn.

- 3.12 Since the last meeting positive discussions have been held with Transport Scotland, Network Rail and First ScotRail and agreement has been reached on a Study Brief. Tenders will be sought shortly from suitably qualified and experienced consultants for completing the study by the end of the current financial year. A Steering Group consisting of the Projects Manager and senior representatives from Transport Scotland, Network Rail and First ScotRail has been established to oversee and guide the work of the consultants, when appointed.

#### Demand Responsive Transport - £50,000

- 3.13 This funding is available to support development and potential piloting of regional DRT solutions, in association with partner Councils and CT/DRT providers. Discussions have been held with consultants Steer Davies Gleave, who developed the Buses and CT/DRT sub-Strategy and with the constituent Councils, in particular Dundee City Council, who co-funded the previous work, with a view to developing proposals for pilot DRT schemes.
- 3.14 Dundee City Council has expressed interest in extending the previous work to investigate the scope for piloting urban DRT solutions within the City, as part of an “in-house” review of their existing pilot DRT and TaxiCard schemes. Following further discussion, Steer Davies Gleave has been commissioned to develop proposals for introducing both urban and rural DRT pilots, based upon the review and audit of DRT availability and opportunities undertaken as part of the Buses and CT/DRT sub-Strategy. Opportunities for DRT pilots will be developed in consultation with partner Councils.
- 3.15 The cost of this additional work amounts to £39,000, of which Dundee City Council has agreed to contribute £10,000. The Partnership is asked to endorse TACTRAN’s contribution of £29,000 towards extension of this work on DRT. The remaining balance of £21,000 in the current year budget is available to progress implementation of the selected pilot schemes.

#### Freight Quality Partnership - £20,000

- 3.16 At it’s meeting on 24 June 2008 the Partnership agreed to establish a regional Freight Quality Partnership (FQP) (Report RTP/08/15 refers). The first meeting of this group took place on 23 September, at which time it was agreed to establish an FQP Steering Group, to give detailed consideration to the scope and priority actions to be addressed by the FQP. The first meeting of the FQP Steering Group is to be held on 21 November. This funding will be used to meet the costs of developing FQP early actions, including possible research and/or studies to inform the development of a regional Freight Action Plan.

#### Communications Strategy - £20,000

- 3.17 Planned work on development of a Communications Strategy for the Partnership has been deferred pending completion of work on the RTS Delivery Plan. It is the intention to bring a report on proposals for development of a Communications Strategy to the Partnership before the end of the financial year.
- 3.18 At it’s meeting on 24 June the Partnership endorsed expenditure of £4,543 on promotional material for use at exhibitions, conferences and other events.

Subsequent to the last meeting an opportunity arose to exhibit at the Scottish National Transport Conference 2008, which was held in the SECC, Glasgow on 16 September. Four other RTPs exhibited at the event. The costs of taking an exhibition stand, including publicity within conference promotional literature and delegate places, amounted to £3,000, which the Partnership is asked to endorse.

#### Stakeholder Fora Costs - £10,000

- 3.19 This provision exists to meet costs associated with operating meetings of the various stakeholder fora for Buses; Rail; Freight; Walking & Cycling and Equalities. A series of fora meetings is taking place during the autumn and a progress update on these will be reported to the next meeting on 9 December 2008. To date approximately £2,000 of this budget has been committed.

#### Dundee Station Enhancements - £5,000

- 3.20 On 24 June the Partnership approved a contribution of £5,000 towards ongoing development of proposals for the upgrading of Dundee Railway Station. This work is being led by Dundee City Council. These costs were met from the unallocated contingency within the revised RTS Implementation Budget approved on 24 June. At the time of writing the outcome of this further feasibility work is awaited.

#### Doune – Callander National Cycle Network Link - £25,000

- 3.21 At the meeting on 24 June 2008 the Partnership also approved allocation of match funding of up to £25,000 towards design feasibility work on the Doune - Callander NCN link. This amount was also funded from the unallocated contingency approved on 24 June. This work is being taken forward by Stirling Council and is expected to be completed by the end of the financial year.

#### Contingency - £25,000

- 3.22 The programme approved on 29 April included an unallocated contingency of £25,000 to meet any other emerging costs. This was increased to £55,000 through re-allocation of accrued interest of £30,000. £30,000 of this increased contingency has been allocated to the Dundee Station and Doune – Callander projects, as outlined above, leaving a balance of £25,000 to accommodate any further emerging proposals or costs.
- 3.23 Recent discussions have been held with Highland Spring regarding potential joint funding of design feasibility for a proposed rail freight siding adjacent to the company's plant in Blackford. The company had previously funded an initial assessment of the scope for introducing a low-cost Non Intrusive Crossover System (NICS) freight connection, similar to the proposal which TACTRAN has previously funded feasibility work on at Dundee Port. Highland Spring have obtained a quote of £27,850 to progress a more detailed design feasibility of these proposals, but are unable to meet the full costs of this work within current budgets. The Partnership is asked to approve a 50% joint funding contribution of £13,925 to enable this study to be progressed.
- 3.24 The proposed creation of a rail freight transfer facility is consistent with RTS objectives of encouraging modal shift of freight from road to rail and improving

environmental quality and safety within local communities, by significantly reducing up to 100 daily lorry movements through Blackford. In discussion with Highland Spring the possibility of any rail freight facility being available to encourage transfer of other freight from road to rail has also been discussed. A quote of £3,950 has been submitted by the consultants to extend their work to assess the viability and wider market potential for such a facility and it proposed that TACTRAN funds this additional work.

- 3.25 As outlined in a separate report on the Finalised RTS (Report RTP/08/27 refers), additional costs of £563.00 associated with amending the RTS SEA Post Adoption Statement have also been met from this contingency provision.
- 3.26 The Partnership is asked to note progress and agree the revised 2008/09 RTS Implementation Programme proposals as outlined above.

#### **4 CONSULTATIONS**

- 4.1 The report and revised RTS Implementation Programme proposals have been agreed in consultation with the Chief Officers Liaison Group.

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**Tactran Income and Expenditure Account**  
**Revenue**  
**2007/2008**  
**Detailed Statement - Core**

Appendix A

	Budget	Actual Expenditure to 30 September 2008	08/09 Commitments	Projected Outturn 2007/2008	Variance to Budget
	£	£	£	£	£
<b>Income</b>					
Scottish Executive Grant Revenue Received	210,000	87,500	122,500	210,000	-
Deferred Income	-	18,773	0	18,773	18,773
Council Req's Revenue Rec'd	210,000	52,500	157,500	210,000	-
Interest Received	-	-	-	-	-
Revenue Accrued	-	-	-	-	-
	<b>420,000</b>	<b>158,773</b>	<b>280,000</b>	<b>438,773</b>	<b>18,773</b>
<b>Expenditure</b>					
<u>Staff Costs</u>					
Salary GP	242,000	79,669	180,525	260,194	18,194
Salary Supn	51,000	14,690	20,400	35,090	(15,910)
Salary NI	22,000	7,794	9,600	17,394	(4,606)
Advertising	-	1,854	-	1,854	1,854
Interview Expenses	-	5	-	5	5
Relocation Expenses	-	-	-	-	-
Training/Conferences	6,000	4,723	-	4,723	(1,277)
Subscriptions	500	165	-	165	(335)
	<b>321,500</b>	<b>108,899</b>	<b>210,525</b>	<b>319,424</b>	<b>(2,076)</b>
<u>Property Costs</u>					
Energy	6,500	1,152	4,470	5,622	(878)
Cleaning	2,500	1,084	1,102	2,186	(314)
Maintenance	1,000	841	-	841	(159)
Rent	12,000	6,000	6,000	12,000	0
Rates	7,000	7,053	-	7,053	53
	<b>29,000</b>	<b>16,131</b>	<b>11,572</b>	<b>27,703</b>	<b>(1,297)</b>
<u>Supplies and Services</u>					
Office Consumables	5,000	4,655	730	5,385	385
Communications	6,500	5,508	1,060	6,568	68
Insurance	6,000	-	5,562	5,562	(438)
Information Technology	2,500	451	190	641	(1,859)
Hospitality	2,000	353	-	353	(1,647)
Board Expenses - misc.	3,000	192	-	192	(2,808)
	<b>25,000</b>	<b>11,159</b>	<b>7,542</b>	<b>18,701</b>	<b>(6,299)</b>
<u>Transport Costs</u>					
Travel and Subsistence	2,000	1,154	1,500	2,654	654
Public Transport	1,000	1,305	600	1,905	905
Parking	2,000	996	1,000	1,996	(4)
Expenses - Board Members	1,000	440	360	800	(200)
	<b>6,000</b>	<b>3,895</b>	<b>3,460</b>	<b>7,355</b>	<b>1,355</b>
<u>Third Party Payments</u>					
Audit Fees External	11,000	(415)	11,000	10,585	(415)
PKC Finance Service	12,000	-	12,000	12,000	-
PKC Secretariat Service	12,000	-	12,000	12,000	-
Other Third Party Payments	3,500	320	3,180	3,500	0
	<b>38,500</b>	<b>(95)</b>	<b>38,180</b>	<b>38,085</b>	<b>(415)</b>
Gross Expenditure	<b>420,000</b>	<b>139,989</b>	<b>271,279</b>	<b>411,268</b>	<b>(8,732)</b>
Net Expenditure	-	<b>(18,783)</b>	<b>(8,721)</b>	<b>(27,504)</b>	<b>(27,504)</b>

**Tactran Income and Expenditure Account**  
**Revenue**  
**2007/2008**  
**Detailed Statement - Travel Plan**

Appendix B

	Budget	Actual Expenditure to 30 September 2008	08/09 Commitments	Projected Outturn 2007/2008	Variance to Budget
	£	£	£	£	£
<b>Income</b>					
Scottish Executive Grant Revenue Received	104,000	-	104,000	<b>104,000</b>	-
Deferred Income	38,200	38,217	-	<b>38,217</b>	<b>17</b>
Council Req's Revenue Rec'd	-	-	-	-	-
Interest Received	-	-	-	-	-
Revenue Accrued	-	0	-	-	-
	<b>142,200</b>	<b>38,217</b>	<b>104,000</b>	<b>142,217</b>	<b>17</b>
<b>Expenditure</b>					
<u>Staff Costs</u>				-	
Salary GP	30,000	12,500	17,500	<b>30,000</b>	-
Salary Supn	-	-	-	-	-
Salary NI	-	-	-	-	-
Advertising	-	-	-	-	-
Interview Expenses	-	-	-	-	-
Relocation Expenses	-	-	-	-	-
Training/Conferences	-	-	-	-	-
Subscriptions	-	-	-	-	-
	<b>30,000</b>	<b>12,500</b>	<b>17,500</b>	<b>30,000</b>	-
<u>Property Costs</u>					
Energy	-	-	-	-	-
Cleaning	-	-	-	-	-
Maintenance	-	-	-	-	-
Rent	-	-	-	-	-
Rates	-	-	-	-	-
	-	-	-	-	-
<u>Supplies and Services</u>					
Office Consumables	-	-	-	-	<b>0</b>
Communications	10,000	11,099	-	<b>11,099</b>	<b>1,099</b>
Insurance	-	-	-	-	-
Information Technology	-	-	-	-	-
Hospitality	-	-	-	-	-
Board Expenses - misc.	-	-	-	-	-
	<b>10,000</b>	<b>11,099</b>	-	<b>11,099</b>	<b>1,099</b>
<u>Transport Costs</u>					
Travel and Subsistence	-	-	-	-	-
Public Transport	-	-	-	-	-
Parking	-	-	-	-	-
Expenses - Board Members	-	-	-	-	-
	-	-	-	-	-
<u>Third Party Payments</u>					
Audit Fees External	-	-	-	-	-
PKC Finance Service	-	-	-	-	-
PKC Secretariat Service	-	-	-	-	-
Other Third Party Payments	102,200	(677)	101,795	<b>101,118</b>	<b>(1,082)</b>
	<b>102,200</b>	<b>(677)</b>	<b>101,795</b>	<b>101,118</b>	<b>(1,082)</b>
Gross Expenditure	<b>142,200</b>	<b>22,922</b>	<b>119,295</b>	<b>142,217</b>	<b>17</b>
Net Expenditure	-	<b>(15,295)</b>	<b>15,295</b>	<b>0</b>	<b>0</b>

**Tactran Income and Expenditure Account**  
**Revenue**  
**2007/2008**  
**Detailed Statement - RTS**

Appendix C

	Budget	Actual Expenditure to 30 September 2008	07/08 Accruals	08/09 Commitments	Projected Outturn 2007/2008	Variance to Budget
	£	£	£	£	£	£
<b>Income</b>						
Scottish Executive Grant Revenue Received	405,000	101,000	-	304,000	405,000	-
Deferred Income	12,300	12,339	12,339	-	12,339	39
Council Req's Revenue Rec'd	-	-	-	-	-	-
Interest Received	-	-	-	30,000	30,000	30,000
Revenue Accrued	-	-	-	-	-	-
	<b>417,300</b>	<b>113,339</b>	<b>12,339</b>	<b>334,000</b>	<b>447,339</b>	<b>30,039</b>
<b>Expenditure</b>						
<u>Staff Costs</u>						
Salary GP	-	-	-	-	-	-
Salary Supn	-	-	-	-	-	-
Salary NI	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Interview Expenses	-	-	-	-	-	-
Relocation Expenses	-	-	-	-	-	-
Training/Conferences	-	-	-	-	-	-
Subscriptions	-	-	-	-	-	-
	-	-	-	-	-	-
<u>Property Costs</u>						
Energy	-	-	-	-	-	-
Cleaning	-	-	-	-	-	-
Maintenance	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Rates	-	-	-	-	-	-
	-	-	-	-	-	-
<u>Supplies and Services</u>						
Office Consumables	-	-	-	-	-	-
Communications	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-
Hospitality	-	-	-	-	-	-
Board Expenses - misc.	-	-	-	-	-	-
	-	-	-	-	-	-
<u>Transport Costs</u>						
Travel and Subsistence	-	-	-	-	-	-
Public Transport	-	-	-	-	-	-
Parking	-	-	-	-	-	-
Expenses - Board Members	-	-	-	-	-	-
	-	-	-	-	-	-
<u>Third Party Payments</u>						
Audit Fees External	-	-	-	-	-	-
PKC Finance Service	-	-	-	-	-	-
PKC Secretariat Service	-	-	-	-	-	-
Other Third Party Payments	417,300	(5,075)	(260,836)	452,414	447,339	30,039
	<b>417,300</b>	<b>(5,075)</b>	<b>(260,836)</b>	<b>452,414</b>	<b>447,339</b>	<b>30,039</b>
Gross Expenditure	<b>417,300</b>	<b>(5,075)</b>	<b>(260,836)</b>	<b>452,414</b>	<b>447,339</b>	<b>30,039</b>
Net Expenditure	-	<b>(118,414)</b>	<b>(273,175)</b>	<b>118,414</b>	<b>0</b>	<b>0</b>