

**TAY ROAD BRIDGE JOINT BOARD**

**MONDAY, 6TH MARCH, 2017 AT 10.00 AM**

**COMMITTEE ROOM 3, 14 CITY SQUARE, DUNDEE**

**AGENDA OF BUSINESS**

- 1 MINUTE OF MEETING OF TAY ROAD BRIDGE JOINT BOARD OF 5TH DECEMBER, 2016 (page no 1)**

(Copy enclosed).

- 2 OPERATIONAL RESTRICTIONS AND CLOSURES (page no 3)**

(Report No TRB2-2017 enclosed).

- 3 SCOTTISH LIVING WAGE ACCREDITATION (page no 9)**

(Report No TRB4-2017 enclosed).

- 4 PROPOSAL FOR NEW ADVANCED WARNING SIGNS (page no 11)**

(Report No TRB1-2017 enclosed).

- 5 REVENUE MONITORING – TEN MONTHS TO 31ST JANUARY, 2017 (page no 17)**

(Report No TRB5--2017 enclosed).

- 6 CAPITAL MONITORING – TEN MONTHS TO 31ST JANUARY, 2017 (page no 21)**

(Report No TRB6-2017 enclosed).

- 7 AOCB**

- 8 DATE OF NEXT MEETING**

Monday, 19th June, 2017 at 10.00 am in Committee Room 3, 14 City Square, Dundee.

**The Board may resolve under Section 50(A)(4) of the Local Government (Scotland) Act 1973 that the press and public be excluded from the meeting for the undernoted item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 7A of the Act.**

- 9 STAFFING STRUCTURE AT THE TAY ROAD BRIDGE**



**ITEM No ...1.....**

At a MEETING of the **TAY ROAD BRIDGE JOINT BOARD** held at Cupar on 5th December, 2016.

Present:-

Councillors Margaret TAYLOR, Jim YOUNG, Bill CONNOR, Jimmy BLACK, Bill CAMPBELL, Andy HEER and Ken LYNN.

Also Present (Officers):-

Alan Hutchison, Kenny McKaig, Fergus Wilson and John Moir.

Apologies were intimated from Councillors Fraser Macpherson, Brian Thomson, Tom Ferguson and Will Dawson

Councillor Margaret Taylor, in the Chair.

**I                    MINUTE OF MEETING OF THE TAY ROAD BRIDGE JOINT BOARD OF  
12TH SEPTEMBER 2016**

The minute of the above meeting was submitted and noted.

**II                    OPERATIONAL RESTRICTIONS AND CLOSURES**

There was submitted Report No TRB31-2016 by the Bridge Manager appraising the Joint Board of the number and nature of operational restrictions and closures applied between 1st August and 31st October 2016.

The Joint Board noted the report.

**III                    HEALTH AND SAFETY MONITORING 2016**

There was submitted Report No TRB32-2016 by the Bridge Manager appraising the Joint Board of performance relating to Health and Safety in 2016.

The Joint Board noted the outcome of the report and agreed to the review findings contained in the report.

**IV                    TENDER REPORT - CCTV**

There was submitted Report No TRB33-2016 by the Bridge Manager recommending the Joint Board to authorise the appointment of FES Support Services Ltd to supply and install a new CCTV system of the Tay Road Bridge and environs.

The Board agreed to instruct the Clerk to the Board to accept an offer of £129,969.68 from FES Support Services Ltd together with allowances of £30,030 for contingencies, professional fees and relocation of sign gantries making a total expenditure of £160,000.

**V                    ENGINEERING WORKS**

There was submitted Report No TRB34-2016 by the Engineer advising the Joint Board on the current situation regarding Engineering works on the bridge.

The Joint Board agreed to note the position on current progress.

**VI                    LIVING WAGE ACCREDITATION**

The Joint Board agreed to instruct the Bridge Manager to make the necessary arrangements to apply for living wage accreditation.

**VII REVENUE MONITORING - SEVEN MONTHS TO 31ST OCTOBER 2016**

There was submitted Report No TRB27-2016 by the Treasurer appraising the Joint Board of the current monitoring position of its 2016/2017 Revenue Budget.

The Joint Board noted the content of the Revenue Monitoring Report as at 31st October 2016.

**VIII CAPITAL MONITORING - SEVEN MONTHS TO 31ST OCTOBER 2016**

There was submitted Report No TRB28-2016 appraising the Joint Board of the current monitoring position of its 2016/2017 Capital Budget.

The Joint Board noted the content of the Capital Monitoring Report as at 31st October 2016.

**IX REVENUE BUDGET 2017/2018 TO 2019/2020**

There was submitted Report No TRB29-2016 by the Treasurer and Bridge Manager appraising the Board on the proposed Tay Road Bridge Revenue Budget for the financial years 2017/2018 to 2019/2020.

The Joint Board approved the Revenue Budget for 2017/2018 to 2019/2020.

**X CAPITAL PLAN 2017/2018 TO 2019/2020**

There was submitted Report No TRB30-2016 by the Treasurer requesting approval of the Board's Capital Plan for the period 2017/2018 to 2019/2020.

The Joint Board approved the Capital Plan as detailed in Appendix A of the report.

**XI AOCB**

There was no other competent business.

**XII DATE OF NEXT MEETING**

Monday, 6th March 2017 at 10 am in Committee Room 3, 14 City Square, Dundee.

Margaret TAYLOR, Chairman.

ITEM No ...2.....
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**REPORT TO:** TAY ROAD BRIDGE JOINT BOARD – 6 MARCH 2017

**REPORT ON:** REPORT ON OPERATIONAL RESTRICTIONS AND CLOSURES

**REPORT BY:** THE BRIDGE MANAGER

**REPORT NO:** TRB 2 - 2017

**1 PURPOSE OF REPORT**

1.1 To appraise the Joint Board of the number and nature of operational restrictions and closures applied between 1 November 2016 and 31 January 2017.

**2 RECOMMENDATIONS**

The Board are asked to note the contents of this Report as at 31 January 2017.

**3 FINANCIAL IMPLICATIONS**

There are no financial implications as a result of this report.

**4 POLICY IMPLICATIONS**

4.1 None.

**5. COMMENTARY ON RESTRICTIONS AND CLOSURES**

5.1 Restrictions are applied to the traffic on the bridge for a number of reasons including recovering debris, breakdowns, high winds and other operational requirements, such as carriageway inspections. Miscellaneous incidents include escorting pedestrians from the carriageway.

A summary of the restrictions applied between 1 November 2016 and 31 January 2017 is given over:-

5.1.1 **Single Carriageway Closure**

<b>Reason</b>	<b>Total Duration (Minutes)</b>	<b>No of Occasions</b>	<b>Average Duration (Minutes)</b>
Operational	240	74	3.24
Breakdown	160	15	10.67
Misc. Incidents	38	12	3.17
Road works TRBJB	0	0	0
Road works Contractor Contra-flow	0	0	0
Police Incidents	59	9	6.56

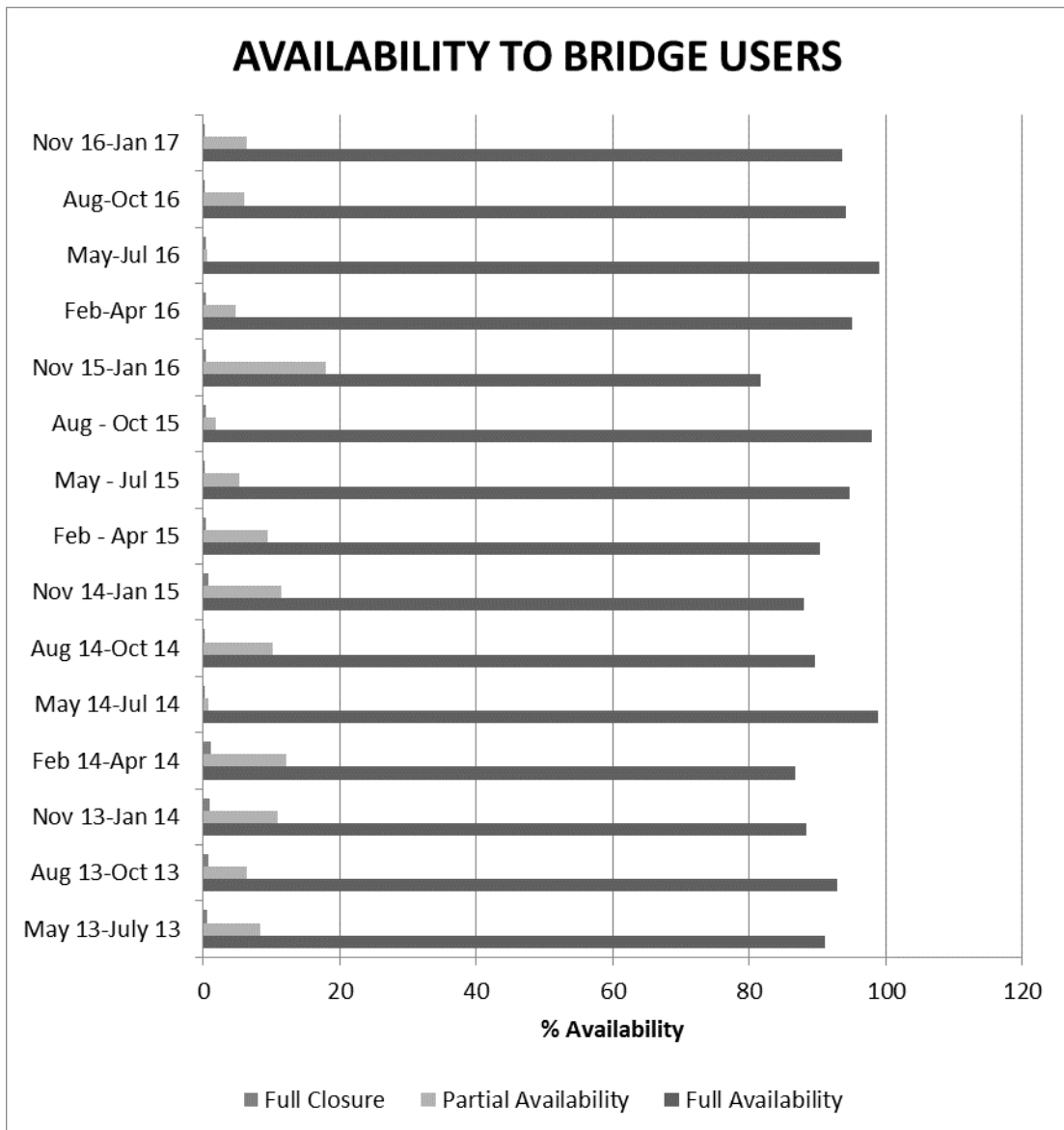
5.1.2 **Full Bridge Closure**

<b>Reason</b>	<b>Total Duration (Minutes)</b>	<b>No of Occasions</b>	<b>Average Duration (Minutes)</b>
Operational (Night Closures)	0	0	0
Police Incidents	10	1	10
Wind	0	0	0

5.1.3 High Winds/Weather Restrictions

Traffic Restricted	Total Duration (Minutes)	No of Occasions	Average Duration (Minutes)
Double Deck Buses	7031	14	502.2
High Sided	856	2	293
All traffic	0	0	0

5.1.4 Availability of Bridge



	Nov 15 - Jan 16	Feb - Apr 16	May – Jul 16	Aug – Oct 16	Nov 16 – Jan 17
Full Availability	81.66	95	99	94.06	93.66
Partial Availability	17.98	4.7	0.6	5.9	6.33
Full Closure	0.36	0.3	0.4	0.04	0.01

**Figure 1 – Comparison of Availability of Bridge to Users**

Wind related restrictions have contributed to a 0.4% decrease in full availability this quarter when compared to the period between August to October 2016. Full closure is very low at 0.01% of the period, an improvement of 0.3% on August to October 2016.

Please note that on 27 January 2017 the Tay Road Bridge South Weather Station was added to Transport Scotland’s “Weather Management Dashboard”. This weather station informs wind speeds and carriageway temperatures and will assist Transport Scotland in their assessment of weather trends across Scotland and help them with their plans for winter maintenance across their network. The Tay Road Bridge has also been provided access to this management dashboard, and this will assist control room Supervisors in understanding weather trends for anticipating winter maintenance on the bridge. There are no financial or technical implications associated with this sharing of information.

#### **5.1.5 Summary of Bridge availability 1 November 2016 to 31 January 2017**

Full availability (No restrictions)	93.66
Partial Availability (Some restrictions)	6.33
No Availability (Full Closure)	0.01

## **6 TRAFFIC COUNT DATA**

### **6.1 Traffic Count Data from Dundee Ramps 1 October 2016 to 31 December 2016**

#### **ADDT – (Annual Average Daily Total)**

	1 <sup>st</sup> Quarter (Jan-Mar)	2 <sup>nd</sup> Quarter (Apr-Jun)	3 <sup>rd</sup> Quarter (July – September)	4 <sup>th</sup> Quarter (October – December)
Northbound to West	5801	6317	6589	6276
Northbound to East	6576	6767	7045	6491
<b>Northbound Total</b>	<b>12377</b>	<b>13084</b>	<b>13634</b>	<b>12767</b>
Southbound from West	5625	5738	5990	5688
Southbound from East	7250	7503	7800	7210
<b>Southbound Total</b>	<b>12875</b>	<b>13241</b>	<b>13790</b>	<b>12898</b>
<b>Total</b>	<b>25252</b>	<b>26325</b>	<b>27424</b>	<b>25665</b>



The average total number of vehicles crossing the bridge daily in the fourth quarter of 2016 has decreased by approximately 1800 vehicles since the third quarter. This is in-line with traffic counts recorded in the first quarter of 2016.

## **7 CONSULTATIONS**

- 7.1 The Treasurer, Clerk and Engineer to the Board have been consulted in the preparation of this report and are in agreement with the content.

## **8 BACKGROUND PAPERS**

- 8.1 None

**ALAN HUTCHISON**  
**BRIDGE MANAGER**  
**21 February 2017**



<b>ITEM No ...3.....</b>
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**REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 6 MARCH 2017**

**REPORT ON: SCOTTISH LIVING WAGE ACCREDITATION**

**REPORT BY: BRIDGE MANAGER**

**REPORT NO: TRB 4 -2017**

### **1.0 PURPOSE OF REPORT**

1.1 This Report confirms that the Bridge Manager on behalf of the Tay Road Bridge Joint Board received Scottish Living Wage Accreditation in February 2017.

### **2.0 RECOMMENDATIONS**

2.1 It is recommended the Board:

(a) Notes that the Scottish Living Wage Accreditation for the Tay Road Bridge Joint Board was received in February 2017.

### **3.0 FINANCIAL IMPLICATIONS**

3.1 Payment of the Living Wage to all Tay Road Bridge staff and to Contracts staff who are employed on the Tay Road Bridge Joint Board premises is contained within existing revenue budgets.

3.2 There is an overall accreditation fee of £100 which will be contained within the existing revenue budget.

### **4.0 BACKGROUND**

4.1 The Scottish Living Wage Accreditation Initiative was established in April 2014 by the Poverty Alliance. The initiative works in partnership with the Living Wage Foundation and is partly funded by the Scottish Government. The aim of the initiative is to increase the number of employers in Scotland who are recognised for paying their staff the Living Wage.

The Tay Road Bridge Joint Board noted the outcomes of the Dundee Fairness Commission report and Fairer Fife Commissions “Fairness Matters” report setting out recommendations for tackling poverty and deprivation across the region. In light of this the Tay Road Bridge Joint Board instructed the Bridge Manager on 5 December 2016 to apply for Scottish Living Wage Accreditation. Gaining the Living Wage Accreditation demonstrates that the Tay Road Bridge Joint Board are committed to tackling poverty and it is hoped that this action will encourage other employers across the region to follow suit.

The key elements of the accreditation model are requirements for direct staff to be paid the Living Wage; the requirement to extend Living Wage requirements to Contractors and subcontractors who ‘regularly’ deliver services on your premises, property or land and the requirement to put plans in place the extend the Living Wage into your procurement processes.

The Tay Road Bridge joint Board, pay all direct staff in excess of the Living Wage. An assessment has been undertaken to identify all in scope subcontract arrangements and has confirmed that these contractors are paid above the Living Wage. The Service Level agreement in place with Dundee City Council to provide procurement services to the Tay Road Bridge Joint Board will ensure that Fair Work Practices requirements are entered into all relevant contracts in the future.

## **5.0 CONSULTATION**

- 5.1 The Clerk, Treasurer and Engineer to the Board have been consulted on, and are in agreement with, the terms of this Report.

## **6.0 POLICY IMPLICATIONS**

- 6.1 This Report has been screened for any implications in respect of sustainability, strategic environmental assessment, anti-poverty, equality impact assessment and risk management.

## **7.0 BACKGROUND PAPERS**

- 7.1 None

ALAN HUTCHISON  
BRIDGE MANAGER  
21 February 2017

**ITEM No ...4.....**

**REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 6 MARCH 2017**

**REPORT ON: PROPOSAL FOR NEW ADVANCED WARNING SIGNS**

**REPORT BY: BRIDGE MANAGER**

**REPORT NO: TRB 1 - 2017**

**1 PURPOSE OF REPORT**

1.1 To approve and authorise the appointment of VMS Ltd to supply, install and commission ten new generation MS4 Variable Message Signs (VMS) on the Tay Road Bridge and its approaches.

**2 RECOMMENDATIONS**

2.1 It is recommended that the:

- The Clerk to the Board be instructed to accept the offer of £152,753 from VMS Ltd.
- The overall expenditure of £175,000 be authorised which includes an allowance of £22,247 for traffic management costs associated with installation works, contingency and professional fees.

**3 FINANCIAL IMPLICATIONS**

3.1 The Treasurer advises that the above expenditure can be met from allowances within the Capital Budget 2017/18.

**4 SUSTAINABILITY POLICY IMPLICATIONS**

4.1 There are no Sustainability Policy implications of relevance to this report.

**5 EQUAL OPPORTUNITIES IMPLICATIONS**

5.1 There are no equal opportunities implications of relevance to this report.

**6 IMPLICATIONS TO BRIDGE USERS**

6.1 There are no major implications for bridge users arising from this report. Off-peak lane closures on the bridge and its approaches will be required during sign installation works. Access on the central walkway will be maintained at all times during works with the use of appropriate signage and control measures.

## 7 BACKGROUND

- 7.1 Electronic Variable Message Signs (VMS) are used for sharing important advanced safety information regarding road conditions and restrictions on the bridge. For example, these signs can be set to warn drivers of wind and other weather related restrictions or full carriageway closures, lane restrictions, obstructions in the road, etc.
- 7.2 There are currently eleven signs owned and operated by the Tay Road Bridge. These signs are of varying age and capabilities and are located as follows:
- 4 signs are located above the central walkway on sign gantries (two southbound, and two northbound) – installed 1999
  - 2 signs are located northbound at the bridge head roundabout – installed 2007
  - 1 sign is located on the A92 dual carriageway northern approach to the Fife head roundabout – installed 1999
  - 1 sign is located northbound on the A91 at St. Michaels in Fife – installed 2007
  - 1 sign is located northbound on the A92 at St. Fort in Fife – installed 2007
  - 1 sign is located at Custom House on the southern eastern approach – installed 2016
  - 1 sign is located at Slessor Gardens on the southern western approach – installed 2016
  - Refer plan Appendix 1 for location overview and for new proposed sign locations.
- 7.3 The four signs on the bridge are 18 years old and are first generation MS3 signs that can only display discreet single letter and single colour characters, comprising 3 lines of 9 character text in upper case only. These signs are now obsolete and do not have the flexibility and capability of the newer MS4 signs located at Bridgehead, Custom House and Slessor Gardens.
- 7.4 It is proposed that the four existing signs above the central walkway are replaced by the latest generation MS4 signs. The MS4 signs are known as “Full Matrix Signs”, with dual colour text, incorporating the ability to display pictograms, including speed roundels, warning triangles, wicket symbols, etc, all with supporting text, both upper and lower case. These signs will improve the effectiveness of warning signs and provide information that is clearly understood by all drivers at an improved distance in all weathers.
- 7.5 Proposals also include the addition of two new MS4 signs to be located at either side of the current automatic “drop barrier” located on the Dundee Plaza. Signs located here will allow the Tay Road Bridge to clearly display roundel speed limits for drivers accessing the bridge southbound. This will avoid any driver doubt concerning the recommended speed restrictions on the bridge at any time, and will reinforce messages posted on the other advanced VMS at Custom House and Slessor Gardens. These signs can also be used to further display wind restrictions or lane closures, warnings for debris, ice, water spray, etc. Should the bridge automatic barrier be in use, then these signs can also provide driver information

- detailing the reasons for any closure which will reduce driver frustration. Refer appendix 2 for a visual representation of how the sign would look on the Dundee Plaza.
- 7.6 A further four MS4 signs are also proposed at the Bridgehead roundabout in Fife to replace the existing Wig-Wag warning signals (comprising one amber and two alternate flashing red lights), two of which are currently sited at the bottom of the A92 dual carriageway and two at the top of the B946 local road from Newport and Tayport. The Bridge's Operational Supervisors have noted concerns that drivers will often ignore the current Wig-Wags, and this has led to drivers accessing the bridge against safety advice. It is considered that whilst drivers appreciate the use of Wig-Wags at level crossings, many are confused by the siting of them on the approach to the roundabout. It is considered that new signs can be used to display both the flashing lights to replicate the Wig-Wags but can be complimented by additional "Bridge Closed Stop Here" text to reinforce the Wig-Wag instructions. Once traffic is stopped, these signs can be used to provide advanced driver information as to the nature of the closure, and indeed could be used as a means to recommend that drivers "divert" to avoid congesting the bridgehead roundabout and approaches. These signs will also provide a further opportunity to provide advanced messages to HGV drivers advising them to divert during times of high wind restrictions.
- 7.7 All the existing signs on the Bridge and in Fife are operated and maintained by VMS Ltd on their support platform, TRAMS, which has been designed and tailored over the years to meet the unique requirements of the Tay Road Bridge. This is a bespoke system that also allows preset "VMS Plan Configurations" that allow the Control Room Supervisor to quickly set all signs when an emergency closure, restrictions, etc, are required. To move away from this platform would present us with technical compatibility difficulties with our base control station, and would add additional costs as software modifications would need to be made to accommodate a similar sign supplied by another company.
- 7.8 Hill and Smith Ltd, trading as VMS Ltd, are named on a public national framework agreement for Crown Commercial Services and it would be the intention to direct award this proposed work to VMS Ltd through this agreement resulting in an offer of £152,753. This is a recognised and compliant route to market and given the circumstances noted above and in paragraph 7.7, represents a best value approach. The appointment of VMS Ltd also gives the Tay Road Bridge the added security of awarding to our current maintenance supplier.
- 7.9 Framework Agreement Adopted:
- Crown Commercial Services Framework Agreement (Highway's England) for – Traffic Management - Traffic Management Technology 2 – Lot 4 Variable Message Signs
- 7.9 It should be noted that works would be proposed to commence in Summer 2017 and would take approximately four weeks to complete.

**8 CONSULTATIONS**

- 8.1 The Clerk, Treasurer and Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents. Transport Scotland, Fife Council and the Police have also been consulted and support the proposals.

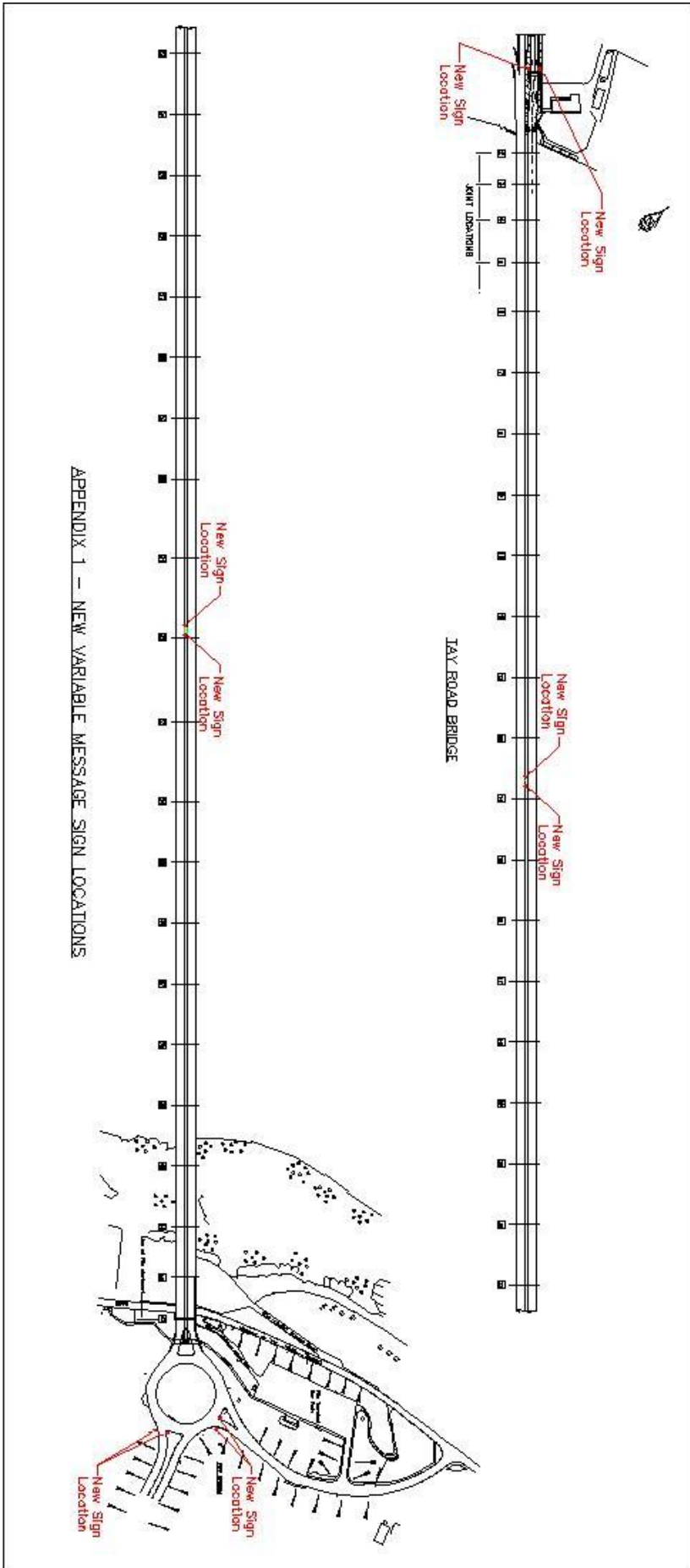
**9 BACKGROUND PAPERS**

- 9.1 None.

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Alan Hutchison  
Bridge Manager  
21 February 2017





APPENDIX 1 – NEW VARIABLE MESSAGE SIGN LOCATIONS

Appendix 2 – Example of one of the proposed MS4 signs on the Dundee Plaza



**ITEM No ...5.....**

**REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 6 MARCH 2017**  
**REPORT ON: REVENUE MONITORING - 10 MONTHS TO 31 JANUARY 2017**  
**REPORT BY: THE TREASURER**  
**REPORT NO: TRB 5-2017**

**1 PURPOSE OF REPORT**

The purpose of this report is to appraise the Joint Board of the current monitoring position of its 2016/2017 Revenue Budget.

**2 RECOMMENDATIONS**

It is recommended that the Joint Board note the content of this Revenue Monitoring Report as at 31 January 2017.

**3 FINANCIAL IMPLICATIONS**

3.1 The 2016/2017 Revenue Budget predicted a surplus of £50,000 (see Report 27-2015). The current outturn position for the financial year 2016/2017 is projecting a £139,000 overspend against the 2016/2017 Revenue Budget based on the financial information available at 31 January 2017. This results in a projected Net Deficit as at 31 March 2017 of £89,000.

3.2 Following the removal of tolls the Board's Revenue Expenditure is now financed by an annual Revenue Grant from Scottish Government.

Due to the fact that the Board's Revenue Expenditure is fully funded by grant any underspend achieved will result in unspent grant being carried forward, with the agreement of the Scottish Government, to fund future years' Revenue Expenditure. Underspends achieved in previous years have resulted in a Revenue Grant Balance carried forward into 2016/2017 of £1,040,073. This balance will be used to fund any overspend in the current financial year before any contributions are made from the General Fund Reserve Balance.

3.3 The projected overspend, if it materialised, would result in a projected Revenue Grant Balance carried forward of £951,073 at 31 March 2017. This level of Revenue Grant Balance carried forward is subject to negotiation with the Scottish Government. This would also result in an unchanged General Fund Reserve of £1,160,591 at 31 March 2017. This level of retained reserves is subject to negotiation with the Scottish Government.

3.4 An overspend of £13,000 is projected in relation to Administration Staff Costs. This is due to projected expenditure in relation to the Voluntary Early Retirement / Voluntary Redundancy (VER / VR) scheme (see Report TRB 6-2016). This will deliver salary savings from 2017/18 onwards.

3.5 An overspend of £30,000 is projected in relation to Administration Supplies and Services Costs. This is due to projected net expenditure of £20,000 in relation to the street art on columns at the Dundee landfall and projected net expenditure of £20,000 on the 50<sup>th</sup> Anniversary Event, offset by a £10,000 underspend due to a reduction in Insurance Premiums.

3.6 An overspend of £96,000 is projected in relation to Operations Staff Costs. This is due to projected increased salary costs of £39,000 in relation to staff evaluations (see TRB Report 5-2016). Additional expenditure of £100,000 is anticipated in relation to the Voluntary Early Retirement / Voluntary Redundancy (VER / VR) scheme (see Report TRB 6-2016), however this will enable salary savings to be achieved from 2017/18 onwards. These overspends will be offset by £43,000 in associated salary savings after these posts are vacated.

**4 RISK ASSESSMENT**

In preparing the Board's Annual Revenue Budget (see Report TRB 27-2015), the Treasurer considered the key strategic, operational and financial risks faced by the Board over this period. In order to alleviate the impact these risks may have should they occur, a number of general risk mitigating factors are utilised by the Board. These include:

- a system of perpetual detailed monthly budget monitoring with latest positions reported to quarterly Board meetings;
- the level of General Fund Reserve balances available to meet any unforeseen expenditure;
- the level of other cash backed reserves available to meet any unforeseen expenditure;
- the possibility of identifying further budget savings and efficiencies during the year if required; and
- the possibility of identifying new income streams during the year.

**5 POLICY IMPLICATIONS**

None

**6 CONSULTATIONS**

The Clerk, Bridge Manager and the Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

**7 BACKGROUND PAPERS**

None

**MARJORY STEWART**  
**TREASURER**

**21 FEBRUARY 2017**

**TAY ROAD BRIDGE JOINT BOARD****REVENUE MONITORING AS AT 31 JANUARY 2017**

	Revenue Budget 2016/17 £	Expenditure to 31 Jan 2017 £	Final Projection 2016/17 £	Variance from Budget £	Paragraph Reference
<b>EXPENDITURE</b>					
<u>Administration</u>					
Staff Costs	189,288	154,699	202,288	13,000	(3.4)
Property Costs	27,700	19,959	27,700	-	
Supplies and Services	164,044	154,347	194,044	30,000	(3.5)
Transport Costs	975	439	975	-	
Third Party Payments	87,194	42,066	87,194	-	
	469,201	371,510	512,201	43,000	
<u>Operations</u>					
Staff	531,779	486,020	627,779	96,000	(3.6)
Supplies & Services	7,500	3,682	7,500	-	
	539,279	489,702	635,279	96,000	
<u>Plant and Equipment</u>					
Property	35,000	14,294	35,000	-	
Supplies & Services	187,750	158,930	187,750	-	
Transport	34,500	22,805	34,500	-	
Third Party Payments	21,250	1,695	21,250	-	
	278,500	197,724	278,500	-	
<u>Bridge Maintenance</u>					
Staff	256,173	208,185	256,173	-	
Property	26,800	22,129	26,800	-	
Supplies & Services	59,400	21,360	59,400	-	
Transport	550	32	550	-	
Third Party Payments	42,750	1,050	42,750	-	
	385,673	252,756	385,673	-	
<b>GROSS EXPENDITURE</b>	1,672,653	1,311,692	1,811,653	139,000	
<b>INCOME</b>					
Scottish Government Revenue Grant	1,700,000	1,416,667	1,700,000	-	
Interest on Revenue Balances	12,300	-	12,300	-	
Kiosk Rent	10,213	7,660	10,213	-	
Miscellaneous	140	1,491	140	-	
<b>GROSS INCOME</b>	1,722,653	1,425,818	1,722,653	-	
<b>TOTAL NET DEFICIT/(SURPLUS)</b>	(50,000)	(114,124)	89,000		



<b>ITEM No ...6.....</b>
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**REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 6 MARCH 2017**

**REPORT ON: CAPITAL MONITORING - 10 MONTHS TO 31 JANUARY 2017**

**REPORT BY: THE TREASURER**

**REPORT NO: TRB 6-2017**

## 1 PURPOSE OF REPORT

The purpose of this report is to appraise the Joint Board of the current monitoring position of it's 2016/2017 Capital Budget.

## 2 RECOMMENDATIONS

It is recommended that the Joint Board note the content of this Capital Monitoring Report as at 31 January 2017.

## 3 FINANCIAL IMPLICATIONS

The Joint Board's 2016/2017 Capital Expenditure Programme of £687,000 was approved by the Board on 17 December 2015 (Report TRB 28-2015). From 1 April 2008 the Board's Capital Expenditure projects are being financed through Scottish Government Capital Grant.

The capital outturn for the financial year 2016/2017 (as detailed in Table 1 on Appendix A) is projected to be £167,000 (i.e. a net decrease of £520,000 from the originally approved budget) based on the financial ledger information up to 31 January 2017 and this will be funded from 2016/2017 Capital Grant of £167,000. This results in a projected Capital Grant carried forward into 2017/2018 of £1,210,000 (as detailed in Table 2 on Appendix A).

## 4 REASONS FOR CAPITAL EXPENDITURE NET DECREASE

The main reasons for the net decrease of £520,000 can be summarised as follows:

	<b>£000</b>
<b><u>Slippage from 2015/2016:</u></b>	
Paintwork to Box Girders	25
CCTV	100
<b><u>Budget Adjustments:</u></b>	
Miscellaneous Projects	(10)
Paintwork to Box Girders	(160)
CCTV	(165)
CP Monitoring	(125)
<b><u>Slippage into 2017/2018:</u></b>	
CCTV	(160)
CP Monitoring Equipment	(25)
<b>Total Budget Adjustments</b>	<b><u>(520)</u></b>

## 5 RISK ASSESSMENT

- 5.1 There are a number of risks which may have an impact on the Capital expenditure programme for 2016/2017. The main areas of risk are set out below, together with the mechanisms in place to help mitigate these risks.
- 5.2 Construction cost inflation levels are volatile, and they can on occasion be relatively high in comparison to general inflation. Therefore delays in scheduling and letting contracts may lead to increases in projected costs. Every effort will be made to ensure delays are avoided wherever possible and any increase in costs minimised.
- 5.3 Slippage in the Capital programme leads to the need to reschedule projects in the current year and possibly future years, therefore creating problems in delivering the programme on time. For this reason the programme is carefully monitored and any potential slippage is identified as soon as possible and any corrective action taken wherever possible.
- 5.4 Capital projects can be subject to unforeseen price increases. The nature of construction projects is such that additional unexpected costs can occur. Contingencies are built into the budget for each capital project and these are closely monitored throughout the project.
- 5.5 There is risk associated with projects that are not yet legally committed as the works are not yet tendered for, and there is potential for costs to be greater than the allowance contained within the Capital Plan. As the majority of spend on these projects is in future years, the risk in the current year is not significant. Future years' Capital programme will be adjusted to reflect updated cost estimates.
- 5.6 The Capital Monitoring report and the Engineer's report provide information on individual projects contained within the Capital Budget and the impact of expenditure movements on the future financial years.
- 5.7 The level of Capital Grant received from the Scottish Government may be impacted by budgetary constraints in future financial statements.

## 6 POLICY IMPLICATIONS

None

## 7 CONCLUSION

The Board's 2016/2017 capital programme is showing a projected capital spend of £167,000 which will be funded from Scottish Government grant.

The 2016/2017 capital expenditure programme will continue to be monitored on a regular basis throughout the remainder of the current financial year.

## 8 CONSULTATIONS

The Clerk, Bridge Manager and the Engineer to the Board have been consulted in the preparation of this report and are in agreement with the contents.

## 9 BACKGROUND PAPERS

None



**TAY ROAD BRIDGE JOINT BOARD****TABLE 1: CAPITAL EXPENDITURE MONITORING - 10 MONTHS TO 31 JANUARY 2017**

<b>Expenditure</b>	<b>Capital Budget 2016/17 £000</b>	<b>Slippage from 2015/16 £000</b>	<b>Budget Adjust £000</b>	<b>Slippage into 2017/18 £000</b>	<b>Revised Capital Budget 2016/17 £000</b>	<b>Actual to 31 Jan 2017 £000</b>	<b>Projected Outturn 2016/17 £000</b>	<b>Variance from Budget £000</b>
New Vehicles	30	-	-	-	30	-	30	
Carriageway Resurfacing	25	-	-	-	25	-	25	-
Gantry - Miscellaneous	25	-	-	-	25	-	25	-
Miscellaneous Projects	50	-	(10)	-	40	34	40	-
Paintwork to Box Girders	150	25	(160)	-	15	14	15	-
Replacement of Expansion Joints	25	-	-	-	25	-	25	-
Central Walkway Surfacing Replacement	7	-	-	-	7	7	7	-
CCTV	225	100	(165)	(160)	-	-	-	-
CP Monitoring Equipment	150	-	(125)	(25)	-	-	-	-
<b>Total Gross Expenditure</b>	<b>687</b>	<b>125</b>	<b>(460)</b>	<b>(185)</b>	<b>167</b>	<b>55</b>	<b>167</b>	<b>-</b>
<b>Funded by:</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Grant 2015/2016	500	125	(273)	(185)	167	417	167	-
Unapplied Capital Grant brought forward from Previous Years	187	-	(187)	-	-	-	-	-
Contribution from General Fund Reserve	-	-	-	-	-	-	-	-
Capital Receipt	-	-	-	-	-	-	-	-
<b>Total Funding</b>	<b>687</b>	<b>125</b>	<b>(460)</b>	<b>(185)</b>	<b>167</b>	<b>417</b>	<b>167</b>	<b>-</b>

**TABLE 2: Unapplied Capital Grant Projected Carry Forward:**

	<b>£000</b>
Unapplied Capital Grant Brought Forward	877
<u>Add:</u> Capital Grant Received 2016/2017	500
<u>Less:</u> Capital Grant Utilised 2016/2017	(167)
<b>Unapplied Capital Grant Carried Forward to 2017/2018</b>	<b>1,210</b>

