
TAY ROAD BRIDGE JOINT BOARD

Clerk: Roger Mennie
Head of Democratic and Legal Services
Dundee City Council
5 City Square
Dundee

TO: ALL MEMBERS OF THE TAY
ROAD BRIDGE JOINT BOARD

Date 28th November 2022

Dear Member

TAY ROAD BRIDGE JOINT BOARD

You are requested to attend a meeting of the **TAY ROAD BRIDGE JOINT BOARD** to be held remotely on Monday 5th December, 2022 at 10.00am.

The agenda and papers are enclosed.

Members of the Press or Public wishing to join the meeting should contact Committee Services on telephone (01382) 434818 or by email at committee.services@dundeecity.gov.uk by no later than 12 noon on Friday 2nd December, 2022.

Please submit any apologies for absence to Arlene Hay, Committee Services Officer on telephone (01382) 434818 or email arlene.hay@dundeecity.gov.uk.

Yours faithfully

ROGER MENNIE

Clerk to the Joint Board

AGENDA OF BUSINESS

1 DECLARATION OF INTEREST

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which would reasonably be regarded as so significant that they are likely to prejudice your discussion or decision-making.

2 MINUTE OF PREVIOUS MEETING - Page 1

The minute of meeting of the Tay Road Bridge Joint Board held on 27th September, 2022 is submitted for approval (copy attached).

3 OPERATIONAL RESTRICTIONS AND CLOSURES - Page 5

(Report No TRB31-2022 by the Bridge Manager, enclosed).

4 HEALTH AND SAFETY MONITORING 2022 - Page 13

(Report No TRB32-2022 by the Bridge Manager, enclosed).

5 REVENUE MONITORING – 7 MONTHS TO 31ST OCTOBER 2022 - Page 17

(Report No TRB27-2022 by the Treasurer, enclosed).

6 CAPITAL MONITORING – 7 MONTHS TO 31ST OCTOBER 2022 - Page 23

(Report No TRB28-2022 by the Treasurer, enclosed).

7 REVENUE BUDGET 2023/2024 TO 2025/2026 - Page 31

(Report No TRB29-2022 by the Treasurer and Bridge Manager, enclosed).

8 CAPITAL PLAN 2023/2024 TO 2025/2026 - Page 37

(Report No TRB30-2022 by the Bridge Treasurer, enclosed).

9 PROGRAMME OF MEETINGS 2023

It is proposed that the programme of meetings for the Joint Board over 2023 be as follows:-

Monday, 6th March, 2023 - 10.00am
Monday, 12th June, 2023 - 10.00am
Monday, 11th September, 2023 - 10.00am
Monday, 4th December, 2023 - 10.00am

10 DATE OF NEXT MEETING

The next meeting of the Joint Board will be held on Monday 6th March, 2023 at 10.00 am via MS Teams (unless otherwise advised).

ITEM No ...2.....

At a MEETING of the **TAY ROAD BRIDGE JOINT BOARD** held remotely on 27th September, 2022.

Present:-

Dundee City Council

Councillor Ken LYNN
Councillor Dorothy MCHUGH
Baillie Fraser MACPHERSON
Councillor Steven ROME
Councillor Lynne SHORT

Fife Council

Councillor Altany CRAIK
Councillor Gary HOLT
Councillor Louise KENNEDY-DALBY

Angus Council

Councillor Kenny BRAES

Also Present (Officers):-

Andrew HERD (Transport Scotland)
Alan HUTCHISON (Bridge Manager)
Kenny McKAIG (for Clerk)
Steve McNAUGHT (Henderson Loggie)
John MOIR (for Treasurer)
Richard SMITH (Audit Scotland)

Councillor Gary HOLT, Chairperson, in the Chair.

Apologies for absence were submitted on behalf of Councillor Knox, Councillor Scullin and Councillor Tepp.

I DECLARATION OF INTEREST

There were no declarations of interest.

II MINUTE OF PREVIOUS MEETING

The minute of meeting of the Tay Road Bridge Joint Board held on 13th June, 2022 was submitted and approved.

III PARK AND RIDE UPDATE

There was submitted Report No TRB26-2022 seeking to re-affirm the previous Joint Board's stance of support for the development of a Park and Ride facility at the south landfall of the bridge and permit the Bridge Manager to represent the Board on the Tay Bridgehead Park and Ride Working Group.

The Joint Board supported the development of the Park and Ride proposal in principle by agreeing to write a letter of support of Fife Council's funding bids and permitted the Bridge Manager to protect the Joint Board's interests by positively engaging with the Taybridgehead Park and Ride Working Group. The Joint Board further agreed that the project would be referred to as Park and Choose moving forward and the Bridge Manager would feedback to Fife Council about this.

IV OPERATIONAL RESTRICTIONS AND CLOSURES

There was submitted Report No TRB22-2022 by the Bridge Manager appraising the Joint Board of the number and nature of operational restrictions and closures applied between 1st May to 31st July, 2022.

The Joint Board noted the content of the report as at 31st July, 2022

V PROPOSED CHANGES TO OPERATIONAL TEAM STRUCTURE AT THE TAY ROAD BRIDGE

There was submitted Report No TRB25-2022 by the Bridge Manager seeking Joint Board approval of the Bridge Manager's proposal to appoint one additional Tay Road Bridge Operative to improve peer-to-peer support at work and minimise changes to relief team rota work patterns.

The Joint Board approved the Bridge Manager's proposals as outline in section 4 of the report.

VI ANNUAL REVIEW OF STRATEGIC RISK MANAGEMENT

There was submitted Report No TRB24-2022 by the Bridge Manager appraising the Joint Board of the annual review of Strategic Risk Management issues.

The Joint Board noted the content of the report as at 12th September, 2022 and the Strategic Risk Register which was attached as Appendix 1 to the report.

VII TENDER REPORT – NEW MAINTENANCE STORAGE CONTAINER AND NEW DE-ICING LIQUID STORAGE TANK

There was submitted Report No TRB23-2022 by the Bridge Manager seeking approval to appoint Dundee Plant Company Ltd to supply and install the following in the Tay Road Bridge Joint Board rear compound:

- new 20,000 litre electric powered de-icing liquid storage tank on a new concrete foundation; and
- new 12m (40 foot) steel storage shipping container, with internal lighting, on a new concrete base foundation.

The Joint Board:

- (i) agreed that the Clerk to the Joint Board be instructed to accept the offer of £77,093.50 from Dundee Plant Company Ltd to supply and install the items noted in paragraph 1.1 of the report; and
- (ii) agreed that the overall expenditure of £92,000 be authorised which included an allowance of 10% for contingencies and for professional fees associated with design and supply of associated structural and electrical infrastructure.

The Joint Board further agreed that the Bridge Manager would look into the possibility of the old tank being donated to a community group, at the request of Councillor Short.

VIII AUDITED ACCOUNTS

(a) EXTERNAL AUDITOR'S ANNUAL AUDIT REPORT

- (i) Audit Scotland's Covering Letter

There was submitted and noted the covering letter from Audit Scotland.

(ii) Proposed 2021/2022 Annual Audit Report

There was submitted and noted the Annual Audit Report on the Tay Road Bridge Joint Board for the year ended 31st March, 2022.

(b) RESPONSE TO THE EXTERNAL AUDITOR'S ANNUAL REPORT ON THE 2021/2022 AUDIT OF TAY ROAD BRIDGE JOINT BOARD

There was submitted Report No TRB17-2022 by the Treasurer responding to the report prepared by the Joint Board's External Auditor on the audit of Tay Road Bridge Joint Board for the year ended 31st March, 2022.

The Joint Board:-

- (i) noted the content of the draft External Auditor's Report including the completed action plan at Appendix 1 and in particular that Audit Scotland had indicated that they would issue an unqualified audit opinion on the 2021/2022 Annual Accounts;
- (ii) endorsed the report as the Joint Board's formal response to the External Auditor's Report;
- (iii) instructed the Treasurer to arrange for the Audited Annual Accounts to be signed and then returned to the External Auditor; and
- (iv) instructed the Treasurer thereafter to arrange for the Annual Accounts, including copies of all audit certificates to be published on the Joint Board's website by no later than 31st October, 2022.

(c) AUDITED ACCOUNTS FOR YEAR ENDED 31ST MARCH, 2022

There was submitted and noted the Annual Accounts for the year ended 31st March, 2022.

The Chair expressed thanks, on behalf of the Joint Board, to Richard Smith, Audit Scotland and his team.

IX REVENUE MONITORING – 4 MONTHS TO 31ST JULY, 2022

There was submitted Report No TRB18-2022 by the Treasurer appraising Joint Board members of the latest position regarding the Joint Board's 2022/2023 Revenue Budget.

The Joint Board noted the content of the Revenue Monitoring Report as at 31st July, 2022.

X CAPITAL MONITORING – 4 MONTHS TO 31ST JULY, 2022

There was submitted Report No TRB19-2022 by the Treasurer appraising Joint Board members of the latest position regarding the Joint Board's 2022/2023 Capital Plan.

The Joint Board noted the content of the Capital Monitoring Report as at 31st July, 2022.

XI INTERNAL AUDIT – AUDIT NEEDS ASSESSMENT AND STRATEGIC PLAN 2022 TO 2025

There was submitted Report No TRB20-2022 by the Treasurer presenting to the Joint Board the Internal Audit Needs Assessment and Strategic Plan 2022 to 2025, which was attached as an appendix to the report.

The Joint Board approved the three-year Strategic Audit Plan which had been based on the detailed Internal Audit Needs Assessment.

XII INTERNAL AUDIT – ANNUAL AUDIT PLAN 2022/2023

There was submitted Report No TRB21-2022 by the Treasurer presenting to the Joint Board the Internal Audit Annual Audit Plan, which was attached as an appendix to the report.

The Joint Board noted the content of the Internal Audit Annual Audit Plan for 2022/2023 which was based on the detailed Internal Audit Needs Assessment and Strategic Plan 2022 to 2025.

XIII DATE OF NEXT MEETING

Monday, 5th December, 2022 at 10.00 am to be held remotely unless otherwise advised.

Councillor Gary HOLT, Chairperson.

ITEM No ...3.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 5 DECEMBER 2022

REPORT ON: OPERATIONAL RESTRICTIONS AND CLOSURES

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 31-2022

1.0 PURPOSE OF REPORT

1.1 To appraise the Joint Board of the number and nature of operational restrictions and closures applied between 1 August to 31 October 2022.

2.0 RECOMMENDATIONS

2.1 The Joint Board are asked to note the contents of this Report as at 31 October 2022.

3.0 FINANCIAL IMPLICATIONS

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

4.0 COMMENTARY ON RESTRICTIONS AND CLOSURES

4.1 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 August to 31 October 2022 is given below:-

4.1.1 Single Carriageway Closure

Reason	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Closed (Minutes)	Minimum Time Closed (Minutes)
Operational	344	111	3.1	4	1
Breakdown	40	6	6.67	10	5
Miscellaneous Incidents	10	5	2	5	1
Single Lane Closures for Maintenance	144	4	36	65	9
Police Incidents	250	25	10	20	2

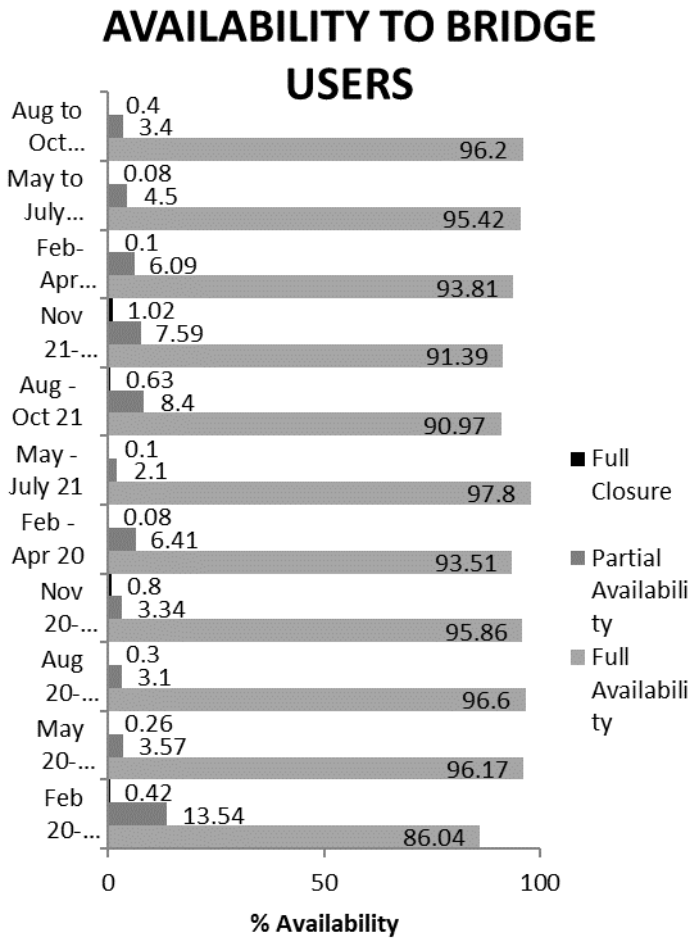
4.1.2 **Full Bridge Closure**

Reason	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Closed (Minutes)	Minimum Time Closed (Minutes)
Operational (Night Closures)	212	1	212	212	212
Police Incidents	250	8	31.25	80	5
Wind	0	0	0	0	0

4.1.3 **High Winds Restrictions**

Traffic Restricted	Total Duration (Minutes)	Number of Occasions	Average Duration (Minutes)	Maximum Time Restricted (Minutes)	Minimum Time Restricted (Minutes)
Double Deck Buses	3790	9	421.1	1475	130
High Sided Vehicles	0	0	0	0	0
All Traffic	0	0	0	0	0

4.1.4 **Availability of Bridge**



	Aug-Oct 21	Nov 21-Jan 22	Feb-Apr 22	May-Jul 22	Aug-Oct 22
Full Availability	*90.97	91.39	93.81	95.42	96.2
Partial Availability	8.4	7.59	6.09	4.5	3.4
Full Closure	0.63	1.02	0.1	0.08	0.4

*A contraflow was installed on the bridge for five days in September to permit structural investigation works in advance of the main resurfacing contract to commence in 2023.

4.1.5 **Summary of Bridge availability 1 August to 31 October 2022**

Full availability (No restrictions)	96.2%
Partial Availability (Some restrictions)	3.4%
No Availability (Full Closure)	0.4%

4.1.6 Passenger Lift Availability 4 December 2018 to 31 October 2022

The current lift was put into service on 4 December 2018.

The Lift has been unavailable for public use for the following durations and reasons between 4 December 2018 and 31 October 2022:

YEAR	Downtime for Routine Servicing (hrs)	Downtime for Lift Faults (hrs)	Downtime for Power Cut (hrs)	Downtime for Vandalism (hrs)	Downtime for Foyer Door Faults (hrs)	Total (hrs)
2018 (from 4 Dec 2018)	0	10	0	0	0	10
2019	¹ 5	9	0.5	0	0	14.5
2020	² 12	3.5	1	0	0	16.5
2021	² 11	9	11	18	41.5	84.5
2022 (to 31 Oct 2022)	² 9	6	0	0	0	15
Total	37	37.5	12.5	18	41.5	
TOTAL TIME LIFT NOT AVAILABLE FROM 4 DECEMBER 2018 to 31 OCTOBER 2022 = 140.5 HOURS						

¹Warranty Servicing

²Monthly Servicing

5.0 TRAFFIC COUNT DATA

5.1 Traffic Count Data from Dundee Ramps

	2 nd Quarter 2021	3 rd Quarter 2021	4 th Quarter 2021	1 st Quarter 2022	2 nd Quarter 2022	3 rd Quarter 2022
	(May - Jul)	(Aug - Oct)	(Nov - Jan)	(Feb - Apr)	(May - Jul)	(Aug - Oct)
Northbound to West	4013	6012	5314	5733	6171	6079
Northbound to East	7084	7135	6862	6668	7187	6933
Northbound Total	11097	13147	12176	12401	13358	13072
Southbound from West	5245	5473	5282	5138	5393	5382
Southbound From East	7940	7885	7565	7428	8199	7934
Southbound Total	13185	13358	12847	12566	13592	13316
AADT Traffic per Quarter	24882	26505	25023	24967	26950	26388

AADT – (Annual Average Daily Total)

*New counting loops were installed on 8 October 2020. Please note that some data was corrupted on the northbound exit slip road from this date. Traffic counts have been averaged using reliable data over the quarter to allow the traffic count to be reported.

5.2 Active Travel Counts - *AADT

<i>Year</i>	<i>Month</i>	<i>No. Pedestrians</i>	<i>No. Cyclists</i>	
2020	November	Not Counted	93	
	December	Not Counted	67	
2021	January	Not Counted	69	
		N/A	77	AADT/Quarter
	February	Not Counted	81	
	March	Not Counted	189	
	April	Not Counted	183	
		N/A	151	AADT/Quarter
	May	Not Counted	150	
	June	Not Counted	190	
	July	Not Counted	165	
		N/A	168	AADT/Quarter
	August	Not Counted	160	
	September	Not Counted	152	
	October	Not Counted	95	
		N/A	136	AADT/Quarter
	November	Not Counted	87	
	December	Not Counted	50	
2022	January (from 11 Jan)	129	76	
		129	71	
	February	31	60	
	March	182	102	
	April	192	121	
		135	94	AADT/Quarter
	May	172	137	
	June	149	163	
	July	114	178	
		145	159	AADT/Quarter
August	118	199		
September	245	161		
October	**Pedestrian Counter Not Operating	88		
	-	149	AADT/Quarter	

*AADT – (Annual Average Daily Total) Northbound and Southbound

A Pedestrian and Cycling Counter was installed on the bridge walkway in October 2019. Pedestrian counts became available on 11 January 2022.

**Readings from 10 October 2022 onwards are not available. The fault was reported to Cycling Scotland on 15 November 2022.

6.0 POLICY IMPLICATIONS

6.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

7.0 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.

8.0 BACKGROUND PAPERS

8.1 None.

**ALAN HUTCHISON
BRIDGE MANAGER
22 NOVEMBER 2022**

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ITEM No ...4.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 5 DECEMBER 2022

REPORT ON: HEALTH & SAFETY MONITORING 2022

REPORT BY: BRIDGE MANAGER

REPORT NO: TRB 32-2022

1.0 PURPOSE OF REPORT

1.1 To appraise the Board Members of performance relating to Health & Safety in 2022.

2.0 RECOMMENDATIONS

2.1 The Board are asked to note the outcomes of the report and to agree to findings of the review in paragraph 4.4.

3.0 FINANCIAL IMPLICATIONS

3.1 None

4.0 COMMENTARY

4.1 General

In December 2009, the Board approved the corporate Health & Safety Policy Statement prepared by the Bridge Manager. In this document the Bridge Manager was given the remit to:-

- a) Review the document on an annual basis, or as necessary due to organisational or legislative changes
- b) Report to the Board annually on matters relating to Health & Safety matters

A copy of the Health & Safety Policy Statement is available on the Tay Road Bridge website at <http://tayroadbridge.co.uk/board-business/board-documents>

4.2 Significant Risks

The significant risks faced by Employees of the Tay Road Bridge Joint Board include:-

- Working at height
- Working on and/or over water
- Working adjacent to live traffic
- Working in exposed conditions and during periods of adverse weather
- Working in areas of difficult access
- Operating various items of machinery and plant
- Physical and mental health risks associated with attending serious incidents.

4.3 Staff Consultation

In addition to formal Health & Safety Committee meetings, Safety Representatives and appropriate members of staff are consulted at the early stages of preparation of Risk Assessments, Method Statements and Operational Procedures.

4.4 Review

The Bridge Manager has reviewed the Health & Safety Policy Statement and notes that Cllr Lynne Short has been replaced as Chairperson by Cllr Gary Holt of Fife Council. David Robertson, Deputy Bridge Manager, has now left the employment of the TRBJB and has been replaced temporarily by Neil Fergusson as Acting Deputy Bridge Manager. The H & S policy has been updated to reflect these changes.

4.5 Health & Safety Performance

Below is a table which contains categorised information relating to accidents and near misses recorded at the Tay Road Bridge.

Accident Category	2017	2018	2019	2020	2021	2022
RIDDOR fatal accident	0	0	0	0	0	0
RIDDOR Major Injury	0	0	0	0	0	0
RIDDOR over 7 day injury	0	0	2	0	0	0
Lost Time Injury	0	1	1	0	1	0
Minor Injury	0	3	0	1	2	1
Near Misses	1	0	0	2	0	0
Slip, trip, fall on the level	0	0	0	0	0	1
Manual Handling	0	1	1	0	0	0
Third party contractors	0	0	0	0	0	0

All accidents and near misses are investigated and the causes/proposed mitigation measures are formally recorded, and staff are advised accordingly.

4.6 Occupational Health Issues

There were no Occupational Health related issues.

4.7 Training

The delivery of Health & Safety training recommenced in 2021 following relaxation of Covid-19 restrictions.

5.0 POLICY IMPLICATIONS

5.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6.0 CONSULTATIONS

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

7.0 BACKGROUND PAPERS

7.1 None

**ALAN HUTCHISON
BRIDGE MANAGER
15 NOVEMBER 2022**

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ITEM No ...5.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 5 DECEMBER 2022
REPORT ON: REVENUE MONITORING – 7 MONTHS TO 31 OCTOBER 2022
REPORT BY: TREASURER
REPORT NO: TRB 27-2022

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to appraise Board Members of the latest position regarding the Joint Board's 2022/2023 Revenue Budget.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Joint Board note the content of this Revenue Monitoring Report as at 31 October 2022.

3.0 FINANCIAL IMPLICATIONS

3.1 The 2022/2023 Revenue Budget predicted a break-even position (see Report 23-2021). The current outturn position for the financial year 2022/2023 is projecting a break-even position based on the financial information available at 31 October 2022 (as detailed in Appendix A).

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

3.3 During 2019, Transport Scotland's Internal Audit conducted a review of their management of grant funding arrangements which included their administration of grant payments to and carry forward requests from the Joint Board. One of the recommendations of this review was that monthly grant claims now have to be submitted based on actual net expenditure. This results in a projected Revenue Grant carried forward into 2023/2024 of £nil.

3.4 The projected break-even position, if it materialised, would result in a General Fund Reserve of £1,160,591 at 31 March 2023. This level of retained reserves is subject to negotiation with the Scottish Government.

3.5 Following an External Audit recommendation, the Board's Strategic Plan 2019 to 2024 (TRB 28-2018) was approved by the Board with the aim of demonstrating the link between the budgets and financial performance reporting against the strategic objectives. Appendix B links the current year's gross expenditure to each of the Board's five strategic objectives.

3.6 Details of current variances against budget headings are detailed below.

3.7 An underspend of £70,000 is projected in relation to Administration Staff Costs. Budget allowances had been made for the addition of an additional in-house bridge inspector but this service will now be undertaken by the Engineer to the Board's staff, resulting in a £50,000 saving. The Deputy Bridge Manager post vacated in June will remain unfilled for the remainder of the year resulting in a £45,000 saving. This saving will be offset by a temporary regrading of the Works and Transport Officer post to reflect the allocation of some of the duties associated with the Deputy Bridge Manager's role. Therefore, 50% of the Works and Transport Officer post has been allocated from the Operations section to the Administration section, resulting in additional expenditure of £20,000. There will also be additional expenditure of £5,000 for Summer Engineering Student Placement for 12 weeks (see Agenda Item 11 of the TRB Board meeting on 28 February 2022).

- 3.8 An underspend of £22,000 is projected in relation to Operations Staff Costs. This is due to the vacated Deputy Bridge Manager post described above (in paragraph 3.7) being filled by the Works and Transport Officer who will provide temporary cover with 50% of their re-graded salary being allocated to the Administration section from July resulting in a saving of £10,000 for the Operations budget. There is also anticipated savings of £28,000 for Overtime as this is not required due to new working patterns since the staffing re-structure. These are offset by the requirement for a new Operative post (see TRB Report 25-2022) to be added to the establishment from Dec 2022 resulting in additional expenditure of £16,000.
- 3.9 An overspend of £37,000 is projected in relation to Plant and Equipment Supplies and Services. Following a risk review of business resilience, new contracts for equipment maintenance and structural monitoring of the column cathodic protection were awarded to protect bridge operations. These were required to be formalised through tendered contracts to ensure operational requirements would be met. These contracts cover equipment maintenance for the gantries, variable message signs and Cathodic Protection monitoring equipment.
- 3.10 An overspend of £5,000 is projected in relation to Bridge Maintenance Property Costs. This is due to an anticipated increase in electricity costs due to rising energy prices.
- 3.11 Reduced income of £57,300 is projected in relation to Scottish Government Revenue Grant. This is due to a change in the process for receiving this grant since October 2019 with monthly grant applications now being made on the basis of actual expenditure incurred (see TRB20-2019).
- 3.12 Increased income of £5,000 is projected in relation to Interest on Revenue Balances. This is due to higher than anticipated interest rates.
- 3.13 Increased income of £2,300 is projected in relation to Miscellaneous Income. This is due to the receiving an insurance receipt of £2,500 to cover damage to the wind anemometer by a contractor in 2021/2022.

4.0 RISK ASSESSMENT

- 4.1 In preparing the Board's Annual Revenue Budget (see Report TRB 23-2021), 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.

5.0 POLICY IMPLICATIONS

- 5.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6.0 CONSULTATIONS

6.1 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.

7.0 BACKGROUND PAPERS

7.1 None

**ROBERT EMMOTT
TREASURER**

15 NOVEMBER 2022

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TAY ROAD BRIDGE JOINT BOARD**REVENUE MONITORING AS AT 31 OCTOBER 2022**

	Revenue Budget 2022/23 £	Expenditure to 31 October 2022 £	Final Projection 2022/23 £	Variance from Budget £	Paragraph Reference
EXPENDITURE					
<u>Administration</u>					
Staff Costs	248,198	103,049	178,198	(70,000)	(3.7)
Property Costs	33,150	12,536	33,150	-	
Supplies and Services	141,325	100,268	141,325	-	
Transport Costs	300	-	300	-	
Third Party Payments	111,654	1,345	111,654	-	
	534,627	217,198	464,627	(70,000)	
<u>Operations</u>					
Staff Costs	884,646	478,056	862,646	(22,000)	(3.8)
Supplies and Services	11,000	3,399	11,000	-	
	895,646	481,455	873,646	(22,000)	
<u>Plant and Equipment</u>					
Property Costs	25,150	8,954	25,150	-	
Supplies and Services	177,350	121,376	214,350	37,000	(3.9)
Transport Costs	32,650	23,610	32,650	-	
Third Party Payments	5,750	-	5,750	-	
	240,900	153,940	277,900	37,000	
<u>Bridge Maintenance</u>					
Property Costs	28,500	30,813	33,500	5,000	(3.10)
Supplies and Services	49,450	9,198	49,450	-	
Transport Costs	200	-	200	-	
Third Party Payments	21,200	25,257	21,200	-	
	99,350	65,268	104,350	5,000	
GROSS EXPENDITURE	1,770,523	917,861	1,720,523	(50,000)	
INCOME					
Scottish Government Revenue Grant	1,758,960	817,722	1,701,660	(57,300)	(3.11)
Interest on Revenue Balances	950	-	5,950	5,000	(3.12)
Kiosk Rent	10,213	5,106	10,213	-	
Miscellaneous	400	2,623	2,700	2,300	(3.13)
GROSS INCOME	1,770,523	825,451	1,720,523	(50,000)	
TOTAL NET DEFICIT / (SURPLUS) MET FROM GENRAL RESERVE BALANCES	-	92,410	-	-	

APPENDIX B**LINKING THE 2022/2023 REVENUE BUDGET MONITORING TO THE BOARD'S STRATEGIC OBJECTIVES**

	Strategic Objective	2022/2023 Budget £	Expenditure to 31 October 2022 £	2022/2023 Projected £
1	Meeting User Expectations	1,301,987	690,606	1,209,987
2	Fiscally Sustainable	88,504	1,345	88,504
3	Transparent Governance and Clear Decision-Making Processes	20,282	-	20,282
4	A Modern, Diverse and Well-Trained Workforce	19,500	6,702	19,500
5	Quality and Standards	<u>340,250</u>	<u>219,208</u>	<u>382,250</u>
	TOTAL GROSS EXPENDITURE	<u>1,770,523</u>	<u>917,861</u>	<u>1,720,523</u>

ITEM No ...6.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 5 DECEMBER 2022
REPORT ON: CAPITAL MONITORING - 7 MONTHS TO 31 OCTOBER 2022
REPORT BY: TREASURER
REPORT NO: TRB 28-2022

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to appraise Board Members of the latest position regarding the Joint Board's 2022/2023 Capital Plan.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Joint Board note the content of this Capital Monitoring Report as at 31 October 2022.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The Joint Board's 2022/2023 Capital Expenditure Programme of £1,310,000 was approved by the Board on 6 December 2021 (Report TRB 24-2021). From 1 April 2008 the Board's Capital Expenditure projects are being financed through Scottish Government Capital Grant.
- 3.2 The capital outturn for the financial year 2022/2023 (as detailed in Table 1 on Appendix A) is projected to be £1,091,000 (i.e. a reduction of £219,000 compared to the original approved budget) based on the financial ledger information up to 31 October 2022 and this will be funded from 2022/2023 Capital Grant of £1,091,000.
- 3.3 An explanation of the major variances is shown in section 4 of the report.
- 3.4 During 2019, Transport Scotland's Internal Audit conducted a review of their management of grant funding arrangements which included their administration of grant payments to and carry forward requests from the Joint Board. One of the recommendations of this review was that monthly grant claims now have to be submitted based on actual net expenditure. This results in a projected Capital Grant carried forward into 2023/2024 of £nil.
- 3.5 Following an External Audit recommendation, the Board's Strategic Plan 2019 to 2024 (TRB 28-2018) was approved by the Board with the aim of demonstrating the link between the budgets and financial performance reporting against the strategic objectives. Appendix B links the current year's gross expenditure to each of the Board's five strategic objectives.

4.0 REASONS FOR CAPITAL EXPENDITURE VARIANCES

4.1 The main reasons for the budget variations on individual projects can be summarised as follows:

	£000
<u>Slippage from 2021/2022:</u>	
Miscellaneous Projects	86
<u>Budget Adjustments:</u>	
Carriageway Resurfacing	100
Advanced Warning Signs	(190)
New Gantries	50
Fife Landfall Improvements	(122)
Gantry – Miscellaneous	(7)
Miscellaneous Projects	64
New Distribution Board	(23)
Winter Maintenance Equipment	17
Parapet Refurbishment / Replacement	(10)
<u>Slippage to 2023/2024:</u>	
Cathodic Protection (CP) Hardware	(150)
Advanced Warning Signs	(34)
Total Budget Adjustments	<u>(219)</u>

4.2 The delivery of the Capital Programme this year is very challenging. The global supply chain for sourcing materials and components has been affected by the Covid pandemic, Brexit and other world events, due to a shortage of raw materials, increased inflation and market demand as economies look to rebuild. and this is resulting in inflationary increases upwards of 30% on the predicted cost of capital projects. Officers are constantly reviewing the capital programme of works and prioritising those projects that can realistically be progressed during the current year. There is a risk of further slippage in the capital programme, as the Board reacts to the extreme market conditions currently affecting the construction industry. Updated projections will be incorporated into future capital monitoring reports and shared with Transport Scotland as it informs the Scottish Government's Spending Review.

4.3 Details of current capital works and the main reasons for movements on each project are:

4.4 Carriageway Resurfacing: The original 2022/2023 budget was £100,000. The projected expenditure for this contract has been increased to £200,000. This is to facilitate an enabling contract to make structural alterations to kerbing and white lining on the Dundee and Fife approaches to aid the passage of fixed wheelbase vehicles during contraflow works, devised following feedback from local bus companies after the September 2021 contraflow trials. This additional funding will also allow for the laying of trial mixes on a site in Dundee to determine final asphalt specifications in advance of the main resurfacing works in 2023/2024.

4.5 Cathodic Protection (CP) Hardware: The original 2022/2023 budget was £200,000. The projected expenditure for this contract has been reduced to £50,000. This is for stress testing which is currently being carried out due to recent failures. This will result in the planned replacement of CP hardware at the base of the columns, budgeted to be £150,000, slipping into 2023/2024.

4.6 Advanced Warning Signs: The original 2022/2023 budget was £400,000. The projected expenditure for this contract was reduced to £150,000 from the estimates in the Tender Report to the June 2022 Board (Report TRB 15-2022) for Variable Message Sign (VMS) Improvements estimated at £150,000 for the supply and installation of new VMS in Fife,

including professional fees associated with the design and supply of associated structural and electrical infrastructure. Further to traffic management planning for the 2023/2024 resurfacing works, additional signs have been specified with the aim of improving safety messaging in relation to controlling the speed of vehicles during contraflow to aid user safety. This additional signage will also be invaluable in controlling traffic speed once resurfacing is completed. As a result of additional specification there will be increased costs of £60,000 resulting in an anticipated project total in 2022/2023 of £176,000 and slippage of £34,000 into 2023/2024 for the provision of temporary VMS at the site in St. Michaels.

- 4.7 Replacement of Expansion Joints: The original 2022/2023 budget of £25,000 is projected to be spent.
- 4.8 New Gantries: The original 2022/2023 budget was £100,000. The projected expenditure for this project has been increased to £150,000 for the reprofiling of the overall project programme to permit early contractor involvement for preparation of Approval in Principle documentation to reduce project risk with the delivery of complex inspection gantries.
- 4.9 Fife Landfall Improvements: The original 2022/2023 budget was £150,000. Due to the rescheduling of capital works as a result of Covid 19 these works were rescheduled to future years. The projected expenditure on this project has been reduced to £28,000. This consists of an estimated £10,000 for an engineer survey of the slopes at the Fife Landfall and an estimated £18,000 for design, materials and labour for the creation of woodland walks with climate-adapted planting at Fife Landfall in partnership with St. Andrews Botanic Gardens. This was proposed by the Well-Being working group with the aim of increasing footfall to this area.
- 4.10 Paintwork to Box Girders: The original 2022/2023 budget of £25,000 is projected to be spent. This is to allow for testing of the durability of the existing paint system.
- 4.11 Gantry Miscellaneous: The original 2022/2023 budget was £25,000. This is not anticipated to be fully spent so the revised budget has been reduced to £18,000.
- 4.12 Miscellaneous Projects: The original 2022/2023 budget was £100,000. This budget is used for several smaller projects. Expenditure in 2021/2022 for the Fire Alarm project was £23,000 against an anticipated budget of £109,000 on new fire alarms in all buildings (see Tender Report TRB 6-2022 at February 2022 Board) with slippage of £86,000 into 2022/2023. The specification for this project has been revised to allow for the fire alarms at the Fife kiosk to be linked to the whole system which is anticipated to cost £32,000. The Uninterrupted Power Supply (UPS) requires safety improvements which are anticipated to cost £13,000. New Wellbeing Signage is currently being designed with an estimated total cost of £6,000. The Fife Kiosk requires new Canopy Ducts with expected cost of £45,000. The Fife Kiosk also required a new door and new electric roller shutter doors with an estimated cost of £18,000. An incident in early November resulted in a high-sided vehicle damaging approximately 30 metres of the aluminium balustrade on the central walkway which is anticipated to cost up to £50,000.
The revised budget for 2022/2023 is anticipated to be £250,000.
- 4.13 New Distribution Board: The original 2022/2023 budget was £100,000. The projected expenditure for this contract has been reduced to £77,000 and is informed by the Tender Report to the February 2022 Board for the replacement of the Electrical Distribution Board in the administration office (TRB 5-2022).
- 4.14 Winter Maintenance Equipment: The original 2022/2023 budget was £75,000. The projected expenditure for this contract was increased to £92,000 from the estimates in the Tender Report to the September 2022 Board (Report TRB 23-2022). This is for the replacement of the de-icing fluid storage tank with a double skin and banded arrangement. A new storage tank for de-icing materials and new de-icing bowser is also required.

- 4.15 Parapet Refurbishment / Replacement: The original 2022/2023 budget of £10,000. This is not anticipated to be spent so the revised budget has been reduced to £nil.

5.0 RISK ASSESSMENT

- 5.1 There are a number of risks which may have an impact on the Capital expenditure programme. 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. The various lockdowns and restrictions on site for capital projects, has resulted in projects requiring to be re-phased. For this reason, the programme is carefully monitored and any potential slippage is identified as soon as possible to enable any corrective action to be taken.
- 5.4 Capital projects can be subject to unforeseen events, such as delays in progressing the project. This could lead to inflation impacting on the total cost of the project. In addition, currency fluctuations can also impact on costs. Contingencies are built into the budget for each capital project and these will be closely monitored throughout the project. The potential additional costs arising from implementing measures to create a compliant site and a safe working environment for workers, are being monitored. Project inflation, as a result of Covid 19 is also being reviewed. Officers will continually monitor and review the capital programme for the on-going effects of Covid 19, in terms of projected cost and timescales.
- 5.5 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.
- 5.6 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.
- 5.7 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.
- 5.8 The level of Capital Grant received from the Scottish Government may be impacted by budgetary constraints in future financial statements.

6.0 CONCLUSION

- 6.1 The Board's 2022/2023 capital programme is showing a projected capital spend of £1,091,000 which will be funded from the current year's Scottish Government grant.
- 6.2 The 2022/2023 capital expenditure programme will continue to be monitored on a regular basis throughout the remainder of the current financial year.

7.0 POLICY IMPLICATIONS

- 7.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

8.0 CONSULTATIONS

8.1 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.

9.0 BACKGROUND PAPERS

9.1 None.

**ROBERT EMMOTT
TREASURER**

15 NOVEMBER 2022

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TAY ROAD BRIDGE JOINT BOARD

APPENDIX A

TABLE 1: CAPITAL EXPENDITURE MONITORING - 7 MONTHS TO 31 OCTOBER 2022

<u>Expenditure</u>	<u>Strategic Objective</u>	<u>Capital Budget 2022/23 £000</u>	<u>Slippage from 2021/22 £000</u>	<u>Budget Adjust £000</u>	<u>Slippage into 2023/24 £000</u>	<u>Revised Capital Budget 2022/23 £000</u>	<u>Actual to 31 Oct 2022 £000</u>	<u>Projected Outturn 2022/23 £000</u>	<u>Variance from Budget £000</u>
									-
Carriageway Resurfacing	1	100	-	100	-	200	50	200	-
CP Hardware	5	200	-	-	(150)	50	-	50	-
Advanced Warning Signs	1	400	-	(190)	(34)	176	80	176	-
Replacement of Expansion Joints	1	25	-	-	-	25	8	25	-
New Gantries	5	100	-	50	-	150	15	150	-
Fife Landfall Improvements	5	150	-	(122)	-	28	-	28	-
Paintwork to Box Girders	5	25	-	-	-	25	-	25	-
Gantry – Miscellaneous	5	25	-	(7)	-	18	4	18	-
Miscellaneous Projects	5	100	86	64	-	250	153	250	-
New Distribution Board	5	100	-	(23)		77	65	77	-
Winter Maintenance Equipment	5	75	-	17		92	11	92	-
Parapet Refurbishment / Replacement	5	10	-	(10)	-	-	-	-	-
Total Gross Expenditure		1,310	86	(121)	(184)	1,091	386	1,091	=
Funded by:		£000	£000	£000	£000	£000	£000	£000	£000
Capital Grant 2022/2023		1,310	86	(121)	(184)	1,091	365	1,091	-
Total Funding		1,310	86	(121)	(184)	1,091	365	1,091	=

TABLE 2: Unapplied Capital Grant Projected Carry Forward:

	£000
Add: Projected Capital Grant Received 2022/2023	1,091
Less: Projected Capital Grant Utilised 2022/2023	(1,091)
	—
Unapplied Capital Grant Carried Forward to 2023/2024	—

LINKING THE 2022/2023 CAPITAL BUDGET MONITORING TO THE BOARD'S STRATEGIC OBJECTIVES

Strategic Objective	<u>Capital Budget 2022/2023 £000</u>	<u>Revised Capital Budget 2022/2023 £000</u>	<u>Actual Expenditure to 31 Oct 2022 £000</u>	<u>2022/2023 Projected £000</u>
1 Meeting User Expectations	525	401	138	401
2 Fiscally Sustainable	-	-	-	-
3 Transparent Governance and Clear Decision-Making Processes	-	-	-	-
4 A Modern, Diverse and Well-Trained Workforce	-	-	-	-
5 Quality and Standards	<u>785</u>	<u>690</u>	<u>244</u>	<u>690</u>
TOTAL GROSS EXPENDITURE	<u>1,310</u>	<u>1,091</u>	<u>382</u>	<u>1,091</u>

ITEM No ...7.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 5 DECEMBER 2022

REPORT ON: REVENUE BUDGET 2023/2024 TO 2025/2026

JOINT REPORT BY: TREASURER AND BRIDGE MANAGER

REPORT NO: TRB 29-2022

1.0 PURPOSE OF REPORT

- 1.1 To appraise Board Members on the proposed Tay Road Bridge Revenue Budget for the financial years 2023/2024 to 2025/2026.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Board approve the Revenue Budget for 2023/2024 subject to confirmation of grant funding by the Scottish Government and note the provisional Revenue Budget for 2024/2025 and 2025/2026.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The Board's 2023/2024 Revenue Budget shows a break-even position which is arrived at after assuming receipt of a Resource Grant from the Scottish Government of £1,918,680. It should be noted that the 2022/2023 Revenue Budget is projecting a break-even position. The effect of this projected break-even position in 2022/2023 and the projected break-even position of the 2023/2024 budget results in a projected General Fund Reserve balance of £1,160,591 as at 31 March 2024.

4.0 REVENUE BUDGET 2023/2024 TO 2025/2026

- 4.1 The budget for staff costs includes an estimated provision for the pay award of 5% for the financial years 2023/2024 and 2024/2025 and 2% for the financial year 2025/2026. The budget also takes into consideration the effects of staff turnover whereby leavers who were employed at the top of their salary scales have been replaced by new starters who are employed at the lowest increment on the salary scale. It also takes account of the increased Scottish Living Wage.
- 4.2 The triennial actuarial valuation of the Tayside Pension Fund was carried out in 2020 and took effect from 1 April 2021. This valuation exercise resulted in an unchanged employer's contribution rate of 17%.
- 4.3 No general inflationary increase on non-staff costs has been allowed for in the 2023/2024 Revenue Budget. A 1% general inflationary increase on non-staff costs have been allowed for in 2024/2025 and 2025/2026 and specific allowances have been made for anticipated increases or decreases in individual budgets in each of the three financial years.
- 4.4 The three yearly Revenue Budget has been prepared in accordance with previous years' budgets. A copy of the detailed Revenue Budget 2023/2024 to 2025/2026 is enclosed at Appendix A.
- 4.5 Following an External Audit recommendation, the Board's Strategic Plan 2019 to 2024 (TRB 28-2018) was approved by the Board with the aim of demonstrating the link between the budgets and financial performance reporting against the strategic objectives. Appendix B links the gross expenditure of the Revenue Budget 2023/2024 to 2025/2026 to each of the Board's five strategic objectives.

- 4.6 The Scottish Government's Comprehensive Budget announcement will be on 15 December 2022. However, indicative discussions with Transport Scotland suggest that the level of funding will remain constant for 2023/2024. However, there is no guarantee that this level of funding will be maintained in future years.

5.0 RESERVES AND BALANCES

- 5.1 Section 12(1) of the Local Government in Scotland Act 2003 states that "It is the duty of a local authority to observe proper accounting practices". CIPFA have previously issued guidance on Local Authority Reserves and Balances (including updates in November 2008 and July 2014), and this guidance is considered to constitute proper accounting practice. The key requirements of the guidance, as they affect the Board, are two-fold:

- i the setting out of a clear protocol covering the purpose, utilisation, management, control and review of reserves and balances.
- ii the inclusion in the annual budget report of a statement on reserves and balances detailing the proposed strategy over the budget period, after taking into account the strategic, operational and financial risks facing the Board.

- 5.2 The Board agreed report TRB 25-2009 Guidance on Reserves and Balances on 14 December 2009. This report included a protocol for the operation of the Board's Reserves and Balances, thereby addressing the first key requirement detailed in paragraph 5.1 above. The proposed protocol includes the following element which in itself addresses the second key requirement detailed in paragraph 5.1 above:

In the Annual Budget report that is considered by the Board, the Treasurer shall include the following:

- i a note highlighting the estimated opening and closing General Reserve balances for the financial year ahead.
- ii a note advising as to the adequacy of the General Reserve balances over the budget period(s) under consideration, after taking into account the strategic, operational and financial risks facing the Board.
- iii a note reporting on the annual review of earmarked Reserves.

- 5.3 In accordance with the element of the proposed protocol that relates to the annual budget report, the following statements are made by the Treasurer:

- i The Board's Revenue Expenditure is fully funded by grant and any underspend achieved will result in unspent grant being repaid or carried forward, with the agreement of the Scottish Government, to fund future years' Revenue Expenditure. The 2022/2023 Revenue monitoring currently projects a break-even position. Taking the above factors into account, the level of Revenue Grant Balance carried forward at 31 March 2023 is projected to be £nil.

The Board's Audited Statement of Accounts 2021/2022 showed a General Reserve Balance of £1,160,591 at 31 March 2022.

The level of uncommitted General Reserve Balances at 31 March 2023 is estimated at £1,160,591. There are no further known expenditure commitments or additional income that would materially affect this projected balances figure.

- ii after taking into account the strategic, operational and financial risks facing the Board it is considered that the minimum level of uncommitted balances that the Board should maintain is £1,000,000 in order to provide a contingency against unexpected

events and to also act as a working balance to minimise overdraft positions resulting from uneven cash flows.

- iii the Board's earmarked reserve (i.e. the Capital Grants Unapplied Reserve) has been reviewed and is considered to be adequate for its intended purpose.

6.0 RISK ASSESSMENT

6.1 In preparing the Board's Annual Revenue Budget the Treasurer considered the key strategic, operational and financial risks faced by the Board over this period.

6.2 The main risk factors considered were:

- the possibility of new cost pressures or responsibilities emerging during the course of the financial year.
- anticipated changes in service provision.
- the certainty of significant income streams.
- the inherent uncertainty surrounding matters such as interest rates and price inflation.
- the possibility of major items of unforeseen expenditure.
- the possibility of identifying further budget savings and efficiencies, if required.
- the adequacy of the Board's insurance arrangements.

6.3 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 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.
- the possibility of identifying new income streams during the year.

7.0 POLICY IMPLICATIONS

7.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

8.0 CONSULTATIONS

8.1 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.

9.0 BACKGROUND PAPERS

9.1 None

ROBERT EMMOTT
TREASURER

10 NOVEMBER 2022

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REVENUE BUDGET 2023/2024 TO 2025/2026**APPENDIX A**

	2022/2023 Budget £	2022/2023 Projected £	2023/2024 Budget £	2024/2025 Budget £	2025/2026 Budget £
<u>Administration</u>					
Staff	248,198	178,198	222,929	234,075	238,757
Property	33,150	33,150	35,750	36,108	36,468
Supplies & Services	141,325	141,325	140,932	142,341	143,765
Transport	300	300	300	303	306
Third Party Payments	<u>111,654</u>	<u>111,654</u>	<u>185,998</u>	<u>195,298</u>	<u>199,204</u>
	<u>534,627</u>	<u>464,627</u>	<u>585,909</u>	<u>608,125</u>	<u>618,500</u>
<u>Operations</u>					
Staff	884,646	862,646	983,134	1,019,690	1,040,085
Supplies & Services	<u>11,000</u>	<u>11,000</u>	<u>10,300</u>	<u>10,403</u>	<u>10,507</u>
	<u>895,646</u>	<u>873,646</u>	<u>993,434</u>	<u>1,030,093</u>	<u>1,050,592</u>
<u>Plant & Equipment</u>					
Property	25,150	25,150	25,150	25,402	25,656
Supplies & Services	177,350	214,350	213,150	215,281	217,435
Transport	32,650	32,650	34,650	34,996	35,346
Third Party Payments	<u>5,750</u>	<u>5,750</u>	<u>3,750</u>	<u>3,788</u>	<u>3,825</u>
	<u>240,900</u>	<u>277,900</u>	<u>276,700</u>	<u>279,467</u>	<u>282,262</u>
<u>Bridge Maintenance</u>					
Property	28,500	33,500	29,000	29,290	29,582
Supplies & Services	49,450	49,450	47,250	47,723	48,200
Transport	200	200	200	202	204
Third Party Payments	<u>21,200</u>	<u>21,200</u>	<u>6,200</u>	<u>6,262</u>	<u>6,325</u>
	<u>99,350</u>	<u>104,350</u>	<u>82,650</u>	<u>83,477</u>	<u>84,311</u>
GROSS EXPENDITURE	<u>1,770,523</u>	<u>1,720,523</u>	<u>1,938,693</u>	<u>2,001,162</u>	<u>2,035,665</u>
<u>Income</u>					
Scottish Government Resource Grant	1,758,960	1,701,660	1,918,680	1,981,149	2,035,665
Interest on Revenue Balances	950	5,950	9,600	9,600	9,600
Kiosk Rent	10,213	10,213	10,213	10,213	10,213
Miscellaneous	<u>400</u>	<u>2,700</u>	<u>200</u>	<u>200</u>	<u>200</u>
GROSS INCOME	<u>1,770,523</u>	<u>1,720,523</u>	<u>1,938,693</u>	<u>2,001,162</u>	<u>2,035,665</u>
TOTAL NET DEFICIT / (SURPLUS) MET FROM GENERAL RESERVE BALANCES	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

APPENDIX BLINKING THE 2023/2024 TO 2025/2026 REVENUE BUDGET TO THE BOARD'S STRATEGIC OBJECTIVES

Strategic Objective		2022/2023 Budget £	2022/2023 Projected £	2023/2024 Budget £	2024/2025 Budget £	2025/2026 Budget £
1	Meeting User Expectations	1,301,987	1,209,987	942,697	987,275	1,017,551
2	Fiscally Sustainable	88,504	88,504	94,584	90,274	92,080
3	Transparent Governance and Clear Decision-Making Processes	20,282	20,282	20,345	20,688	21,101
4	A Modern, Diverse and Well-Trained Workforce	19,500	19,500	25,000	24,935	13,064
5	Quality and Standards	<u>340,250</u>	<u>382,250</u>	<u>856,067</u>	<u>877,990</u>	<u>891,869</u>
TOTAL GROSS EXPENDITURE		<u>1,770,523</u>	<u>1,720,523</u>	<u>1,938,693</u>	<u>2,001,162</u>	<u>2,035,665</u>

ITEM No ...8.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD - 5 DECEMBER 2022

REPORT ON: CAPITAL PLAN 2023/2024 TO 2025/2026

REPORT BY: TREASURER

REPORT NO: TRB 30-2022

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to approve the Board's Capital Plan for the period 2023/2024 to 2025/2026 inclusive.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Board approve the Capital Plan as detailed in Appendix A of this report subject to confirmation of grant funding by the Scottish Government and note the provisional Capital Plan for 2024/2025 and 2025/2026.

3.0 FINANCIAL IMPLICATIONS

3.1 The Abolition of Bridge Tolls (Scotland) Act 2008 received Royal Assent on 24 January 2008. From 1 April 2008 the Board's annual capital expenditure programme has been financed through a Scottish Government Capital Grant.

3.2 The revised capital programme and agreed capital grant funding which are highlighted in Appendix A, show planned expenditure and income as follows:

<u>Financial Year</u>	<u>Capital Budget £000</u>	<u>Grant Funding £000</u>
2023/2024	7,109	7,109
2024/2025	7,900	tbc
2025/2026	3,330	tbc

3.3 The Bridge Manager and the Engineer to the Board have prepared the three-year Capital Plan which is detailed in Appendix A of this report.

3.4 Appendix A also shows the agreed capital grant funding from the Scottish Government and the respective funding deficits in each financial year which will need to be the subject of further discussions with the Scottish Government.

3.5 Following an External Audit recommendation, the Board's Strategic Plan 2019 to 2024 (TRB 28-2018) was approved by the Board with the aim of demonstrating the link between the budgets and financial performance reporting against the strategic objectives. Appendix B links the gross expenditure of the Capital Budget 2023/2024 to 2025/2026 to each of the Board's five strategic objectives.

3.6 The Scottish Government's Comprehensive Budget announcement will be on 15 December 2022. However, indicative discussions with Transport Scotland suggest that the funding requirement for 2023/2024 will be met. However, there is no guarantee that this level of funding will be maintained in future years.

4.0 RISK ASSESSMENT

- 4.1 There are a number of risks which may have an impact on the Capital Budget programme. The main areas of risk are set out below, together with the mechanisms in place to help mitigate these risks.
- 4.2 Construction cost inflation levels are volatile, and they can on occasion be relatively high in comparison to general inflation. This means that 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.
- 4.3 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.
- 4.4 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.
- 4.5 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.
- 4.6 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.
- 4.7 The level of Capital Grant received from the Scottish Government may be impacted by budgetary constraints in future financial statements.

5.0 POLICY IMPLICATIONS

- 5.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no major issues.

6.0 CONSULTATIONS

- 6.1 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.

7.0 BACKGROUND PAPERS

- 7.1 None

ROBERT EMMOTT
TREASURER

22 NOVEMBER 2022

TAY ROAD BRIDGE JOINT BOARDPROPOSED CAPITAL EXPENDITURE PROGRAMME 2023/2024 - 2025/2026

<u>Project Title</u>	<u>Strategic Objective</u>	<u>Projected Outturn 2022/23</u> <u>£000</u>	<u>2023/24</u> <u>£000</u>	<u>2024/25</u> <u>£000</u>	<u>2025/26</u> <u>£000</u>
Carriageway Resurfacing	1	200	5,250	5,500	175
CP Hardware	5	50	150	-	-
CP Replacement	5	-	-	25	2,500
Advanced Warning Signs	1	176	34	-	-
Replacement of Expansion Joints	1	25	-	-	-
New Vehicles	5	-	30	-	30
New Gantries	5	150	670	2,225	275
Fife Landfall Improvements	5	28	-	-	-
Paintwork to Box Girders	5	25	-	-	-
Scour Protection	5	-	-	25	225
Gantry – Miscellaneous	5	18	25	25	25
Miscellaneous Projects	5	250	100	100	100
New Distribution Board	5	77	-	-	-
Winter Maintenance Equipment	5	92	-	-	-
Bridge Concrete Repairs	5	-	850	-	-
		<u>1,091</u>	<u>7,109</u>	<u>7,900</u>	<u>3,330</u>
<u>Funded by</u>					
Capital Grant		<u>1,091</u>	<u>7,109</u>	<u>tbc</u>	<u>tbc</u>
		<u>1,091</u>	<u>7,109</u>	<u>-</u>	<u>-</u>
Additional Capital Funding Required		<u>-</u>	<u>-</u>	<u>7,900</u>	<u>3,330</u>

LINKING THE 2023/2024 TO 2025/2026 REVENUE BUDGET TO THE BOARD'S STRATEGIC OBJECTIVES

	Strategic Objective	2022/2023 Projected £000	2023/2024 Budget £000	2024/2025 Budget £000	2025/2026 Budget £000
1	Meeting User Expectations	401	5,284	5,500	175
2	Fiscally Sustainable	-	-	-	-
3	Transparent Governance and Clear Decision-Making Processes	-	-	-	-
4	A Modern, Diverse and Well-Trained Workforce	-	-	-	-
5	Quality and Standards	<u>690</u>	<u>1,825</u>	<u>2,400</u>	<u>3,155</u>
	TOTAL GROSS EXPENDITURE	<u>1,091</u>	<u>7,109</u>	<u>7,900</u>	<u>3,330</u>