
TAY ROAD BRIDGE JOINT BOARD

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

TO: ALL MEMBERS OF THE TAY
ROAD BRIDGE JOINT BOARD

Date 26th November, 2025

Dear Member

TAY ROAD BRIDGE JOINT BOARD

I refer to the agenda of business issued in relation to the MEETING of the **TAY ROAD BRIDGE JOINT BOARD** to be held remotely on Monday 1st December, 2025 at 10.00 am and would like to advise you that the undernoted reports should be read as replacement for the version issued.

Yours faithfully

ROGER MENNIE

Clerk to the Joint Board

8 REVENUE MONITORING – 7 MONTHS TO 31 OCTOBER 2025 - Page 1

(Report No TRB25-2025 by the Treasurer, copy attached).

9 CAPITAL MONITORING - 7 MONTHS TO 31 OCTOBER 2025 - Page 5

(Report No TRB23-2025 by the Treasurer, copy attached).

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ITEM No ...8.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 1 DECEMBER 2025

REPORT ON: REVENUE MONITORING – 7 MONTHS TO 31 OCTOBER 2025

REPORT BY: THE TREASURER

REPORT NO: TRB25-2025

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 2025/2026 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 2025.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The 2025/2026 Revenue Budget is £2,200,000. The current outturn position for the financial year 2025/2026 is projecting an underspend of £38,000 against the Revenue Budget based on the financial information available at 31 October 2025 (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 the 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 2025/2026 of £nil.
- 3.4 The budget represents an increase of £116,187 on that requested in 2025/26 revenue budget submission. The additional monies will be used to cover additional employer's national insurance costs; inflationary cost pressures; increased costs of SLAs and maintenance work.
- 3.5 If the projected underspend is realised then the General Fund Reserve will remain at £1,053,000 at 31 March 2026. This level of retained reserves is subject to negotiation with the Scottish Government. It is noted that £1,000,000 has previously been reported as a prudent level of reserves.
- 3.6 Following an External Audit recommendation, the Board's Strategic Plan 2025 to 2030 (TRB 04-2025) 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.
- 3.7 Details of current variances against budget headings are detailed below.
- 3.8 An underspend of £4k is projected in relation to Administration Staff Costs. This is resultant from the pay rise coming in at a slightly lower level than was budgeted for. This is offset by minor overspends in supplies and services (£8k). This relates to increased cost of insurance (£7k) and miscellaneous expenditure (£1k).

- 3.9 An underspend of £38k is projected in relation to Operations Staff Costs. This in the main relates to an over provision for the staff pay rise combined with minor slippage.
- 3.10 There are small overspends in Plant and Equipment property costs (£3k). This is in the main due to additional generator materials and maintenance costs. In addition, the Bridge's grounds maintenance budget has overspent by £1k as a result of increased charges.
- 3.11 Miscellaneous Income -There is an over recovery of income of £7k in respect income from electric car charging received from Fife Council.

4.0 RISK ASSESSMENT

- 4.1 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. 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

PAUL THOMSON
TREASURER
5 NOVEMBER 2025

APPENDIX A**TAY ROAD BRIDGE JOINT BOARD****REVENUE MONITORING AS AT 31 OCTOBER 2025**

	Revenue Budget 2025/26 £	Expenditure to 31 October 2025 £	Final Projection 2025/26 £	Variance from Budget £	Paragraph Reference
EXPENDITURE					
<u>Administration</u>					
Staff Costs	247,368	142,236	243,368	(4,000)	3.8
Property Costs	88,500	35,260	88,500	-	
Supplies and Services	190,395	139,354	198,395	8000	3.8
Transport Costs	500	147	500	-	
Third Party Payments	222,290	29,115	222,290	-	
	749,053	346,112	753,053	4,000	
<u>Operations</u>					
Staff Costs	1,086,959	617,584	1,048,959	(38,000)	3.9
Supplies and Services	9,001	4,562	9,001	-	
	1,095,960	622,146	1,057,960	(38,000)	
<u>Plant and Equipment</u>					
Property Costs	34,750	10,435	37,750	3,000	3.10
Supplies and Services	182,400	67,656	182,400	-	
Transport Costs	36,800	11,877	36,800	-	
Third Party Payments	2,350	-	2,350	-	
	256,300	89,968	259,300	3,000	
<u>Bridge Maintenance</u>					
Property Costs	56,200	33,462	57,200	1,000	3.10
Supplies and Services	53,900	10,496	53,900	-	
Transport Costs	200	0	200	-	
Third Party Payments	7,200	2,899	7,200	-	
	117,500	46,857	118,500	1,000	
GROSS EXPENDITURE	2,218,813	1,105,082	2,188,813	(30,000)	
INCOME					
Scottish Government Revenue Grant	2,200,000	1,087,518	2,200,000	-	
Interest on Revenue Balances	3,500	-	3,500	-	
Kiosk Rent	10,213	5,106	10,213	-	
Miscellaneous	5,100	12,458	13,100	(8,000)	3.11
GROSS INCOME	2,218,813	1,105,083	2,226,813	-	
TOTAL NET DEFICIT / (UNDERSPEND) MET FROM GENERAL RESERVE BALANCES	0	0	(38,000)	(38,000)	

APPENDIX B**LINKING THE 2025/2026 REVENUE BUDGET MONITORING TO THE BOARD'S STRATEGIC OBJECTIVES**

	Strategic Objective	2025/2026 Budget £	Expenditure 31 Oct 2025 £	2025/2026 Projected £
1	Meeting User Expectations	890,303	590,759	875,303
2	Fiscally Sustainable	327,430	56,465	327,430
3	Transparent Governance and Clear Decision-Making Processes	75,800	1,765	75,800
4	A Modern, Diverse and Well-Trained Workforce	3,500	8,196	3,500
5	Quality and Standards	<u>921,780</u>	<u>447,897</u>	<u>906,780</u>
	TOTAL GROSS EXPENDITURE	<u>2,218,813</u>	<u>1,105,082</u>	<u>2,188,813</u>

ITEM No ...9.....

REPORT TO: TAY ROAD BRIDGE JOINT BOARD – 1 DECEMBER 2025

REPORT ON: CAPITAL MONITORING - 7 MONTHS TO 31 OCTOBER 2025

REPORT BY: THE TREASURER

REPORT NO: TRB23-2025

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 2025/2026 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 2025.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The Joint Board's agreed Capital Expenditure Programme for 2025/26 is £7,575,000. From 1 April 2008 the Board's Capital Expenditure projects are being financed through Scottish Government Capital Grant.
- 3.2 The amount in the 2025/2026 Capital Grant Offer letter from Transport Scotland dated 27 March 2025 was £7,575,000.
- 3.3 The capital outturn for the financial year 2025/2026 (as detailed in Table 1 on Appendix A) is projected to be £4,511,000 (i.e. a reduction of £3,064,000 compared to the original approved budget of £7,575,000) based on the financial ledger information up to 31 October 2025 and this will be funded from the allocated 2025/2026 Capital Grant. The 2025/26 grant award notes, "Ministers recognise that, in the normal course of business funded bodies will have to award contracts which will run over several years, and often beyond the period covered by the Spending Review. Where such contracts are entered into in accordance with agreed policies and plans, Ministers recognise that there is an obligation on the Scottish Government to continue to provide the necessary funding. Where contracts for significant spend across Spending Review periods are to be entered in to, funded bodies should ensure that Scottish Ministers are advised and have an opportunity to consider such proposals in advance of firm commitments being given". The Board Officer's and Bridge Manager met with Transport Scotland Officials on 4 November to discuss the TRBJB's current financial position.
- 3.4 An explanation of the major variances is shown in section 4 of the report.
- 3.5 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 requirement of additional Capital Grant in 2026/2027 of £3,144,000.
- 3.6 Following an External Audit recommendation, the Board's Strategic Plan 2025 to 2030 (TRB 04-2025) 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 2024/2025:</u>	
None	-
<u>Budget Adjustments:</u>	
New Gantries	(2,490,000)
CP Replacement	(654,000)
Carriageway Resurfacing (Retention)	5,000
Miscellaneous Projects	75,000
Total	(3,064,000)
<u>Slippage to 2026/2027:</u>	
New Gantries	(2,490,000)
Cathode Protection (CP) Replacement	(654,000)
	(3,144,000)
Total Budget Adjustments	-

- 4.2 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 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 Capital works on the bridge are subject to a Marine Licence which is granted by the Scottish Government's Marine directorate. An application for the renewal of the licence was made on 26 February 2025. The expected turnaround in awarding the licence is 14 weeks. Without the licence the programmed capital works could not proceed. The Marine Licence was issued on 30 September 2025. This created a significant degree of slippage which is in part augmented as a result of works being pushed into the winter months.
- 4.5 Carriageway Resurfacing - £105,000 – This relates to retentions and will be expended in 2025/2026. The final calculations for retentions are £5,000 above the initial £100,000 budget estimate made at the start of the 2025/26 financial year.
- 4.6 Cathodic Protection (CP) Replacement - £1,846,000 – The delay in the Marine Licence has pushed back £654,000 of spend back into 2026/27. The final cash flow for the completed project is estimated at £2,849,000 an increase of £179,000 from the budget approved by the board (£2,670,000). The increase is in the main due to costs associated with programming delays and increased winter working.
- 4.7 New Gantries: The original 2025/2026 budgeted spend was £4,800,000. The contractors Spencer Bridge Engineering provided an updated cashflow which reduced spend in 2025/26 of £2,310,000 which is a reduction from the original budget of £2,490,000. Based on the latest information provided by contractors Spencer Bridge Engineering the total project cost remains unchanged at £5,640,000.
- 4.8 Gantry Miscellaneous: The original 2025/2026 budget of £25,000 is projected to be spent.

- 4.9 Miscellaneous Projects: The original 2025/2026 budget of £100,000 has been increased £175,000. This budget is used for several smaller projects. The increase in the main relates to electrical works (£100,000) and also includes new traffic lights, fire doors and lighting column & walkway barrier repairs.
- 4.10 Vehicles: The original 2025/2026 budget of £50,000 is projected to be spent.

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. 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.
- 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 2025/2026 capital programme is showing a projected capital spend of £4,511,000 a reduction of £3,064,000, which will be funded from the current year's Scottish Government allocated grant of £7,575,000. The capital programme for 2026/27 will include a request for a Scottish Government grant that includes £3,144,000 to cover the underspend in 2025/2026.
- 6.2 The 2025/2026 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.

PAUL THOMSON
TREASURER

5 NOVEMBER 2025

TAY ROAD BRIDGE JOINT BOARDAPPENDIX ATABLE 1: CAPITAL EXPENDITURE MONITORING - 3 MONTHS TO 31 OCTOBER 2025

<u>Expenditure</u>	<u>Strategic Objective</u>	<u>Capital Budget 2025/26 £000</u>	<u>Slippage from 2024/25 £000</u>	<u>Budget Adjust £000</u>	<u>Slippage into 2026/27 £000</u>	<u>Revised Capital Budget 2025/26 £000</u>	<u>Actual to 31 October 2025 £000</u>	<u>Projected Outturn 2025/26 £000</u>	<u>Variance from Budget £000</u>
									-
Carriageway Resurfacing	1	100	-	5	-	105	-	105	-
Cathodic Protection (CP) Replacement	5	2,500	-	(654)	654	1,846	2	1,846	-
New Gantries	5	4,800	-	(2,490)	2,490	2,310	634	2,310	-
Gantry – Miscellaneous	5	25	-	-	-	25	-	25	-
Miscellaneous Projects	5	100	-	75	-	175	12	175	-
Vehicle Replacement	5	50	-	-	-	50	-	50	-
Total Gross Expenditure		<u>7,575</u>	<u>-</u>	<u>(3,064)</u>	<u>3,144</u>	<u>4,511</u>	<u>648</u>	<u>4,511</u>	<u>-</u>
Funded by:		<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Capital Grant		7,575	-	(3,064)	3,144	4,511	648	4,511	-
Total Funding		<u>7,575</u>	<u>-</u>	<u>(3,064)</u>	<u>3,144</u>	<u>4,511</u>	<u>648</u>	<u>4,511</u>	<u>-</u>

TABLE 2: Unapplied Capital Grant Projected Carry Forward:

	<u>£000</u>
<u>Add:</u> Projected Capital Grant Received 2025/2026	4,511
<u>Less:</u> Projected Capital Grant Utilised 2025/2026	(7,575)
	-
Unapplied Capital Grant Carried Forward to 2026/2027	<u>3,064</u>

LINKING THE 2024/2025 CAPITAL BUDGET MONITORING TO THE BOARD'S STRATEGIC OBJECTIVES

Strategic Objective		<u>Capital Budget 2025/2026 £000</u>	<u>Revised Capital Budget 2025/2026 £000</u>	<u>Actual Expenditure to 31 July 2025 £000</u>	<u>2025/2026 Projected £000</u>
1	Meeting User Expectations	100	105	-	105
2	Fiscally Sustainable	-	-	-	-
3	Transparent Governance and Clear Decision-Making Processes	-	-	-	-
4	A Modern, Diverse and Well-Trained Workforce	-	-	-	-
5	Quality and Standards	<u>7,475</u>	<u>4,406</u>	<u>648</u>	<u>4,406</u>
TOTAL GROSS EXPENDITURE		<u>7,575</u>	<u>4,511</u>	<u>648</u>	<u>4,511</u>