



Subsidised bus service contract recommendations : financial implications

Committee Operations

Date of meeting 4 May 2018

Date of report 26 April 2018

Report by Assistant Chief Executive (Business Support)

1. Object of report

To advise the committee of the financial implications of the subsidised bus contract recommendations being considered at the meeting.

2. Background

The opening position prior to the decisions being sought at this meeting is as follows:

2018/19	Expenditure	Income	Net Expenditure
Approved Budget	£12,020,180	(£458,262)	£11,561,918

*Budgeted Income relates to funding received from Councils and other bodies to support specific services including those which operate outwith the SPT area.

During the course of the financial year actual contract costs will be monitored and compared to budgeted costs. Actual costs are reflected following receipt of the 4 weekly returns, which provide details of services operated and income generated.

3. Proposals

Should the committee accept all the recommendations contained within the following papers, the financial implications will be a decrease in costs of £76,212 against the 2018/19 budget. The net impact is detailed below.

2018/19	Net Approved Budget	Net Projected Outturn	Variance
Subsidised bus services	£11,561,918	£11,485,706	(£76,212)

As Committee have been previously advised this is a budget which is subject to the vagaries of the commercial market and operator behaviour and is subject to significant fluctuations during each financial year. Such service change notifications from bus operators could swing the budgets into overspend in 2018/19.

4. Committee action

The committee is asked to note the financial implications of the recommendations in the following paper, and give due consideration to this in the course of the decision making. The impact of individual decisions is reported in each paper for consideration.

5. Consequences

Policy consequences	<i>None.</i>
Legal consequences	<i>None.</i>
Financial consequences	<i>As detailed in the report.</i>
Personnel consequences	<i>None.</i>
Equalities consequences	<i>None</i>
Risk consequences	<i>None.</i>

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Title **Assistant Chief Executive
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Name Gordon Maclennan

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