

Western Gateway Shadow Sub-National Transport Body

Board Meeting

Paper A

Date **20th September 2019**

Title of report: **Financial update and budget for 2019/20**

Purpose of report: **To provide an update on the budget position for Western Gateway Shadow Sub-National Transport Body**

Recommendations:

The members of the Board are recommended to:

- I. Note the final budget position for 2018/19
- II. Note the updated budget for 2019/20

Financial Overview

- 1.1 The purpose of this report is to update the Shadow Board on the revenue budget for Western Gateway (WG).
- 1.2 The paper confirms the final position for the 2018/19 revenue budget and provides an update on the budget for 2019/20.

2018/19 Financial Year

- 1.3 In August 2019 Dorset Council confirmed the budget position for 2018/19. The total raised through local contributions was just under £100,000.
- 1.4 The WG does not employ any staff and during 2018/19 technical support was provided by the constituent authorities for free. As a result there were only two external costs. The WG Economic Connectivity Study produced by Transport Consultants WSP which cost £75,000 and the inaugural Transport and Business Forum event which cost £1,340. This resulted in a total spend of £76,340 and an underspend of £21,160 for 2018/19. Gloucestershire County Council as lead authority during 2019/20 has invoiced Dorset Council for the underspend and this will be added to the budget for 2019/20. Table A summarises this information.

Table A – 2018/19 Financial Year

	Income	Spend
Local authority contribution		
Bath and North East Somerset Council	7,500	
Bournemouth Borough Council	10,000	
Borough of Poole Council	10,000	
Bristol City Council	10,000	
Dorset County Council	10,000	
Gloucestershire County Council	10,000	
North Somerset Council	10,000	
South Gloucestershire Council	10,000	
West of England Combined Authority	10,000	
Wiltshire Council	10,000	
Total	97,500	
Actual costs		
Economic Connectivity Study		75,0000
Business and Transport Forum		1,340
Total		76,340
Underspend for 2018/19	21,160	

2019/20 Financial Year

- 1.5 The revenue budget for 2019/20 was outlined at the last Board Meeting. It focuses on three areas of spend: staffing costs (including Accountable Body), Major Road Network & Large Local Major funding submission and further enhancements of the Regional Evidence Base.
- 1.6 It was agreed previously by the board than due to the expected increase in staff time required to support the Sub-National Transport Body that budget allocations would be made in 2019/20 for technical and lead authority roles.
- 1.7 As of the end of August 2019 time spent on technical duties has been less than forecast (with much of the Regional Evidence Base drafted during 2018/19), however time spent on Accountable Body work (including time spent preparing the Board, Senior Officer group and Transport Officer Group) has been greater than forecast, although this remains in budget. As both roles are based at Gloucestershire County Council a 15% on-cost has been applied to the daily rate to cover sundries such as heating and ICT support. This was not originally budgeted for, but due to underspend in other staff areas the cost remains well within budget.
- 1.8 The Major Road Network & Large Local Major funding submission was successfully made to the Department for Transport on the 25th July 2019. Costs supporting the regional submission relate primarily to the production of an Executive Summary and supporting maps. Both elements although not essential enhance the quality of the submission. Production of the maps was not originally budgeted for, but was covered by savings made through reduced staffing costs.
- 1.9 Additional studies are required to enhance the WG Regional Evidence base and inform the production of the Strategic Transport Plan. Budget has been allocated for the Rail study and Multi-modal Port access study. Table B summarises this information.

Table B – 2019/20 Financial Year – Actual spend to the end of August 2019

	Income	Actual spend	Forecast spend	19/20 Budget	Budget Variance
Local authority contribution					
BANES Council	22,500.00				
BCP Council	20,000.00				
Bristol City Council	20,000.00				
Dorset Council	20,000.00				
Gloucestershire County Council	20,000.00				
North Somerset Council	20,000.00				
South Gloucestershire Council	20,000.00				
West of England CA	20,000.00				
Wiltshire Council	20,000.00				
Underspend 2018/19	21,160.00				
Total	203,660.00				
Staff costs including Accountable Body					
Accountable Body		4,375.00	15,312.50	15,000.00	- 312.50
Technical lead		5,000.00	12,000.00	20,000.00	8,000.00
GCC - on costs		1,406.25	4,096.88	-	- 4,096.88
Technical Support		-	5,250.00	15,000.00	9,750.00
Comms support		6,905.00	14,605.00	16,000.00	1,395.00
Communications Strategy		-	10,000.00	10,000.00	-
Transport and Business Forum		-	5,000.00	5,000.00	-
Printing (Brochure)		186.32	186.32	-	- 186.32
Total		17,872.57	66,450.70	81,000.00	14,549.31
MRN / LLM submission					
Executive Summary		20,000.00	20,000.00	20,000.00	-
Maps and images		4,266.00	4,266.00	-	-4,266.00
Total		24,266.00	24,266.00	20,000.00	- 4,266.00
Regional Evidence Base					
Rail Strategy - Phase 1		-	50,000.00	78,500.00	28,500.00
Rail Strategy - Phase 2		-	35,000.00	-	- 35,000.00
Review of port access		-	20,000.00	-	- 20,000.00
SRN priorities		-	-	-	-
Total		-	105,000.00	78,500.00	- 26,500.00
Contingency		-	7,933.30	24,150.00	16,216.70
Grand Total		42,138.57	203,650.00	203,650.00	-

Medium Term Financial Plan

- 1.10 One of the primary aims of the WG is to produce a Strategic Transport Plan during 2020/21. Three funding scenarios have been identified and shared with Department for Transport colleagues outlining the extent of additionality the WG could provide should external funding become available. These scenarios directly in relate to the robustness of the regional evidence base used to inform the Strategic Transport Plan.
- 1.11 With Brexit dominating Government's focus it is increasingly unlikely that funding will be provided during 2020/21 to support the production of the inaugural Strategic Transport Plan. This will result in a continued reliance on Local Authority contributions to support the production of this initial strategy.
- 1.12 It remains the aim of the WG to access Government funding to develop a more robust Strategic Transport Plan in 2023/24 to inform funding decisions post 2025. The Board will need to consider how it best engages with Government to influence any future funding allocations. Options for this will be discussed at future Board meetings to ensue the WG is best placed to present its case for funding.

Consultation, communication and engagement

2.1 This update has been discussed by the Senior Officer Group.

Equalities Implications

3.1 No adverse impact on any protected groups.

Legal considerations

4.1 The WG Shadow Sub-National Transport Body (WGSSTB) remains an informal non-statutory partnership.

Financial considerations

5.1 The budget contributions have been agreed by Constituent Authorities to meet the costs of the WGSSTB as set out in this report.

Conclusion

6.1 The Board is recommended to note the financial update outlined within this report. Key issues to note include:

- There is additional budget allocation for 2019/20 resulting from the 2018/19 underspend
- Staffing costs up to the end of August 2019 are coming in lower than forecast
- Additional spend was allocated on supporting the MRN/LLM bid submission
- Additional funding has been allocated to enhance the regional evidence base
- Contingency costs have been reduced accordingly

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