

Western Gateway Sub-national Transport Body

Board Meeting

Paper D

Date **28th February 2023**

Title of report: **Western Gateway Business Plan**

Purpose of report: **To set out the Western Gateway's Business Plan for 2023/24 to 2024/25**

Recommendations:

The members of the Board are recommended to:

- I. Approve the Business Plan for 2023/24 to 2024/25 as set out in Appendix One for submission to the Department for Transport.
- II. Delegate producing the final public facing version of the Business Plan to the Programme Team in consultation with the Chair and Vice Chair.

1. Background

1 The Western Gateway's Business Plan sets out what the Sub-national Transport Body intends to do in 2023/24 and 2024/25. The Department for Transport has provided guidance and this has been used to shape the draft Business Plan.

2. Summary

2.1 The full Business Plan is set out in Appendix One. The aim is to produce a simple and accessible public facing document. A summary table showing the proposed programme for 2023/24 and 2024/25 can be found below. Funding from the Department for Transport is taken from the grant settlement letter of 26 July 2022. Confirmation of the final grant for 2023/24 is awaited.

Themes	2023/24 £k	2024/25 £k
Strategic Transport Plan	50	50
Rural Mobility – pilot projects	120	120
Rail Strategy – incl. Heart of Wessex Line	150	150
Freight	75	100
Alternative Fuels for Freight	50	50
Electric Vehicle Charging and Local Transport Plan support	50	50
Centre of Excellence*	50	75
Quantifiable Carbon Reduction and Local Transport Plan support**	50	50
Business Case and Local Transport Plan support	50	50
Coach Strategy*	50	50
Strategic Cycling Network*	50	50
Other and contingency – National Highways, Network Rail, DfT	50	50
Ongoing costs – transport model and carbon baseline	48	31
Staffing	153	200
TOTAL	996	1076
Funding received		
Local authority contributions	180	180
Department for Transport grant (from the funding settlement letter 26 July 2022)	816	896
TOTAL	996	1076

* Additional Department for Transport Regional Centre of Excellence funding may be available.

** Dependent on Department for Transport Local Transport Plan and Quantifying Carbon Reduction guidance expected spring 2023.

3. Next Steps

- 3.1 The Business Plan will be submitted to the Department for Transport for approval by the Secretary of State. Confirmation of the Business Plan and funding is expected by June 2023 and will be reported to the Board.
- 3.2 A glossy public facing version will be produced and placed on the Western Gateway website. Delegation is sought for officers to produce the final version of the Business Plan in consultation with the Chair and Vice Chair.

4. Consultation, communication and engagement

- 4.1 Officers from the Western Gateway's constituent authorities have been consulted on the Business Plan along with National Highways and Network Rail and their comments incorporated.

5. Equalities Implications

- 5.1 No adverse impact on any protected groups is expected.

6. Legal Considerations

- 6.1 The Western Gateway STB remains an informal non-statutory partnership.

7. Financial considerations

- 7.1 Funding for the Western Gateway is through the Department for Transport's grant for 2023/24 and 2024/25 and the annual contributions from each of the nine constituent authorities. We are grateful to our funding partners.

8. Conclusion

- 8.1 The Board is asked to agree the recommendations set out at the beginning of this report.

Appendix One

Draft Western Gateway Business Plan 2023/24 to 2024/25

Contact Officer

James White, Technical Lead Western Gateway Sub-national Transport Body

Appendix One

Draft Western Gateway Business Plan 2023/24 to 2024/25

Welcome to our plan for the next two years

Welcome to the Western Gateway Sub-national Transport Body's Business Plan setting out what we intend to do in 2023/24 and 2024/25. Read below to find out more about who we are, what we did last year, what's new and what's happening over the next two years.

What is the Western Gateway Sub-national Transport Body and what do we do?

The Western Gateway Sub-national Transport Body (STB) stretches from Gloucestershire down through Bristol, Bath, Wiltshire and Dorset to Bournemouth. Acting on behalf of the nine local authorities that make up our area we are the regional voice for transport helping to champion the region, prioritise interventions, take on the big challenges and work beyond local boundaries. By working regionally we can save unnecessary duplication and money and provide technical support. Likewise we work closely and collaborate with our fellow STBs on carbon, alternative fuels and EV charging work as well as the joint rural and freight strategies with the Peninsula Transport STB. Our funding comes through a Department for Transport grant and contributions from our nine local authorities. We are grateful to our funding partners.

In line with the Department for Transport's guidance our work is driven by these three core functions:

- 1) Develop and maintain a transport strategy for our region.
- 2) Provide advice to Ministers on prioritising transport investment.
- 3) Grow the capability of Local Transport Authorities (LTAs) in our region by developing a Regional Centre of Excellence

Within these we are committed to supporting low carbon transport. We take a corridor based approach to transport issues, addressing north south connectivity and supporting the development of transport infrastructure that enables sustainable place shaping. One of our chief roles is to support the authorities in producing their updated Local Transport Plans providing the link between national, regional and local transport policies.

A quick look back at 2022/23

Last year was busy. We adopted our Freight and Rural Mobility Strategies, both jointly with the Peninsula Transport Sub-national Transport Body and completed the Coach, Alternative Fuels for Freight and Strategic Cycling Strategies. Taking forward the Freight Strategy we set up a South West Freight Forum with industry and local authorities well represented. Three subgroups dealing with aviation and maritime, roads and rail are now up and running with work progressing on setting up a load matching scheme and a study exploring locations for intermodal rail freight terminals.

We continued to work closely with National Highways on their Route Investment Strategy and the M4 to Dorset Coast Study and with Network Rail on their strategic corridor studies. Coming out of the rail work is our exciting proposals for increasing capacity at Cheltenham Spa station and hourly services on the Heart of Wessex Line. Our carbon baseline tool was completed and this is now available for all our local authorities to use. Just starting as the year closed was the Electric Vehicle Charging Strategy, being jointly undertaken with the Peninsula. The recruitment of much needed additional Transport Officers started and we remain grateful for the continued input of resource from our local authorities. Equally we are grateful to our fellow Sub-national Transport Bodies and the Department for Transport for all their support and advice.

New for 2023/24

We are reviewing our constitution with the possibility of appointing a new independent business chair for the Board.

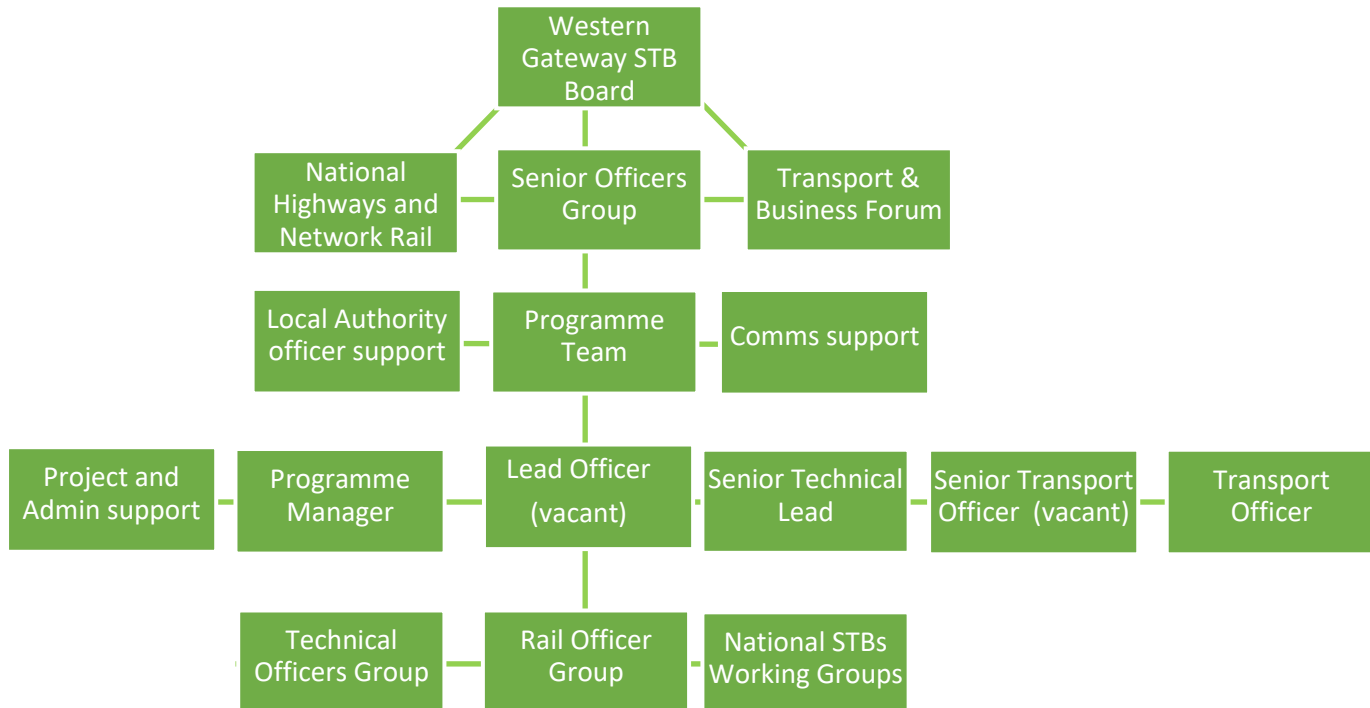
Our new part-time Lead Officer post will be in place during 2023/24. This role will provide leadership, manage the governance, work and staff and be the public face for the Western Gateway STB.

New areas of work will be providing Business Case Support for our local authorities in developing their major transport schemes, setting up a Regional Centre of Excellence (see below) to promote our innovative work on freight, rural mobility, coaches and cycling, and implementing the Department for Transport's latest requirements for Quantifying Carbon Reduction and supporting updated Local Transport Plans. Additionally we will explore with our universities and colleges the potential for bringing in graduates and interns to help with our programme and gain valuable work experience.

Further help will be coming via the Common Analytical Framework being developed by Transport for the North. The Department for Transport has signed off this approach and provided Transport for the North with additional funding in 2023/24 to start the roll out to the other STBs. It will be a useful tool providing a consistent and cost effective approach to building the case for transport schemes with the sharing of best practice and a centralised data hub. Inbuilt flexibility will allow the Framework to be tailored to fit our needs and resources.

With the expanding work programme we need to re-examine the current level of resource and officer roles will be reviewed.

New structures will be in place by the end of 2023/24. Interim measures may be needed in the meantime. With our new posts the current structure is shown in the diagram below. This will evolve as the new structure comes into place.



Working with partners

Collaborative working lies at the heart of what we do. To this end we are committed to working with our key partners National Highways, Network Rail, Great British Railways, train operating companies, the Department for Transport and other regional bodies including the Western Gateway Partnership and Transport for Wales. We greatly value their contributions and input into our work programme.

Obviously one of our main roles is to work with and support our local authorities. Our new Strategic Transport Plan, to be adopted during 2023/24, will provide the link between national, regional and local policies. In turn our authorities will use this to shape and influence their individual Local Transport Plans. The new guidance on producing Local Transport Plans, expected Spring 2023, will further strengthen the transport planning links between the Western Gateway and the local authorities.

We have been greatly assisted in our work by the other STBs. An excellent collaborative example can be found in the alternative fuels for freight and carbon baseline work where we used the Midlands Connect approach. By participating in the various national STB working groups, including carbon, rail, freight and rural mobility we have benefited from the sharing of ideas and data. We remain committed to undertaking joint work with our neighbouring Peninsula Transport STB building on our successful work on freight and rural mobility.

Where possible we will use our resources to help secure funding from other sources. Principally this will be around taking forward the rural mobility pilot projects using Western Gateway seed funding to bring in other partners. Similarly with business case support we will be looking to explore new funding models.

Regional Centre of Excellence

The Department for Transport is keen for each Sub-national Transport Body to set up its own Regional Centre of Excellence and help its local authorities to develop tools and good practice and provide resources and expertise. Our Centre of Excellence work runs through everything we do and we will particularly focus on helping to assist the local authorities to deliver innovative rural mobility pilots and freight, cycling and coach schemes. Costs will be mainly met through the individual work package budgets with additional support as required from a dedicated Centre of Excellence budget.

The Department for Transport has indicated additional funding for Regional Centres of Excellence may become available and if this happens we would like to direct this towards developing the delivery of the interventions identified in the coach and cycling strategies. We are leading the way nationally and this would be a great opportunity to extend the work and enable all the STBs to benefit. Our current budget for cycling and coaches will only allow us to make limited progress whereas with additional funding we can accelerate the process and facilitate schemes being delivered.

Engagement on the Issues & Options paper as part of producing our long term Strategic Transport Plan might lead to new ideas and innovations being proposed. Should this occur, we will consider directing additional funding to developing them.

We will also undertake an engagement programme with the local authorities to understand their requirements for other projects and where the STB can continue to assist and add value.

We will work jointly and co-ordinate with the other STBs on carbon reduction, EV charging, alternative fuels, the Common Analytical Framework and procurement.

Similarly we will take an active role in the various national STB working groups covering key areas such as freight, rural mobility, decarbonisation and rail sharing best practice, ideas and research

As mentioned above we want to set up a recruitment and training programme including linking up with our universities and colleges to bring in graduates and interns to assist with our work and gain valuable work experience. We will also consider establishing a training fund to send officers from the local authorities on courses and events which benefit the Western Gateway STB region and promote best practice and value for money. An initial provision of funding is included in the programme for 2023/24 to 2024/25 to get the scheme started. With the potential for more Department for Transport Regional Centres of Excellence funding we would like, if this happens, to direct this towards developing our recruitment and training programme.

What we're doing in 2023/24 and 2024/25

We have an exciting programme for the next two years. Building on the strategy work undertaken in 2022/23 and in previous years we will be focusing on taking forward rural mobility pilot projects, building the case for rail enhancements and new intermodal rail freight terminals and helping to develop a network of hydrogen and electric vehicle charging stations for freight. Support for our authorities in developing their new Local Transport Plans will be a key part of this programme.

Our rural and rail work by providing new and lower carbon travel opportunities will have wide reaching benefits for connectivity and accessibility as well as making significant contributions to enabling economic growth, levelling up and net zero. This is why a significant proportion of the budget for 2023/24 to 2024/25 is focused on these areas.

The table below provides a handy summary of where we will be investing in 2023/24 and 2024/25. For more detail please see the Programme Table that follows.

Themes	2023/24	2024/25
Strategic Transport Plan	50	50
Rural Mobility – pilot projects	120	120
Rail Strategy – incl. Heart of Wessex Line	150	150
Freight	75	100
Alternative Fuels for Freight	50	50
Electric Vehicle Charging and Local Transport Plan support	50	50
Centre of Excellence*	50	75
Quantifiable Carbon Reduction and Local Transport Plan support**	50	50
Business Case and Local Transport Plan support	50	50
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Our work programme in more detail

Find out more about what we are planning to do in 2023/24 and 2024/25 by using the table below. This demonstrates how our Business Plan meets the Department for Transport's core functions guidance and its priorities for enabling economic growth, levelling up our region and achieving net zero.

Themes	Work packages	Meets DfT core functions			Budget £k	
		Transport Strategy	Prioritised investment	Centre of Excellence	2023/24	2024/25
Strategic Transport Plan (STP)	<p>Consultation on draft STP</p> <p>Final draft and adoption by Board</p> <p>Strategic Investment Plan</p> <p>Household surveys – evidence database to support the STP and Local Transport Plans and inform major scheme business cases. Potential joint project with Peninsula Transport and Transport East.</p>	<p>✓</p> <p>Enabling economic growth: ✓</p> <p>Levelling Up: ✓</p> <p>Achieving Net Zero: ✓</p>	<p>✓</p>	<p>✓</p>	<p>50</p> <p>Completion of STP</p> <p>Development work for household surveys</p>	<p>50</p> <p>Household surveys started</p>
Rural Mobility Strategy	<p>Shortlist pilot projects</p> <p>Expressions of interest competition</p> <p>Selection of pilot(s) and partners</p> <p>Support development of business case(s) and new funding models</p>	<p>✓</p> <p>Enabling economic growth: ✓</p> <p>Levelling Up: ✓</p> <p>Achieving Net Zero: ✓</p>		<p>✓</p>	<p>120</p>	<p>120</p>
Rail Strategy	<p><i>2023/24</i></p> <p>Heart of Wessex Line hourly services business case development</p> <p>Cheltenham Spa bay platform business case development</p> <p>West of England Line capacity enhancements feasibility</p> <p><i>2024/25</i></p> <p>Bristol and South Coast to Oxford to link with East West Rail</p> <p>Dorset Metro development</p> <p><i>Future schemes</i></p> <p>MetroWest to the South (WECA led)</p>	<p>✓</p> <p>Enabling economic growth: ✓</p> <p>Levelling Up: ✓</p> <p>Achieving Net Zero: ✓</p>	<p>✓</p>	<p>✓</p>	<p>150</p>	<p>150</p>

Themes	Work packages	Meets DfT core functions			Budget £k	
		Transport Strategy	Prioritised investment	Centre of Excellence	2023/24	2024/25
	South West Main Line (study to be published in 2023)					
Freight Strategy	<p><i>With Peninsula Transport:</i> Intermodal freight terminals continued development (RL7 and RL8) Bridge strikes action plan (RD2) Load matching scheme expanded (RD15) Hard to reach areas load sharing pilot (RD16) Lorry parking market shortfall study (RD5) Coastal shipping promotion (M1)</p>	<p>✓ Enabling economic growth: ✓ Achieving Net Zero: ✓</p>		✓	75	100
Alternative Fuels for Freight	<p>Shortlisting of long list of sites (DfT funded through Midlands Connect) Business case development for shortlisted site(s)</p>	<p>✓ Enabling economic growth: ✓ Levelling Up: ✓ Achieving Net Zero: ✓</p>		✓	50 Business Case development	50 Business Case development
Electric Vehicle Charging Strategy	<p><i>With Peninsula Transport, Transport East and Transport for the North:</i> Completion of regional demand assessment as required by the DfT's Taking Charge EV Infrastructure Strategy. To be used to support Local Transport Plans. New Electric Vehicle Charging Infrastructure (EVCI) tool via Transport for the North.</p> <p><i>In-house:</i> EV Charging Strategy produced. Support for Local Transport Plans</p>	<p>✓ Levelling Up: ✓ Achieving Net Zero: ✓</p>	✓	✓	50	50

Themes	Work packages	Meets DfT core functions			Budget £k	
		Transport Strategy	Prioritised investment	Centre of Excellence	2023/24	2024/25
	<i>Future work:</i> Pilot project(s) development for market shortfall areas					
Centre of Excellence	<p>Most of the work on the Centre of Excellence will be covered by the budgets for individual projects. Resource required for:</p> <p>Engagement programme with the local authorities to understand their requirements and where the STB can continue to assist.</p> <p>Set up a recruitment and training programme including link up with universities for graduates and interns and sending officers on course and events.</p>	<p>√</p> <p>Levelling Up: √ Achieving Net Zero: √</p>		√	50	75
Quantifying Carbon Reduction	<p>Assist local authorities in quantifying carbon reduction in their Local Transport Plan using the Carbon Baseline and forecasting work and the Western Gateway Strategic Transport Model.</p> <p>Assist local authorities in preparing a pipeline of carbon reduction interventions for inclusion in their Local Transport Plans.</p> <p>To note the extent of the work will depend on the guidance expected spring 2023.</p>	<p>Levelling Up: √ Achieving Net Zero: √</p>	√	√	50	50
Business Case Support	Provide technical, capacity and capability support and a suite of tools for developing business cases for the priority list of interventions from the Strategic Transport Plan.	√	√	√	50	50

Themes	Work packages	Meets DfT core functions			Budget £k	
		Transport Strategy	Prioritised investment	Centre of Excellence	2023/24	2024/25
	<p>Implementation of Transport for the North's Common Analytical Framework.</p> <p>Act as critical friend for local authority Local Transport Plan major transport scheme proposals.</p> <p>Assist in the development of new funding models.</p>	<p>Enabling economic growth: ✓</p> <p>Achieving Net Zero: ✓</p>				
Coach Strategy	Take forward recommendations from the Strategy for development	<p>✓</p> <p>Levelling Up: ✓</p> <p>Achieving Net Zero: ✓</p>		✓	50	50
Strategic Cycle Network	Develop the business case for a selection of key route interventions arising from the Strategy and develop new funding models	<p>✓</p> <p>Levelling Up: ✓</p> <p>Achieving Net Zero: ✓</p>		✓	50	50
Other projects and contingency	<p>Major Road Network – possible future rounds of bidding and prioritisation</p> <p>Route Investment Strategies 3 – support for National Highways</p> <p>Control Period 7 and RNEP – input and support from the STB for Network Rail</p> <p>Work with the Western Gateway Partnership to promote their Rail 2050 Vision and strengthen joint working</p>	<p>✓</p> <p>Enabling economic growth: ✓</p> <p>Levelling Up: ✓</p> <p>Achieving Net Zero: ✓</p>	✓		50	50

Themes	Work packages	Meets DfT core functions			Budget £k	
		Transport Strategy	Prioritised investment	Centre of Excellence	2023/24	2024/25
Residual/ongoing						
Carbon baseline	Annual updates and additional forecasts	√		√	28	8
WG Strategic Transport Model	Updates	√			20	20
Strategic Transport Plan	Kept under review and updated	√			0	13
Sub-total					843	883
Staffing and admin support						
Secretariat Function	Lead Officer, Programme Management, Project Support and administration				153	200
Total expenditure					996	1076
Funding available						
Authority contributions	Each authority provides an annual contribution of £20,000				180	180
DfT grant	As per the grant settlement letter of 26 July 2022				816	896
Total funding					996	1076

Strategic Investment Plan – priorities

Our Strategic Transport Plan will include a Strategic Investment Plan setting out clear investment priorities for the Western Gateway STB area. This will help both our local authorities and the Department for Transport to plan for new transport interventions. Business case support will be provided to be ready for when funding opportunities arise.

As our draft Strategic Transport Plan will be going out to consultation in the summer of 2023 with adoption in the autumn of the same year, the Strategic Investment Plan will be ready late 2023/early 2024. The Strategic Investment Plan will be undertaken with the local authorities, Network Rail, Great British Railways, National Highways, the Western Gateway Powerhouse and the Department for Transport.

Resources to deliver the Business Plan

With our expanding work programme and additional Department for Transport funding we need to ensure we have the right resources in place. We will re-examine and review the current level of resource and officer roles. Areas where we may not have the necessary in-house technical skills in place and which may, therefore, require resourcing from external consultants include business case support, quantifiable carbon reduction and implementing the Electric Vehicle Charging, Coach and Cycling Strategies. Wherever possible, however, we will use in-house resource including from our local authorities to deliver our programme in full. Creating new posts will be kept as an option.

Monitoring and evaluation

As part of the Strategic Transport Plan a monitoring and evaluation plan will be produced to demonstrate how our policies and interventions meet the Western Gateway's and Department for Transport objectives and the added value the Western Gateway STB provides to our local authorities. We will work with the other STBs on a consistent approach to data gathering and the use of performance indicators and targets.

Going forward

Our Business Plan will see our role grow and develop taking the Western Gateway STB region forward, meet Government objectives and help our local authorities to produce their Local Transport Plans and deliver schemes on the grounds. We will not be doing this alone and we look forward to working closely with our key partners.

Western Gateway Sub-national Transport Body
28 February 2023