

Western Gateway Sub-national Transport Body

Board Meeting

Paper A

Date **27th September 2023**

Title of report: **Revised Western Gateway Programme 2023/24**

Purpose of report: **To set out a proposed revised programme for the Western Gateway in 2023/24 following the Department for Transport's freezing of funding at 2022/23 levels**

Recommendations:

The members of the Board are recommended to:

- I. Approve the revised programme for the Western Gateway in 2023/24
- II. Freeze the post of Lead Officer and find alternative ways to provide the role.

1. Background

1.1 On 20 July 2023 the Western Gateway Sub-national Transport Body (STB) received its annual funding settlement letter from the Department for Transport (DfT). Funding for 2023/24 is to be frozen at 2022/23 levels. Whereas the Western Gateway was expecting an uplift to £816,000 this is now £605,000. In effect this is a £211,000 cut in the Western Gateway's programme.

1.2 It has been pointed out to the Department for Transport that the planned uplift in funding for both the Western Gateway and Peninsula Transport over 2022/23 to 2024/25 was part of the levelling up of STBs.

1.3 All other STBs are similarly frozen (except for Transport for the North who have previously received their settlement). To note that proportionately our and the Peninsula's drop in funding is higher than the other STBs.

2. Review of programme

2.1 With a £211,000 cut we need to review the Western Gateway programme for 2023/24 programme. Proposals are set out in Table One below.

Table One: Revised Western Gateway work programme for 2023/24

Work areas	Proposed change	Planned 2023/24	Revised 2023/24
Strategic Transport Plan	No change. DfT requirement to produce the STP.	50	50
Rural Mobility – pilot projects	No change.	120	120
Rail Strategy – incl. Heart of Wessex Line	£109k already committed. Remainder to start West of England line work.	150	150
Freight	No change. Full programme of interventions and Forum to carry on.	75	75
Alternative Fuels for Freight	Defer to 2024/25 Stage 3 development of shortlisted site(s)	50	20
Electric Vehicle Charging and Local Transport Plan support	Commitment to complete regional demand assessment and produce strategy	50	50
Centre of Excellence	Review planned activities.	50	30
Quantifiable Carbon Reduction and Local Transport Plan support	No change. Funding needed to make carbon tool compatible with EEH's 'playbook' tool.	50	50
Business Case and Local Transport Plan support	Defer to 2024/25.	50	0
Coach Strategy	Programme for 2023/24 agreed by Board on 28/06/2023.	50	50
Strategic Cycling Network	Additional work to complete Strategy still required	50	30
Other projects and contingency	Reduce in line with reduced overall budget.	50	30
Ongoing costs – transport model and carbon baseline	Carbon baseline update covered by 'playbook' work.	48	30
Staffing* – see section below	Not appoint a Lead Officer Review full time Project Manager post. No remuneration for independent business chair.	153	100
TOTAL		996	785
Funding received			
Local authority contributions		180	180
Department for Transport grant (from the funding settlement letter 26 July 2022)		816	605
TOTAL		996	785

Indicates where cuts are proposed

* Includes Project and Administration Assistant, Project Manager and Lead Officer (all posts currently vacant). Senior Technical Lead, Senior Transport Officer and Transport Officer posts and comms support recharged against individual projects.

- 2.2 Under the revised programme in Table One it is proposed to keep funding for key rail, freight and rural mobility projects unchanged. For rail £109,000 is already committed for completing study work on the hourly Heart of Wessex Line service and Cheltenham Spa bay platform projects. With the Coach Strategy adopted at the 28 June 2023 Board meeting it is proposed to keep momentum going with the £50,000 budget retained.
- 2.3 Work on decarbonisation projects such as Alternative Fuels for Freight Phase 3 (developing the case for the shortlisted sites for hydrogen refuelling and EV charging stations) and taking forward the Cycling Strategy will be deferred into 2024/25. Reduced budgets to complete work commitments in 2023/24 are still required. Funding for the Regional Centre of Excellence, Other projects and contingency is reduced in line with the overall budget cut.
- 2.4 The ongoing uncertainty over when the Local Transport Plan and Quantifying Carbon Reduction guidance will be published calls into question whether funding is needed to support the local authorities on this in 2023/24. It is proposed, however, to redirect the £50,000 budget towards making the Western Gateway's carbon forecasting tool with England's Economic Heartland 'Decarbonising Policy Playbook' tool. The 'Playbook' tool is being taken up by all the STBs and will enable our local authorities to test the carbon impact of individual schemes and areas. Planned support for Business Case development for schemes in the local authorities Local Transport Plans is on hold due to the guidance uncertainty.
- 2.5 It is looking possible that the Rural Mobility budget will be underspent which would then free up funding for those workstreams above with reduced funding for 2023/24. This will be kept under review and reported to the Board.
- 2.6 By not appointing a Lead Officer considerable savings can be made. The Board has been advised that recruitment to this post has proved disappointing and it remains unfilled. Given the drop in funding and the increasingly disproportionate costs of paying for the Lead Officer this then represents it is proposed that this post be frozen and alternative ways to fill the role explored.
- 2.7 The Department for Transport has indicated that new Business Plan guidance for Sub-national Transport Bodies is to be issued. In the light of this new guidance and should the programme need to be revised accordingly it is proposed that a report is brought to 6 December 2023 Board meeting for approval.

3. Funding for 2024/25

- 3.1 The DfT has advised that for 2024/25 it is best to assume the Western Gateway will only receive the same amount as for 2023/24. Under the previous uplift proposals the Western Gateway would have received £896,000 in 2024/25. A revised programme for 2024/25 will be produced.

4. Consultation, communication and engagement

- 4.1 The Senior Officers Group, with officers from all the Western Gateway's constituent authorities, has been consulted on the revised programme for 2023/24.

5. Equalities Implications

- 5.1 Delivering the Western Gateway's programme will open up new travel opportunities, improve accessibility for everyone and contribute to decarbonising transport. 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 Department for Transport funding for 2023/24 has been frozen at 2022/23 levels. The Western Gateway was expecting an uplift to £816,000. With funding of only £605,000 this is a cut of £211,000. The Western Gateway's programme has been revised as set out in this report.

8. Conclusion

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

Contact Officer

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