

Western Gateway Sub-national Transport Body

Board Meeting

Paper D

Date **25th June 2025**

Title of report: **Financial Update Report**

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

Recommendations:

The members of the Partnership Board are recommended to:

- I. To acknowledge the end of year position for 2024/25
- II. To note the current financial position as set out in this report.

1. Introduction

- 1.1 This report contains an update on finances. The paper provides the end of year financial position for 2024/25 and an update on the budget to date for the current Financial Year for Western Gateway. The board is asked to note these, as summarised below.

2. 2024/25 end of year report

- 2.1 Members of the Partnership Board agreed the initial budget for 2024/25 at their March 2024 meeting. The 2024/25 budget was then subsequently revised at the July 2024 meeting following confirmation that the DfT grant received was less than had been anticipated from Baroness Vere's letter of 21 March 2022, it nonetheless represented a significant increase from the £605,000 received in 2023/24 and was welcomed. Regardless of the reduction, the budget set out plans to deliver an ambitious technical programme, including supporting delivery of the Strategic Transport Plan and Strategic Investment Plan. The budget also included staffing costs and the overall operational costs of the STB.
- 2.2 Noting that the West of England Combined Authority as the accountable body released the balance sheet for the end of year 2024/25 with a total carry forward funds of £147,772.39. Of this, £130,491.39 was ringfenced for

committed spend into the next financial year, leaving an actual uncommitted carry-forward balance of £17,281. Table 1 sets out the summary of end of year position of the WG.

- 2.3 The West of England Combined Authority's S151 officer has signed off the end of year account.

3. Budget Update 2025/26

- 3.1 The Partnership Board approved the revised budget for the 2025/26 Business Plan in March 2025. The budget is now revised based on the DfT funding allocation of £816,000 and the Local Authority Contributions of £180,000, which was agreed by the Board.
- 3.2 Table 2 sets out the summary of the revised budget for 2025/26. The budget includes reserves of just over £200k to ensure that the Western Gateway is in a position to meet its liabilities and for general contingency for staff/technical programme risks. This would give an operating budget of about £1,232,327.03 for 2025/26.
- 3.3 Table 3 sets the summary of the spend position to end of May against the revised agreed budget 2025/26.
- 3.4 The main elements of expenditure to date relate to staffing costs and delivering the technical programme ringfenced from last FY, including development and delivery of Rail work, Rural Mobility Pilot project, coach workstreams, strategic cycle routes and the delivery of the Regional Centre of Excellence work package and progressing all other aspects of the business operational running of the Western Gateway. Actual expenditure to date is just above £200k which is split between staffing costs incorporating events/logistics and the technical programme. The committed spend on staffing and the technical programme (excluding accruals) is approximately £640k, with a contingency pot of about £141k.
- 3.5 Spend for the technical programme does not track equitably across the Financial Year, as invoices are paid on completion of key milestones. Our aim is to execute the technical programme effectively within the current Financial Year by utilizing allocated budget resources optimally, thereby minimizing any carry-over into the next Financial Year. At the same time, we remain committed to driving efficiencies throughout the implementation of our work programme to ensure we deliver maximum value. The forecast will be reviewed regularly and if we forecast an underspend against any budget line and needs reprofiling to cover other budget lines, we will bring a recommendation to the Senior Officers Group (in between quarterly board meetings) and/or Programme Management Group (in between Senior Officers Group meeting) for approval of reallocation. This will be reported to the partnership board members at the next partnership board meeting.

- 3.6 The budget report will continue to be reviewed and updated with any changes as the year progresses to reflect changes such as reallocations of funds between projects and cost increases. Changes will be reported to the Board.

Table 1 – Summary of End of Year 2024/25

Ref	EXPENDITURE - March 25	Budget 24/25	Actuals YTD	Forecast	Committed Spend - March	Remaining Balance - March
	OPERATIONAL EXPENSES					
	Staffing inc seconded staff costs**	£307,507	£288,607	£307,507	£18,900	£0
	Overheads	£99,520	£99,520	£99,520	£0	£0
	Communications/engagement inc travels	£23,000	£22,471	£22,471	£0	£529
	TECHNICAL PROGRAMME					
1.8	Strategic Investment Plan	£115,000	£113,568	£113,568	£0	£1,432
3.1	Freight Strategy	£44,000	£43,426	£43,426	£0	£574
4.3	Strategic Rail - Phase 2*	£109,470	£57,112	£109,470	£52,359	£0
5.2	Rural Mobility - Phase 2*	£72,596	£12,596	£72,596	£60,000	£0
6.1	Coach strategy - Phase 2*	£36,092	£26,847	£36,092	£9,245	£0
6.2	Coach strategy - Phase 3*	£43,271	£28,728	£43,271	£14,543	£0
7	Strategic Cycle Routes	£23,000	£22,784	£22,784	£0	£216
9.0	Electric Vehicle	£1,000	£835	£835	£0	£165
10	Centre of Excellence (CoE) inc Carbon*	£103,000	£91,059	£102,976	£11,917	£24
	Contingency budget	£18,544	£4,203	£4,203	£0	£14,341
	TOTAL EXPENDITURE	£996,000	£811,755	£978,719	£166,965	£17,281
	Subtotal operational expenses	£429,498				
	Subtotal technical programme	£549,221				
	Total expenditure	£978,719				
	Remaining Balance	£17,281				
	Total Budget	996,000				
	FUNDING 24/25					
	DfT Grant	£816,000				
	Local Contribution	£180,000				
	Total Funding	£996,000				
	Notes					
	* Indicates live projects that are committed and ringfenced into the next financial year					
	** Indicates spend for functional administration costs/staff time					

Table 2 – Summary of revised budget 2025/26

Local Authority contribution	£180,000
DfT Grant Funding	£816,000
Funding Carry forward (prior years)	£236,327.03
Total Funding	£1,232,327.03

Table 3 – Summary of the spend position to date

The budget report is summarised as follows:

Local Authority contribution	£180,000
DfT Grant Funding	£816,000
Total Funding	£996,000
Expenditure (including committed spend)	
Staffing costs + technical programme (actuals)	£214,089
Staffing costs + technical programme (committed)	£640,911
Total Cost YTD	£855,000
Carry forward/contingency	£141,000
Total Budget	£996,000

4. Consultation, communication and engagement

- 4.1 This update has been discussed by the Programme Management Team and approved by the Senior Officer Group.

5. Equalities Implications

- 5.1 No adverse impact on any protected groups.

6. Legal considerations

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

7. Financial considerations

7.1 The budget considerations are set out in this report.

8. Conclusion

8.1 The Board is recommended to note the end of year 2024/25 and financial position till date.

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