

## **Western Gateway Sub-national Transport Body**

### **Board Meeting**

### **Paper F**

Date **24<sup>th</sup> June 2026**

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 2025/26
- 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 2025/26 and an update on the budget to date for the current Financial Year for Western Gateway (WG). The board is asked to note these, as summarised below.

## **2. 2025/26 end of year report**

2.1 In October 2024, the Partnership Board retrospectively approved the initial 2025/26 budget in the Business Plan. Following revisions agreed by the Senior Officer Group, the updated budget was retrospectively approved by the Board in March 2025. Retrospective approval was required as the Department for Transport's (DfT) January 2025 Business Plan submission deadline fell before the next scheduled Board meeting of March 2025.

2.2 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.

2.3 In February 2025, DfT confirmed Western Gateway's 2025/26 funding allocation of £816k. Noting that the West of England Combined Authority as

the accountable body released the balance sheet for the end of year 2025/26 with a total carry forward funds of £93,032.37 and year end expenditure of £902,967.63 in which of this, £16,340.20 was ringfenced for committed spend into the next financial year, leaving an actual year end spend as £886,627.43. Table 1 sets out the summary of end of year position of the WG.

- 2.4 The West of England Combined Authority's Section 151 Officer is currently finalising the year-end accounts. No further material changes are expected, and any subsequent adjustments will be reflected through the reconciliation process in the next reporting period.

### **3. Budget Update 2026/27**

- 3.1 In December 2025, the Partnership Board approved the budget for the 2026/27 Work Plan. In January 2026, the budget was revised based on the DfT funding allocation of £450k and the proposed Local Authority Contributions of £188k, which was agreed by the Board.
- 3.2 Table 2 provides a summary of the revised 2026 - 2028 budget. This includes reserves of just over £500k carried forward from previous years to support Western Gateway's transition to a new operating model when DfT funding ends, meet any outstanding liabilities, and provide contingency for staffing and technical programme risks. This results in an available operating budget of approximately £1.18 million across 2026/27 and 2027/28.
- 3.3 Table 3 sets the summary of the spend position to end of May against the revised agreed budget 2026/27.
- 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, 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 £60k which is split between staffing costs incorporating events/logistics and the technical programme. The forecasted spend on staffing and the technical programme (excluding accruals) is approximately £571k, with a contingency pot of about £78k.
- 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 huge 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, depending of the project value. 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 2025/26**

	<b>Budget</b>			
<b>EXPENDITURE - March 26</b>	<b>25/26</b>	<b>Actuals YTD</b>	<b>Forecast</b>	<b>Variance</b>
<b>OPERATIONAL EXPENSES**</b>	<b>£553,203.13</b>	<b>£623,647.38</b>	<b>£551,203.13</b>	<b>£2,000.00</b>
Staffing	£398,161.42	£454,945.09	£398,161.42	£0.00
Business Operations	£10,000.00	£6,183.10	£8,000.00	£2,000.00
Overheads	£145,041.71	£162,519.19	£145,041.71	£0.00
<b>TECHNICAL PROGRAMME</b>				
Strategic Transport Plan	£40,000.00	£0.00	£40,000.00	£0.00
Freight Strategy	£50,000.00	£25,293.50	£46,775.00	£3,225.00
Strategic Rail - Phase 2*	£100,000.00	£153,476.70	£95,000.00	£5,000.00
Rural Mobility Pilot*	£60,000.00	£60,000.09	£60,000.00	£0.00
Coach strategy*	£50,000.00	£18,935.65	£40,000.00	£10,000.00
Strategic Cycle Routes*	£20,000.00	£4,760.00	£18,989.00	£1,011.00
Electric Vehicle	£1,000.00	£0.00	£0.00	£1,000.00
Centre of Excellence (CoE)*	£60,000.00	£36,854.31	£56,936.88	£3,063.12
Contingency budget	£61,796.87	£0.00	£0.00	£61,796.87
<b>TOTAL EXPENDITURE</b>	<b>£996,000.00</b>	<b>£902,967.63</b>	<b>£908,904.01</b>	<b>£93,032.37</b>

Sub total operational expenses	£603,647.38
Sub total technical programme	£299,320.25
<b>Total Expenditure</b>	<b>£902,967.63</b>
<b>Remaining Balance</b>	<b>£93,032.37</b>
<b>Total Budget</b>	<b>£996,000.00</b>

<b>FUNDING 25/26</b>	
DfT Grant	£816,000.00
Local Contribution	£180,000.00
<b>Total Funding</b>	<b>£996,000.00</b>

**Notes**

\* Denotes projects committed in 2024/25 and accrued at year-end for work delivered after March 2025.

\* The surplus in the actual figure reflects the release of the 2024/25 accrual following receipt of the final project costs.

\*\* Denotes total operational expenditure to year-end, including the annual contribution provided by the host authority through internal transfer.

**Table 2 – Summary of revised budget 2026 – 2028**

Local Authority contribution	£188,000
DfT Grant Funding	£450,000
Funding Carry forward (prior years)	£545,743.79
<b>Total Funding</b>	<b>£1,183,743.79</b>

**Table 3 – Summary of the spend position to date**

The budget report 2026/27 is summarised as follows:

Local Authority contribution	£188,000
DfT Grant Funding	£450,000
Contingency	£78,000
<b>Total Funding</b>	<b>£716,000</b>
<b>Expenditure (including forecasted spend)</b>	
Staffing costs + technical programme (actuals)	£66,079.24
Staffing costs + technical programme (forecasted)	£571,920.76
<b>Total Forecasted Cost YTD</b>	<b>£704,079.24</b>
Carry forward/contingency	£78,000
<b>Total Budget</b>	<b>£716,000</b>

**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 2025/26 and financial position till date. The first instalment (of two) of DfT funding has been received for 2026/27 (£225,000) allowing us to proceed with the work programme as set out in the Work Plan

### **Contact Officer**

Mena Abidakun, Project Manager, Western Gateway Sub-National Transport Body

Email - [mena.abidakun@Westofengland-CA.gov.uk](mailto:mena.abidakun@Westofengland-CA.gov.uk)