



Report to Solent Transport

Date: 25 June 2014

Report by: Sue Lapham, Finance Manager

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Subject: Solent Transport Joint Committee Budget and Statement of Accounts

1. Summary

1.1 The following decisions are sought:

That the Joint Committee:

- (a) Notes the 2013/14 budget position for revenue and capital.
- (b) Approves the Annual Return of the Statement of Accounts for 2013/14 and accepts Section 1 – Accounting Statements and Section 2 – Annual Governance Statement and authorises the Chairman to sign the Annual Return Sections 1 and 2.
- (c) Approves the carry forward from 2013/14 of unspent revenue and capital balances to the 2014/15 budget.
- (d) Approves the 2014/15 revenue and capital budget.

2. Reason

2.1 The purpose of this report is to notify the Solent Transport Joint Committee of the final year end position for 2013/14 and seek agreement for the carry forward of underspendings to 2014/15. It also asks the Joint Committee to formally approve the 2013/14 Annual Return, attached as Appendix A, as required for audit purposes. The Joint Committee is asked to approve the 2014/15 revenue and capital budgets.

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3. **Other Options Considered and Rejected**
- 3.1 Taking no action – rejected as there is a statutory requirement for the Joint Committee to approve the Annual Return
4. **Conflicts of Interest Declared by the Decision Maker or Other Executive Member Consulted – None.**
5. **Dispensation granted by the Conduct Advisory Panel – None.**
6. **Reason(s) for the Matter being dealt with if Urgent – None.**

Approved by: Date:

**Councillor Seán D T Woodward
Chairman
Solent Transport**



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Purpose of the Report

The purpose of this report is to notify the Solent Transport Joint Committee of the final year end position for 2013/14 and seek agreement for the carry forward of under spending to 2014/15. It also asks the Joint Committee to approve the draft 2013/14 Statement of Accounts attached as Appendix A. The Joint Committee is asked to approve the 2014/15 revenue and capital budgets.

Recommendations

That the Joint Committee:

- (a) Notes the 2013/14 budget position for revenue and capital.**
- (b) Approves the Annual Return of the Statement of Accounts for 2013/14 and accepts Section 1 – Accounting Statements and Section 2 – Annual Governance Statement and authorises the Chairman to sign the Annual Return Sections 1 and 2.**
- (c) Approves the carry forward from 2013/14 of unspent revenue and capital balances to the 2014/15 budget.**
- (d) Approves the 2014/15 revenue and capital budget.**

Introduction

1. This report summarises the 2013/14 year end position for Solent Transport and proposes the carry forward of under spending to

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2014/15. The draft 2013/14 Statement of Accounts are attached for approval by the Joint Committee. The report also updates the provisional 2014/15 revenue and capital budget presented to the February 2014 meeting of the Joint Committee.

Revenue Budget and Outturn 2013-14

2. Table 1 below summarises the final revenue outturn for 2013-14 compared to the original budget approved by the Joint Committee at its meeting in June 2013.

Table 1

Budget Heading	Original Budget 2013/14 £000	Outturn 2013/14 £'000	Variation to budget 2013/14 £'000
Better Bus Area Fund (BBAF)	803	402	(401)
Local Sustainable Transport Fund (LSTF)	3,118	2,575	(543)
Staff/Support	170	80	(90)
Sourcing Funding Opportunities	47	0	(47)
Public Transport Delivery Plan	75	47	(28)
Enhancement of Sub Regional Transport Model (SRTM)	60	51	(9)
Freight Strategy	20	10	(10)
Funding Strategy	20	0	(20)
Maintain Transport Delivery Plan	60	50	(10)
Total	4,373	3,215	(1,158)

3. The final outturn figure of £3,215,000 compares to the forecast outturn of £3,520,000 presented to the Joint Committee in February 2014. The main reduction of £331,000 was on the BBAF as a result of deferring spending to 2014/15, as agreed with the Department for Transport (DfT). This was partly offset by an accelerated programme of spend on LSTF. The variations in outturn compared to the forecast in February will be reflected in the revised 2014/15 budget set out below.

Capital Budget and Outturn 2013/14

4. Table 2 below summarises the final capital outturn for 2013/14 compared to the original budget approved by the Joint Committee at its meeting in June 2013.

Table 2

Budget Heading	Final Budget £'000	Actual Spend £'000	Variation £'000
BBAF	2,714	2,106	(608)
LSTF	5,785	3,035	(2,750)
Total	8,499	5,141	(3,358)

5. A number of BBAF projects came in under budget and the DfT has approved that the funding can be carried forward to 2014/15 and used for the funding of further projects in line with the overall grant funding objectives. The details of the variance on the LSTF spend are set out in a separate report to this committee.

Annual Return for 2013/14 Statement of Accounts

6. The annual accounts for the Joint Committee are summarised in the Annual Return, included as Appendix A to this report. The Joint Committee is asked to approve the Return and authorise the Chairman to sign the Annual Return as having been approved by the Joint Committee.

Funding 2014/15

7. Table 3 below shows the anticipated revenue and capital funding for 2014/15. A provisional funding statement was approved by the Joint Committee in February 2014, and this has now been updated to reflect variations in the amount brought forward from 2013/14.
8. The proposed carry forward of the 2013/14 underspending is included as set out above. The BBAF funding reflects the balance of the total unspent grant allocations and incorporates transfers between revenue and capital as agreed with DfT.
9. The core partner contributions are proposed at the same level as for 2013/14. This is lower than the provisional figure set out in the February 2104 report, which was based on the contributions set for the 2012/13 financial year. These were reduced in 2013/14 to allow for contributions to the Solent Local Transport Board. Although that will not be required in 2014/15, it is not proposed to restore the contributions for this Committee to the higher level in the current financial year, although this may need to be reviewed for 2015/16.

Table 3

Revenue Funding	2014/15 £'000
Core Partner Contributions	190
BBAF brought forward	321
LSTF brought forward and 2014/15 allocation	2,491
2013/14 Balance brought forward (excluding BBAF and LSTF)	214
Total Revenue funding	3,216
Capital Funding	
BBAF brought forward	838
LSTF brought forward and 2014/15 allocation	6,766
Total Capital funding	7,604

Revenue and Capital Budget 2014/15

10. The Joint Committee approved a provisional revenue and capital budget at the February 2014 meeting, and this has been updated in table 4 below to reflect the changes to funding brought forward as set out above.
11. Appointments are still being made to the staffing structure, and an update will be brought to the next meeting of the Joint Committee, when the impact of those appointments on the budget for the current financial year becomes clearer.

Table 4

	2014/15 Budget £'000
Revenue	
BBAF Brought Forward	321
LSTF Brought Forward and 2014/15 Allocation	2,491
Staff/Finance/Audit	170
East West Study	80
Maintain Sub Regional Transport Model (SRTM)	69
Solent Transport Marketing	25
Working with External Agencies (including Network Rail, Highways Authority, South Hampshire Bus Operators Association and the marine sector)	20
Support Delivery of Strategic Development Sites	17
Solent Transport Fund prioritisation	19
Unallocated	4
Total	3,216
Capital	
BBAF brought forward	838
LSTF brought forward and 2014/15 allocation	6,766
Total	7,604

Conclusions

12. The 2013/14 Statement of Accounts has identified an overall underspending compared to the original budget set by the Joint Committee, the majority of which relates to agreed changes in spend profiles for major projects funded by grant. The Joint Committee is asked to approve the carry forward of the underspending to 2014/15 as set out in the report.
13. The report also asks the Joint Committee to approve the proposed partner contributions for 2014/15 and the proposed revenue and capital budgets for 2014/15.
14. The draft Statement of Accounts is attached as Appendix A for formal approval by the Joint Committee.

Section 100 D - Local Government Act 1972 - background papers

The following documents disclose facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

NB the list excludes:

1. Published works.
2. Documents which disclose exempt or confidential information as defined in the Act.

TITLE

LOCATION

None.