



Report to Solent Transport

Date: 25 February 2015
Report by: Sue Lapham
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Subject: Budget 2014/15 and 2015/16

1. Summary

1.1 The following decisions are sought:

That the Joint Committee:

1. Notes the 2014/15 budget positions for revenue and capital.
2. Approves the proposed carry forward of the anticipated unspent balance from 2014/15 to 2015/16.
3. Approves the proposed partner revenue contributions for 2015/16.
4. Approves the provisional revenue budget for 2015/16.

2. Reason

2.1 The purpose of this report is to update the Joint committee on progress against the revenue and capital budgets for 2014/15 and to propose provisional budgets for 2015/16. The Joint committee is also asked to confirm the proposed partner contributions for 2015/16.

3. Other Options Considered and Rejected

3.1 Taking no action.

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 present the Solent Transport Joint Committee with the likely revenue and capital budget outturn for the 2014/15 financial year and to recommend a provisional 2015/16 revenue and capital budget.

Recommendations

That the Joint Committee:

1. Notes the 2014/15 budget position for revenue and capital.
2. Approves the proposed carry forward of the anticipated unspent balances from 2014/15 to 2015/16.
3. Approves the proposed partner revenue contributions for 2015/16.
4. Approves the provisional revenue budget for 2015/16.

Introduction

1. This report summarises the latest budget monitoring position for the 2014/15 revenue and capital budgets for Solent Transport. It also proposes a carry forward from the revenue unspent balance to help form part of the 2015/16 budget strategy, and to set a provisional revenue budget for 2015/16.

Revenue Budget 2014/15

2. The latest revenue budget position for Solent Transport is shown in table 1 below, and reflects the latest update and the forecast outturn for the end of the financial year, compared to the budget approved by Joint Committee in October 2014.

Table 1

Budget Heading	Original Budget 2014/15 £'000	Forecast Outturn 2014/15 £'000	Variation to budget 2014/15 £'000
Better Bus Area Fund (BBAF)	321	321	0
Local Sustainable Transport Fund (LSTF)	2,491	2,491	0
Staff/Support	170	111	(59)
East West study	80	0	(80)
Marketing	25	25	0
Enhancement of Sub Regional Transport (SRTM)	69	0	(69)
Work with external agencies	20	0	(20)
Strategic Investment sites	17	0	(17)
Solent Transport Fund Prioritisation	19	0	(19)
Solent Local Transport Body refund	16	0	(16)
Unallocated	4	0	(4)
Total	3,232	2,948	(284)

3. Spend on the delivery of LSTF and BBAF continues to progress well during 2014/15 with the expectation that they will be fully spent by the end of the financial year. Work is on track to achieve this and action is being taken along with the suppliers to ensure the conditions are met.
4. Spend in other areas has not been as high as planned this year. The anticipated underspend is now expected to be £284,000, this is £169,000 more than what was reported to the October Joint Committee. The reason for this variance is:
- No proposal to spend the East – West Study in 2014/15 (£80,000) and this funding would be carried forward with the potential to reallocate.
 - The Enhancement of Sub Regional Transport (£69,000) being delayed and will not commence until 2015/16.
 - A refund from the Solent Local Transport Body (£16,000) for work that was inadvertently charged to Solent Transport in error.

Capital Budget 2014/15

5. Table 2 below shows the position in relation to the capital budget approved by the committee in October 2014.

Table 2

Budget Heading	Original Budget 2014/15 £'000	Forecast Outturn 2014/15 £'000	Variation to budget 2014/15 £'000
BBAF	838	838	0
LSTF	6,766	6,766	0
Total	7,604	7,604	0

6. The grant funding expires at the end of 2014/15 and it is expected that this will be spent in full.

Provisional Budget 2015/16

7. Table 3 shows the provisional revenue funding for 2015/16. It is assumed that partner contributions will remain the same as 2014/15: (Hampshire County Council - £90,000, Southampton City Council - £40,000, Portsmouth City Council - £40,000, Isle of Wight - £20,000) and the proposed revenue unspent balance from 2014/15 will be carried forward to 2015/16. The contributions made by partners in 2015/16 will be sufficient to support the first phase of the SRTM upgrade, details of which are covered in another agenda item.

Table 3

	Proposed Budget £'000
Revenue Funding	
Core partner contributions	190
14/15 Balance Brought Forward	284
Total Revenue Funding	474

Revenue Budget 2015/16

8. The Joint Committee is asked to approve the provisional 2015/16 revenue budget. This will be updated when the final outturn for 2014/15 and the carry forward for 2014/15 is established. Table 4 shows the detailed budget proposals.

Table 4

	Proposed Budget £'000
Staff/Finance/Audit	157
SRTM Upgrade	210
Solent Go	47
My Journey	28
General Studies	32
Total	474

9. The principal areas of work for Solent Transport staff during 2015/16 will be to:

- oversee the £452,000 upgrade of the SRTM;
- manage the requests for runs of the SRTM from both the public and private sector;
- develop a new charging regime for use of the SRTM that will ensure the future viability of the SRTM beyond the current upgrade;
- contribute specialist technical knowledge to the Solent Strategic Land & Infrastructure Board, the Solent Transport Investment Plan and the Solent Local Enterprise Partnership (LEP) Land, Property and Infrastructure Delivery Panel;
- provide technical transport support into the PUSH Spatial Strategy Review;
- co-ordinate member authority responses to Government and other national consultations (e.g. Network Rail Wessex Route Study);
- co-ordinate cross Solent funding bids (e.g. Low Emission Vehicle scheme for buses);
- close liaison with the Solent LEP on transport issues;
- work with the Local Highway Authorities to ensure delivery of the Local Transport Body and Growth Deal capital schemes;
- manage the Solent Transport Strategy Working Group ensuring effective liaison and co-ordination with the Department for Transport, Network Rail, Highways Agency, Solent LEP, South Hampshire Bus Operators' Association (SHBOA), ferry operators and South West Trains;
- ongoing liaison with partner organisations and engagement with outside bodies to enhance Solent Transport's reputation and deliver more investment to the area;
- assist with the ongoing management of Solent LSTF projects (e.g. Solent Go Smart Card, Real Time Passenger Information systems and My Journey travel initiatives);
- work with SHBOA and attend SHBOA Board Meetings; and
- review and refresh the Solent Joint Local Transport Plan (LTP) Strategy.

10. Although Solent Transport is currently running with a staff vacancy, which is expected to continue through 2015/16, it is anticipated that the above workload can be effectively delivered in 2015/16.

Conclusion

11. The latest budget monitoring review has identified unspent balances on the 2014/15 Solent Transport revenue budgets. It is recommended that these are carried forward to form part of the 2015/16 budget strategy.
12. The report also proposes a provisional 2015/16 revenue budget for Solent Transport, which the Joint Committee is being asked to approve, subject to the final position on the 2014/15 outturn and consequent carry forward.

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

To be completed