

**Report to the  
Transport for South Hampshire and Isle of Wight  
Joint Committee**

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**Subject:** Transport for South Hampshire and Isle of Wight  
Joint Committee Budget

**Purpose of the Report**

The purpose of this report is to notify the Transport for South Hampshire and Isle of Wight (TfSHIoW) Joint Committee of the final year end position for 2012/13 and seek agreement for the carry forward of underspendings to 2013/14. It also asks the Joint Committee to approve the draft 2012/13 Statement of Accounts attached as Appendix A. The Joint Committee is asked to approve the 2013/14 revenue and capital budgets.

**Recommendations**

**That the Joint Committee:**

- (a) Notes the 2012/13 budget position for revenue and capital.**
- (b) Agrees and signs the draft Statement of Accounts for 2012/13.**
- (c) Approves the carry forward from 2012/13 of £1,064,000 revenue (£803,000 Better Bus Area Fund, £262,000 contingency) and £2,714,000 capital (Better Bus Area Fund) to the 2013/14 budget.**
- (d) Confirms the partner contributions for 2013/14 (Hampshire County Council £90,000, Southampton City Council £40,000, Portsmouth City Council £40,000, Isle of Wight Council £20,000).**
- (e) Agrees the 2013/14 revenue and capital budget.**

## Introduction

1. This report summarises the 2012/13 year end position for TfSHloW and proposes the carry forward of underspendings to 2013/14. The draft 2012/13 Statement of Accounts are attached for approval by the Joint Committee. The report also seeks confirmation of partner contributions for 2013/14 and proposes a 2013/14 revenue and capital budget.

## 2012/13 Funding Changes

2. Since the December Joint Committee and following the final 2012/13 Local Sustainable Transport Fund (LSTF) grant claims the allocation of the grant has been re-profiled across the final two years of the scheme to take into account the lower revenue and higher capital spend profiles for 2012/13 agreed with the Department for Transport (DfT). Revised figures have been incorporated into the latest budget figures and are shown in Table 1 below.

Table 1

<b>LSTF Grant</b>	<b>12/13 £'000</b>	<b>13/14 £'000</b>	<b>14/15 £'000</b>
Revenue	1,020	3,136	1,928
Capital	1,953	5,498	4,303
<b>Total</b>	<b>2,973</b>	<b>8,634</b>	<b>6,231</b>

3. Table 2 below shows the total funding available for 2012/13. Since the last report in December 2012 additional income of £80,000 has been secured from external sources.
4. Further income of £150,000 relating to the Better Bus Area Fund (BBAF) not shown in December is also being used to fund capital schemes .

Table 2

<b>Revenue Funding 2012/13</b>	<b>December Budget £'000</b>	<b>Final Budget £'000</b>
Partner Contributions	220	220
Balance from previous year	428	428
BBAF	846	846
LSTF Grant	1,470	1,020
Other Income	50	130
<b>Total Revenue Funding</b>	<b>3,014</b>	<b>2,644</b>
<b>Capital Funding 2012/13</b>		
BBAF	3,631	3,631
LSTF Grant	1,907	1,953
Other (BBAF)	0	150
<b>Total Capital Funding</b>	<b>5,538</b>	<b>5,734</b>

### Revenue Budget 2012/13

5. Table 3 below sets out the final position on the TfSHIoW revenue budget. Comments on the key variations are included in the paragraphs below.

Table 3

<b>Budget Heading</b>	<b>Final Budget £'000</b>	<b>Actual Spend £'000</b>	<b>Variation £'000</b>
BBAF	846	43	-803
Scheme Preparation and Modelling	180	414	+234
Staff/Support	100	102	+2
LSTF	1,020	1020	0
Adjusted Contingency	498	0	-498
<b>Total</b>	<b>2,644</b>	<b>1,579</b>	<b>-1,065</b>

6. There are a number of variations comparing the adjusted revenue budget and year end position. Overall there is a saving of £1,065,000 to be carried forward to 2013/14 made up of £803,000 BBAF grant and £262,000 other savings. The proposed carry forward is higher than previously reported (£919,000). It should be noted that the BBAF grant is for a two year programme, and it was never intended to spend the full award in year one. The BBAF carry forward will fund the two year programme. Delivery to date has progressed very well. In addition, much of the BBAF revenue relates to marketing, and it is intended that marketing spend will follow the capital infrastructure investment. There was also higher income, partially offset by additional spend on scheme preparation and modelling covered by the contingency.

7. It is recommended that the 2012/13 underspending of £1,065,000 is carried forward to 2013/14 to help form part of the budget strategy with the £803,000 BBAF grant carried forward in line with the grant guidelines and £262,000 added initially to the 2013/14 contingency.
8. Full 2012/13 accounts for TfSHloW are included at Appendix A and the Joint Committee is asked to adopt the accounts.

### Capital Budget 2012/13

9. Table 4 below shows the TfSHloW 2012/13 capital position.

Table 4

<b>Budget Heading</b>	<b>Final Budget £'000</b>	<b>Actual Spend £'000</b>	<b>Variation £'000</b>
BBAF	3,781	1,067	-2,714
LSTF	1,953	1,953	0
<b>Total</b>	<b>5,734</b>	<b>3,020</b>	<b>-2,714</b>

10. The balance of the BBAF grant will be carried forward to 2013/14 in line with the grant guidelines. It is planned to spend the grant fully in 2013/14.

### Funding 2013/14 & 2014/15

11. Table 5 below shows the anticipated TfSHloW funding for 2013/14 and 2014/15. The figures include partner contributions - Hampshire County Council £90,000, Southampton City Council £40,000, Portsmouth City Council £40,000, Isle of Wight £20,000. The contributions are lower than 2012/13 with partners now making a direct contribution to the newly formed Solent Local Transport Board Partnership. In the light of the work programme arising from the business plan the Joint Committee is asked to approve this proposal.
12. The proposed carry forward of the 2012/13 underspendings (£1,065,000 revenue and £2,714,000 capital) are included as set out in paragraphs 7 and 10.
13. The re-profiled 2013/14 and 2014/15 LSTF grant is shown below along with the BBAF allocation which is due to be fully spent in 2013/14.

Table 5

<b>Revenue Funding</b>	<b>Proposed Budget 2013/14 £'000</b>	<b>Provisional Budget 2014/15 £'000</b>
Core Partner Contributions	190	190
BBAF	803	0
LSTF	3,118	1,947
Balance b/f from previous year	262	0
<b>Total Revenue funding</b>	<b>4,373</b>	<b>2,137</b>
<b>Capital Funding</b>	<b>Proposed Budget 2013/14 £'000</b>	<b>Provisional Budget 2014/15 £'000</b>
BBAF	2,714	0
LSTF	5,785	4,016
<b>Total Capital funding</b>	<b>8,499</b>	<b>4,016</b>

#### Revenue Budget 2013/14

14. The TfSHIoW Joint Committee are asked to approve the proposed 2013/14 TFShIoW budget shown below in Table 6.

Table 6

<b>Budget Heading</b>	<b>2013/14 Budget £'000</b>
BBAF	803
LSTF	3,118
Staff/Support	170
Sourcing funding opportunities and developing bids	47
Public Transport Delivery Plan	75
Enhancement of Sub Regional Transport Model (SRTM) to include Isle of Wight	60
Freight Strategy	20
Funding Strategy to accelerate investment spend	20
Maintain and Update Transport Delivery Plan	60
<b>Total</b>	<b>4,373</b>

15. The budget is allocated to match priorities from the business plan.

## Capital Budget 2013/14

16. The TfSHIoW capital budget (Table 7 below) is made up of the balance of the BBAF and the 2013/14 LSTF grant allocation.

Table 7

Budget Heading	2013/14 Budget £'000
BBAF	2,714
LSTF	5,785
<b>Total</b>	<b>8,499</b>

## Conclusions

17. The 2012/13 TfSHIoW final accounts report has identified an overall underspending of £3,779,000 (£1,065,000 revenue and £2,714,000 capital) the majority of which relates to agreed changes in spend profiles for major projects funded by grant. The Joint Committee are asked to approve the carry forward of the underspending to 2013/14 as set out in the report.
18. The report also asks the Joint Committee to approve the proposed partner contributions for 2013/14 and the proposed TfSHIoW revenue and capital budgets for 2013/14.
19. The draft Statement of Accounts is attached in 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.