

Report to the Transport for South Hampshire Joint Committee

Date: 22 November 2010

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Subject: Transport for South Hampshire Budget Monitoring Report 2010/11; Indicative Budget 2011/12

Purpose of the Report

The purpose of this report is to inform the Transport for South Hampshire (TfSH) Joint Committee of the current budget outturn for 2010/11, and to provide an indicative 2011/12 revenue and capital budget for consideration by the Joint Committee.

Recommendations

It is recommended that the Joint Committee:

- 1. Notes the current forecast outturn for revenue and capital budgets for the 2010/11 financial year.**
- 2. Agrees the adjusted 2010/11 revenue and capital budget allocations to match available funding.**
- 3. Notes the allocation of £360,000 to Tipner following additional grant monies from Partnership for Urban South Hampshire.**
- 4. Notes the indicative 2011/12 revenue and capital budget.**

Introduction

- 1. This report summarises the latest budget monitoring position for the 2010/11 revenue and capital controlled budgets for TfSH. Figures shown reflect input from budget holders arising from the budget monitoring review carried out during October 2010.**
- 2. The report also provides a draft 2011/12 budget.**

Funding 2010/11

3. Table 1 below shows the latest TFSH revenue and capital funding forecast for 2010/11.
4. Additional capital funding of £360,000 for work on Tipner was confirmed at PUSH's Joint Committee meeting on the 14 September 2010.
5. TFSH is also in the process of applying for a further £500,000 capital funding from PUSH for evidence base work. A verbal update on this will be given to members at the meeting on the 22 November 2010.

Table 1

Revenue Funding 2010/11	Adjusted Budget Oct 10 £'000	Revised Budget Nov 10 £'000	Received To date £'000
Balance brought forward from previous year	563	563	563
Core partner contributions	825	825	680
PUSH NGP	250	250	0
SEEPB	16	16	16
External Funding	33	33	33
Interest on Balances	2	2	0
Total Revenue Funding	1,689	1,689	1,292
Capital Funding 2010/11	£'000	£'000	£'000
PUSH NGP	167	527	167
Total Capital Funding	167	527	167

Revenue Budget 2010/11

6. Table 2 below shows the adjusted 2010/11 revenue budget of £1,689,000 as agreed by Joint Committee members during October 2010.

Table 2

Budget Heading	Adjusted Budget Oct 10 £'000	Revised Budget Nov 10 £'000	Spend to date £'000	Forecast Outturn £'000
Wider Bus Rapid Transit studies	100	100	0	100
Sub-Regional Analysis and Assessment	346	346	62	346
Model calibration and validation	491	491	362	491
Model Forecasting	63	63	0	63
Growth Work – Access to Strategic Sites.	35	35	0	35
Reduce and Manage Strategy	15	15	5	15
Sub-Regional Smartcards	50	50	0	50
Public Affairs and Communications	20	20	3	20
Access to Southampton	80	80	50	80
Staff/Finance/Audit fee etc.	315	315	82	315
SDA – M27 Parallel studies	50	50	47	50
Contingency	124	124	0	124
Total	1,689	1,689	611	1,689

7. Work on the TfSH evidence base (sub-regional analysis and assessment, model calibration and validation, and model forecasting) data capture workstream is now complete. This data will provide the base line position, and the position from which model forecasting will be generated. The Consultancy consortium is progressing at pace on the model build. Engagement and review of the workstream is provided for through the Progress Group (officer group) and the Steering Group (high level stakeholder group). A number of working papers have been received from the consultant and delivery of the first report is imminent. The model is expected to be available for use at the end of February 2011.
8. Although spend to date is low, significant commitments have been made against the budget headings listed above and the overall position shows the forecast outturn to be on budget. It is currently planned that

any unspent contingency will be used to form part of the 2011/12 budget strategy.

Capital Budget 2010/11

9. Table 3 below sets out the adjusted capital budget for 2010/11 as agreed by Joint Committee members during October 2010, along with the proposed revised budget for approval by the Joint Committee following confirmation of the additional PUSH allocation of £360,000 for work on Tipner.
10. Work on finalising Phase 1 of the M27 junction 5 has been completed and a claim for grant reimbursement has been made to PUSH.
11. TfSH is also seeking funding of £500,000 from PUSH for evidence base transport-led modelling to underpin housing and employment development sites, in support of the economic growth agenda, and will be making a proposal to the PUSH Joint Committee in late 2010 or early 2011.

Table 3

Budget Heading	Lead Authority	Adjusted Budget Oct 10 £'000	Revised Budget Nov 10 £'000	Spend £000	Forecast Outturn £000
M27 Junction 5 (Phase 1)	Hampshire County Council	167	167	167	167
Tipner – Preliminaries and Design Works of M275 Slip Road	Portsmouth City Council	0	360	0	360
Total		167	527	167	527

Indicative 2011/12 budget

12. As noted in another agenda report, it is the intention that officers will review and modify the TfSH Business Plan in light of recent policy and funding changes at the national level. As the refreshed TfSH Delivery Plan will frame the future work plan, the 2011/12 budget can only be indicative.
13. In light of the policy changes taking place consideration will need to be given to next years budget and work programme. To help guide this work, the following principles are likely to be important:
 - (i) already committed work streams will continue (eg the TfSH Evidence Base Contract);

- (ii) the revenue costs for running TfSH should be reduced;
- (iii) TfSH will play a coordinating role and projects will be managed by the local authorities with lead authorities nominated for issues/project covering the wider TfSH area;
- (iv) project work to be funded by TfSH should benefit all authorities ie achieve strategic outcomes through joint working;
- (v) a public transport strategy incorporate business case for further phases of Bus Rapid Transit (BRT) and Smartcards;
- (vi) Smartcards – next phase of the work to coordinate delivery of a TfSH smartcard scheme;
- (vii) the management and delivery of shared services for transport functions – involving a detailed investigation and tailored solution by each function to determine cost savings that can be achieved through merging functions across authorities;
- (viii) TfSH wide Smarter Choices – to design a long term urban smarter choices intervention package.

Funding

14. Table 4 below shows the current estimated resources available for 2011/12. It has been assumed that local authority contributions will be Hampshire County Council £100,000, Southampton City Council £50,000 and Portsmouth City Council £50,000. Lower contributions than this would mean that delivery of the TfSH core objectives would be compromised. In addition to this, it is anticipated that an underspending of £124,000 (as a minimum) will be carried forward from the 2010/11 budget to help fund the 2011/12 budget strategy.
15. As already reported in this report, it is also hoped that TfSH will be successful in a bid of £500,000 capital funding from Partnership for Urban South Hampshire (PUSH) for scenario testing. If funding is not secured during 2010/11 it is still hoped that funds will be made available for 2011/12.

Table 4

Funding 2011/12	Indicative Budget 2011/12 £'000
Revenue Funding	
Balance brought forward from previous year	124
Core partner contributions	200
Total Revenue Funding	324
Capital Funding	£'000
PUSH NGP	500
Total Capital Funding	500

2011/12 Indicative Budget

16. Table 5 below shows, subject to funding, the indicative 2011/12 budget for consideration by the Joint Committee.

Table 5

Budget Heading	Indicative Budget 2011/12 £'000
Revenue Budget	
Staff/Finance/Audit fee etc.	165
Scenario Testing	89
Public Transport Strategy	50
Shared Services	20
Total	324
Capital Budget	£'000
Evidence base modelling and scenario testing to support sub-regional growth using the cities first prioritisation	500
Total	500

Conclusion

17. The latest budget monitoring review of the year shows both the revised revenue and capital budgets (for 2010/11) to be on target. If additional funding streams are identified during the year the budget will be revised accordingly.
18. A provisional 2011/12 budget is set out in the report for consideration 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