



Report to Solent Transport

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Subject: Solent Transport Budget and Statement of Accounts

Purpose of the Report

The purpose of this report is to notify the Solent Transport Joint Committee of the final year end position for 2015/16 and seek approval for the carry forward of underspendings to 2016/17. The Joint Committee is also asked to approve partner revenue contributions for 2016/17 and the 2016/17 revenue and capital budgets.

Recommendations

That the Joint Committee:

- (a) Notes the 2015/16 budget position.
- (b) Approves the carry forward from 2015/16 of balances to the 2016/17 budget.
- (c) Approves the partner revenue contributions for 2016/17.
- (d) Approves the 2016/17 revenue and capital budgets.

Introduction

1. This report summarises the 2015/16 year end position for Solent Transport and proposes carry forward of underspending to 2016/17. The report also presents for approval partner revenue contributions for 2016/17 and the 2016/17 revenue and capital budgets.

Revenue Budget and Outturn 2015/16

2. Table 1 below summarises the final revenue outturn for 2015/16 against the final budget approved by the Joint Committee at its meeting in October 2015 adjusted for increased contributions towards the Sub Regional Transport Model.

Table 1

Budget Heading	Final Budget 2015/16 £'000	Outturn 2015/16 £'000	Variation to budget 2015/16 £'000
REVENUE			
Local Sustainable Transport Fund (LSTF) surveys & analysis	36	33	(3)
Staff/Finance/Audit	152	157	5
Marketing	5	(10)	(15)
BBAF Marketing	3	0	(3)
Enhancement of Sub Regional Transport Model (SRTM)	294	155	(139)
SRTM Commissions	0	(56)	(56)
Solent Go	40	37	(3)
My Journey	28	0	(28)
General Studies	20	11	(9)
Total revenue	578	327	(251)

3. The final outturn figure at the end of 2015/16 is £327,000 against a total revenue budget of £578,000. The main reasons for the variance are:
- £109,000 in additional revenue contributions towards the enhancement of the Sub Regional Transport Model (SRTM)
 - £13,000 The Isle of Wight Council
 - £26,000 Portsmouth City Council
 - £70,000 Hampshire County Council;
 - £28,000 underspend on My Journey;
 - £14,000 credit against website design services accounted for in 2014/15; and
 - Net additional contributions from SRTM commissions.
4. The Joint Committee is asked to approve the carry forward of the underspending of £251,000 to 2016/17.

Annual Return for 2015/16 Statement of Accounts

5. From 1 April 2015, implementation of the Local Audit and Accountability Act 2014 meant Solent Transport is no longer required to have its accounts separately prepared and audited.
6. As approved in the June 2015 meeting of the Joint Committee, from 2015/16 financial year Solent Transport will place reliance on the external audit work already undertaken across all four member authorities.
7. To ensure the continuation of appropriate accountability and transparency financial update reports will continue to be brought to this Committee.

Funding 2016/17

8. Table 2 shows the anticipated revenue and capital funding for 2016/17. A provisional funding statement was approved by the Joint Committee in February 2016 and this has now been updated to reflect variations in the amount brought forward from 2015/16 and capital and other contributions towards the SRTM upgrade.
9. The revenue funding for 2016/17 is set out in Table 2 with the core partner contributions remaining the same as 2015/16 and as per the provisional figures set out in the February 2016 report (Hampshire County Council £90,000, Southampton City Council £40,000, Portsmouth City Council £40,000 and Isle of Wight Council £20,000) . The Joint Committee is asked to approve these contributions.
10. Solent Transport was unsuccessful in its bid to secure additional Government funding in 2016/17 through the Low Bus Emissions Scheme and the Sustainable Travel Transition Year Revenue Competition.

Table 2

	2016/17 £'000
Revenue Funding	
Core partner contributions	190
15/16 Balance Brought Forward	251
SRTM Commissions	34
Total Revenue Funding	440
Capital Funding	
SRTM enhancement contributions (Southampton City Council)	26
Total Capital Funding	26

Revenue Budget 2016/17

11. The provisional revenue budget approved at the February 2016 meeting of the Joint Committee has been updated in Table 3 below to reflect the changes to funding brought forward from 2015/16.

Table 3

Budget Heading	2016/17 Budget £'000
REVENUE	
Staff/Finance/Audit	148
Marketing	1
Enhancement of Sub Regional Transport Model (SRTM)	233
Solent Go	28
My Journey & Solent Go marketing	20
General Studies – PUSH Spatial Strategy	10
Total	440

12. The main change from the provisional budget is an increase of £185,000 in the 2016/17 budget for the enhancement of the Sub Regional Transport Model.
13. The 'My Journey' and 'Solent Go' marketing budget will be used to maintain ongoing promotion and support of the two brands and associated services including ongoing costs associated with the respective websites.
14. The current 2016/17 budget for the SRTM enhancement relies on the generation of £34,000 of income from SRTM commissions given this source generated £56,000 in 2015/16. In the unlikely event that no income from these commissions materialises the shortfall would need to be met from the Solent Transport Partners as follows:
- Hampshire County Council £16,000
 - Portsmouth City Council £7,000
 - Southampton City Council £7,000
 - Isle of Wight Council £4,000.
15. The Joint Committee is asked to approve the proposed 2016/17 revenue budgets on the basis set out above.

Capital Budget 2016/17

16. The 2016/17 budget proposed in February 2016 did not include a capital allocation. Capital contributions from Southampton City Council have since been agreed to enhance and refine the functionality of the SRTM.

Table 4

Budget Heading	2016/17 Budget £'000
CAPITAL	
Enhancement of Sub Regional Transport Model (SRTM)	26
Total	26

17. The Joint Committee is asked to approve the proposed 2016/17 capital budget.

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