

FINANCE UPDATE

Financial Update Report

23 September 2021

Please note that the following recommendations are subject to consideration and determination by the Board before taking effect.

RECOMMENDATION

It is recommended that:

- (a) The Board note the revised financial information for September 21 as set out in this report

1. Background/Introduction

In 2020/21 Peninsula Transport received the much welcomed news of Department for Transport (DfT) Financial support of £425,000. However the securing of all the necessary funding to allow the work programme to progress at pace took longer than anticipated. Therefore a significant proportion of the funding to complete these work packages (£416k) was accrued into 2021/22.

A second confirmation was received from the DfT for a further £425,000 of funding in 2021/22. This was clearly excellent news for Peninsula Transport. This DfT funding is to be released in tranches, subject to good progress on producing the detailed regional transport strategy and supporting work packages.

At the last Board meeting on 21st June the Peninsula Transport Officer Group was asked to update its work programme to ensure that it is achievable, reflecting progress to date. This paper provides the budget update that follows the updated programme.

2. Main Text/Proposal

Financial Contributions 2020/21

As a reminder the Financial Contributions for 2021/22 from Peninsula Transport partnership local authorities are set out in table 1 below.

Table 1: Financial contribution for 2021/22 from Local Authorities

Name of Party	Type of Authority	Population	% cost share	Budget
Cornwall Council	Unitary	536,000	23.9%	£38,240
Devon County Council	County	779,000	34.7%	£55,520
Plymouth City Council	Unitary	262,400	11.7%	£18,700
Somerset County Council	County	530,00	23.6%	£37,760
Torbay Council	Unitary	134,400	6.0%	£9,600
Total		2,241,800	100%	£159,820

In addition there was an accrual from 2020/21 of £416k

The DfT contribution for 2021/22 provides a further £425,000.

This provides a total budget for 2021/22 of £1,000,820

Although the exact figure for the revised programme is still to be confirmed, the current estimate of £828,040 remains within the agreed budget for 2021/22 (see table 2 below).

To reduce the risk of losing any DfT funding from 21/22, Peninsula Transport will need to agree the revised programme of works with the DfT, including how and when the remaining monies of £172,780 will be spent.

For clarity the September 21 revised budget estimate is set out alongside the previous (June 21) Financial update.

Table 2. 2021/22 Revised Budget Estimate for September 21 (compared to June 21)

	September 21	June 21
Local Authority Contributions 2021/22	£159,820	£159,820
Accrual from 2021/21	£416,000	£416,000
DfT contribution 2021/22	£425,000	£425,000
Total budget 2021/22	£1,000,820	£1,000,820
Cost estimate 2021/22	£828,040	£932,700
<u>Headroom (budget minus cost estimate)</u>	<u>£172,780</u>	<u>£68,120</u>

3. Summary/Conclusions/Reasons for Recommendations

Board Members are asked to note that the revised programme cost estimate of £828,040 is affordable and within budget.

The £425,000 contribution from the DfT will be released in tranches and is subject to demonstration of good progress in producing the regional transport strategy and supporting work packages.

Board Members agreed their contributions for 2021/22 and the funding of the work packages in November 2020. Therefore no decision is required but Board members are asked to note the budget change in September 21 compared to June 2021.