



Department  
for Transport

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**Baroness Vere of Norbiton**  
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Copies: Nigel Blackler, Hannah Shrimpton

21 March 2022

Dear Andrea,

### **Peninsula Transport's Funding Allocation 2022/2023**

I wanted to write to confirm the funding allocation for Peninsula Transport for Financial Year 2022/2023, subject to the terms set out in this letter.

I am pleased to be able to tell you that the Secretary of State and I have decided to allocate Peninsula Transport core funding of £585,000 for the upcoming Financial Year – a significant uplift on your core funding from the current Financial Year.

This is in recognition of all the great work you have done supporting the Government's objectives in the Peninsula region – and the way in which you have worked collaboratively with the Department for Transport and our delivery bodies as a supportive partner.

As you will have no doubt have seen, many of the Government's flagship policies have now been unveiled, including (but not limited to) the Williams-Shapps Plan for Rail, the Transport Decarbonisation Plan, Bus Back Better and the Levelling Up-White Paper. We see the upcoming year as a critical period, where we start to turn these plans into actions, levelling up the United Kingdom and making positive changes to people's lives and livelihoods.

To help us do this, the two primary roles that your STB plays will be more important than ever: building and maintaining a transport strategy and using this to provide Government with advice on prioritising investment. Increasingly, we are also looking to STBs to support some of the Department's key policy agendas, for example on decarbonisation, electric

vehicle infrastructure, better bus services, freight and local authority capability.

However, we know that as a newer STB, you have not had the same amount of resources, or staff as some of the more established STBs. We want to use this Spending Review period to provide you with more funding to bridge this gap, to help you build your capability. To help to do this, I have attached a projection of your funding across the Spending Review period.

Financial Year 2022/2023	Financial Year 2023/2024	Financial Year 2024/2025
£585,000	£649,000	£704,000

It may help you to understand that over the SR period, the Department's aim is to move STB funding on a basis where it is approximately proportionate to the size of the population of each STB region. Actual funding will be subject to an approved workplan and good performance over the previous Financial Year.

To help you to build your capability, we are content for you to use some of your core funding to pay for your staff, as long as you keep sufficient funding in reserve to pay for any redundancies, should Peninsula Transport be wound up at a future point. You will wish to discuss this with your accountable body.

I would be grateful if you could send me a business plan for the Financial Year ahead, based on £585,000 of core funding. Once I have agreed this business plan, my officials will send you a funding and governance agreement and a Grant Determination Form for your accountable Section 151 officer to sign and return. Following this, the funding will be granted under Section 31 of the Local Government Act 2003, in the financial year 2022/2023.

*Yours,  
Charlotte*

**BARONESS VERE OF NORBITON**