

PENINSULA TRANSPORT UPDATE

FY23/24 Business Plan Proposal

5 October 2023

Please note that the following recommendation/s is/are subject to consideration and determination by the Board before taking effect.

RECOMMENDATION

It is recommended that:

- (a) The Board notes the reduced funding allocation for Peninsula Transport for the financial year 2023/24 from the Department for Transport ;
- (b) The Board approve the changes proposed to the Business Plan required to fit within the available budget for 2023/24; and
- (c) The the revised Business Plan for 2023/24 be formally submitted to Department for Transport for approval..

I. Background

Peninsula Transport received a letter in July 2023 from John Hall at the Department for Transport (DfT) confirming the funding allocation for Peninsula Transport for 2023/24 as £585,000. This was £64,000 lower than the budget advised earlier in the year for DfT and upon which the Business Plan, approved in March 2023, was based. The majority of STBs across the country have been allocated a reduced level of funding compared with those advised earlier in the year.

The Business Plan has now been updated to reflect this reduction in overall funding and the current workstreams underway within the STB.

The STB Business Plan Guidance, published in December 2022 and circulated to members separately, sets out the expectations of the DfT for business planning. This guidance sets out the three main functions of the STBs as being:

- *Develop and maintain a transport strategy for your region;*
- *Provide advice to Ministers on prioritising transport investment; and*
- *To grow the capability of Local Transport Authorities in your region by developing a Regional Centre of Excellence.*

In compiling the revised business plan for FY23/24, Peninsula Transport have sought to ensure these functions are covered in the proposed programme of work and the significant progress achieved in 2022/23 to be continued.

Since March 2023, the STB has continued to develop the Transport Strategy and Strategic Implementation Plan for the Peninsula. The Board have also approved the Rail Strategy, the revised Alternatively Fuels for Freight Strategy and the Technology and Zero Emission Vehicle Strategy (published September 2023) and are currently in the process of appointing a permanent core team

2. Overview of Business Plan

The revised work programme for 2023/24 has taken full consideration of the priorities identified within the DfT business planning guidance as well as the reduction in funding now available. Peninsula Transport will continue to prioritise the following:

- Strategy consultation and adoption – our priority will be to consult upon and adopt a draft Transport Strategy
- SIP development & prioritisation – appraise and prioritise schemes against the Peninsula Transport Strategic Goals and Objectives
- Regional Centres of Excellence:
 - Carbon Quantification
 - EV Infrastructure Supply & Demand forecasting (initial results to be circulated October 2023)
 - LTP Support
 - Sharing Best Practice (subject to the potential availability of additional funding).
- Freight – continued support for the South West Freight Forum and taking forward strategy interventions
- Public Transport
 - Rail Strategy recommendations
 - Bus Network enhancements and better integrated services
- Rural Mobility – development and scoping of pilot schemes

We will deliver the business plan through a permanent team of core staff, supported by a wider resource pool and Local Authority officers as required. The recruitment of this core staff has now progressed well with the Director posts appointed, and the Project Manager roles to be appointed by the end of October.

Further detail on each of these areas is provided in the accompanying draft Business Plan.

3. Financial Considerations

As detailed above, the Business Plan has been revised based on the overall STB funding allocation of £585,000 from DfT. Table I below provides a breakdown of the indicative funding allocation for each of the areas identified above. A comparison column is provided indicating the original budget allocation proposed in March 2023. The funding allocation has been distributed within known available budgets and is affordable.

Where spend has already been committed and work commissioned, budgets have been retained in line with the March 2023 Business Plan. A slight reduction has been applied to core team costs to reflect the timing of staff appointments. In addition, reductions have been applied to the proposed budgets allocated to Rural Mobility pilot briefs, Bus and Rail studies, reflecting that these are not yet fully scoped and therefore have flexibility for adjustment.

It should be noted that the reduction in budget allocations has resulted in a slight increase in headroom/staff contingency which provides the STB with additional comfort that the plan is affordable and flexibility to make minor adjustments to budgets within the year should they be necessary.

Table I – Proposed Business Plan Budget Allocations

Income		Revised Budget breakdown (£,000)	March 23 Business Plan	Notes
DfT Contribution		585.0	649.0(£,000)	Revised budget July 23
Local Contribution		159.8	159.8	
Income Total		744.8	808.8	
Expenditure				
Functional administration costs including comms		70	74.4	In line with 2022/23
Core Team costs		320.0	350.0	Estimate based on up to five new FTE roles
Operational Expenditure Subtotal		390	424.4	
EV Infrastructure Forecasting	Forecasting Tool Interface	20	20.0	In line with 2022/23 Proposal
	Stakeholder Engagement	TBC	15.0	Recommended to be undertaken in-house
	Recommendations, Strategy & Action Plan	TBC	25.0	Recommended to be undertaken in-house
Carbon Baseline Tool - Scenario Testing and Placetype		30	35.0	In line with 2022/23 Proposal
STB Decarbonisation Playbook		30		Contribution to rollout of tool across STBs
Rural Mobility Scoping & Pilot projects		40	60.0	Budget allocation reduced
Freight - Steering Group support & monitoring		60	60.0	Ongoing commitment
Public Transport – Bus Network Integration		50	60.0	Carried over from 22/23 Slightly reduced allocation
Public Transport – Rail Strategy Recommendations		50	60.0	Carried over from 22/23 Slightly reduced allocation
Regional Centre of Excellence Support				TBC
Work Package Expenditure Subtotal		280	335.0	
Expenditure Total		670	759.4	
Staffing Contingency & Headroom		74.8	49.40	

4. Environmental Impact Considerations

There are no environmental considerations associated with this paper.

5. Equality Considerations

There are no equality considerations associated with this paper.

6. Legal Considerations

There are no specific legal considerations associated with this paper.

7. Risk Management Considerations

The Peninsula Transport Programme Management Group reviews risk and assigns the required mitigation actions across the Peninsula Transport workstreams on at least a monthly basis.

A full risk register has been produced as part of the final Business Plan for FY23/24. This risk register is monitored and reviewed regularly in conjunction with the DfT.

8. Public Health Impact

There are no public health impacts associated with this paper.

9. Summary/Conclusions/Reasons for Recommendations

In order to draw down on the allocated funding from the Department for Transport, a Business Plan is required to set out how the budget will be allocated and spent. This revised Business Plan sets out how the approved funding will be allocated by Peninsula Transport for this Financial Year.