

PENINSULA TRANSPORT UPDATE

Business Plan – 2024/25

7 March 2024

I. 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 approves the Business Plan for Peninsula Transport for 2024/25 which is based on the following:
 - I. Business Plan Guidance for Sub-National Transport Bodies issued by the Department for Transport.
 - II. Priorities and actions set out in the Peninsula Transport Strategy (*included elsewhere on this agenda*).
 - III. Funding contribution from the Department for Transport for 2024/25 (*to be confirmed*).
 - IV. Funding contributions confirmed from Cornwall Council, Devon County Council, Plymouth City Council, Somerset Council and Torbay Council for 2024/25.
- b) The Board approves the submission of the Business Plan for Peninsula Transport for 2024/25 to the Department for Transport.

I. Background

The Department for Transport (DfT) published Business Planning Guidance for Sub-National Transport Bodies (STBs) in December 2023. This set out the core functions of STBs as follows:

- *Develop, maintain and support the implementation of a transport strategy.*
- *Provide advice to the Secretary of State about prioritising transport investment.*
- *Support Local Transport Authorities carrying out of transport functions in the region through Regional Centres of Excellence.*
- *Make proposals to the Secretary of State for the transfer of functions to the STB.*
- *Make other proposals to the Secretary of State about the role and functions of the STB.*

In compiling the plan for 2024/25, Peninsula Transport have sought to ensure these functions are covered in the proposed programme of work and the significant progress achieved in 2023/24 be continued.

A Paper was brought to the Board in December 2023 with a draft budget breakdown for 2024/25 along with a commitment to bring the full Business Plan back to the Board for final approval in March 2024. This detailed Business Plan has been prepared by Peninsula Transport in accordance with the Business Planning Guidance issued by the DfT in December 2023.

The Business Plan budget is based on the indicative allocation for 2024/25 set out in the letter from Baroness Vere in March 2022. The DfT have advised that until final funding allocations are confirmed, it is prudent for STBs to have plans in place to adjust their work programmes in response to any changes in the indicative allocations for 2024/25.

Peninsula Transport have made it clear to DfT that should the funding allocated by the DfT fall below that originally proposed by Baroness Vere, there will be insufficient resources to fulfil the desired

Regional Centre of Excellence function and will compromise the STB's capacity to provide sufficient support to strategic partners and local authorities in the delivery of MRN and LLM programme, along with other strategic transport schemes in the region.

2. Progress in 2023/24

In 2023/24 the STB published a number of further additions to its technical evidence base:

- Peninsula Rail Strategy
- Technology and Zero Emission Vehicle Strategy
- Strategic Economic Corridor Study
- Alternative Fuels for Road Freight Extended Strategy (in collaboration with Western Gateway STB)
- Electric Vehicle Charging Study (in collaboration with Western Gateway STB)

The STB also commissioned the development of the Surface Transport Baseline Carbon tool which has recently been circulated to local authorities for review and testing.

In addition, the draft Transport Strategy for Peninsula was published in December for consultation. This consultation period concluded in February 2024 and a final version of the Strategy has been brought to this Board for adoption.

Alongside the technical evidence base, Peninsula Transport transitioned to a new structure with a team of four permanent staff, employed via Plymouth City Council. This marked a significant step forward for the STB in terms of status and resourcing, with a reduction in reliance on consultants and officer secondments in order to fulfil the main functions of the STB.

3. Overview of Business Plan

The proposed work programme for 2024/25 has taken full consideration of the priorities identified within the DfT business planning guidance. The plan is structured to align with the Transport Strategy and the four key outcomes within that. Peninsula Transport will prioritise the following:

- Strategic Implementation Plan
- Easier Journeys
- Going Electric
- A Connected Peninsula
- Completing the Network
- Regional Centre of Excellence:
 - Carbon Quantification
 - EV Infrastructure Supply & Demand forecasting
 - Local Transport Plan Support
 - Sharing Best Practice (subject to the availability of resources).

We will deliver the business plan through the permanent team of core staff, supported by a wider resource pool and Local Authority officers as required.

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

4. Financial Considerations

As detailed above, the Business Plan has been devised based on the overall STB funding allocation of £704,000 from DfT. Table I below provides a breakdown of the indicative funding allocation for each of the areas identified above. The funding allocation has been distributed within known available budgets and is affordable.

Table I – Proposed Business Plan Budget Allocations – 2024/25

Income	Budget 24/25	Notes
DfT Contribution	704.0	Based on 2022/23 award letter from DfT
Local Authority Contributions Cornwall Council, Devon County Council, Plymouth City Council, Somerset Council, Torbay Council	159.8	Set at 2023/24 level
Income Total	863.8	
Expenditure		Notes
Functional administration costs	170.0	Including officer secondment and comms support
Core Team costs	375.0	Based on approved team structure
Operational Expenditure Subtotal	545.0	
Technical Commissioning Costs		
Strategic Implementation Plan	30	Additional budget included for Integrated Impact Assessment
Easier Journeys	50	Rural Mobility Pilots and Integrated Ticketing Action Plan
Going Electric	30	EV Forum and Action Plan; Alternative Fuels for Freight Site Tool
A Connected Peninsula	80	Freight Forum and Strategy initiatives; Strategic Road and Rail programme support
Completing the Network	50	Regional Centre of Excellence - LTP Support; Carbon Playbook; EV Tool
Work Package Expenditure Subtotal	240.0	
Proposed Expenditure Total	785.0	
Operating Contingency	78.8	Any surplus at the end of the year will be transferred into the STB funding reserve held by Plymouth City Council

5. Environmental Impact Considerations

There are no environmental considerations associated with this paper.

6. Equality Considerations

There are no equality considerations associated with this paper.

7. Legal Considerations

There are no specific legal considerations associated with this paper.

8. 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 will be produced as part of the final Business Plan for 2024/25. This risk register will be monitored and reviewed regularly in conjunction with the DfT and Plymouth City Council as the accountable body for the STB.

9. Public Health Impact

There are no public health impacts associated with this paper.

10. Summary/Conclusions/Reasons for Recommendations

In order to draw down on the allocated funding from the Department for Transport and local authorities, a Business Plan is required to set out how the budget will be allocated and spent. This Business Plan demonstrates a further advancement in the management and organisation of Peninsula Transport and will provide both the DfT and local authorities with confidence that the STB can deliver this ambitious plan.

