

Report to: **Partnership Board –Transport for the South East**

Date of meeting: **18 October 2021**

By: **Lead Officer, Transport for the South East**

Title of report: **Financial Update – Quarter 2**

Purpose of report: **To update the Board on the budget position for Transport for the South East**

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***RECOMMENDATION:***

**The members of the Partnership Board are recommended to note the current financial position for 2021/22 to the end of September 2021.**

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**1. Overview**

1.1 The purpose of this report is to update the Partnership Board on the revenue budget for Transport for the South East (TfSE) at the end of September 2021.

**2. Quarter 2 – Budget Update**

2.1 At the July 2021 meeting of the Partnership Board, the budget for financial year 2021/22 was signed off by the Board. This was based upon the £1.225m grant funding agreement from DfT and the £500,000 local contributions. The budget also considered the carry forward of committed funding from the previous financial year, as well as reserves, to give an operating budget of £3.223m.

2.2 The main elements of proposed expenditure relate to delivering the technical programme, supporting delivery of the Strategic Investment Plan and staffing costs. Expenditure to date is just under £800,000 and is presented in Appendix 1.

2.3 Staffing costs are slightly lower than expected at £306,605. This is due to vacancies within the team, specifically the communications manager (now filled) and strategy manager posts. The end of year forecast has been revised to reflect the lower costs.

2.4 To date, the main technical programme expenditure has focused on the five area studies, future mobility strategy and the freight, logistics and international gateways study. To date more than £471,000 has been spent, with the programme on track to spend approximately £1.8m by the end of March 2022.

2.5 The budget also makes provision for operational costs and communications and engagement activities, including events, website development and stakeholder management tools. The spend in these areas is currently lower than anticipated but will increase in the second half of the year with increased communication and engagement activity associated with the SIP, a return to face-to-face meetings,

commitment to event attendance later in the year and the publication of the annual report.

### **3. Conclusions and recommendations**

3.1 Members of the Partnership Board are recommended to note the financial position at the end of quarter two.

**RUPERT CLUBB**

**Lead Officer**

**Transport for the South East**

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Appendix 1: End of September 2021 budget position

	Budget	YTD	Forecast	Notes
<b>INCOME</b>				
Local Contributions	498,000	498,000	498,000	
DfT Grant	1,225,000	1,225,000	1,225,000	
Reserves	462,304	462,304	462,304	
Carry forward	63,385	63,385	63,385	
Committed funding	974,354	974,354	974,354	
<b>TOTAL INCOME</b>	<b>3,223,043</b>	<b>3,223,043</b>	<b>3,223,043</b>	
<b>EXPENDITURE</b>				
<b>Staffing</b>				
Core Policy Team	555,000	261,109	532,838	Reduced forecast to reflect staff vacancies
Additional team resource	120,000	45,496	120,000	
<b>Technical Programme</b>				
Transport Strategy	50,000		50,000	
Area Studies - Outer Orbital	315,692	119,852	315,692	
Area Studies - Inner Orbital	273,764	83,011	273,764	
Area Studies - South Central	273,279	107,030	273,279	
Area Studies - South West Radial	315,000	49,273	315,000	
Area Studies - South East Radial	315,000	51,130	315,000	
Strategic Investment Plan	160,000	0	60,000	Variance will be committed and carried forward to next financial year
SIP consultation	20,000	0	10,000	Variance will be committed and carried forward to next financial year
Thematic Studies	75,000	0	50,000	Variance will be committed and carried forward to next financial year
Future Mobility	22,629	26,842	22,629	
Freight and Logistics Strategy	125,000	37,505	125,000	
Analytical Framework	125,000	0	75,000	
Other costs	7,000	-3,244	7,000	
<b>TfSE Future Role</b>	30,000	10,000	30,000	
<b>Operational Expenses</b>	35,000	2,404	20,000	
<b>Communications/Engagement</b>				
Events	20,000	1,063	10,000	
Advertising and publicity	25,000	6,520	25,000	
Website	10,000	14	10,000	
Stakeholder Database	7,000		7,000	
Media Subscriptions	2,500	666	2,500	
Carry forward for Tech programme/committed funding			195,000	
Carry forward (non-technical)			37,162	
<b>Reserves</b>	341,179		341,179	£97,000 ringfenced for DfT funded fixed term posts
<b>TOTAL EXPENDITURE</b>	<b>3,223,043</b>	<b>798,671</b>	<b>3,223,043</b>	