

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

Date of meeting: **21 March 2022**

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

Title of report: **Financial Update**

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

RECOMMENDATIONS:

The members of the Partnership Board are recommended to:

- (1) Note the current financial position for 2021/22 to the end of February 2022, including the forecasts for end of year spend;**
- (2) Note the position on funding discussions with the Department for Transport for 2022/23; and**
- (3) Agree the Annual Report for 2021/22.**

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).

1.2 The paper provides an update on the financial position for 2021/22 to the end of February 2022, including forecasts for the projected spend at the end of the financial year.

1.3 The paper also provides an update on the discussions with the Department for Transport on grant funding for 2022/23.

2. 2021/22 budget update

2.1 Following receipt of the DfT grant funding totalling £1.225m for 2021/22, members of the Partnership Board agreed the budget for 2021/22 at the January 2021 meeting. The budget set out plans to deliver an ambitious technical programme, including finalising five area studies, delivering the freight, logistics and international gateways strategy and commencing work on the strategic investment plan. The budget also included staffing costs and support costs, including communications and engagement activities and back office functions.

2.2 Appendix 1 sets out the spend position to the end of February 2022 against the agreed budget and a forecast for end of year spend.

2.3 Year to date expenditure on the technical programme amounts to just under £1.5m, including the area studies, completion of the future mobility strategy and the

freight, logistics and international gateways strategy. A number of work streams have commenced in 2021/22 and will conclude in the next financial year, such as the area studies and strategic investment plan. The residual budget will be carried forward and ringfenced for their completion.

2.4 The budget was updated in the January 2022 Partnership Board meeting to recognise that TfSE had been awarded an additional £700,000 of funding to support activity against four areas, which are decarbonisation, buses, EV charging infrastructure strategy and local capability. Although procurement for these work streams is currently underway, work will not commence until 2022/23 and therefore the budget will be carried forward and ringfenced for the next financial year.

2.5 We are currently forecasting that approximately £1.2m will be spent from the technical programme by the end of March 2022. However, this is subject to change and final expenditure figures will be reported to the Partnership Board at their next meeting. East Sussex County Council, as our accountable body, will provide s151 sign off to the end of year accounts.

2.6 Staffing costs remain slightly lower than the initial budget, which reflects the staff changes that have occurred over the last 12 months. Operational expenses and communications and engagement expenditure is expected to be considerably lower than budget, which is a reflection on the ongoing virtual nature of the operation of TfSE, i.e. reduced room bookings, staff travel and event attendance.

2.7 The forecast sets out that TfSE is likely to carry forward just over £1.5m of committed funding for the technical programme. This figure includes the final costs of the area studies (just over £450,000), the completion of the SIP and the recently awarded funding for the four additional work streams. This money will be ringfenced and is presented in the 2022/23 budget. There is a further carry forward of £209,000, which is to be used to support the delivery of the technical programme in the next 12 months.

2.8 TfSE has maintained a small reserve for a number of years. It is forecast that the reserve will be £341,000 at the end of March 2022, although this does include a ringfenced amount of £97,000 to cover the costs associated with two fixed term posts that are funded through DfT grant funding. This gives a base reserve of £244k.

3 Grant funding for 2022/23

3.1 At the Partnership Board meeting in October 2021, members agreed to submit a three year funding bid to the Department for Transport for consideration as part of the departmental budget setting within the Comprehensive Spending Review announced in autumn 2021. The bid set out the funding that we were seeking over three years to deliver and implement the technical programme. The bid also included funding to support staffing and operational costs beyond those covered by the constituent authority contributions. The proposal also set out the likely costs for the implementation of the SIP, which would commence in 2023/24 and cover the requirements for business case and scheme development.

3.2 At the time of drafting this report, the grant funding decision for 2022/23 has not been confirmed. It is understood that a decision is imminent, and it is hoped that a verbal update will be provided at the meeting.

3.3 It is hoped that the grant letter will also provide indicative funding allocations for 2023/24 and 2024/25. In effect this would provide an indicative multi year funding allocation for business planning purposes and would be welcomed.

5 Annual Report

5.1 In line with previous years, we intend to publish both a retrospective annual report and a forward-looking business plan at the start of the new financial year. The documents are being designed in 'digital first' format; they will be hosted on the TfSE website and shared proactively with stakeholders as part of our communications and engagement activity.

5.2 The **Annual Report 2020-21** provides clarity around Transport for the South East's structure, role, vision and purpose alongside a summary of our achievements in 2020-21, as well as information on our governance, finances and the team. We will measure our success against the objectives set out in last year's Business Plan 2020-21. Appendix 2 presents the draft Annual Report for approval.

5.3 A **Business Plan 2022-23** will be presented to the Board at the next Partnership Board meeting.

6 Conclusions and Recommendations

6.1 The Partnership Board are recommended note the financial position to the end of February 2022 and the end of year projections.

6.2 Members are asked to note the current position on grant funding for 2022/23 and to agree the draft annual report for publication on the TfSE website.

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Lead Officer

Transport for the South East

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TfSE Financial Update – End of February position and Year end forecasts

	Budget	YTD	Forecast	Notes
INCOME				
Local Contributions	498,000	556,000	556,000	Kent paid early for 22/23
DfT Grant	1,225,000	1,225,000	1,225,000	
Additional DfT Funding	700,000		700,000	
Reserves	462,304	462,304	462,304	
Carry forward	63,385	63,385	63,385	
Committed funding	974,354	974,354	974,354	
TOTAL INCOME	3,923,043	3,281,043	3,981,043	
EXPENDITURE				
Staffing				
Core Policy Team	555,000	461,817	532,838	
Additional team resource	120,000	83,475	100,000	
Technical Programme				
Transport Strategy	50,000	5,000	13,050	
Area Studies - Outer Orbital	315,692	282,542	394,614	
Area Studies - Inner Orbital	273,764	144,320	146,890	
Area Studies - South Central	273,279	143,475	146,010	
Area Studies - South West Radial	315,000	160,637	173,039	
Area Studies - South East Radial	315,000	159,662	180,847	
Strategic Investment Plan	160,000	5,264	12,707	
SIP consultation	20,000	0	0	
Thematic Studies	75,000	26,050	29,910	
Future Mobility	22,629	26,842	26,842	
Freight and Logistics Strategy	125,000	76,601	92,950	
Analytical Framework	125,000	26,600	26,600	
Other costs	7,000	-3,243	-3,243	
EV Charging Strategy	100,000	0	0	
Bus Back Better	300,000	0	0	
Local Capacity and Capability	300,000	0	0	
TfSE Future Role	30,000	26,527	26,527	
Operational Expenses	35,000	4,201	5,000	
Communications/Engagement				
Events	20,000	2,202	5,000	
Advertising and publicity	25,000	6,792	10,000	
Website	10,000	362	500	
Stakeholder Database	7,000	6,000	6,000	
Media Subscriptions	2,500	1,380	1,500	
Committed funding			1,502,618	
Carry forward (non-technical)			209,665	Includes KCC early payment
Reserves	341,179		341,179	£97,000 ringfenced for DfT funded fixed term posts
TOTAL EXPENDITURE	3,923,043	1,646,506	3,981,043	

Annual report 2021-2022





Chairman's welcome

For the majority of the last year, we have continued to live with the uncertainty brought about by the Covid-19 pandemic. Now a few months into 2022 we are seeing signs of the pandemic ending and life beginning to feel more hopeful for a return to normality, however that may look post pandemic.

As our region's voice for strategic transport, TfSE has an opportunity to ensure the work emerging from our area studies and feeding into our strategic investment plan (SIP) reflects the impacts of the pandemic, and delivers the best outcomes for our region – helping us move towards our vision for 2050 and supporting economic recovery and growth in the South East and across the UK.

Our SIP will be an ambitious but achievable multi-modal investment plan that will be the blueprint for future investment in strategic transport infrastructure for the next thirty years. As we take this next step, we have reviewed our governance structures and adopted new organisational objectives - setting a future focus for TfSE that not only aligns to the constituent authority and Department for Transport (DfT) drivers for a sub-national transport body but also matches our aim for bold and ambitious investment plan. Delivering benefits for stakeholders across the South East and the UK. You can read more about these objectives in this report.

Through our SIP we're committed to improving transport and hitting net zero carbon emissions in the South East by 2050 at the latest. We know that transport is the single biggest contributor to UK carbon emissions and this year we set up the South East Regional Decarbonisation Forum, bringing together local authority officers, sharing best practice and identifying areas for joint working as we work towards this common goal.

Over the last year we have also worked to build upon our already strong relationships with local authorities, national transport bodies and other partners as we have developed our area studies and investigated the issues, challenges and opportunities identified in our transport strategy.

We have worked with industry experts and local stakeholders to deliver our future mobility and freight, logistics and gateways strategies and associated action plans, which set out a series of strategic actions so that together with our stakeholders we can achieve our vision for the region.

I wish to once again thank all our partners and stakeholders who continue to work with us. I would like to thank DfT ministers for their ongoing time and

support, as well as the continued funding for our work programme. I also want to thank them for the funding recently allocated for work on four additional work streams; Decarbonisation, Bus Back Better, Local Authority Capacity and Capability and Electric Vehicle (EV) Charging Infrastructure.

Finally, I would like to thank my fellow board members for their continued support - over the next year we will need your support more than ever as we engage on our SIP. As always it is a pleasure to work with you all, rising above political differences to get behind a positive vision for the future.

I look forward to working with you all over the next 12 months as we make this fundamental step ever closer to securing our region's economic future and improving prosperity, opportunity, and quality of life for everyone who lives and works here.

Cllr Keith Glazier
Chair, Transport for the South East



Lead Officers Foreword

As we turn our attention to the development of our strategic investment plan, I have been taking time to reflect on our achievements over the last year.

Extensive work has gone into our technical programme. Through five area studies and two thematic studies we have built the foundations upon which we can develop our strategic investment plan – a plan that looks to transform and build resilience into transport systems in the South East region over the next thirty years.

Through a comprehensive programme of communications and engagement activity we have built on our relationships with stakeholders across the region, bringing our partners on this journey with us and harnessing the fantastic experience and knowledge from across the TfSE partnership.

We have built on key relationships at a national, regional and local level and speaking with one voice for the South East region we have been able to have our say on key issues and influence policy development. As we move into the next phase, these relationships will continue to support the work that we do and strengthen the **golden thread** from national policies, through our transport strategy and strategic investment plan to Local Transport investment and improvement plans.

In January we were allocated a further £600,000 grant funding from DfT for work on some additional workstreams. Part of this work programme will be to develop a regional centre of excellence, with the aim of supporting local authorities in the accelerated delivery of their Local Transport Plans. This additional funding will allow us to support the work of the department and demonstrates the government's confidence in TfSE and our work programme.

We have a lot of work to do over the next year to understand how we reach our goal of a decarbonised transport system by 2050 but the work we have started through our Transport Decarbonisation Forum is really promising. We are also yet to see what the lasting impact of Covid-19 will be on the way people will travel, both within the region, the rest of the UK and internationally.

We now have established, good working relationships with Network Rail, Highways England and more recently the Great British Railway Transition Team and we look forward to developing these further in the next 12 months – these partnerships are key to the long term delivery of our SIP.

Whilst we develop our SIP, we need to consider alternative ways of funding and financing, including demand management to bolster existing funding streams and ensure we can deliver on our plan.

As we go out to public consultation on our draft SIP this summer, it will be a challenging but exciting time for TfSE. We will embark upon a series of regional engagement events to support our wide-reaching digital consultation and communications campaign. Our SIP is **a plan developed by the South East, for the South East** and so it is of utmost importance to us that all stakeholders can respond.

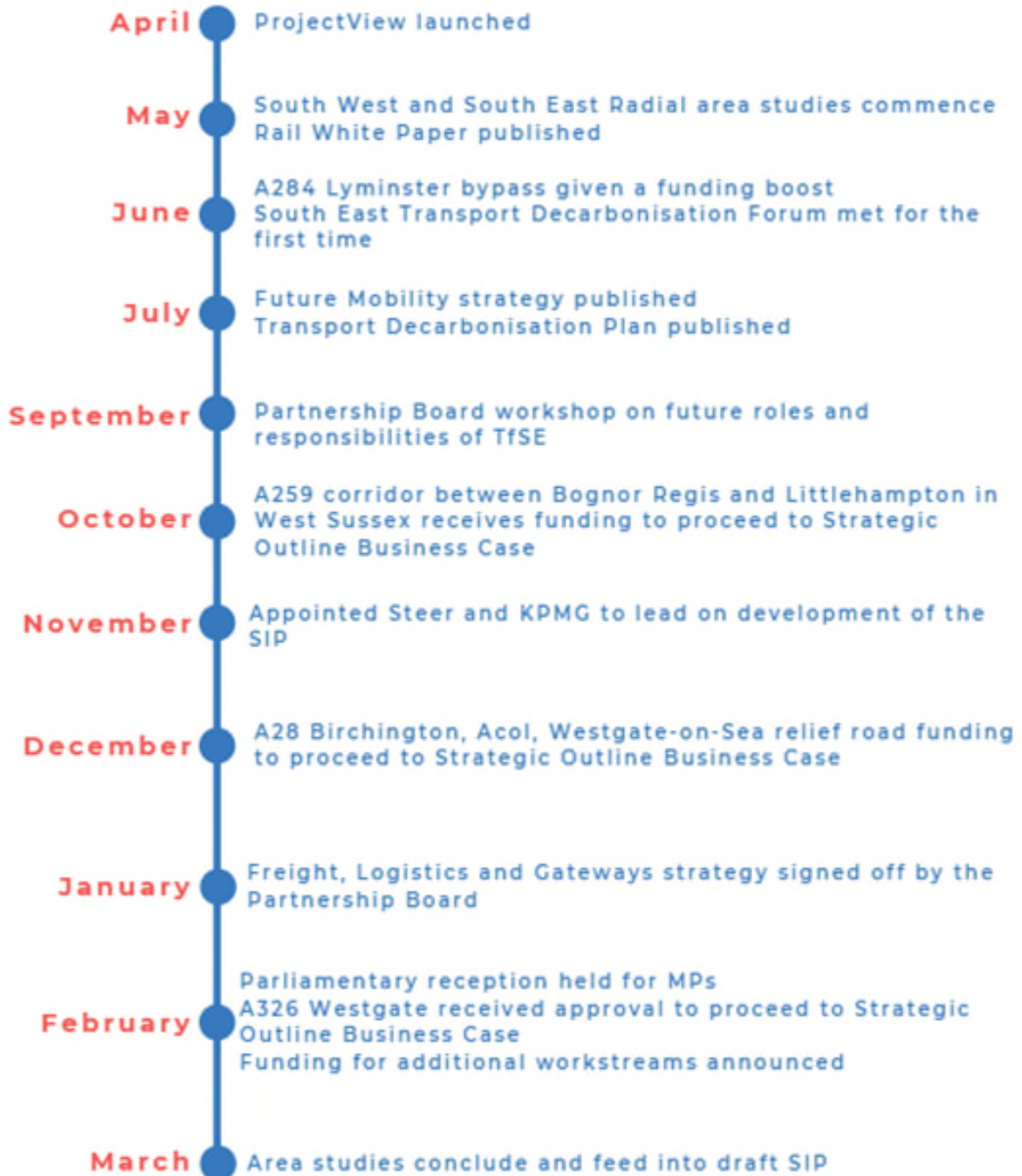
I am immensely proud of the Transport for the South East team and wider partnership – we have achieved a lot in the last 12 months, and we are making our mark as a strong and trusted partner at a regional and national level. We are in a strong position to make a real difference as we work towards submission of the SIP in just twelve months from now.

We wouldn't be where we are without the support and hard work of so many of our partners. So, thank you to all who have played a part – I and the rest of the TfSE team look forward to working with you on delivering our investment plan for the South East.

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Lead officer, Transport for the South East

Year in focus – 2021/22



About Transport for the South East

Transport for the South East is a unique partnership for our region, bringing together local authorities, local enterprise partnerships and transport providers to speak with one voice on the South East's strategic transport priorities.

Our region – covering Berkshire, Hampshire, Isle of Wight, Surrey, West Sussex, East Sussex, and Kent – is the most productive region in the country outside of London. It is home to 7.5 million residents and more than 350,000 businesses and is our nation's key international gateway for people and goods. It boasts world-leading universities and research institutes, diverse towns and cities and stunning coasts and countryside. It is a great place to live, work, study, visit and do business.

Our focus is on developing a strategic investment plan for the South East that will support the South East's continued recovery from the effects of Covid-19, and facilitate growth whilst working to achieve our shared vision of a better, more prosperous, net-zero carbon South East with a sustainable transport network at its heart.

What we do

By operating strategically across the South East on transport issues – a role that no other organisation has undertaken until now – we're able to directly influence how, where and when money is invested in our region's transport networks. We don't replicate the work of local transport authorities; we work with them to ensure that the plans we put forward reflect the needs and priorities of the communities they represent.

In line with this are our new organisational objectives, adopted by our Partnership Board in January 2022. These are:

- Identify and support interventions that deliver the transport vision and strategy;
- Secure higher levels of transport investment in the South East's strategic transport network; and
- Support TfSE's key stakeholders in responding to and overcoming emerging transport challenges.

At the heart of Transport for the South East's work programme is our landmark thirty-year transport strategy, published in July 2020 and later accepted by Government.

"I am impressed by the scale of the work carried out and by your vision of a 'sustainable route to growth'. I believe this can complement the Government's objectives for faster adoption of digital technology and investment in sustainable transport whilst striving for a highly productive economy." –

Baroness Vere, Transport Minister for Roads, Buses and Places¹

¹ Excerpt from [letter to TfSE Chair, Councillor Keith Glazier from Baroness Vere of Norbiton on 14 October 2020](#).

Our Transport Strategy sets out how, with the right investment, we can grow the South East's economy, boost jobs and opportunity, improve quality of life and hit net-zero carbon emissions by 2050 at the latest. To make that vision a reality, we're working with partners and stakeholders to develop our strategic investment plan – a blueprint for investment which we will publish for consultation in June 2022. We know that delivering this plan and solving the big challenges we face – like decarbonisation, modal shift, improving air quality and increasing access to jobs, training, and education – will require more than just partnership working.

How we are structured

We have a robust governance structure which provides leadership, accountability, expertise, and oversight of the Transport for the South East programme. It also gives our partners and stakeholders the ability to guide and influence our work at all levels.

The Partnership Board is our principal decision-making forum. It brings together elected members from our constituent authorities alongside representatives of local enterprise partnerships (LEPs), district and borough authorities, protected landscapes, and the independent chair of the Transport Forum.

Network Rail, National Highways and Transport for London also attend the board as non-voting members, providing valuable additional insight and expertise. Find out more about our board on page 23.

The TfSE team act as advisors to the board, calling upon input and advice from two key forums: the Senior Officer Group, comprising local authority transport officers and other partner representatives; and the Transport Forum, which brings together a wider group of stakeholders including passenger groups, environmental groups, active travel campaigners, transport operators, universities, ports, and airports.

Transport for the South East's technical work programme, stakeholder engagement and communications activities are carried out by the Programme Management Office. Find out more about our team on page 26.

Member and officer sub-groups provide additional advice, focus and insight on key issues. These include working groups on our transport strategy, area studies, decarbonisation forum, freight forum, governance reform and communications and stakeholder engagement.

The right structure to deliver the strategic investment plan (SIP)

As work on implementation of the SIP progresses, we must ensure that TfSE has the right governance structures, staffing structures and capabilities and organisational framework in place to deliver this ambitious plan. The existing governance and staffing structures will need to expand and evolve to deliver the plan in a timely and efficient way, allowing dynamic and timely decisions to be made.

In April 2021, TfSE commissioned an independent review into its current position which resulted in recommendations as to how TfSE might need to evolve to ensure that it remains 'fit for purpose' to implement the SIP.

Throughout May to July 2021, several stakeholder interviews, workshops and focus groups were conducted with Senior Officer Group, the Partnership Board, TfSE team and other key stakeholders. In August 2021 a survey was issued to members of the Transport Forum seeking their opinions of the roles and responsibilities that TfSE might need to implement of the SIP.

The review also included desk-based research into other sub-national transport bodies and similar bodies to provide a benchmark and to offer best practice development options. The findings will be fed into the development of the SIP and will be taken forward throughout the next 12 months.

How we are funded

Transport for the South East operates a mixed funding model. Our core staffing complement is funded by contributions from local transport authorities, while our technical programme and other staffing costs relies on grant funding from the Department for Transport.

This approach reflects our commitment to delivering best value for our partners and taxpayers. Find out more about our funding and finances on page 20.

Our partners



From area studies to strategic investment plan

To make our vision for the South East a reality, we're working with partners across the region to determine what the South East's priority transport schemes and initiatives should be up to 2050.

We have been doing this through a series of area and thematic studies, led by our team of transport strategy managers.

The outcomes of these pieces of work feed directly into our strategic investment plan – a blueprint for investment that we want to deliver with government and national bodies like Network Rail and National Highways.

Area studies

Each of our five area study geographies are based around the most important economic corridors in our region. These corridors connect our biggest towns and cities and international gateways and are where the greatest opportunities for sustainable economic growth exist.

Partnership working has been central to our geographical area studies with stakeholder forums for the outer orbital, inner orbital, south central radial, south east radial, and south west radial studies. Each forum has brought together a diverse range of views and voices from local government, transport operators, environmental groups, active travel campaigners and more.

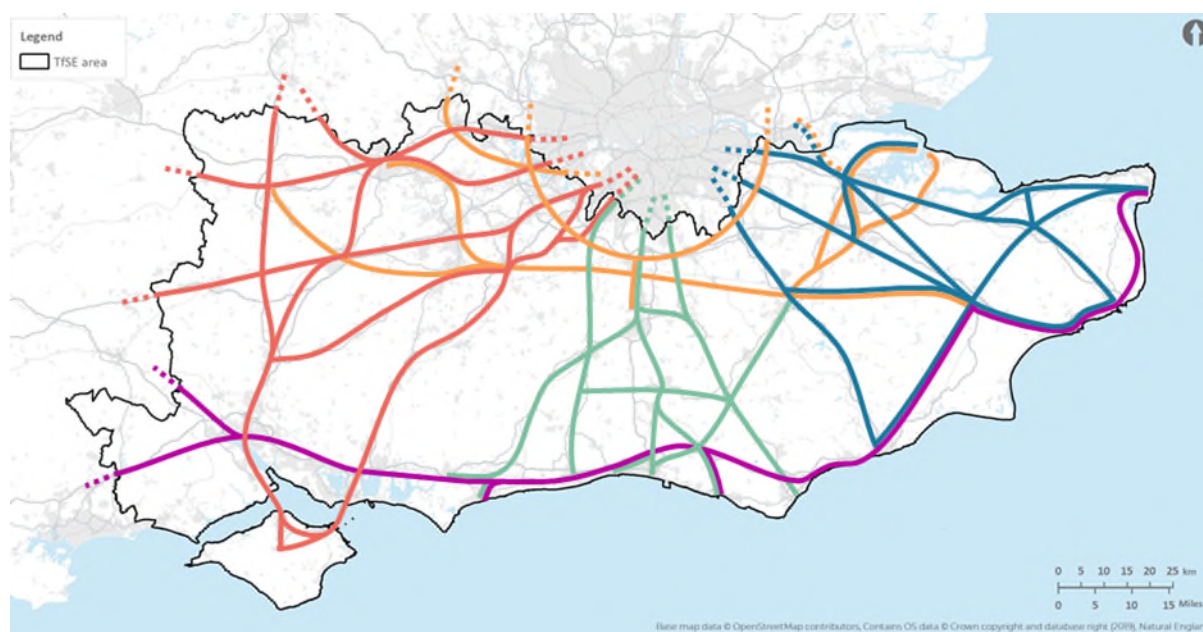
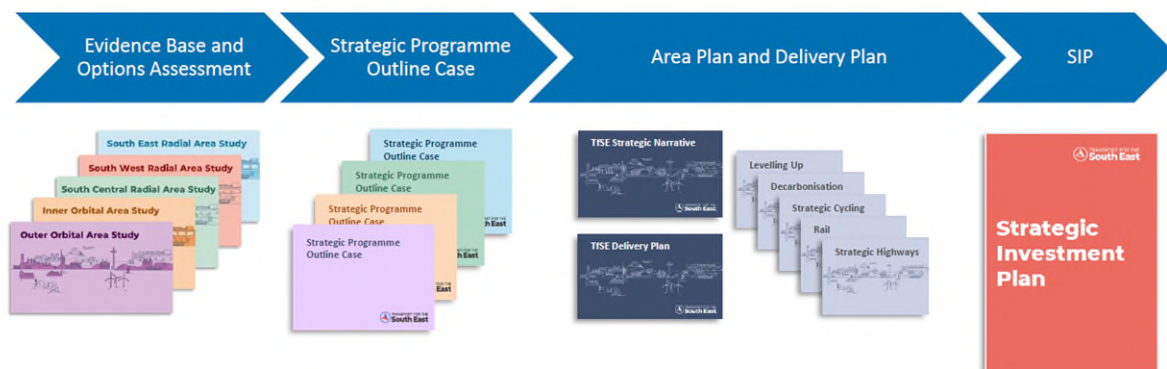


Figure 1. Map of the TfSE area showing the five area study geographies; outer orbital (purple), inner orbital (orange), south central radial (green), south east radial (blue) and south west radial (red).

Each study has investigated the issues, challenges and opportunities identified in our transport strategy in more detail, identifying a shortlist of transport interventions to make life better for people, for businesses and for the planet that delivers on the vision in TfSE's transport strategy.

The emerging outputs from each of the five area studies have then been brought together to form four strategic programme outline cases (SPOCs) which feed into our strategic narrative and delivery plan that will inform our SIP.



Thematic studies

Future Mobility Strategy

Developed with our partners here in the South East and nationally, our future mobility strategy sets out a people and place-based approach to future mobility – ensuring that the benefits of innovation and investment are maximised in each part of our region. The strategy includes an action plan that sets out the steps to get us there, so we can track our progress and deliver tangible results. Now that our strategy has been published, we are now focussed how we deliver the action plan.

Freight, Logistics and Gateways strategy

The UK, the South East is the UK’s principal gateway for the movement of goods and people, hosting many major international freight gateways that enable freight movements to and from the continent and to and from the whole of

In January 2022 our Partnership Board agreed our freight, logistics and gateways strategy, which sets out the challenges that need to be tackled to enable the industry to operate more efficiently whilst working towards net zero. The strategy comes with an action plan which sets out a series of strategic actions so that together with our stakeholders we can deliver a more sustainable and effective freight and logistics network for the South East and the rest of the UK.

ProjectView

Working with expert transport consultants, WSP, we launched **ProjectView** in April 2021 to support our work and help make sure that investment decisions across the South East are based on common and consistent information. It allows local government officers to create and develop bespoke maps of their area using their chosen data layers and presenting easy-to-view supporting evidence for schemes, projects, and other initiatives.

Today, **ProjectView** has over 100 users, mostly from local authorities. We are looking to run a second application window to bring on more users with a particular focus on engaging with district and borough authorities. We will also

be adding more data sets from our current workstreams; area studies, future mobility and freight, logistics and gateways as well as from the local planning data refresh.

Decarbonisation

Through our transport strategy we're committed to hitting net zero carbon emissions in the South East by 2050 at the latest and we know that transport is the single biggest contributor to UK carbon emissions. While our local authority partners are putting in place local transport plans to increase walking and cycling and move away from fossil fuels, our role as TfSE is to make sure investment priorities we put forward will enable us to our goal of a net zero carbon future for transport in the South East by 2050.

To support this, we have developed our transport modelling tool, **SEELUM (South East Economy and Land Use Model)** further to enable the carbon emissions impacts of the packages of interventions identified in the area studies to be assessed. We have also helped trial a tool developed by the Centre for Research into Energy Demand Solutions (CREDS) that enables the carbon footprints of neighbourhood areas to be assessed.

Identifying transport decarbonisation pathways for the South East.

Work is ongoing to identify potential decarbonisation trajectories that will need to be followed to reach net zero emissions. The work will also assess the potential effectiveness of the various local and national mechanisms that will need to be applied to follow a trajectory to net zero emission from surface transport.

In addition, in June 2021 we set up the **South East Regional Transport Decarbonisation Forum**, bringing together local transport authority officers and external bodies from across the South East who have been tasked with delivering transport decarbonisation. The forum has now met five times, sharing best practice and identifying areas for joint working as well as overseeing TfSE's work on decarbonisation

Investing in our region's transport

As we work towards our vision for 2050 it isn't solely through the work of TfSE that investment will be sought for our regions transport. In addition to our collective efforts our partners are also bidding for more investment through various avenues including the Housing Infrastructure Fund, Active Travel Funding, Bus Service Improvement Plans and Levelling-Up funds.

One of our aspirations is to strengthen the **golden thread** from national policies such as Bus Back Better, Transport Decarbonisation Plan the Road Investment Strategy and so on, through our transport strategy and strategic investment plan to Local Transport Plans (LTPs), Bus Service Improvement Plans (BSIPs) and Local Cycling and Walking Improvement Plans (LCWIPs).

The last year has seen significant investment in areas across the South East region including;

- The A320 North of Woking has received £41.8 million² from Homes England through the **Housing Infrastructure Fund (HIF)**. Carried out in partnership between Surrey County Council as the highways authority, Runnymede Borough Council as the planning authority, the works will improve traffic flow, open up sites for housing development and deliver improvements for walkers and cyclists as well as improved access to public transport. [Read more about the Housing Infrastructure Fund at GOV.UK.](#)
- The **Solent Future Transport Zone** has been awarded **£28.8 million** from the DfT as part of a trial programme to help make journey's easier, smarter and greener. Working alongside other local authority led schemes, the Solent Future Transport Zone will provide real-world testing for experts, allowing them to work with a range of local organisations such as councils, hospitals, airports, and universities to test and trial innovative ways to transport people and goods.
- As a result of the Covid-19 pandemic Local Transport Authorities have received funding from the Government's Emergency Active Travel fund, £250 million funding earmarked for schemes that would:
 - Enable more people to walk and cycle where possible
 - Support safe social distancing in areas where people congregate e.g. town centres, high streets, transport hubs or bus stops.

Local Transport Authorities in the South East region have received more than **£42 million**³ from this fund.

- In October 2021, LTAs across the region submitted BSIPs to Government seeking additional funding for schemes that aim to make buses a more attractive by making them an affordable more practical alternative to

² Figures taken from <https://www.gov.uk/government/publications/housing-infrastructure-fund>

³ Figures taken from <https://www.gov.uk/government/publications/emergency-active-travel-fund-local-transport-authority-allocations/emergency-active-travel-fund-total-indicative-allocations>

using private cars and helping existing bus users to travel more frequently. Funding allocations are still to be announced.

Investing in our railways

In 2020, we formalised our relationship with Network Rail through a Memorandum of Understanding. This enabled Network Rail to use our transport strategy data to inform cost/benefit analysis of potential network improvements, enabling the wider economic benefits to be captured as part of its planning process.

We are also working with the Great British Railways Transition Team to ensure STBs are represented within their strategic planning work and into the future. We have also provided partners with support for their business case development, including for the extension of high-speed services in coastal Kent and East Sussex and enhancing the railway between Abbey Wood and Ebbsfleet.

TfSE continues to meet regularly with Network Rail's southern and western regions' strategic planning teams. Network Rail is actively involved in TfSE area study and thematic strategy groups. TfSE has taken part in work led by Network Rail on specific strategic reviews, including London Paddington-Reading, Reading Area and Freight between Southampton and the Midlands.

Investing in our roads

Major Road Network

We have continued to make the case for investment in priority road schemes to cut congestion, boost active travel, support new housing, and drive economic growth.

In 2019-20, on behalf of our partner authorities, we submitted the South East's priority schemes from the Major Road Network for consideration as part of a £3.5bn investment programme during 2020-25. This included several larger schemes (c.£50m+) known as Large Local Majors (LLM).

To date TfSE area has received £26.791m funding towards priority road schemes.

In the last 12 months the following routes have been given approval to move to the next phase of scheme development:

A284 Lyminster bypass – This scheme received a funding boost of £11.8 million from Government towards the construction of a new 1.1mile single carriageway between Lyminster and Wick. The A284 is the primary route between Littlehampton and the A27 and is an important route for residents and businesses. Journeys in the area are often very slow along the narrow route into the town centre, with numerous delays caused by the Wick railway level crossing. The bypass would provide **shorter and less congested routes** and help **improve air quality for local residents**.

A259 corridor between Bognor Regis and Littlehampton in West Sussex – granted £849,000 funding from central Government this scheme is now

progressing to full business case development. The A259 links Bognor Regis and Littlehampton, two urban areas that are a focus for planned growth and regeneration. Investment in this road will **increase resilience** for the surrounding road network, including the very congested A27. It will help **safeguard it for the future, boost economic growth and support new housing and jobs as well as improving public transport and active travel options.**

A28 Birchington, Acol, Westgate-on-Sea relief road – receiving Government funding of £750,000 to support the **development of a full business case**, the A28 Birchington, Acol and Westgate-On-Sea Relief Road scheme will **reduce congestion, support greater economic activity** as new housing is developed and **improve active travel and public transport measures** in that area.

A326 Westgate improvement scheme – this scheme can now progress to outline business case development with the backing of £1.254m grant funding from Government. Connecting to the M27 at junction 2 and serving the Waterside area of the New Forest this scheme will help unlock and support development bringing about new housing and jobs at sites including emerging proposals for the expansion of Southampton's Port - a critical driver for economic activity in the local area, but also at a regional and national level.

National Highways and the Strategic Road Network

In October 2021, TfSE signed a Joint Engagement and Action Plan with National Highways to ensure the two organisations **work collaboratively to support respective work programmes** and seek to **achieve mutually beneficial outcomes for transport users, regional economies, and the environment.** There are five objectives, one of which is to take due consideration of each other's current and emerging strategies and underpinning technical analysis, where possible.

Strengthening our relationships

Partnership working is at the heart of what we do. With most of the engagement activity still happening online we have continued to meet regularly with stakeholders from across the region, building new relationships and strengthening existing ones as our stakeholder group widens further.

Joint working with other Sub-national Transport Bodies (STBs)

Transport for the South East is one of seven sub-national transport bodies (STBs) in England. Individually, we work across our own geographies to speak with one voice on behalf of the region we represent. Together we meet regularly to collaborate on issues which transcend administrative and regional boundaries, including freight, decarbonisation and rural mobility sharing best practice and delivering efficiencies in our collective work.

We are also planning the first ever joint STB conference to be held at the Vox in Birmingham on 26 May 2022. The conference offers an opportunity to demonstrate our collective strategic leadership on transport infrastructure and allows TfSE to promote and share the contribution we are making to joined up thinking on themes such as decarbonisation, inclusive economic growth, and freight.

In 2021, STBs were invited by DfT to bid to take a lead on four additional workstreams; Decarbonisation, Bus Back Better, Local Authority Capacity and Capability and Electric Vehicle (EV) Charging Infrastructure. In February 2022 we were successfully allocated £600,000 grant funding towards this work. This helps demonstrate how well-placed STBs are to support the DfT in the delivery of its priorities, helping to shape and deliver national policy.

Stakeholder engagement

Our Communications & Stakeholder Engagement team are responsible for this workstream. Collectively they ensure partners and wider stakeholders have many opportunities to play a meaningful part in the development of our technical work as we work towards the development of our strategic investment plan. They provide them with regular news, updates and events and build mutually beneficial relationships with people and organisations including environment groups and special interest groups who have a stake in shaping our shared vision for the future.

Over the last 12 months we have continued to enhance our relationship with the Department for Transport, Local Transport Authorities, and district and borough authorities. This way we can ensure **our strategic investment plan will be designed by the South East, for the South East** and to keep a *golden thread* running from policies set by Government, through our transport strategy and strategic investment plan, into locally generated plans for transport improvement.

Throughout winter we held a series of virtual engagement sessions led by our Chair and inviting political members, local transport authority partners and other stakeholders from across the region to hear about and discuss our technical programme and the emerging outcomes from our area studies. We also hosted a parliamentary reception at the House of Commons in February, followed by a series of virtual sessions to share this detail with MPs from across the region.

Through our Universities Steering Group meetings we have continued to work closely with university leaders from across the South East who have specialisms in areas relevant to our transport strategy and who have shown a strong appetite for collaboration. Together, we have started to develop opportunities for innovative research which could help us further to deliver our strategy.

We have also continued to work with the private sector to better understand the role it could play in delivering our strategic investment plan, helping to limit the costs of future investment to the taxpayer and improve the deliverability of our proposals.

Consultation responses

Using our collective voice to respond to consultations is one of the many ways we make sure the South East has its say on key issues and influences policy development - adding value to our partners and the people and businesses they represent.

Here are a few key consultations we have responded to in the last year.

Future of Transport Regulatory Review Consultation

This consultation launched by the DfT, and the Office for Zero Emission Vehicles considered ground-breaking technologies that will transform over the next decade, including: measures to place the UK at the forefront of cutting-edge transport technologies, proposals for inclusively designed EV charge points and drones and autonomous vessels that could perform new functions, such as delivering goods and aiding search-and-rescue missions.

Our response to this consultation was a joint submission from the seven STBs. Read the response in full [\[insert link\]](#).

Whole Industry Strategic Plan – Call for evidence to help deliver the future of Britain’s railway.

Using evidence gathered through the development of our transport strategy and more recently our area studies we were able to provide a robust, informed response to the Great British Railways Transition Team’s (GBRTT) call for evidence to inform the whole industry strategic plan for the British rail sector. Detailing our interest in the future development of the rail network, and in particular the part that serves South East England.

Read our response to the GBRTT call for evidence [\[insert link\]](#).

National Infrastructure Commission – Second National Infrastructure Assessment

TfSE provided a response to this consultation, feeding in information from our transport strategy and further work on topics such as asset management, the potential for road user charging, decarbonisation, demand management and connectivity.

You can read our full response to the Second National Infrastructure Assessment on our website [\[insert link\]](#).

We respond to consultations on a range of issues, schemes, and policy proposals. You can view the full list of our consultation responses at transportforthesoutheast.org.uk/publications

Finance

Transport for the South East is funded by contributions from our constituent authorities and grant funding from the Department for Transport. This mixed approach to funding reflects our commitment to delivering best value for our partners and taxpayers.

Multi-year funding proposal

In October 2021 TfSE submitted a multi-year funding bid to Government.

Securing a multi-year funding commitment from government enables us to implement and deliver our strategic investment plan, supporting the Department for Transport to meet its priorities in a timely, efficient, and effective way.

Please note we are still awaiting confirmation of our funding settlement from Government. This section will be updated in due course.

Additional workstreams

In October 2021 the seven STBs were invited to submit proposals to the Department for Transport to undertake work under four priority workstreams. TfSE was successful in being awarded £610,000 funding for the following projects:

- **Electric Vehicle Infrastructure Strategy** - TfSE was awarded £100,000 to develop an EV Infrastructure Strategy for the region, including the associated evidence base and action plan.
- **Local Capacity and Capability** - TfSE was awarded £300,000 to develop a regional centre of excellence, with the aim of supporting local authorities in the accelerated delivery of their Local Transport Plans and related existing programme
- **Bus Back Better Support** - TfSE was awarded £300,000 to take forward a joint project working with Transport East and England's Economic Heartland to identify and deliver the support needed to assist local transport authorities with the delivery of their Bus Service Improvement Plans and Enhanced Partnerships in the three STB areas. A total of £100,000 of this support will be delivered in the TfSE area.
- **Decarbonisation** – TfSE was party to a joint proposal with Transport East and England's Economic Heartland for the development of a tool that will enable local transport authorities to assess the carbon reduction impacts of different packages of transport interventions. The toolkit will be particularly useful for local transport authorities in formulating their next local transport plans. The value awarded was £100,000 per STB, with a total project value of £300,000.

Working with the other STBs, TfSE also supported a joint bid for work into further work on decarbonisation. Collectively they were awarded £70,000, £10,000 per STB. The money will be used to commission research to investigate and quantify the decarbonisation impacts of different policy options and scheme interventions, in a variety of scenarios across the seven STB geographies. Identifying the most effective routes to decarbonisation. This will feed into the decarbonisation toolkit described above.

Where our income comes from

Funding from our 16 local transport authorities, which for 2021-22 amounted to just under £500,000, is used to support our operational and staff costs. The approach for calculating contributions was developed with members and reflects the relative sizes of different member authorities. The formula has remained unchanged for the last four years.

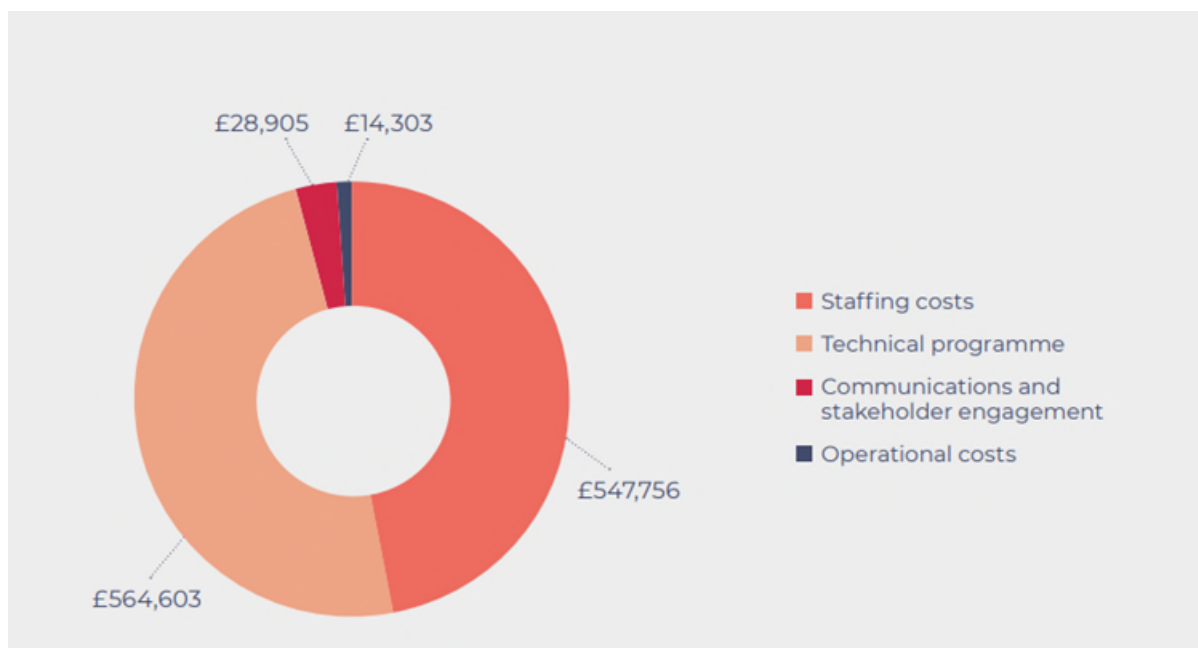
The DfT awarded £1.225m in grant funding to support the delivery of our technical programme. This level of funding enabled us to accelerate elements of our work, bringing forward the commissioning of additional area and thematic studies.

Our total income for 2021-22 was **£3.923m**. This included committed funding and carry forward from 2020-21 and reserves, as well as the additional £600,000 awarded by DfT in January 2022.

Income	£
Local contributions	498,000
DfT grant	1,225,000
DfT priority work streams	700,000
Reserves	462,304
Carry forward	63,385
Comitted funding	974,354
Total income	3,923,043

How we spent our money

This chart currently uses last year's spending figures. It will be updated with the 2021-22 spending figures at the end of the financial year.



Accountable body

As part of Transport for the South East's establishment in 2017 it was agreed that East Sussex County Council would act as the organisation's accountable body. During the last four years, Transport for the South East's processes and procedures have followed those of the accountable body. In addition, the Section 151 Officer at East Sussex County Council has financial oversight of Transport for the South East's budget, ensuring effective review of governance over financial decisions.

Our Board

The Partnership Board is our principal decision-making forum. It comprises a mix of representatives from the public and private sectors including local authorities, business groups, protected landscapes, and national delivery partners.

The board meets four times a year. Over the last year these meetings have been virtual with one hybrid meeting held in October. Whether online or in person our meetings are open to the public and the agenda, papers and minutes of each meeting are published on our website.



CHAIR – Cllr Keith Glazier

Keith has been leader of East Sussex County Council since 2013 and a councillor since 1997. Employment, business, regeneration, and infrastructure have always been among his political priorities, and he previously ran his own heating and plumbing business. He also represents East Sussex on the South East Local Enterprise Partnership.



DEPUTY CHAIR – Cllr Tony Page

Tony is deputy leader of Reading Borough Council, where he has been a councillor since 1973, and represents the Berkshire Local Transport Body on our board. He chaired Reading Buses for almost 20 years and has worked on several government and Local Government Association transport policy bodies. He is vice chairman of South East England Councils.

Cllr Amy Heley

Brighton & Hove City Council
Co-Chair of the Environment, Transport and Sustainability Committee

Cllr Rob Humby

Hampshire County Council
Deputy Leader and Executive Lead Member for Economy, Transport and Environment

Cllr Phil Jordan

Isle of Wight Council
Cabinet Member for Infrastructure and Transport

Cllr Dan Watkins

Kent County Council
Deputy Cabinet Member for Highways and Transport

Cllr Alan Jarrett

Medway Council
Leader

Cllr Lynne Stagg

Portsmouth City Council
Cabinet Member for Traffic and Transportation

Cllr Jeremy Moulton

Southampton City Council
Deputy Leader and Cabinet Member for Growth

Cllr Matt Furniss

Surrey County Council
Cabinet Member for Transport and Infrastructure

Cllr Joy Dennis

West Sussex County Council
Cabinet Member for Highways and Transport

Geoff French

Transport Forum
Independent Chair

Daniel Ruiz

LEP representative
Enterprise M3 LEP

Martin Harris

LEP representative
Coast to Capital LEP

Cllr David Monk

District & borough authorities' representative
Leader, Folkestone & Hythe District Council

Cllr Colin Kemp

District & borough authorities' representative
Portfolio Holder for Infrastructure, Woking Borough Council

Ian Philips

Protected landscapes representative
Chair, South Downs National Park Authority

John Halsall

Network Rail (non-voting member)
Managing Director, Southern Region

Richard Leonard

National Highways (non-voting member)
Head of Network Development

Alex Williams

Transport for London (non-voting member)
Director of City Planning

Our Team

Transport for the South East has a small secretariat of 8.8 full-time equivalent employees. This dedicated officer support enables us to deliver the core functions of a sub-national transport body set out by government – principally the delivery of our technical work programme and associated communications and stakeholder engagement activity. The team works closely with and draws additional support from officers from our constituent authorities and LEPs via officer working groups. This approach to partnership working ensures Transport for the South East provides best value to our partners and taxpayers.

Diversity and inclusion We have underlined our commitment to diversity and inclusion by signing up to the Chartered Institute for Highways and Transportation (CIHT) Diversity & Inclusion Charter. The charter has been signed by more than 60 organisations across the public and private sectors and commits us achieving best practice in our approaches to recruitment, retention, and career progression.

“A clear and unequivocal commitment to diversity and inclusion will help us to better reflect the communities we serve. It will help us to attract and retain the best talent, work better with our partners and add real value to people and businesses across the South East.” Rupert Clubb, lead officer for Transport for the South East

Looking ahead

Our work in 2022-23 is focused around four key priorities. Together, we will...

- **Finalise and consult on our draft strategic investment plan** setting out a prioritised programme of investment.
- **Submit a clear and compelling vision for future transport investment in the South East to Government** identifying the tools for delivering the investment set out in our plan.
- **Establish Transport for the South East as the right partnership to implement and oversee the delivery of our investment plan** adding value to the work of our constituent authorities and the Department for Transport.
- **Deliver four workstreams to support the DfT's priorities** including; Electric Vehicle Infrastructure Strategy, Local Capacity and Capability, Bus Back Better Support and Decarbonisation.

Priorities subject to change pending funding settlement for 2022-23.