

# **Strategic Transport Leadership Board**

24 May 2024

## **Agenda item 3: End of Year review and annual report**

### *Recommendations:*

**It is recommended that the Board:**

- a) Agrees the year-end financial and corporate position**
- b) Notes the financial commitments carried forward into 2024/25 and the delays in receiving a confirmed settlement from DfT.**
- c) Supports the proposal, pending confirmation of funding from DfT, to recruit a small number of additional staff into the team on a fixed term/secondment basis.**
- d) Approves the draft 2023/24 annual report**

### **1. Purpose of Report**

- 1.1. This paper sets out the year end corporate position for the financial year 2023/24. This includes staffing and budget updates. The full budget can be found in annex 1.

### **2. Key points to note**

- 2.1. EEH finished the financial year 2023/24 in a stable financial position. The programme has been delivered (or commissioned) within the overall funding envelope allocated, with much of the technical programme delivered or committed by financial year end.
- 2.2. EEH's financial and programme delivery for the 2023/24 has been reported to, and received approval from, the Department for Transport.
- 2.3. A draft annual report for 2023/24 has been produced which highlights EEH's achievements during the last financial year.
- 2.4. Last year, DfT's grant was delayed and not received until October 2023, in preparation for a similar position in the next financial year, officers were prudent during the final quarter of 2023/24 to keep spend commitments to a minimum in order to retain enough budget should delays in funding occur again in 2024/25.
- 2.5. The balance carried into 2024/25 is £729,454. The figure excludes reserves of £400,000.
- 2.6. We still await our financial settlement for the current financial year. During this year, it is proposed that EEH remains a small, agile unit but, to ensure resource is available to deliver the programme and to build EEH's analytical capability, we would like to recruit a small number of fixed term posts or secondments.

### **3. 2023/2024 Income**

- 3.1. In the financial year 2023/24 local contributions were made by our partner authorities totalling £449,617. These have been received in full and have been utilised to pay for staffing, communications (including conference and business advocacy publications) and to unlock the DfT settlement as a demonstrable commitment to EEH and its work.

- 3.2. The Department for Transport granted EEH a settlement of £1,350,000 for the 2023/24 work programme, which was received in full in October 2023.
- 3.3. Despite the DfT funding not arriving until October, the team successfully delivered or commissioned a significant proportion of the programme in year, including a refreshed regional evidence base, freight data and the development of a freight action plan, bus study and bus symposium, main line rail study, regional advocacy for schemes and direct support for local authority projects through the capacity and capability project (amongst others). The breakdown of spend and commitment against our programme can be seen in Annex 1.
- 3.4. Additionally, EEH received a contribution of £30,600 from the East West Main Line Partnership to cover costs of secretariat and business management functions.

#### **4. Work Programme - 2024/25**

- 4.1. In March 2024, the Board agreed the local contributions for financial year 2024/25. Recognising the continued pressure on local government finances it was agreed that local contributions were to be held at 2023/24 levels. Partners will receive 2024/25 contribution request following the May Board meeting.
- 4.2. In March 2024, a draft DfT funded work programme for 2024/25 was presented to the Board. This programme formed of multiple workstreams under: developing and implementing the transport strategy; investment pipeline and evidence base; and the development and implementation of a regional centre of excellence.
- 4.3. During the financial year 2024/25, there will be an increased focus on delivery of projects in-house, reducing the need for spending on external consultants. Commissioning will focus on technical and specialist advice to support projects.

#### **5. Staffing**

- 5.1. The EEH business unit is a small, agile team formed of 11 people, on a mixture of contract types.
- 5.2. Due to EEH's three-year indicative funding from DfT and agreement that funding could be used for a proportion of staffing costs, the number of permanent posts within EEH previously increased to 8 full-time equivalent (FTE) – providing greater stability for technical team members.
- 5.3. Supplementing these permanent posts is one full time secondment from Oxfordshire County Council (OCC); and three FTE fixed-term contract team members.
- 5.4. Going forward, in order to ensure resource is available to deliver the programme and to particularly build EEH's analytical capability, we would like to recruit a small number of fixed term posts or secondments. These will only be appointed once we have clarity of funding from DfT.
- 5.5. In addition, EEH will seek to host a shared resource to manage the freight workstream. This resource will be shared with Transport East, to maximise efficiencies between sub-national transport bodies.
- 5.6. Every EEH team member undertakes a proportion of directly programme-related work. In 2022/23, it was agreed that some permanent staffing costs could be offset against the DfT programme grant for the first time where this direct link could be demonstrated. This approach has continued into 2023/24, and will continue into 2024/25.
- 5.7. It is a continued aspiration that there is fluidity between staff in order to deliver the EEH work programme, which will result in greater development opportunities and resilience across the business unit. For example team members have backfilled duties covering a maternity leave.

#### **6. Annual report**

- 6.1. A draft annual report has been produced. It provides a high-level summary of the work progressed by EEH during 2023/24.



- 6.2. The theme of this year's annual report is 'Delivering Together' – recognising the work to strengthen collaboration across and beyond the region during 2023/24. This includes through our collaboration with Oxford-Cambridge PRP, Arc Universities Group, Science Supercluster Board and East West Railway Company; and the formation of the 'Wider South East' partnerships with Transport East and Transport for South East on rail and freight.
- 6.3. The draft annual report is in annex 2. Subject to the Board's comment and approval, it will be typeset and published during June.

**Abi Nichols and Adam King**  
**May 2024**

## Annex 1 – EEH 2023/24 – End of Year Budget

INCOME		2023/24 Income
Carry Forward from 21/22	£ 1,740,068	
Local Contributions	£449,616	
DfT Grants	£1,350,000	Includes additional £150,000 in-year for centre of excellence ambitions, which has been carried forward in full.
Additional Contributions	£30,600	Contribution from East West Mainline Partnership towards secretariat costs
Other income	£172,544	For example contributions to joint projects from other STBs and EWR Co.
<b>TOTAL</b>	<b>£3,724,830</b>	
NON-PROGRAMME EXPENDITURE		2023/24 Spend and Committed
Staffing	£748,478	Includes pension, NI and other staff costs such as training.
Operational Expenditure	£48,424	Includes office costs, service charges, conferences, meetings, document production and website.
Reserve	£400,000	Reserve held at £400,000.
<b>SUB-TOTAL</b>	<b>£1,196,902</b>	
PROGRAMME EXPENDITURE		2023/24 Spend and committed
Regional Evidence Base	£81,441	Continued upgrading of the regional evidence base to integrate more data sets, improve data quality and support for tools.  Includes evidence to inform future thinking around an English National Transport Strategy and policy intelligence support.
Planning for net zero	£122,233	Dissemination of the Quantified Carbon Reduction (QCR) tool with local authority partners, and improvements/updates as required to baselines and functionality. This includes additional functions for policy levers was added to the project budget (£12K) following clarifications with DfT. Seconded staff
Improving strategic connectivity	£440,935	This includes delivery of the freight action plan, a sixth connectivity study and planning roads for the future. It also included seconded staff costs.
Innovation	£0	We are continuing to collaborate on the future of mobility with the region's innovators in business, academia and local government through creation of a pan-regional cross-sector innovation network and community of best practice.



		While EEH holds a budget line of £40,000 for this project, to date our innovation successes have been based on the contribution and expertise of our staff rather than relying on a funding contribution. Holding funds in this budget line does allow EEH staff to confidentially explore innovation collaboration opportunities, even if funding is then not required.
Driving Investment Opportunities	£282,625	This includes the ongoing projects; rail investment priorities, economic narratives and a proportion of spend on the 'Improving regional bus services' project.
Skills development	£86,585	Project include support for our forums work, creation of Centre of Excellence as defined by DfT within their business plan guidance (focusing on LTPs, QCR, delivery of major infrastructure projects and investment pipelines), as well as developing skills intervention pilots.  Recently commissioned work through the East of England Local Government Association (EELGA) to work on skills to take our skills work forward to create a Skills Matrix for transport professionals across the region.  Consideration is now being given to ensure the best use of the funds to address transport planning skills challenges in the region.
<b>Sub-total</b>	<b>£1,121,124</b>	
<b>DfT 22/23 Tail programe</b>	<b>2023/24 Spend and Committed</b>	
Regional Evidence Base	£112,436	Delivery of carry forward projects; Regional evidence base refresh; transport strategy monitoring; places of strategic importance and Common Analytical Framework readiness  Underspend of £5,000 due to dependency on supplier decision re first mile last mile tool platform.
Planning for Net Zero	£95,201	Delivery of carry forward projects; national travel survey study and the required change control for the decarbonisation playbook.
Improving Strategic Connectivity	£329,622	Projects include: connectivity studies; rail strategic objectives; ticketing engagement – public opinion survey; freight action plan and rail freight growth target, bus business case and BSIP support.
Connectivity and Integration	£30,000	Projects include; mobility hubs mapping. Some of this budget has been allocated to the current ongoing 'Improving regional bus services' work.



Innovation	£38,000	Projects include: smart corridors phase 1 and innovation pump priming.
Scheme Prioritisation and Development	£145,800	Projects include: investment prioritisation, exploration of land value capture opportunities and capacity and capability.
<b>SUB-TOTAL</b>	<b>£751,099</b>	
<b>TAIL 21/22 PROGRAMME EXPENDITURE</b>	<b>2023/24 Spend and Committed</b>	
Supporting the Heartland Region	£78,664	Delivery of carry forward projects; Completion of Swindon – Didcot – Oxford connectivity study Commencement of Capacity and capability Local Authority support
Decarbonisation of the Transport System	£232,037	Delivery of carry forward projects; Toward the finalisation of the 'Carbon Assessment Playbook'
Improving Strategic Connectivity in Support of Planned Growth	£3,709	Carried forward carry forward projects; Completion of 'Future of Roads' think piece
Improving local connectivity	£11,770	Delivery of Carry forward projects; Finalisation of Active Travel Strategy Phase 2
<b>SUB-TOTAL</b>	<b>£326,251</b>	Carried forward into 2022/23: £1,203,557
	<b>Actual Spend</b>	
<b>TOTAL EXPENDITURE</b>	<b>£2,995,194</b>	<b>This figure does not include reserves</b>
<b>Balance to carry forward into 2024/25: £729,454</b>		
Alongside this carry forward, a further £400,000 is held as reserves.		
<p>Last year, DfT's grant was delayed and not received until October 2023, in preparation for a similar position in the next financial year, officers were prudent during the final quarter of 2023/24 to keep spend commitments to a minimum in order to retain enough budget should delays in funding occur again in 2024/25.</p>		