



Strategic Transport Leadership Board

13 May 2022

Agenda Item 3

Annual Financial Review and Annual Report 2021/22

Recommendation:

It is recommended that the Board:

- a) **Agree the year-end financial position, to be presented to the Board during the meeting.**
- b) **Note the financial commitments carried forward into 2022/23.**
- c) **Agree the draft annual report for 2021/22 as set out in annex 1.**

1. Purpose

- 1.1. This paper sets out the narrative to support the year-end financial position for 2021/22 and the draft annual report.

2. Key points to note

- 2.1. During 2021/22 EEH has commenced and delivered key pieces of work as agreed by the EEH leadership in June 2021.
- 2.2. EEH was successful in bidding for in-year funding, which increased our DfT funding by more than 60%.
- 2.3. The consequent increased workload arising from the funding, combined with staffing constraints that are being resolved, has meant a tail of commitments 2021/22 that will be completed in 2022/23.
- 2.4. The 2021/22 end of year financial statement will be presented to the Board and published once approved.
- 2.5. The draft annual report is presented is presented in annex 1 – this will be typeset and published following the meeting.

3. Context

- 3.1. The Strategic Transport Leadership Board is responsible for determining the work programme for the year ahead and setting the budget and being accountable for the expenditure of EEH. This was previously the responsibility of the Leaders Meeting, prior to the changes in governance made in September 2021.
- 3.2. In recognition of the local contributions made by our partner authorities (totalling £420,000 for 2021/22) and our continued role as the sub-national transport body for the Heartland, the DfT gave an initial funding settlement of £900,000 to EEH for the financial year 2021/22.

- 3.3. This was supplemented with three in-year funding awards, bringing the total DfT income to £1,450,000:
- £125,000 for work on active travel, including the Varsity Way
 - £125,000 for client-side capability (the 'centre of excellence')
 - £300,000 for the 'decarbonisation playbook'
- 3.4. This additional in-year funding – an overall increase from the base funding of 60% – is testament to the key role that EEH plays both as a genuinely local partnership of member authorities and in supporting the DfT to deliver key place-based objectives.
- 3.5. It should also be noted that DfT committed further in-year funding for projects in which EEH is involved (including, supporting for electric vehicle infrastructure planning and supporting buses). These projects are being led by a neighbouring sub-national transport body.

4. DfT Funded Work Programme 2021/22

- 4.1. The DfT funded work programme was agreed with DfT officials and the EEH Leaders meeting in June 2021. It consisted of four priorities:
- Supporting the Heartland region
 - Decarbonisation of the transport system
 - Improving strategic connectivity in support of planned growth
 - Improving local connectivity
- 4.2. 'Supporting the Heartland region' includes:
- The continued maintenance of the regional evidence base, notably Project View and the first mile, last mile tool
 - The ongoing work on the connectivity studies (Peterborough-Northampton-Oxford, and Oxford – Milton Keynes). As part of delivering the connectivity studies, a land-use model has been developed to test interventions, which will be used across all tranches of the connectivity studies work stream. This has added additional cost and time into the programme as initially planned but should deliver savings in future studies. The modal is also now being used for other projects, such as to support the strategic narrative for East West Rail. In addition, the third connectivity study (Swindon-Didcot-Oxford) is now underway.
- 4.3. 'Decarbonisation of the transport system' includes the decarbonisation pathways studies and a joint commission with Midlands Connect looking at alternative fuelling infrastructure for freight and logistics.
- 4.4. 'Improving strategic connectivity' includes considerations around rail, the strategic road network and cross-border connectivity. Owing to unsuccessful attempts to recruit a lead rail officer, the planned work on prioritising the findings of the EEH Passenger Rail Study have been moved to commence in early 2022/23. In the meantime, the day-to-day stakeholder engagement with Network Rail, the Great British Railways Transition Team and East West Railway Company are being picked up by members of the business unit to ensure EEH priorities are represented.
- Work continues on both the strategic roads study and the regional bus study. The projects to re-emphasise and update the strategic narrative for East West Rail (co-commissioned with the East West Railway Company and the East West Main Line Partnership respectively) are also now underway.
- 4.5. 'Improving local connectivity' encompasses our work on active travel, first last mile pilot schemes (in Aylesbury and along the Marston Vale rail line) and mobility hubs. Owing to the extended duration within the year where the team carried vacancies, the planned mobility hubs work will now be delivered in 2022/23.



4.6. In addition to the EEH settlement, £400,000 is being managed by DfT for a co-sponsored piece of technical work with National Highways to identify investment requirements for the strategically important road network in the area defined by government as the Oxford Cambridge Arc.

5. 2021/22 tail

- 5.1. Owing to constraints in staffing and the receipt of significant in-year funding there is a considerable tail of work committed during 2021/22 to be delivered by the business unit alongside the 2022/23 work programme.
- 5.2. The financial commitments rolled into 2022/23 total £1,200,188, which includes the majority of in-year funding received (£500,000), and a number of ongoing projects. A majority of the tail of projects is committed, to be completed during 2022/2023.
- 5.3. Details of the 2022/23 tail will be set out in more detail within the end of year financial statement, to be presented to the Board and published once approved.

6. Non-DfT Funded Activity

- 6.1. Alongside the DfT-funded activity, work has completed on developing the strategic case for ubiquitous digital connectivity commission with Satellite Applications Catapult. We have engaged with the Department for Digital, Culture, Media and Sport (DCMS) to establish further opportunities.
- 6.2. As reported at the Leaders Meeting in June 2021, the business unit secured £643,000 of funding from the government's 'Build Back Better' fund managed by Buckinghamshire LEP, to enable the digital fibre to be installed along the Bicester to Bletchley section of East West Rail as a digitally enabled corridor.
- 6.3. The business unit would like to express its gratitude to Buckinghamshire Council for their support in securing legal agreements with Network Rail for this funding.
- 6.4. Contributions from local partners is used primarily to fund a core team of EEH staff. In addition, a small amount of local contributions were used to pay for a recruitment agency to manage the successful recruitment of a new managing director; to buy stakeholder management software; and for the EEH conference (of which some monies were recovered from the sponsorship of a number of our delivery partners).

Fiona Foulkes
Business Manager
May 2022

List of Annexes

1. Draft annual report

