Portsmouth CITY COUNCIL

Title of meeting:	SOLENT TRANSPORT JOINT COMMITTEE
Date of meeting:	29th June 2020
Subject:	BUSINESS PLAN 2020/21 UPDATE
Report by:	CONRAD HAIGH, SOLENT TRANSPORT MANAGER
Wards affected:	Affects all parts of the Solent area as the four local Highway & Transport Authorities make up Solent Transport.
Key decision:	No
Full Council decision:	No

1. Purpose of report

1.1 This report sets out the position and options for a Business Plan for Solent Transport for 20/21, for the Committee's advice and instruction.

2. Recommendations

2.1 That the Joint Committee approves the recommended approach/options set out in the report for the 2020/21 Business Plan.

3. Background

Progress in each priority area

3.1 A review of the Partnership's 2019/ 20 work was covered in detail in the report of 6th February 2020, so will not be repeated in this report.

3.2 The interim period has been an exceptionally busy one for Solent Transport, adapting the team to home working and setting up systems around this need, in response to the Covid-19 crisis. This has created a significant pressure on resource. We have also had to be exceptionally responsive and adaptable in our approach to assist in the delivery of new work in response to Covid-19. This includes:

- rapid implementation of parts of the cross-Solent drone logistics trial, more than year earlier than originally planned- working with DfT and Southampton University to provide an air bridge to IoW as support to NHS if required during Covid-19

- rebasing the Future Transport Zones programme to respond to the changed circumstances; and
- implementing the My Journey "New Normal" behavioural campaign in response to the crisis.

3.3 Additional to the work outlined in the report of 6th February 2020, other Solent Transport's activities also are outlined below:

- Completed writing of the Solent Rail Connectivity Strategy (jointly with Network Rail)
- Been successful in obtaining £28.76M from DfT for the Solent Future Transport Zone programme
- Commissioned and delivered a report on adapting the FTZ programme to respond to the current circumstances and an expected post-Covid scenario
- Undertaken work to explore options for operational efficiency improvements for the Sub Regional Transport Model (SRTM) and explored options for SRTM upgrade.
- Worked closely with the Partnership for South Hampshire (PFSH) group of Local Planning Authorities, on their 'Statement of Common Ground' (SOCG) project, including jointly preparing a specification for Transport Assessments and strategy development for future Strategic Development Opportunity Areas, and assisting with the Tendering for consultants to undertake this work
- Explored possible shared e-scooter trial with DfT as part of FTZ; developed concept for trials and submitted Expression of Interest to undertake these in parts of all the Member authorities
- Promotion and media campaign around the Drones trial
- Implemented a Solent Transport branding refresh exercise and commenced Solent Transport website refresh
- Started work on the development of a new Solent Transport Strategy.

3.4 Many of the above issues are explored in more details in accompanying papers and agenda items.

Look Forward to the 2020/21 Business Plan

3.5 2019/20 has so far been a positive year for Solent Transport. There has been good progress in key areas of work identified in the current Business Plan as noted above. The highlight has been the success of funding bids to the Future Mobility Zone fund (submitted by Solent Transport) and Southampton City Region bid to the Transforming Cities Fund, as well as the success of the fast-tracked drone medical logistics project and "New Normal" campaigns.

3.6 The additional funding extension to the Access Fund for the 2020-21 period and the extension of funding for the Highways England M27/ M3 Travel Demand Management work is also a boon and we have high confidence that Portsmouth City Region will also secure around £50m-£60m from the Transforming Cities Fund for the South East Hants Rapid Transit project, as a result of submission of a revised business case in early July.

3.7 The bids and funding already secured provide several positive opportunities to build on the good work already achieved by Solent Transport and its partner bodies in the area of sustainable transport delivery. The funding available could enable a fundamental step change in the provision of modal choice and viable sustainable options for travel in the Solent area.

3.8 However the outbreak of Covid 19 and its ongoing effects require us to be agile and responsive in planning of these initiatives. One of the areas requiring a flexible response is the Future Transport Zone (FTZ). A separate report on the agenda outlines how we propose to achieve this in the short to medium term.

3.9 Solent Transport's Business Plan for 20/21 must respond to a number of options and challenges, including the response to Covid 19, some of which are dependent on external funding sources; others reflect the ambition of the partner bodies, their future vision and the work areas for the Solent Transport Partnership and the area it serves.

3.10 A Strategy workshop involving Senior Management Board (SMB) from the four Member authorities was held in January 2020. SMB highlighted three key ambitions beyond what could be considered Business as Usual (BAU): to Develop a Solent Transport Strategy, to update and develop the Sub-Regional Transport Model (SRTM) and raise the profile of Solent Transport through marketing and lobbying. These have been added to the existing work themes.

Staffing Implications

3.11 Outlined below are the resource implications for the business plan. Agreement from Committee Members is sought on the outlined option however in order to fulfil required workloads some level of expansion is required.

Minimum Expansion – with Allowance for funded posts within FTZ and TCF work streams

3.12 Present staff allocation is 2.4 FTE- one manager, one principal transport planner and 0.4 FTE of a shared marketing resource. These posts are funded from Member authority contributions and will be required to lead recruitment of staff and inception of key work including FTZ and TCF assurance, as well as delivering other tasks on the work programme not funded from external contributions.

3.13 All other staffing will be fulfilled by external budgets, covering work including delivering the FTZ programme (as outlined in the relevant item on this agenda) and TCF assurance roles for the two city schemes. See Finance paper for details.

TCF Assurance Post

3.14 (For Southampton City Region TCF, and for Portsmouth City Region TCF if funding awarded by DfT)

3.15 Both TCF programmes anticipate a role for Solent Transport around coordination and assurance, these will require Solent Transport to significantly increase its Programme Management Office resource (PMO) with an additional minimum impact of 1 FTEs. Fund allocations within the TCF bids have been made for this work.

Future Transport Zone (FTZ) Staffing

3.16 Some of the roles delivering the FTZ programme will be within other organisations or partner bodies, but the key central roles are planned to be accommodated within and report as part of Solent Transport's structure, albeit with physical posts across several authorities. This is covered in more detail in Appendix 5 of the FTZ paper presented at this meeting, but resourcing of all elements of the bid would require a minimum expansion of an additional 9.4 FTE within Solent Transport.

3.17 The speed of this expansion would require some resourcing to be brought in via consultancy, but short-term contracts and secondments could provide better value and a more sustainable way forward in the medium/long term. The potential change in emphasis of the FTZ towards e-scooter trials (which would need to be delivered within three months as part of the Covid 19 response), and acceleration of other schemes supporting the Covid-19 transport response eg Solent Go carnets and cycle/ e-bike share, create even greater pressure to secure additional staff resource quickly.

3.18 Core deliverables for the coming year therefore are:

- To deliver a new Solent Transport Strategy
- To commence delivery of the FTZ programme, continuing over a four year period to 2024 as agreed with Joint Committee and the Department for Transport
- To provide an assurance role for Transforming Cities programmes, subject to agreed funding form TCF partners
- To continue to operate the Sub-Regional Transport Model (SRTM) and further explore development & improvement options, providing a business case for these to Joint Committee.
- To work with the Partnership for South Hampshire (PFSH) group of Local Planning Authorities, supporting development of transport strategy as part of PfSH's current creation of a 'Statement of Common Ground' (SOCG) supporting Local Plans beyond the 2034 planning horizon
- Run up to two planned conferences (subject to Covid-19 limitations, these may be delayed)
- Continue to deliver My Journey, Solent Go and New Normal marketing campaigns
- Complete Solent Transport and Branding and Website refreshes
- To assist in the delivery of work package 3 of the Highways England Travel Demand Management work.

Fiscal implications

3.19 Fiscal implications of these options are considered in the finance paper. Any additional costs will be covered by the FTZ or TCF funding.

SRTM Refresh

3.20 At present the SRTM almost covers its costs, requiring circa £100k of subsidy on a five-year cycle (not including Solent Transport staff time). The model requires a major update by end of 2021 to remain compliant with DfT guidance on modelling and scheme assessment criteria (WebTAG).

3.21 Whilst a do-minimum minimum update would achieve continued compliance at the lowest possible cost, the model is a significant asset to Solent Transport and its partners and has been a key component of the success of fund bids and transport strategy development across the four authorities.

3.22 More recent developments in modelling technology and software offer the opportunity for a major update to create a more flexible model that could be used more effectively and efficiently by the partners. This is likely to keep the model relevant and usable over the longer term and potentially increase revenue overall but would require greater initial investment. Full costs of this option and more efficient ways of procuring the model and the development work are being explored. However, an indication of the Partners level of ambition at this stage would be useful for business planning for future years.

3.23 The minimum update is estimated at £500k up to as much as £800k, and a more significant redevelopment could require an estimated initial outlay of £1m - £1.2m (based on high level estimates from one potential provider). It is possible that other options for funding could be explored to provide a reduction in these costs, including asking DfT for a contribution.

Option 1) Minimum Update

3.24 Pursue minimum update, estimated minimum funding gap £100k to £400k, for partners to identify.

Option 2) Explore wider update and full refresh of SRTM

3.25 Pursue wider update with tools that may allow back-casting and “Sandbox” capabilities, and would allow wider use of the model including in-house use of the model by Solent Transport and its partners for basic scenarios. Estimated present funding gap for this investment may be circa £600k- £800k.

3.26 Because of these funding gaps, particularly for the more ambitious option, it is important this issue is considered now, with the aim of reaching agreement by Joint Committee regarding the preferred option, so that efforts to identify suitable funding can commence within each authority and with other potential funders.

3.27 However the Covid-19 pandemic has created major new risks around the timing of the model update. Major short, medium and probably long term changes to travel patterns are expected to occur (building on those observed already, in some cases at the recommendation/ direction of the government eg advice to avoid use of public transport if possible). A “new normal” is anticipated to slowly become established, particularly once the pandemic is over. The timescale for this is very uncertain but is unlikely to be before 2021.

3.28 Until this “new normal” is well established, any data collection to inform the major model update will not capture representative travel volumes, flows, patterns etc in the “new normal” and is likely to be of limited long term value.

3.29 Therefore we recommend that the major SRTM update is deferred for at least a year, in light of the Covid 19 issues and related traffic levels, and that we continue to operate the current model until such time as an update can be recommended.

3.30 We also advise that in these uncertain times, Solent Transport is tasked with engaging with DfT to seek to agree continued use of the current model as recommended above, and to identify / agree a minimum spend way of extending the life of the current model, until more predictable travel patterns can be established.

4. Reasons for recommendations

4.1 The Solent Transport legal agreement requires that a Business Plan is in place to guide and prioritise the work of Solent Transport. This report builds on the draft business plan paper submitted to the Committee at the informal meeting on 6th February and sets out the proposed plan for 2020/21.

5. Integrated impact assessment

5.1 An integrated impact assessment is not required for this decision.

6. Legal implications

6.1 S. 1 Localism Act 2011 (the general power of competence) permits Local Authorities to work in partnership with other public and private bodies to secure the delivery of functions, services and facilities that are for the benefit or improvement of the areas they serve.

6.2 S101 & S102 Local Government Act 1972 grant statutory power for Local Authorities to arrange for the discharge of their functions by a committee, sub-committee or an officer of the authority, by a Joint Committee, or by any other local authority (subject to any express provision within LGA 1972 or any subsequent Act).

7. Finance/ resource implications

7.1 Capital/ revenue implications vary depending on options set out above, but all Solent Transport spend is covered in the finance paper or from FTZ or additional TCF contributions.

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Signed by:

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location