



NOTICE OF MEETING

SOLENT TRANSPORT JOINT COMMITTEE

MONDAY, 6 MARCH 2023 AT 10.00 AM

COUNCIL CHAMBER - THE GUILDHALL, PORTSMOUTH

Telephone enquiries to Anna Martyn, Tel: 023 9283 4870
Email: anna.martyn:portsmouthcc.gov.uk

If any member of the public wishes to submit written representation please email the above contact by noon the working day before the meeting.

Public health guidance for staff and the public due to Winter coughs, colds and viruses, including Covid-19

- Following the government announcement 'Living with Covid-19' made on 21 February 2022 and the end of universal free testing from 1 April 2022, attendees are no longer required to undertake any asymptomatic/ lateral flow test within 48 hours of the meeting; however, we still encourage attendees to follow the public health precautions we have followed over the last two years to protect themselves and others including vaccination and taking a lateral flow test should they wish.
- We strongly recommend that attendees should be double vaccinated and have received any boosters they are eligible for.
- If unwell we encourage you not to attend the meeting but to stay at home. Updated government guidance from 1 April 2022 advises people with a respiratory infection, a high temperature and who feel unwell, to stay at home and avoid contact with other people, until they feel well enough to resume normal activities and they no longer have a high temperature. From 1 April 2022, anyone with a positive Covid-19 test result is still being advised to follow this guidance for five days, which is the period when you are most infectious.
- We encourage all attendees to wear a face covering while moving around crowded areas of the Guildhall.
- Although not a legal requirement, attendees are strongly encouraged to keep a social distance and take opportunities to prevent the spread of infection by following the 'hands, face, space' and 'catch it, kill it, bin it' advice that protects us from coughs, colds and winter viruses, including Covid-19.
- Hand sanitiser is provided at the entrance and throughout the Guildhall. All attendees are encouraged to make use of hand sanitiser on entry to the Guildhall.
- Those not participating in the meeting and wish to view proceedings are encouraged to do so remotely via the livestream link.

Membership

Councillor Lynne Stagg (Chair)

Councillor Phil Jordan
Councillor Eamonn Keogh

Councillor Nick Adams-King
Councillor Russell Oppenheimer

(NB This agenda should be retained for future reference with the minutes of this meeting).

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

A G E N D A

Risk Assessment: Council Chamber

- 1 Welcome and Introductions**
- 2 Apologies for Absence**
- 3 Declarations of Interests**
- 4 Minutes of the previous meeting held on 21 June 2022 (Pages 5 - 10)**

RECOMMENDED that the minutes of the meeting held on 21 June 2022 be approved and signed by the Chair as a correct record.

- 5 Business Plan 2023/24 (Pages 11 - 36)**

The Report is attached.

- 6 Solent Transport Financial Update (Pages 37 - 46)**

Report attached.

- 7 Future Transport Zone (FTZ) Report (Pages 47 - 60)**

Report attached.

- 8 Future Transport Zone (FTZ) Extension (Pages 61 - 66)**

Report attached.

9 Hampshire Bikeshare (Pages 67 - 70)

Report attached.

10 Any other business

11 Date of next meeting

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Coronavirus Risk Assessment for the Council Chamber, Guildhall

Date: 1 April 2022 (based on Living safely with respiratory infections, including COVID-19, 1 April 2022)

Review date: Ongoing

Author: Lynda Martin, Corporate Health and Safety Manager, Portsmouth City Council

Coronavirus Risk Assessment for the Council Chamber, Guildhall

Manager's Name and Job Title completing Risk Assessment:	Lynda Martin Corporate Health and Safety Manager	Risk Assessment Dept:	Corporate Services	Date:	1 April 2022	Signature:	
		Location:	Council Chamber, Guildhall				

Hazard	Who could be harmed and how	All controls required	How controls will be checked	Confirmed all in place or further action required
Risk of exposure to Covid-19 virus - Ventilation	Staff, contractors and attendees	<ul style="list-style-type: none"> There are no longer capacity limits for the Guildhall Chamber. We encourage all attendees to wear a face covering when moving around crowded areas of the Guildhall and the council chamber. The mechanical ventilation system works efficiently and the South Special Rooms Supply and Extract fans are fully operational during times when the Council Chamber is in use. Pedestal fans - positioned in each of the wing areas and along the back wall behind the pillars, maximum speed and modulation setting. 	Staff will ensure ventilation system and fans are operational.	In place
Risk of transmission of virus - Risk mitigation	Staff, contractors and attendees	<p>The Guildhall has the following measures in place:</p> <ul style="list-style-type: none"> Face Coverings – as per government guidance, we encourage you to continue to wear a face covering whilst in the venue & crowded places especially when walking around the building. Enhanced Sanitisation & Cleaning – we will carry out enhanced cleaning procedures between meetings and we encourage you to sanitise your hands on entry and regularly throughout your visit at the sanitisation points provided. 	The Guildhall Trust and PCC Facilities Team to implement and monitor.	In place
Risk of transmission of virus - Hygiene and Prevention		<ul style="list-style-type: none"> Updated government guidance from 1 April advises people with a respiratory infection, a high temperature and who feel unwell, to stay at home and avoid contact with other people, until they feel well enough to resume normal activities and they no longer have a high temperature. From 1 April, anyone with a positive COVID-19 test result is being advised to follow this guidance for five days, which is the period when you are most infectious. Although not a legal requirement attendees are strongly encouraged to keep a social distance and take opportunities to prevent the spread of infection by following the 'hands, face, space' and 'catch it, kill it, bin it' advice that also protects us from other winter viruses. Wash hands for 20 seconds using soap and water or hand sanitiser. Maintain good hygiene particularly when entering or leaving. Hand sanitiser and wipes will be located in the meeting room. No refreshments will be provided. Attendees should bring their own water bottles/drinks. All attendees should bring and use their own pens/stationery. Attendees are no longer required to undertake an asymptomatic/ lateral flow test within 48 hours of the meeting however we still encourage attendees to follow the Public Health precautions we have followed over the last two years to protect themselves and others including vaccination and taking a lateral flow test should they wish. It is strongly recommended that attendees should be double vaccinated and have received a booster. 	The Guildhall Trust and PCC Facilities Team to implement and monitor.	In place
Financial Risk	Staff, contractors and attendees	<ul style="list-style-type: none"> The council meeting may need to be cancelled at short notice if the Covid-19 situation changes due to local outbreaks, local sustained community transmission, or a serious and imminent threat to public health. Technology in place to move to virtual council meeting if required and permitted by legislation. 	Financial commitments minimised wherever possible.	In place

Agenda Item 4

SOLENT TRANSPORT JOINT COMMITTEE

MINUTES OF A MEETING of the meeting of the Solent Transport Joint Committee held on Tuesday, 21 June 2022 at 2.30 pm at the Guildhall, Portsmouth

Present

Councillor Lynne Stagg (in the Chair)

Councillors Edward Heron, Phil Jordan and Eamonn Keogh.

1. Welcome, introductions and apologies

Cllr Stagg welcomed those present and introduced the meeting. Apologies for lateness had been received from Cllr Phil Jordan.

2. Declarations of Members' interests

There were no declarations of interest.

3. Minutes of the previous meeting and any actions arising

RESOLVED that the minutes of the meeting held on 20 October 2021 were approved as a correct record.

4. Solent Transport Business Plan 2022/23

Conrad Haigh, Solent Transport Manager, introduced the report. He explained that the Solent Future Transport Zone (FTZ) was generally ahead of others in the country and that the programme overall had been highly successful to date, despite it being more resource intensive than originally predicted.

In response to questions the joint committee was advised that Solent Transport had under proposal outlined in option two, sufficient resource capacity to deliver the aims of delivering a regional strategy originally agreed in 2020 and that the delivery of the FTZ was also key priority. The second recommendation in the report which sought approval of 'Option 2 - Do More' would enable the Solent Transport to fully deliver against the agreed aims in this years business plan.

In respect of recommendation 2, Cllr Heron proposed that it be slightly amended to clarify that additional staff resource, to deliver the business plan would not require any further funding from the local authorities.

This amendment was agreed by the joint committee.

RESOLVED that:

1. the Joint Committee ENDORSED the proposed business plan, and recommended LTA partners support and assist Solent Transport in its delivery;
2. the Joint Committee ENDORSED the proposed Solent Transport Core Staff Activity Option 2 (“do more”- paragraph 69) allowing additional Solent Transport activity and stated goals to be met without requiring additional local authority funding; and
3. Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council ratify this Business Plan through their own decision making processes.

5. Solent Transport Finance Report 2022/23

The joint committee considered the report which presented the Solent Transport final outturn position for 2021/22, the forecast outturn position compared to the approved original budget for 2021/22 and the forecast reserves position.

The report also included a financial update for the Future Transport Zone (FTZ) £28.5m Capital Programme funded by the Department for Transport (DfT) and financially administered by Southampton City Council (SCC).

The joint committee noted the much improved financial position when compared against the previous year and the level of additional reserves of £138k at 2020/21 year end. The committee believed this to be a very healthy financial position, particularly with a forecast increase in additional reserves of a further £62k at 2022/23 year end.

RESOLVED that the joint committee:

1. NOTED the 2021/22 revenue budget final outturn position;
2. APPROVED the ringfencing and carry forward of the 2021/22 SRTM commissions surplus to support the funding of the SRTM upgrade;
3. APPROVED the 2022/23 revenue budget; and
4. NOTED the forecast reserves balance as at 31st March 2023.

6. Solent Sub-Regional Transport model - Contract

Richard Pemberton, Principal Transport Planner, introduced the report which informed the joint committee in respect of the current exercise to procure a consultant for continued operation of the Solent Sub-Regional Transport Model (SRTM) and to seek decisions regarding delegation of authority to Hampshire County Council to award a contract and financial risk management.

The committee discussed the potential financial risk to Hampshire County Council by the proposal, however this was anticipated to be minimal as 74% of the risk of spend would be shared by the other local authority partners.

RESOLVED that the joint committee:

1. NOTED the intention of HCC's Director for Economy, Transport and Environment to award a contract for a consultant to operate SRTM on Solent Transport's behalf; and
2. ENDORSED the steps set out in Paragraphs 16 and 17 relating to financial risk mitigation.

7. FTZ Progress report and fiscal position

Tim Forrester, Future Transport Zone Programme Manager, introduced the report.

He advised the joint committee that the project was entering the critical delivery phase and that despite recruitment difficulties the team was in a strong place to deliver.

Nationally, the Solent FTZ was well ahead of others and led the way in policy development.

RESOLVED that the joint committee NOTED the report.

8. Bike Share LTA Officer Time

The joint committee considered the report which detailed the proposed bike share budget allocations for each participating local authority.

The joint committee was advised that Bike Share was one of the seven 'Theme 1' FTZ projects and that procurement had nearly concluded. It was expected that the contract would be awarded in the coming weeks. Going forward it was anticipated that the Bike Share would be expanded to more local transport authority partners in the Solent area after the initial launch and delivered within the agreed timescales.

RESOLVED that the joint committee APPROVED the forecast officer time funding allocations requested by LTA partners.

9. E-Scooter Trial Factsheet

Following a request from the committee made at the previous meeting the committee received a presentation on the E-Scooter Trial.

The presentation was a condensed summary of a longer report commissioned by Solent Transport and undertaken by Steer.

The committee was advised that whilst a safety comparison against cycling had been difficult, however the number of reported serious incidents had been comparatively low. One of the recommendations arising from the report was that further work was required in order to allow an improved safety comparison with cycling.

98.5% of scooters had been correctly parked following use, which was significantly higher than other trials across the country.

The committee discussed usage trends, along with the use and potential provision of safety helmets for users. In response the committee was informed that there was a pattern of people using the scooters for regular commuting, although the take up of the monthly pricing packages had been low.

In response to the usage of helmets, this was encouraged by VOI and at their rider training events helmets had been given away. A reminder for users to bring a helmet could be added to the 'Breeze' app, but there were concerns in respect of insurance liability for providing helmets for re-use by users.

RESOLVED that the joint committee NOTED the update.

10. MaaS update

The joint committee received a presentation for information from Steve Longman, Maas Lead, which updated on the Mobility as a Service (MaaS) Platform.

He explained that MaaS was a very important element of the FTZ, as it would give users the ability to plan, book and pay for journeys on different types of public transport all from one app. The project was at least a year ahead of other FTZ's and a full launch was proposed by September 2022.

Key risks were reputational and third-party integration with transport operators. After rollout, there was the potential to market the platform to other local transport authorities.

The joint committee commended the app.

RESOLVED that the joint committee NOTED the update.

11. DDRT

Richard Pemberton, Principal Transport Planner, introduced the information report which updated the joint committee on the Dynamic Demand Responsive Transit pilot project (DDRT).

DDRT had some similarities to 'Dial-a-Ride' and was used quite widely outside of the UK. It had never been trialled in the area before and following a post Covid review would be targeted mostly towards existing Community Transport users. A key enabler to success was mobile phone booking via an app and

integration with the 'Breeze' app. Pilot scheme trials would be conducted in December 2022 through early 2023 in Southampton and the Isle of Wight.

The joint committee was advised that whilst initial setup costs were high, expansion would be cost efficient and there was a lot of potential for it to rolled out across Hampshire.

RESOLVED that the joint committee NOTED the update.

12. Drones

The joint committee received a presentation for information from Conrad Haigh, Solent Transport Manager, which provided an update on drones for medical logistics

The drone trials with Apian/Isle of Wight NHS confirmed the project plan and subsequent work packages had commenced. This included examination of multiple drone airspace and trials had been planned for July 2022 but unfortunately technical issues with the drone and the lack of alternative drone options had delayed the trials. The rescheduled timeframe for these trials would be reliant on the drone provider and the granting of an extension of right to fly by the Civil Aviation Authority. Ideally, testing would take place in good weather.

The joint committee was reminded that this was a trial and if successful, the NHS would need to take up the running of the service post FTZ.

RESOLVED that the joint committee NOTED the update.

13. Sustainable logistics

The joint committee received an update on sustainable logistics. The team was currently able to scope out logistics projects but it had been difficult to source freight logistics professionals. It was believed that the team would be at capacity to deliver the projects soon.

Significant work on micro logistics had been carried out by Southampton and Portsmouth Universities in respect of 'last mile' deliveries. Work would now centre around the wider delivery network.

RESOLVED that the joint committee NOTED the update.

14. Any other business

Decarbonising Transport

Cllr Stagg had attended a seminar on Decarbonising Transport where regional decarbonisation strategies had been recommended. She was aware that Southampton City Council, the Partnership for South Hampshire and the Local Enterprise Partnership were progressing strategies and she felt that an overarching strategy under Solent Transport would be a good idea.

The Solent Transport Manager believed that decarbonising could fit within the strategy and that some work had already been undertaken with Southampton University.

RESOLVED that an agenda item on this topic be added to the agenda for the October 2022 meeting of the Solent Transport Joint Committee.

The meeting concluded at 4.27 pm.

Councillor Lynne Stagg
Chair

Agenda Item 5



Title of meeting: Solent Transport Joint Committee

Date of meeting: 6th March 2023

Subject: Draft Solent Transport Business Plan 2023-24

Report by: Conrad Haigh, Solent Transport Manager

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report and executive summary

This report summarises Solent Transport's activities in the previous fiscal year and sets out a proposed Draft Business Plan for Solent Transport for the 2023/24 financial year, for the Joint Committee's input and ratification.

The proposed priorities for the next year are:

1. Solent Transport Strategy - to develop a strategic vision statement and high level strategy for transport shared across the four Member LTAs which will also help define the future focus of Solent Transport's activities;
2. SRTM maintenance and management - agree a way forward regarding funding for a major upgrade and for the long term; and start a large-scale procurement for the upgrade of the Sub Regional Transport Model (SRTM)
3. FTZ delivery - to continue the successful delivery of Future Transport Zone (FTZ) programme;
4. Solent Go - to consider the future structure of Solent Go, its delivery through digital means and also its role as a product in the regional fares environment and in Bus Service Improvement Plans (BSIPs); and
5. Solent Rail Connectivity SOBC - further work (jointly with Network Rail) to develop the Solent Rail Connectivity proposals, in an environment where rail funding from central government is reduced compared to the past

2. Recommendations

- That the Joint Committee agree the Draft Business Plan and ask the member authorities to take it through their local approval processes for agreement

3. Background

Background and summary of activity over previous year

1. During 2022/23 Solent Transport and its member authority officer teams have overseen the continued delivery of the FTZ programme, including rental e-scooter trials and initial launch of the shared bike and e-bike trial schemes in the cities and the Isle of Wight and the initial launch of the first version of the Breeze Mobility as a Service (MaaS) app. The profile of Solent Transport and its member authorities have been boosted at a national level through these projects and associated research, evaluation and communication around these projects, the highlight of which was the Future Transport Forum Conference held in Portsmouth in January 2023. A re-procurement of the consultant to operate the SRTM model has reduced the fee costs for operation of the model by around 20%.
2. Alongside the highway authorities Solent Transport officers have worked closely with Transport for the South East (TfSE) to influence the draft Strategic Investment Plan (SIP) so it reflects the needs of the Solent sub-region. The final SIP forms a regional policy and evidence base from which to now develop a more detailed Solent Transport Strategy.
3. This 2023/24 business plan activities reflect the resources available. Members contributions will remain unchanged as they have done since 2013. This leaves a budget that covers the present staffing levels with a minimal allowance for operational activities related to Solent Go.

Summary of progress against 2022/23 Business Plan

4. **Headline objectives of the 2022/23 Business Plan included:**
 - Continuing successful delivery of the DfT-funded Future Transport Zone (FTZ) programme.
 - Working with our Member LTAs to progress development of a longer term, high level transport strategy and action plan for the Solent area
 - To support Network Rail in further development of proposals for improved rail connectivity for the Solent
 - Complete a large-scale procurement for the operation of the Sub Regional Transport Model (SRTM) and carry out maintenance and update work to provide an interim solution to maintaining the model's viability
 - Activities to market and promote to the public the innovative transport services delivered via the FTZ programme and to leverage these to increase the profile of Solent Transport and its LTAs in the transport sector
5. A full summary of the activity undertaken by Solent Transport during the year is provided in Appendix 1. Some key outputs (including those directly linking to 2022/23 Business Plan objectives) include:

6. Implementation of the FTZ programme, details of which are included in Item 6 but which notably include:
 - the development and low-key launch of the “Breeze” Mobility as a Service app.
 - Launch of “Beryl Bikes by Breeze” shared bikes/ e-bikes in Isle of Wight, Southampton and Portsmouth
7. Solent Transport Strategy: the procurement of a consultant (ITP) to commence the strategy development from March 23 onwards.
8. SRTM Model: Re-procurement of the Solent Regional Transport Model with a c.20% saving on consultant costs. In progress is an update to the model’s reference cases which will result in a validation for the 2019 base model thereby extending the life of the model and somewhat delaying the need for full replacement.
9. Solent Rail Connectivity: Working with Network Rail and the highway authorities to develop a Strategic Outline Business Case has commenced from January 2023. but is a lower priority for Network Rail than completion of the Waterside Rail final business case.
10. Marketing, promotion and profile-raising: A wide range of activities undertaken connected to the FTZ programme which has resulted in a significantly higher online/ professional media/ social media profile for the programme and for Solent Transport and its partners.

4. Work Plan for 2023/ 24

11. Solent Transport’s proposed work programme for 2023/24 is outlined on the following pages. A table of the proposed average weekly time allocations to key activities is provided on pages [10/11](#). There are five major priorities:
 1. Solent Transport Strategy
 2. SRTM maintenance and management
 3. FTZ delivery
 4. Solent Go
 5. Solent Rail Connectivity SOBC

Development of Solent Transport strategic vision/ high level strategy

12. This is a significant piece of work which will be resourced via a consultancy contract to provide the capacity to move this work forward. As of March 2023, the appointed consultant (ITP) is starting to initiate their work on the project and an inception meeting has taken place. The project is planned to be delivered across a 12-month period with the aim that a completed strategy is available for LTAs to adopt by March 2024. The consultancy contract to deliver this work is funded from income from recharges to projects delivered in the 2022-23 financial year by Solent Transport’s core staff and carried over..

13. The Solent Transport Strategy will be an important sub-regional document which consolidates the national, regional and local transport plans (published by the LTAs) in one document. It will set a shared vision and approach for transport improvements in the Solent region over the next 20/30 years.
14. Achieving decarbonisation of the transport network is a high priority. All four of our LTAs have declared climate emergencies and carbon neutrality goals (and transport emissions are the highest individual source of CO2 emissions). The strategy will consider which measures have the greatest impact on decarbonising the transport system. This approach should also support the LTAs in addressing emerging Department for Transport (DfT) guidance on carbon emissions for new LTPs.
15. Outputs will consist of a high-level strategy, and a set of “action plans”.
16. The brief and consultant contract has been developed to allow the Solent LTAs to commission a potential add-on study looking at future development in the Solent area and how the strategy and land use plans of the district and unitary authorities could be integrated. Discussion with the Partnership for South Hampshire (PfSH) is ongoing and are being led directly by officers in the LTAs.
17. The Solent Transport strategy and action plan will not be proposing or developing any entirely new interventions. It will bring together the various strategies and investment plans setting out joint strategic priorities and will undertake a strategic prioritisation and “packaging” up of measures to ensure highest potential impact.
18. It is planned for the Solent Transport Strategy to be completed by March 2024 for LTAs to take through their adoption procedures following development with the local transport authorities, in engagement with members and key stakeholders.
19. The Strategy work is proposed to include an SRTM or other model run to evidence the benefits (economic, carbon saving, transport network performance) of the strategy. This is likely to be a second stage of work but at the moment it is currently unfunded and will require the Member LTAs to confirm funding in due course. Member authorities are requested to budget accordingly if they see value in this work.
20. An officer working group is being set up and will require substantial time inputs from LTA officer and Solent Transport staff across the 2023/24. Member authorities should note the need to commit to this in order to get the most from the strategy work.

Sub-Regional Transport Model: Priorities for 2023

21. The since 2017 the SRTM has helped evidence the need for £269m of investment to the region. The model continues to play a key role in providing evidence underpinning major transport scheme/ programme business cases to DfT from the

LTA and is an essential tool required by Local Planning Authorities and PfSH to undertake transport assessment work for Local Plans.

22. The top priorities for SRTM in 2023/24 are proposed to be:
- Continuing effective client management and operation of the model, support for clients, and undertaking activities to raise awareness of and use of the model amongst user groups such as developers
 - Completion of the 2019 (base) model year journey time validation exercise and reference case updates, as soon as possible (subject to resolution of concerns with DfT TEMPRO/ NTEM 8 data).
 - Agree a sustainable way to run and fund the model in future years and identifying a way to meet the circa £1m funding gap required for a rebuild within the next two years.
 - Progressing activities which will determine the longer-term future of the model and/or add value to the model in the medium term.
23. The SRTM model is based on data which was collected prior to the Covid-19 pandemic (in 2019, 2015 and in some cases as far back as 2010) and the model therefore does not fully represent post-Covid travel patterns and behaviours. The cost of a major upgrade to fully account for these changes (which would be required now even if the Covid-19 pandemic had not occurred) is in the region of £1.5m.
24. The model reserve currently total approximately £500,000 leaving a shortfall of around £1m. Charge out rates have had to have regard to market rates. Whilst this has covered the operational and maintenance costs, it has not secured enough to cover the end of life rebuild. Work has been undertaken to drive down operational costs but, on its own, it is not sufficient to cover the gap and funding pressure.
25. A key activity over the next six months will be to identify if and how the model will be updated and to develop a sustainable long-term solution to the historic 'whole life shortfall'. A number of options (which are likely to be blended) are available which will be developed with the LTA officers for agreement at a future joint committee. They include:
- Not updating the model and not having an evidence base
 - Seeking contributions from others with a vested interest – notably DfT, TfSE, PfSH and the Solent LPAs (the SRTM is a vital tool used in the evidence base for Local Plan transport assessments)
 - Charging higher rates and removing discounts for the LTAs and strategic partners to access the model
 - Exploring the concept of a success fee – LTA members will need to take a view as to if this is practical and financially acceptable under CIPFA rules and funding conditions
 - Member authorities paying for the upgrade directly. This is a last resort but if they value the SRTM as a tool LTAs should start to factor this option into their budget setting as a backup

26. If no funding options are identified, Solent Transport will start developing a detailed plan for shutting down the SRTM model (without replacement) most likely during the 2024/25 year to avoid the risks associated with continuing to promote an obsolete model. In its absence the LTAs could find themselves at a strategic disadvantage when developing and competing for Government funds for transport schemes. Local Planning Authorities would not have access to the model which would make undertaking Local Plan transport assessments problematic.

Continued successful delivery of FTZ programme:

27. As Solent Transport's current flagship area of work with most immediate benefit to the Solent area and our partners, continuing the good progress made to date on FTZ is a key priority. The FTZ is a high profile, national innovation scheme and will inform central government future decisions around transport innovations, and investment. The FTZ programme is delivering a number of major projects and initiatives which are identified in member authority Local Transport Plans and as such directly and significantly contributes to achievement of our member LTA's policy and strategy objectives. Its successful delivery will boost the area's credibility with DfT and other funders when bidding for future funding opportunities as well as enhancing the Solent area's reputation as a hub for innovation-supporting key local employers in the education & research sector.
28. The FTZ programme has its own funding (provided through Department for Transport Grant) and delivery team, however significant input from the core Solent Transport team (who, in conjunction with our Member LTAs, devised the programme and projects within) is also required on an ongoing basis. Two days per week of core staff time is dedicated to FTZ as match funding for the DfT grant funding allocation. Any time spent by the two core Solent Transport staff above this match funding level is recharged to the FTZ capital budget as income to Solent Transport.
29. We also recognise that the FTZ programme places additional pressure on our member LTAs to deliver some elements "on the ground". Solent Transport will continue to provide support (staff resource) to assist our members to deliver and gain maximum value from the opportunities presented. Details of the work will be highlighted in the reports for the FTZ Steering Group meeting that forms part of this Joint Committee meeting.

Key challenges and planned FTZ programme activity for 2023/24

Challenges:

- Recruitment remains difficult with the market demand outstripping supply and the innovative nature of the programme requiring specific skillsets. A further recruitment round commenced in December 2022 with seven FTZ posts going out to advert. We are actively working to fill remaining unfilled posts

while planning strategically for appropriate resource for commencement of new projects and evolving programme requirements.

- Alignment with local authority partners to ensure FTZ programme activity compliments and aligns with other local and regional activity to deliver maximum benefit (TCFs, BSIPs etc)
- Budget management is challenging with such an innovative programme of activity and with current global factors creating uncertainty.
- Robust contract management is imperative given the programme timescales and reliance of certain projects on external partners, contractors and influences.
- Delivering an innovation project within the constraints of Local Authority partnership has resulted in challenges with procurement and governance tasks.
- On-boarding and testing of some Mobility Service Provider (MSP) integrations into Breeze is complex and often impacted by external dependencies.

Planned activity:

30. Dissemination of lessons learnt, approaches and sharing best practice remains a key priority of the Solent FTZ and will support greater recognition and raise the partnerships profile.
31. To continue with the development and implementation of a robust programme wide M&E strategy.

Theme 1 (Personal Mobility):

32. Breeze app development & integrations:
 - 'Active Trip' function developed, tested and rolled-out to provide users with step-by-step guidance throughout their planned trips.
 - Full integration of remaining MSPs
 - Customer service, financial reconciliation, and voucher functions integrated
 - Breeze for Business project rolled out to key trip generating sites
 - Small-scale Mobility Credits trial accessed via Breeze launched in Havant area
 - Explore and exploit the commercialisation of Breeze to current and wider markets
33. Dynamic Demand Responsive Transit (DDRT) trial - commencement of phase 1 pilot following appointment of chosen back-office system provider, and development of plans for second phase of the project (wider trial).

34. Further comprehensive roll out of the Beryl Bikes by Breeze across the region in summer 2023 and explore potential expansion into other areas.
35. Continue to grow numbers of rental e-scooters (including parking locations) within current scheme trials throughout Solent region.

Theme 2 (sustainable logistics trials):

36. Macro-consolidation: Analyse the Southampton SDC performance to date, identify best practice and implement next steps for new trial projects/approaches.
37. Micro-consolidation: Finalise site selection for potential trials, refine trial deliverables and secure industry sector partners for delivery.
38. Medical delivery by drone for the NHS: Will undertake detailed research into the classification of different drone types, that are suitable could be utilised for this purpose. We will also trial temporary airspace options to allow further flying and testing of drones with differing capabilities, to best assess the most appropriate drones for logistics usage. This will also enable an airspace sensor network to be developed, allowing further data gathering

SolentGo Ticketing and Fares

39. The usage of Solent Go has not fully recovered from drops in usage during the Covid-19 pandemic. Transaction costs per journey made using ITSO Smartcard Solent Go products is significantly worse than it was prior to 2020. There has been a fundamental shift for the worse in the economics of the Solent Go ITSO card system.
40. A key action relating to Solent Go in 2023 will therefore be to investigate options for more cost-effective replacement of ITSO Smartcards as a means of providing Solent Go Tickets via Breeze (using FTZ budget) - and to develop a plan for closing down the Solent Go ITSO system if a more cost effective and user-friendly replacement, such as QR Code tickets, can be identified.
41. Other actions for 2023 include:
 - Development / launch of planned new Solent Go products as part of the FTZ programme
 - A potential review of the range of Solent Go products more widely in response to changes in the bus market in Solent
 - Implementation of Solent Go ticket price increases agreed by South Hampshire Bus Operators Association in spring 2023
 - Work with Portsmouth City Council to explore the potential delivery of some of BSIP funded Portsmouth-specific ticketing products and fares via Breeze, potentially branded as Solent Go products.

Solent Rail Connectivity SOBC

42. Working jointly with Network Rail (who will lead this project) the next step in the Solent Connectivity project is creation of a Strategic Outline Business Case (SOBC) which will build upon the conclusions of the Solent Connectivity CMSP study (published May 2020) which is regarded as requiring only relatively moderate updates to function as a strategic case for the SOBC. The main activities for developing the SOBC will comprise:
- Updated timetable and economic modelling of a “long-list” of five interventions (based on an updated version of the five interventions assessed in more detail in the Solent Connectivity CMSP study) to identify timetable feasibility, infrastructure interventions, and the high level economic case for each intervention;
 - Update order of magnitude cost estimates for interventions;
 - SRTM model tests of a single preferred option selected from the “long list” assessment to provide a detailed economic case and detailed picture of where benefits and costs occur in order to set out a compliant economic case for interventions; and
 - Consideration of matters required for the commercial, financial and management cases to a level required for an SOBC (eg rolling stock, traincrew, indicative procurement and financial strategy etc)
43. As well as Solent Transport’s core staff time allocations to resource our inputs to the development of this SOBC, the three mainland Solent LTAs have committed to jointly fund the SRTM model test(s) and support some marketing and communications activities for the publication of the SOBC.

Other areas of work

44. We will continue to work with DfT, National Highways, Network Rail, TfSE and other key partners to promote the Solent region’s best practice and lobby for better deals in transport funding.
45. Finally, we will continue to administer and co-ordinate the Solent Transport Joint Committee meetings, occasional Member briefings and Senior Management Board. There continues to be significant effort and resource being put in to driving down costs, income generation and meeting partners budgetary expectations, this will continue as discussed below.

Solent Transport staff approximate weekly allocation of days per week across projects

Estimated Average Resource Allocation in days per week	Solent Transport Core Staff Activity
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1.7	Solent Transport high-level strategy development. This allocation is in addition to the additional resource (circa £85k) to procure consultancy support to provide dedicated capacity for this work.
1	SRTM ongoing Business As Usual client management, user advice/support & administration
0.5	<p>SRTM additional tasks:</p> <ul style="list-style-type: none"> • Development of funding options for required major upgrade (eg success fee) • Completion of journey time validation and reference case updates • Participation in HCC/TfSE future modelling study • Specification and preparation for procurement of major model update (in event of funding being secured)- or, activities in preparation for decommissioning SRTM without replacement in 2024 or 2025. <p>(SRTM total 1.5 days)</p>
3	Future Transport Zone time allocations from core staff- N.B: The FTZ programme budget is recharged for the cost of the additional resource above the match funding commitment.
1.4	Preparation of Solent Rail Connectivity SOBC (in partnership with Network Rail)
1.25	Solent Transport administration \ management time, including preparation for and actions associated with SMB and Joint Committee meetings.
0.55	Time allowance to accommodate all other activities, in accordance with SMB priorities- includes: Solent Go and marketing (which will also receive FTZ support), liaison with stakeholders, Isle of Wight Transport Infrastructure Board, input to M27/M3 TDM project, Waterside Rail, TFSE engagement particularly in relation to Future Mobility and rail strategy, LEP, Freeport support etc.
0.6	Allowance for staff annual leave
10	TOTAL

The above time allocations do limit the resource that Solent Transport has available to undertake additional income generating activities in the coming year.

Financial/ budget implications

46. The present budget and contributions have remained fixed since 2013 at £190k reflecting the extended period of austerity faced by the Member Authorities. In real

terms this represents a 47% reduction in budget since 2013. It is not proposed to increase contributions so they will remain as follows:

- Isle of Wight Council £20k
- Hampshire County Council £90k
- Portsmouth City Council £40k
- Southampton City Council £40k
- Total £190k

47. The Solent Transport core staff establishment stands at 2 FTE funded through the core budget. It should be noted that contributions now only make up enough to cover the staff budget only. This years costs for operational budgets for Solent Go, My Journey and for the Solent Transport Strategy commission are covered by the carried over balance from historic recovery of time recharges but these will be significantly reduced by the end of the business plan. Within the short to medium term it will be advisable to review the operating and financial model for Solent Transport and ensure it can operate on a sustainable financial basis beyond this business plan.
48. More details including proposed breakdown of the budget is provided in the separate finance report.
- 49.

5. Reasons for recommendations

50. The Business Plan presented here has been confirmed by SMB as their recommendation for how Solent Transport can best support their respective authorities priorities. This follows consideration and discussion of other options and opportunities.
51. Our Senior Management Board (SMB) clearly highlighted five key ambitions for the coming year: Solent transport strategy and plan, SRTM maintenance and management, FTZ delivery, Solent Go and Solent Rail Connectivity. This report seeks to agree those priorities and the approximate time commitments.
52. Endorsing the recommendations would result in continuation of Solent Transport's activities and services during 2022/23 in line with a plan agreed across the four partner LTAs.
53. Internal consultation on the detail of this Business Plan has been undertaken with the Senior Management (SMB) officers from each Member Authority.

6. Integrated impact assessment

54. No new or revised policies or procedures directly affecting the public will be introduced as a result of the recommendations in this report. Therefore an integrated

impact assessment is not deemed to be required. Integrated impact assessments will be undertaken on individual projects as required.

7. Legal implications

55. Statutory power to make decisions in this report are provided by the following legislation:
- 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.
 - 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).

8. Director of Finance's comments

There is no additional financial commentary for this report. Please refer to the accompanying finance report for additional financial information.

.....
Signed by:

Appendices:

- 1. Summary of 2022-23 activities**

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

The recommendation(s) set out above were approved/ approved as amended/ deferred/
rejected by on

.....
Signed by

Appendix 1: Review of progress against 2022/23 business plan

1. During 2022/23 Solent made good progress against the previous Business Plan, the key highlights of which are summarised below:

Delivery of the FTZ programme, continuing to Summer 2024:

2. Significant progress has been made throughout 2022/23 against the Solent Future Transport Zone (FTZ) programme goals. The programme continues to be both challenging and exciting in equal measure given its innovative nature.

Notable achievements and activity during 2022/23- FTZ Programme level:

- Full review of FTZ team structure to determine current and future resourcing requirements;
- Successful recruitment to four roles within the FTZ team, with additional recruitment in progress;
- Commission of Transport Research Laboratory (TRL) as our monitoring and evaluation (M&E) partner for the programme;
- Year two monitoring and evaluation reports were submitted to Dept for Transport (DfT) and NatCen in October 2022;
- Endorsement from DfT for a year's extension of the current programme to June 2025, following submission of a business justification paper - this will provide additional time for measures to be established, delivery against objectives and scope for comprehensive M&E to be undertaken to demonstrate value;
- Hosted International Transport Forum conference event of behalf of the DfT (Oct 2022);
- Planned and delivered a 2 day 'Future Transport Forum' conference (Jan 2023)
- Increased following on Solent Transport's social media channels of over 100% in last 12 months; and
- Solent FTZ programme continues to attract a very high level of interest and requests to share progress and learnings remain frequent.

Theme 1 - Personal Mobility:

3. Mobility as a Service platform - Breeze App
 - 'Breeze' secured as brand name for our Mobility as a Service (MaaS) app. Intellectual Property Rights (IPR) acquired and branding identity/guidelines produced.
 - Breeze secured a Travel Agent Licence (TAL) from Rail Delivery Group (RDG) to enable the retailing of rail tickets.

- Breeze made available to the public to download on 3rd October 2022. Launch version of the app focussed on journey planning functionality and integration of micromobility modes (rental e-scooter & bikeshare) and the bus network.
 - All prospective / core Mobility Services Providers (MSPs) have been signed up to the platform using an MoU agreement.
4. Beryl Bikes by Breeze
- Following a comprehensive bikeshare procurement exercise Beryl were appointed lead provider. A procurement framework was developed that enables other regional local authorities to call-off from.
 - Beryl Bikes by Breeze formally launched in Southampton, Portsmouth and the Isle of Wight with both pedal bikes and e-bikes on 3rd October 2022.
5. Rental E-Scooters
- Rental E-Scooter trial extensions approved at all participating local authorities until May 2024, in line with the DfT's national trial extension.
 - Voi continue to operate the trial in Southampton (1250 e-scooters) and Portsmouth (825), and Beryl operate the trial on the Isle of Wight (85). The Solent Transport rental e-scooter scheme is one of the most successful/effective and is the 5th largest in the UK in terms of journeys made using the scheme.
6. Breeze for Business (formerly lift share):
- Project developed to work directly with key trip-generating sites to influence travel behaviour change of staff, visitors and customers through uptake of the Breeze app.
7. Mobility Credits:
- Project rescoped with Havant Borough Council reengaged. Project plan co-developed with a view to launching in 2023 following wider Breeze launch.
8. Dynamic Demand Responsive Transport (DDRT):
- Project proposal reviewed/reframed and dedicated project manager appointed.
 - Procurement of back office booking management system in final stages.

Theme 2 – Sustainable Logistics:

9. Drones:
- Reports and recommendations being finalised following completion of summer test flying activity.

- New procurement activity in progress to enable new workstream trials throughout 2023.
10. Macro/Micro logistics:
- Macro-consolidation: A review of historic Delivery and Service Plans in Southampton has been undertaken to identify opportunities to trial projects. Evaluation completed on the role and impact of the Southampton Sustainable Distribution Centre (SDC). Exploration of other trial projects including university halls consolidation and supplier consolidation opportunities with businesses.
 - Micro-consolidation: Comprehensive data analysis exercise undertaken to determine scope and demand for project activity. Engagement is taking place with stakeholders and industry partners to explore project opportunities, shared objectives, and local issues. A shortlist of potential trials has been identified and working groups have been formed to progress.

Solent Transport Strategy

11. A key item of work on Solent Transport's Business Plan for 2022 was to commence development of a Solent Transport strategy. Significant work has been undertaken this year on producing and agreeing a detailed specification of the requirements of the Strategy and agreeing this with LTA partners. As noted in the 2022 Business Plan, one of the constraints on progressing this large item of work was capacity within the core Solent Transport team (which numbers only two staff), and a key action in the 2022 Business Plan was to secure additional dedicated capacity to deliver this important piece of work and initiate the project.
12. It was decided that procurement of a consultant represented the best way to provide this additional capacity (although other potentially more cost effective options such as secondments were considered). Solent Transport first prepared and circulated a draft brief for a consultant to deliver this project in March 2022. Following a lengthy process of review and engagement involving all four LTAs but resulting in relatively minor changes, a final brief setting out a preferred approach to the project was agreed in September/ October, which enabled Solent Transport (with support from PCC's procurement team) to advertise an opportunity to the market via a two stage procurement process commencing in October 2022. Following evaluation of sifting briefs in November 2022, three consultants were invited to submit full tenders, with the appointed consultant (ITP) selected in February 2023 to deliver the project closely in line with the agreed brief.

To continue to operate the Sub-Regional Transport Model (SRTM) and further explore development & improvement options Solent SRTM Model

13. The Solent SRTM model has continued to significantly support the transport planning activities of our four Member LTAs over the last year.
14. During 2022, the model was used by three of our four Member Authorities (in some cases on schemes being jointly promoted with Network Rail and National Highways), as well as by one private developer, on ten distinct model studies/commissions (down from 19 distinct studies during 2021). Notably the model was not used for any Local Plan related studies, and relatively few development-related studies overall. Despite a lower level of activity than in some recent years, the model has continued to support development of important transport projects such as:
 - Waterside Rail final business case (HCC/ Network Rail)
 - Portsmouth City Centre North regeneration business case (PCC)
 - Southampton TCF programme scheme changes (SCC)
15. A key activity which was completed during July 2022 was re-procurement of a consultant to operate the model. This completed a process which had begun in summer 2021, and resulted in Systra (the incumbent consultant) being successful in retaining the contract to operate the model until 31st July 2025 (with potential for up to 4 years of further annual extensions).
16. This is a good example of Solent Transport working more commercially to drive down cost for the partnership and help make the future operation of the SRTM more fiscally sustainable. The process has resulted in cost savings of around 20% on typical model commissions. Client (end user) rates remain unchanged, with the saving on Systra fees taken to increase income to the model upgrade/maintenance reserve. Systra are also introducing some improvements to client management processes and tools which may help to slightly reduce Solent Transport staff time spent administering SRTM commissions. This procurement process was a group effort led by Solent Transport with support from HCC and PCC procurement teams as well as transport officers from all four LTAs.
17. During 2022 further model maintenance work was carried out –updating the model reference cases (scenarios for each of the model’s future years containing only committed transport and development schemes, together with key economic and other data, which act as key “building blocks” for many model studies) and a validation of forecast journey times in the 2019 base model.
18. Both these activities have taken longer than expected to complete due to late publication of key data (TEMPRO) by DfT. At time writing there are significant questions regarding the quality of the new DfT TEMPRO 8 data which is likely to further delay the completion of these tasks (which would otherwise have been completed by late 2022).
19. Additionally following a successful funding application by Solent Transport, TFSE will be providing £62,000 of support to cover most costs of the

reference case updates work. This work along with the development work already progressed on the SRTM, will sweat the present model asset to its maximum value, providing a potential additional two years before a full upgrade/rebase is necessary. A full rebase of the model to fully represent post-Covid travel patterns remains outstanding, and will be a large piece of work with a long lead time to delivery that will need to be initiated during 2023 to avoid potentially serious negative consequences (lack of a suitably up to date transport model) for the four partners in the medium term.

20. It is also notable that SRTM has gained recognition amongst neighbouring authorities as an example of good practice. In yet a further example of Solent Transport's regional leadership in best practice, and with funding support from TfSE, Solent Transport, Partner LTAs and Systra are supporting Brighton and Hove City Council (who are developing a new transport model for their area) through provision of several workshops and training exercises centred on sharing best practice in strategic optioneering and related uses of SRTM, to assist BHCC officers to prepare to make effective use of their new model.

To work with the Partnership for South Hampshire (PfSH) on the creation of a 'Statement of Common Ground'

21. This work has been led by the LTA partners during 2023 with minimal involvement by Solent Transport. However, there is presently a proposal being considered by SMB for an extension to the work of the consultant appointed to lead development of the Solent Transport Strategy, to consider several strategic land use and transport planning issues in greater depth. The PfSH work is currently unfunded, if funded, it would likely require Solent Transport to participate more actively on strategic land use planning matters in the coming year.

Profile-raising, marketing & branding

22. Solent Transport has been particularly active in this area this year and delivery of the FTZ programme (particularly the public launch of the Breeze app and expansion of the bike/ e-bike share trial) will drive further increases in marketing activities in the coming year:
 - The Solent Transport website had 16,008 views in total over the last calendar year, of which 20% (3,194) were for the FTZ page. For the October to December 2022 time period compared to October to December 2021, there has been:
 - a 10% increase in website views
 - a 27% increased in engagement time (amount of time visitors spend on our website)
 - a 184% increase in engaged sessions per user (a metric for how long each user spends on the website each time they visit)

- Braze, a customer engagement platform, was successfully procured and the team are undertaking training to use this software for the implementation of the behaviour change strategy.
- The Braze platform allows us to design campaigns within the Breeze ecosystem using push notifications, in-app notifications and emails. Using Braze, Breeze can target individual audiences based on their specific in-app activity or unique personal attributes. This supports the wider Breeze app/ FTZ behaviour change strategy as well as supporting timely and effective messaging and promotion to users based on insight and evaluation.
- The Breeze brand is now present on all micromobility vehicles and infrastructure, across the region, in support of the app's launch in Spring 2023.
- The brand identity for Breeze has been further developed and is supported by comprehensive brand guidelines and a marketing and promotion strategy.

23. Conferences/Dissemination:

- Webinar hosted by ForuMM on the ethical use of data in micromobility- March 2022
- Hosted the International Transport Forum on behalf of DfT in October 2022
- Presentation to Smart Class on air quality
- Webinar on transport innovation at the Transport Innovation Summit
- Keynote speaker at MaaS Scotland Conference
- Speaker and panelist at Transport Ticketing Global Conference
- Speaker at 3rd International Conference on Evolving Cities
- Speaker at Transit Ticketing and Fare Collection MENA 2022
- Speaker at TCF22 Conference
- Presentation at Transport Smart Class on sub-regional partnerships
- Webinar for LGTAG Strategic Transport Board
- Speaker at Transport Innovation Summit
- Webinar on e-scooter trials for Transport Planning Society
- Webinar on share mobility for Local Government Assoc.
- Lecture on micromobility for BHASVIC

24. Social media:

- During 2022 Solent Transport's Twitter account following has increased by 320% (to 93 followers as of Feb 2023).
- Over 100% increase in Solent Transport's LinkedIn followers in the last 12 months. Follower levels for Solent Transport (699) are now close to the numbers for TfSE (788 followers).

- LinkedIn engagement is high. Over the last year, Solent Transport achieved a better post to engagement ratio than TfSE and the West of England Combined Authority, suggesting that our content is of high interest to the wider industry.
- Launch of the Breeze social media channels on Facebook, Instagram and Twitter.

25. Media Coverage:

- Press coverage relating to Solent Transport and the Solent FTZ projects has reached over 9 billion people¹.
- Last year's coverage of the drone project was picked up in over 400 local, national and international media outlets.
- Intelligent Transport's highest viewed article of 2022 was an interview with Chris Hillcoat and Steve Longman about delivery of the Breeze (MaaS) app project
- Coverage of the launch of Beryl Bikes by Breeze included interviews with Joint Committee members from SCC, PCC and IoWC on Wave FM and by the Local Democracy Reporter for the BBC.

Solent Go

26. In partnership with local bus operators (via South Hampshire Bus Operators Association- SHBOA) Solent Transport manages the Solent Go multi-bus operator ticketing scheme. A range of tickets across all bus operators in the Solent area is available via:

- Paper tickets
- M-Tickets (QR Codes) - via bus operators own apps; and
- ITSO Smartcard products- via SCC's Smartcities back office system

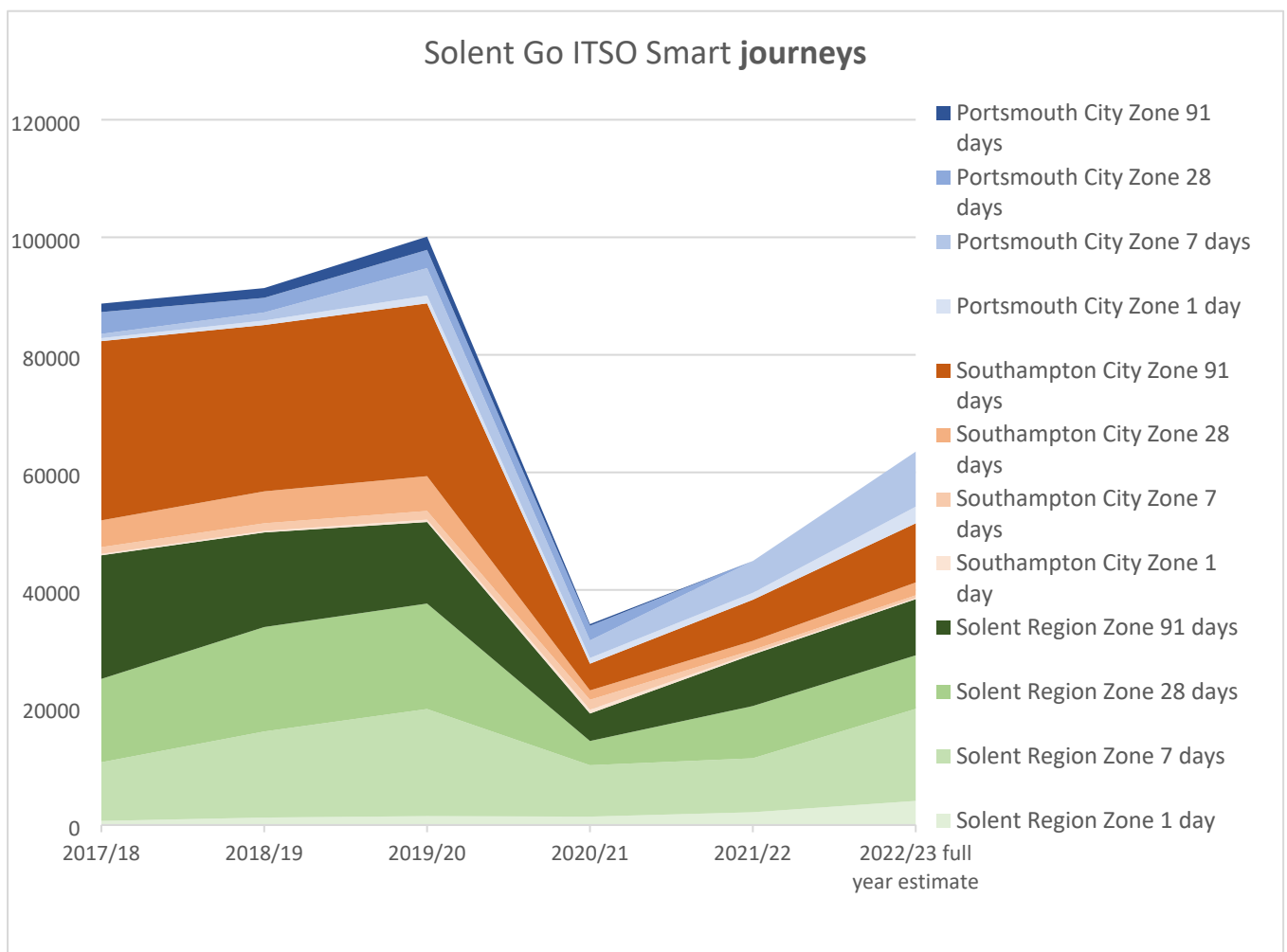
27. The 2022/23 Solent Transport Business Plan reported that Solent Go ITSO smartcard sales were struggling to recover from drops in usage during the Covid-19 pandemic and this meant the transaction costs per journey made using ITSO products had increased significantly.

28. The situation a year later is largely unchanged. Sales of long period products (28 and 91 day passes and SCC staff passes) are now much lower than in 2019 and before, whilst sales of shorter period (1 and 5 day) ITSO products have recovered for the Solent region and Portsmouth city products and look to be exceeding pre-Covid levels (although the growth in sales of Portsmouth

¹ This number does not reflect the actual number of people who have seen coverage, but rather the predicted "reach" of coverage where an individual may encounter the coverage hundreds of times.

city zone is primarily due to provision of Solent Go cards to Ukrainian refugees living in the city, rather than due to sales to the public).

29. Southampton city zone ticket sales remain lower than Portsmouth and the 1 & 5 day product sales are very low - reflecting competitive pricing for operator's own products in the Southampton bus market during 2022.
30. The observed patterns make sense as many users move away from long period products to daily tickets as a result of not being in the workplace as regularly. The impact of the relatively new Saver 5 carnet tickets (only available via bus operator's own apps) is unknown (as we have not received up-to-date sales data from the operators) but may also contribute to this trend.
31. Whilst the overall number of ITSO product sales (and therefore the back office cost per product sold) has recovered almost to pre-Covid values (of around £5.50 per product) the number of journeys being made is still much lower, as a result of few long-duration products now being sold (significant reduction in Solent region and Southampton 28 and 91 day products shown in the chart below).



32. The effect of this is that the back office cost per journey made is now much higher than it was pre-Covid, rising from 26p to 28p per journey in 2018/2019, to around 41p per journey today (if Ukrainian refugee pass usage is excluded).
33. In summary, there has been a fundamental shift for the worse in the economics of the Solent Go ITSO card system and recent changes in the Southampton bus market may worsen these further (transition to a single operator near-monopoly in the city which will make the Solent Go Southampton City Zone products less relevant). It is also worthy of note that beyond the FTZ period no identified budget exists from the core funding for Solent Go (ongoing operation of the back office system, or marketing, promotion and enhancement budgets). Prior to the FTZ programme, the back office cost for Solent Go was funded from Solent Transport's revenue budget but a combination of inflation of other costs and a decade long freeze on Solent Transport's budgets means that this cost can no longer be accommodated from the existing budget as it stands. However the upgrade to a MaaS product does allow us to explore more fiscally economic ways of delivering digital Solent Go tickets and provides an opportunity for a wider review of the services, ticketing media, and fares provided.

Bus Back Better and Bus Service Improvement Plans (BSIPs)

34. Solent has worked closely with all four LTA's to ensure that committed deliverables within the FTZ programme (primarily Breeze MaaS app and back office; Solent Go enhancements, and the DDRT trial) are reflected in BSIP's and Enhanced Partnerships. A detailed common appendix has been added to all LTA BSIPs outlining regional ticketing initiatives, development of the Breeze MaaS product and other relevant activities delivered by Solent Transport. An update to this appendix is planned for 2023 to support our Member LTAs in the updates to BSIPs which they are required to publish, and it is proposed that this update will seek to incorporate aspects of market research utilised within the FTZ programme around customer service and delivery.

Rail strategy

35. On the Isle of Wight, Solent Transport's long-term support and lobbying for improvements to the Island Line, alongside other partners as part of the IOW Transport Infrastructure Task Force, is now mainly delivered with the last action (major maintenance on Ryde Pier) currently underway. The Ryde interchange scheme, which has secured TCF funding is underway and will further enhance this much-requested step change in provision.

36. On the mainland, “Solent Connectivity” is the working title for a joint Network Rail/ Solent Transport project which is seeking to identify interventions (and develop a business case for delivering these) which would deliver a step change in rail connectivity for short to medium distance east-west journeys between Portsmouth and Southampton and within parts of these two city regions. At present, the rail offer is unattractive compared to driving and rail is failing to capture the market share that it should on east-west journeys within the Solent sub-region. This is primarily because a large number of “local” stations are served only by an infrequent hourly service. The Solent Connectivity project’s core aim is to identify how a more frequent service can be provided at these stations to raise rail’s mode share for these journeys, and offer an attractive alternative to driving trips via the M27 and various congested local roads, whilst avoiding detriment to existing rail passenger and freight flows.
37. DfT have agreed for Network Rail to progress the Solent Connectivity proposals to Strategic Outline Business Case (SOBC) stage but have not provided any funding for this activity. During early 2022, Network Rail and Solent Transport developed an overarching plan for the activities required to develop the SOBC (and the timescales for these). Work to create the SOBC is planned to commence from late January 2023.
38. Lack of an identified budget and limited capacity on the part of Solent Transport, Network Rail, and SWR (a key partner for the project) meant that it has not been possible to allocate significant resource during 2022 to the development of the SOBC. In particular the focus for Network Rail (and other parts of the rail industry) in 2022 has been on the Restoring Your Railway Fund sponsored Waterside Rail final business case, and on continuing the South Western Mainline Phase 2 Strategic Study.
39. Solent Transport has also participated in Network Rail’s Reading Area Strategic Study during 2022, with the primary aim of supporting aspirations for improved rail connectivity between the Solent area and the Midlands and Heathrow Airport, for which Reading is a key connection. Network Rail’s final Reading Area report makes recommendations which include:
 - That inter-regional services from Southampton via Reading to the midlands are increased to 2 tph (up from the pre-Covid 1.5 tph, and the present 0.5tph)
 - Provision for increased freight paths in the Reading area from Southampton to the Midlands and North
 - Potential is identified in a scenario where large additional infrastructure investments occur for an inter-regional service from Portsmouth via Guildford to Reading and beyond (potentially to locations on the CrossCountry or East West Rail networks)
40. The Reading study concluded that “Progression of a more detailed business case appraisal on the ability to improve connectivity on both Reading – Basingstoke – Southampton and Reading – Guildford – Portsmouth working across Western and Wessex Routes and alongside operators is priority. This

should be an opportunity to inform the future shape and scope of CrossCountry services....”.

Other areas of work

41. Solent Transport’s work programme for 2022/23 also included several other objectives that were successfully completed including:
- Continued liaison and lobbying with TFSE to secure an appropriate level of recognition for Solent in their Strategic Investment Plan, and provide regional best practice and leadership in Future Transport and Freight\logistic strategy development.
 - Continued lobbying and profile raising with DfT, Network Rail and National Highways to obtain better settlements and consideration in future allocations for the region.

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Agenda Item 6

DECISION-MAKER:	Solent Transport Joint Committee	
SUBJECT:	Solent Transport Financial Update	
DATE OF DECISION:		
REPORT OF:	Hampshire County Council as Accountable Body for Solent Transport	
<u>CONTACT DETAILS</u>		
AUTHOR:	Name:	Hayley Pothecary Hayley.Pothecary@hants.gov.uk Mark Wallace Mark.Wallace@hants.gov.uk
SOLENT TRANSPORT MANAGER	Name:	Conrad Haigh, Conrad.haigh@hants.gov.uk

STATEMENT OF CONFIDENTIALITY
N/A

BRIEF SUMMARY
<p>This report presents the Solent Transport forecast outturn position for 2022/23, the proposed revenue budget for 2023/24 based on current local authority contributions, and details how these affect the reserves.</p> <p>The report also includes a financial update for the Future Transport Zone (FTZ) £28.759m Capital Programme funded by the Department for Transport (DfT) and financially administered by Southampton City Council (SCC).</p>

RECOMMENDATIONS: That the Joint Committee		
	(i)	Notes the forecast outturn for the 2022/23 revenue budget
	(ii)	Notes the forecast balance in reserves for 2022/23
	(iii)	Approves the proposed revenue budget for 2023/24
	(iv)	Notes the position of the Future Transport Zone

REASONS FOR REPORT RECOMMENDATIONS	
1.	<p>To fulfil the requirements in providing the Solent Transport Joint Committee with:</p> <ul style="list-style-type: none"> • The forecast outturn position for 2022/23 • A draft position of the reserve balances for 2022/23 • A proposed revenue budget and partner contributions for 2023/24

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	N/A

DETAIL (Including consultation carried out)**3. Introduction**

This report summarises the draft outturn position for the 2022/23 Solent Transport revenue budget and includes details of the current reserves position including a projection for 2022/23.

The report also seeks approval for the proposed budget for 2023/24, based on current partner contributions.

The report includes an update on the current levels of expenditure for the ten Future Transport Zone projects.

4. Revenue Budget Draft Outturn Position 2022/23

4.1 The draft revenue budget outturn position for 2022/23 is shown in Table 1 and includes a predicted £165,000 contribution to the general reserves.

4.2 The Staff pay budget does not contain a built-in provision for an inflationary staff pay award. For 22/23 the pay award has been agreed at £1,925 per post plus oncosts backdated to 1st April 2022. This will result in an increase in spend of £5,000 including the on-costs for the two core members of staff. This will be met within the core income budgets.

4.3 £5,000 has been incurred for an insurance bond payable to the Rail Delivery Group to allow the implementation of rail ticketing in the Breeze app for FTZ. This cost is deemed revenue in nature and cannot be funded by the FTZ capital grant.

4.4 Additional revenue expenditure is estimated at £10,000 for the cost of consultant support to deliver the Solent Transport Strategy Project commencing in February 2023. This is part of the £85k project budget already agreed, the remaining £75k spend is expected to occur during the 2023-24 financial year.

4.5 The Breeze Rail Ticketing Bond and consultant costs will be funded by additional income.

4.6 The Solent Transport budget will not be charged for the annual back-office charge for Solent Go in 2022/23, as in previous years, this will be charged to FTZ as part of the MaaS project budget. Please note that the operation of MaaS back office is currently being funded from revenue created by the e-scooter trial. If this ceases the Solent transport core revenue budget would once again incur this cost. In 2021/22 £18,000 was incurred for the MaaS back-office cost.

4.7 Studies and marketing costs are carried out directly in relation to the Future Transport Zone (FTZ) and therefore charged to the FTZ budget held by Southampton City Council.

4.8 Income is currently estimated at £166,000. This includes £146,000 for Officer's time recharged to the FTZ project, £72,000 of which relates to backdated recharges prior to 2022/23. These charges are for additional Officers time above the in-kind level committed by the FTZ bid for these projects. The remainder relates to a refund of £15,000 for officer time spent on management of the SRTM model, and a £5,000 contribution from Hampshire County Council to offset the Finance Accountable Body charge.

4.9 Partner contributions have been received as budgeted. There has been no inflationary increase applied to partner contributions since 2013, so this is a real terms cut of funding. The present contributions meet the core expenditure for 2022/23.

Table 1

Budget Heading	Budget	Revenue	Variation
	2022/23	Outturn	2022/23
REVENUE	£'000	£'000	£'000
Staff Pay & Expenses	166	171	5
Finance Accountable body fees	5	5	0
FTZ Breeze Insurance Bond	0	5	5
Consultancy for Solent Transport Strategy Project	0	10	10
Net Expenditure	171	191	20
Additional HCC Contribution	(5)	(5)	0
SRTM Commissions and Management Recharges	(15)	(15)	0
FTZ Project Time Recharges	(23)	(146)*	(123)
Partner Contributions	(190)	(190)	0
Contribution to / (Draw from) reserve	62	165	103
Total Funding	(171)	(191)	(20)

* Includes some back-dated charges for prior financial year.

Sub-Regional Transport Model

4.10

The current values for Sub-Regional Transport Model (SRTM) commission costs and income with the total forecast for 2022/23 are shown in Table 2 below.

4.11

SRTM commissions are currently forecasted as a £15,443 deficit. In line with normal processes, it has been assumed the deficit will be offset from the ring-fenced reserve, subject to formal approval.

4.12

Please note that following a successful funding application by Solent Transport, Transport for the South East intend to provide £62,000 of support to cover a large element of the maintenance/update work on the SRTM commissioned during 2022. This income may not be received until the 2023/24 financial year and has not been included in the figures in Table 2 below.

Table 2

SRTM Commissions	Current Actuals	2022/23 Forecast
SRTM Commission costs	£280,704	£280,704
SRTM Maintenance costs	£56,914	£86,722
Research and Data Fee income	£351,983	£351,983
Total (Surplus)/Deficit	(£14,365)	£15,443

5. Proposed Revenue Budget 2023/24

5.1 The proposed budget for 2023/24 is detailed in Table 3 below, providing only for essential expenditure of £182,000 which can be fully funded by existing levels of partners contributions at £190,000.

5.2 The proposed budget provides for an increase of £11,000 in Staff Pay and Expenses expenditure compared to the 2022/23 budget. This is to allow for the flat rate pay increase allocated in 2022/23 and an assumed pay increase of 5.2% for 2023/24.

5.3 The annual back-office charge for Solent Go in 2023/24 will continue to be charged to FTZ as part of the Mobility-as-a-Service (MaaS) programme therefore no budget has been included for Solent Transport.

Table 3

Budget Heading	Budget 2022/23	Proposed Budget 2023/24	Change
	£'000	£'000	£'000
REVENUE			
Staff Pay & Expenses	166	177	11
Finance Accountable Body fees	5	5	0
Net Expenditure	171	182	11
Additional HCC Contribution	(5)	(5)	0
SRTM Commissions and Management Recharges	(15)	(15)	0
FTZ Project Time Recharges	(23)	(23)	0
Partner Contributions	(190)	(190)	0
(Draw from) Contribution to reserves	62	51	11
Total Funding	171	182	0

5.4 The income recharges are for additional Officers time above the level contracted for these projects.

5.5 Any surplus income will be added to the general reserve at the end of 2023/24 unless it is utilised on further revenue expenditure.

5.6 Partner contributions continue to be budgeted at the current levels, with no inflationary increase applied. The current partner contributions provide

<p>5.7</p> <p>5.8</p>	<p>sufficient funding to meet the cost of the two-core staff and the Finance Accountable Body fees.</p> <p>It is worth noting that partner contributions have not been increased since 2013. If contributions had been increased by the Consumer Price Index (CPI) since 2013, then partner contributions would now be approximately £270,000.</p> <p>Details of current core partner revenue contributions for 2022/23 and 2023/24 are shown in table 4 below.</p> <p>Table 4</p> <table border="1" data-bbox="453 539 1147 1088"> <thead> <tr> <th>Authority</th> <th>Current Contribution £</th> <th>Current Contribution %</th> </tr> </thead> <tbody> <tr> <td>Hampshire County Council</td> <td>£90,000</td> <td>47%</td> </tr> <tr> <td>Southampton City Council</td> <td>£40,000</td> <td>21%</td> </tr> <tr> <td>Portsmouth City Council</td> <td>£40,000</td> <td>21%</td> </tr> <tr> <td>Isle of Wight</td> <td>£20,000</td> <td>11%</td> </tr> <tr> <td>Total</td> <td>£190,000</td> <td>100%</td> </tr> </tbody> </table>	Authority	Current Contribution £	Current Contribution %	Hampshire County Council	£90,000	47%	Southampton City Council	£40,000	21%	Portsmouth City Council	£40,000	21%	Isle of Wight	£20,000	11%	Total	£190,000	100%
Authority	Current Contribution £	Current Contribution %																	
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Southampton City Council	£40,000	21%																	
Portsmouth City Council	£40,000	21%																	
Isle of Wight	£20,000	11%																	
Total	£190,000	100%																	
<p>6.1</p> <p>6.2</p>	<p>6. Future Transport Zone (FTZ) Programme</p> <p>The FTZ programme is a significant piece of work, with £28.759m awarded for the programme by the Department for Transport in March 2020. The programme is funded to June 2024 and has been provided to make future travel journeys across South Hampshire, Portsmouth, Southampton and the Isle of Wight Solent easier, smarter and greener. Solent Transport is responsible for leading the delivery and governance arrangements of the programme, with Southampton City Council as the Accountable Body for this specific programme.</p> <p>The current FTZ capital project spend to 30th November 2022 is £9,151,778. Detailed financial reporting on the FTZ is undertaken separately to this report, however a summary of spend to the 30th November 2022 is included in Appendix 1.</p>																		

7. General Reserve Balance

7.1 As shown in Table 5 below, the balance in the general reserve as of 31st March 2023 is expected to be £358,000 after a £165,000 contribution generated by staff time recharges. There are commitments of £162,000 against the General Reserve (see paragraph 7.3), which would leave a balance of £196,000.

7.2 The Sub Regional Transport Model reserve is forecasted to reduce by £15,000 to £426,000. However, there may be additional income in the final quarter which could increase the reserves balance.

Table 5: Summary of Reserves

	General Reserve	SRTM Reserve
	£'000	£'000
Opening balance 1/4/2022	193	441
Proposed draw for 2022/23 budget – based on current projection	0	15
Additions (Forecast)	165	0
Closing balance 1/4/2023	358	426

7.3 The General reserve includes retaining £15,000 which is ringfenced for potential HR costs in the event of the Partnership being dissolved. There is a further £60,000 earmarked for the potential redundancy costs of FTZ staff which cannot be funded by the FTZ capital grant. A further £12,000 covers other additional revenue risks around the MaaS trial project, beyond those which are covered by SCC and PCC rental e-scooter income. £75,000 has been allocated to continue the consultancy to develop a Solent Transport Strategy and will be spent in the coming year. Funding these commitments has been made possible by securing additional income, such as recharging time to the FTZ programme.

7.4 The Sub-Regional Transport Model (SRTM) reserve is held to fund upgrades of the SRTM. A major update/upgrade to make the model fit for post-Covid travel patterns and behaviours is required, with the anticipated costs being between £1 million and £1.5 million. As the Reserve is not currently sufficient to meet this cost, additional work has been commissioned to extend the life of the current model as far as possible whilst additional commissions or other sources of funding are sought.

7.5 The SRTM reserve is expected to increase by £62,000 when Transport for the South East's proposed Local Capability Fund award towards maintenance and improvement costs in 2022/23 is received.

8. Conclusions	
8.1	The draft outturn position for 2022/23 shows a surplus against the budget, contributing £165,000 to the general reserve increasing the revenue reserve to £358,000. The contribution is £103,000 more than budgeted, due to recharging staff time spent on project work during the last two years. This secures funds for contingencies and/or future Solent Transport projects.
8.2	The General Revenue Budget for 2023/24 has been set with no increase in fees to Partners.
8.3	The SRTM reserve projects a closing balance of £426,000 for 2022/23. This position is also subject to change depending on the volume and type of commissions received in year and any additional work required to the model prior to its upgrade.
8.4	FTZ is reported on separately by Southampton City Council and is the lead for this particular project.

RESOURCE IMPLICATIONS

Capital/Revenue

9. Finance Update Report, spend is within the existing resources.

Property/Other

10. N/A - no property considerations associated with this decision

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

11. N/A

Other Legal Implications:

12. N/A

RISK MANAGEMENT IMPLICATIONS

13. No tangible risks attached to this decision.

POLICY FRAMEWORK IMPLICATIONS

14. N/A

KEY DECISION?	N/A
WARDS/COMMUNITIES AFFECTED:	Affects all parts of Solent area as the four local Highway & Transport Authorities make up Solent Transport.
<u>SUPPORTING DOCUMENTATION</u>	

Appendices

1

Future Transport Zone Reporting – Spend up to the end of November 2022

Work Programme	Capital Budget	Capital Spend To 30 th November 2022
WP 1 – MaaS	£5,927,714	£3,708,860
WP2 – Solent Go	£781,500	£272,644
WP3 – Mobility Credits	£665,626	£0
WP4 – Bike Share	£2,399,730	£1,378,337
WP5 – Lift share	£308,038	£16,975
WP6 – DDRT	£771,000	£12,509
WP7 – E-Scooter	£890,000	£278,468
WP8 – Micro Consolidation	£2,499,447	£213,443
WP9 – Macro Consolidation	£885,192	£77,984
WP10 – Drones Logistics	£8,044,034	£817,268
Other – Staffing, marketing etc	£5,586,719	£2,375,290
TOTAL	£28,759,000	£9,151,778

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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Privacy Impact Assessment

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.	No
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Other Background Documents

Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)



Department
for Transport

Solent Area Future Transport Zone Update

Quarterly Update
January 2023

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Agenda Item 7



Programme Overview

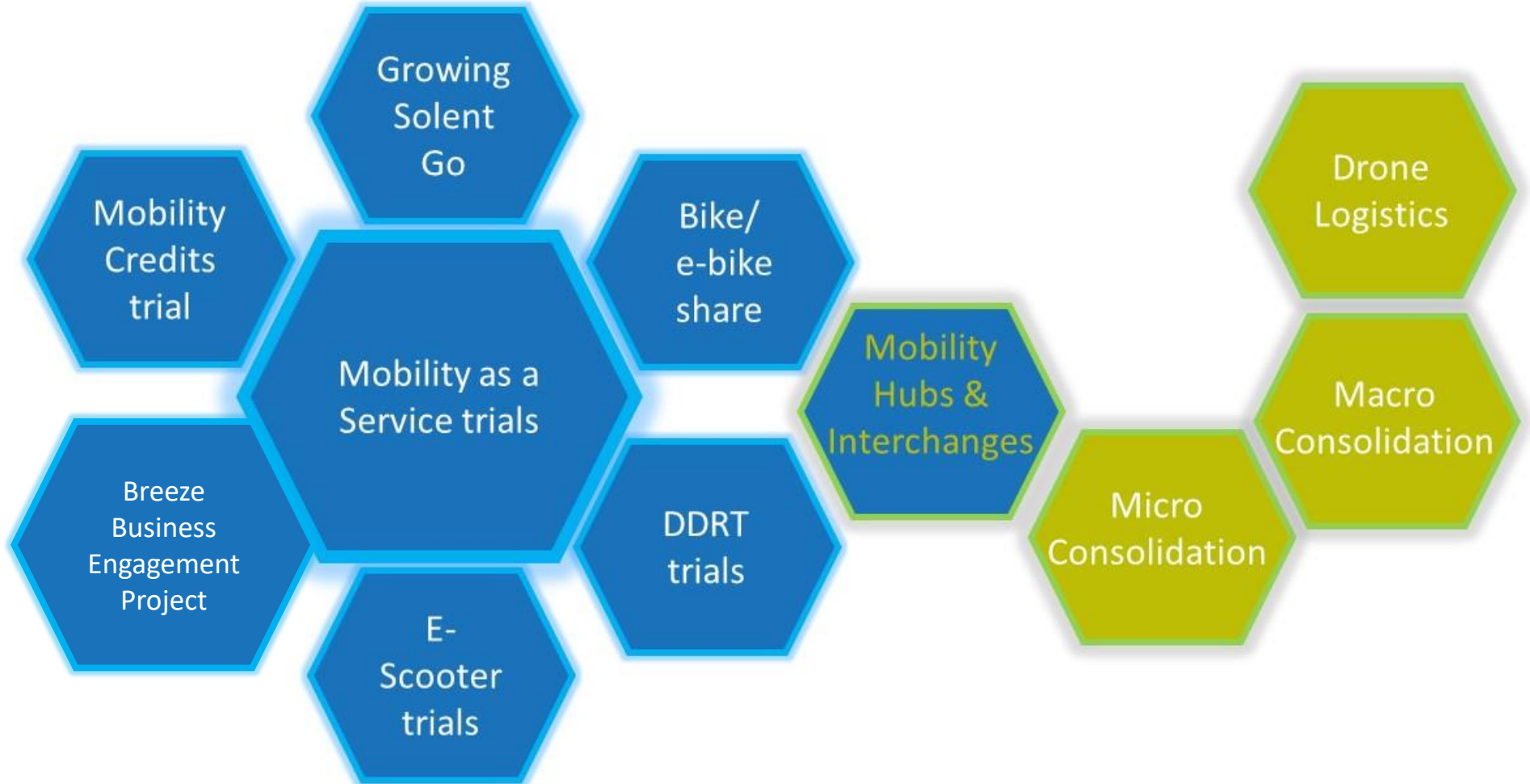
Theme 1: Personal Mobility

Cross-cutting
projects (Non-FTZ)

Theme 2: Sustainable
Urban Logistics

Marketing – Customer Journey – Behavioural Change and Human Factors

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Programme Headlines

• **E-Scooter trial project** – The trials on the IoW, PCC and SCC continue with just under 2000 vehicles the entirety of the trial areas. The trial extensions have been approved by all participating Authorities until May 2024. SCC and PCC have now made permanent TROs to facilitate the extension. Voi continue to operate the trials in Southampton and Portsmouth and Beryl operate the trial on the Isle of Wight. Both operators have now been fully integrated into the Breeze App. Plans continue for expanding parking locations, including carriageway parking, and to refine the service offered through Breeze. An independent research report has helped to identify future monitoring approaches and data requirements, which includes continued data collection, a requirement for further interrogation of accident, safety and equity data (including comparisons with STATS19 data) and the need for LA partners to conduct further perception surveys. Both SCC and PCC have completed recent public surveys. The PCC results are published on their [website](#) and SCC will publish in due course. High level stats for the scheme as at 01/01/2022:

	PCC	SCC	IWC
Number of unique users	➤ 64,591	➤ 67,619	➤ 18,010
Number of active vehicles	➤ 621	➤ 1,005	➤ 118
Number of rack locations	➤ 99	➤ 200	➤ 66
Total distance travelled	➤ 1,506,489 km	➤ 2,455,531 km	➤ 413,253 km
Total rides	➤ 557,651	➤ 1,003,528	➤ 128,905
Average ride time	➤ 14.9 mins	➤ 12.8 mins	➤ 26 mins
Average distance travelled	➤ 2.7 km	➤ 2.5 km	➤ 3.21 km
Riders/e-scooter/day	➤ 1.96	➤ 1.76	➤ 1.5

• **Breeze: MaaS platform and Trials** – Successful application to RDG for a Travel Agent License, the Breeze rail solution has also passed accreditation and we remain within the accreditation trial period until in the end of January 2023. The RDG Licence Agreement has been signed and a Bank Guarantee Bond was secured to underwrite the rail bond. Delays with rail elements resulted in a micromobility only launch of Breeze on 3rd October to align with the launch of the Bike Share scheme, the launch was promoted by a digital only media plan. A wider marketing campaign incorporating the additional MaaS transport features will take place in Spring 2023. Several improvements and enhancements have been developed, including ‘Active Trip’ which provides users with step-by-step instructions throughout their planned trip. Solent Go integration has been completed. A reconciliation process for the back-end of Breeze has been development with SCC finance and this will be transitioned to a 3rd party provider (Unicard). A manual process is currently in place, but work has been undertaken to automate this as part of the transition plan. A dedicated customer services solution has also been implemented, again through a 3rd party provider (Unicard), who will manage queries through the use of the Zendesk platform with a Live Chat function. All core transport operators have signed an MOU to support the integration process and these will be replaced with more detailed Transport Operators Agreements going forward. Development work for university research is progressing well with recent data sharing of Unicard ITS0 public transport data of usage of Solent Go and concessionary travel card to help map trends.



Programme Headlines

- **Bike Share Project** – Beryl Bikes by Breeze was launched on 3rd October 2022 in Southampton, Portsmouth and Isle of Wight following a successful tender process. The Framework is available regionally to local authorities to call off from. The launch included both pedal bikes and e-bikes. Collaborative working has secured the successful alignment of branding, marketing approaches and technical integration with the Breeze App. The scheme will continue to grow through 2023/24 with an increase to over 1000 bikes across the Solent region, with a wider launch planned for May 2023 where bikes will be live in areas beyond the city centres. Monitoring and evaluation of the scheme will be undertaken by recently appointed consultants. High level stats for the scheme as at 01/01/2023:

	PCC	SCC	IWC
Number of unique users	➤ 1,818	➤ 1,362	➤ 566
Number of active vehicles	➤ 162	➤ 174	➤ 40
Number of rack locations	➤ 25	➤ 31	➤ 46
Total distance travelled	➤ 12,429 km	➤ 9,354 km	➤ 6,508 km
Total rides	➤ 5,726	➤ 3,777	➤ 1,238
Average ride time	➤ 25 mins	➤ 28 mins	➤ 47 mins
Average distance travelled	➤ 2.1km	➤ 2.5 km	➤ 3.75 km
Riders/e-scooter/day	➤ 0.7	➤ 0.4	➤ 0.6

- **Mobility Credits** – Following the pandemic, reviews have reshaped the priorities, but they remain broadly based on its original format. Some minor adjustments to the funding profile to enable increased budget specifically for the provision of mobility credits. The original project was scheduled to run for 3 years with the period of issuing mobility credits to trial participants to run for 20 months, however due to time constraints, the trial period will now be reduced. The project team have reengaged with Havant Borough Council who have reiterated their commitment to hosting the trial, and are actively engaged with the project team 2022/23 will explore opportunities for other Solent local authorities to join the mobility credits project subject to sufficient funding, resource and the ability to recruit participants in the same way as is being implemented in Havant. Next steps will be to continue development and design of the monitoring and evaluation plan with the support of the FTZ M&E consultancy partner.
- **DDRT Project** –The procurement and specification for the commissioning of a shared back-office system for Phase 1 is almost complete with contract award planned for Q4 22/23. Phase 1 involves application of DDRT technology and operating principles to two existing Community Transport service providers in the FTZ area, during early 2023. The second phase will look to expand the project to include more vehicles and operators during Autumn 2023. We expect the mobilisation of the project to be completed by mid March 2023 - with the aim of launching an initial public trial by late Spring 2023. Following Phase 1 an engagement and discovery exercise will take place between Trafi (the Breeze app Developer) and the appointed Back Office Operator to work towards integration into the Breeze app. A piece of discovery work is underway to implement a grant funding process to support the transport operators participating in Phase 1. Engagement with the M&E consultants to support the creation of a Logic Mapp and on-going monitoring and evaluation activity.



Programme Headlines Cont..

- **Breeze for Business/Key Trip Generator engagement (*formerly lift share*)** – The reshaped project - Breeze for Business (B4B), has been developed to deliver the original objectives of the *lift share project*, via an adaptation of the Mobility as a Service (MaaS) project stream for a business audience. The aim influence travel behaviour change of staff, visitors and customers of large trip generating organisations in the Solent region. The creation of the B4B website, digital collateral and 'tool kits' is in the final stages of development and will be used by those delivering the engagement activity with organisations. A Service Level Agreement has been signed with the existing SCC team to support the business engagement activity as part of their BAU, resourced with FTZ funding and co-ordinated through this project. Onboarding training will start towards the end of January 2023. The 'roll out' event for B4B will be dependent on the timing of the wider marketing launch of the Breeze app.
- **Growing Solent Go** – New 'Saver 5' carnet ticket soft launch took place in April 2021, although has not been actively promoted yet as promotion of the new tickets will be included within the promotion of the full MaaS Platform launch in 2023. Although the number of smartcard products sold has recovered to close to pre-2020 levels, these have mostly been for shorter period smart products meaning that the back office system cost per journey is still considerably higher than pre-2020. We are currently investigating options for withdrawal of the ITSO card element for efficiency reasons with greater emphasis on mobile tickets going forward which should further compliment MaaS uptake. Other aspects of development, including MaaS integration, also specified and scheduled. Other new products will be developed and integrated and work is ongoing to align these with BSIP ambitions.
- **Micro consolidation** – A number of trials have now been identified and discussed with partner LTAs, resulting in Freight Micro Consolidation Trials being approved for Portsmouth and Winchester. Regular Working Groups are in place to identify and deliver these sites and engage with potential industry partners to undertake trials. Additionally, Shared Fleet projects have been scoped to increase the efficiency of LTA owned and operated vehicles, with the opportunity to utilise existing spare capacity to undertake both commercial work and support local NHS trust activity.
- **Macro consolidation** – A review of Delivery and Service Plans in Southampton has been undertaken to identify opportunities across the Solent region to trial projects with the Sustainable Distribution Centre (SDC); exploration of other trial projects including university halls consolidation and supplier consolidation opportunities with businesses in Southampton. The University of Southampton are also evaluating the existing use of the SDC to inform lessons learned on implementing consolidation in other locations, and how to optimise the FTZ's research and trial opportunities within the existing framework. Additional engagement with further potential commercial partners has continued with strong interest from several parties, particularly for cargo bike micro hubs.



Programme Headlines Cont..

- **Drones for medical Logistics** – The project is designed to deliver an operational Uncrewed Traffic Management system (UTM) for drone flights across the Solent for medical use. To achieve this the project will deliver a new class of air space (Class Lima), enabling trials of multiple drones and UTM systems in the same air space. The project will also examine the logistics and human factors involved, by designing air/land logistics reception and handling facilities for compliant, safe and efficient air cargo management. Following the completion of summer flying activity in 2022 we are finalising lessons learnt reports and recommendations. We are progressing with a series of procurement activity to enable new trials throughout 2023. This includes the provision of services to manage the application and administration of airspace to allow BVLOS flying trials, mapping of potential NHS use cases and locations as well as the development of automated logistic freight handling services. An application to CAA has been submitted to extend the temporary airspace changes in 2023 to allow further VLOS and BVLOS trials in order to test drones of differing capabilities. This will also enable an airspace sensor network to be developed, allowing for data gathering in order to submit evidence for longer term airspace classification changes, allowing greater logistics utility going forward.
- **FTZ Recruitment.** Eleven fixed term staff are currently in post in the FTZ Delivery Team. A review of the FTZ team structure and resourcing requirements has been undertaken to determine further requirements and another recruitment round is currently underway with 7 new or vacant posts needing to be filled. In the meantime consultancy support for the Theme 1 Programme Lead has been commissioned for the short/medium term to provide expertise to the delivery of specific elements of the programme. Consultancy support for the Monitoring and Evaluation requirements of our programme is now also in place and work has been undertaken across all projects to develop Logic Maps and Output Matrices to support monitoring and evaluation activities.
- **FTZ Financial Reprofile** – the Solent Future Transport Zone (FTZ) programme has received written notification from DfT that a request for an extension to the FTZ programme of one year (from June 2024 to June 2025) has been approved. As a result of this extension being granted, a comprehensive financial reprofiling exercise has subsequently been undertaken to recognise and enable the extension of the programme for an additional year to June 2025 within the confines of the original funding award.
- **Marcoms** - The brand identity for Breeze has been further developed and is supported by a comprehensive brand guidelines, marketing and promotions strategy, physical collateral and active social media channels on Instagram, Facebook and Twitter. A customer engagement platform (CEP), Braze, has been procured and is a critical tool for the Breeze app to deliver the Solent FTZ behaviour change strategy. Solent Transport is using Twitter and LinkedIn to increase awareness of the Solent FTZ. The last 12 months has seen an increased LinkedIn following of over 100%. Coverage of the drone project was picked in over 400 local, national and international media outlets. Co-branding of the Voi e-scooters, Beryl e-scooters and Beryl Bikes by Breeze has been successful, with all services across the region now displaying collateral related to the Breeze brand. The Beryl Bikes by Breeze launch in October 2022 was the first opportunity for three of the partner LTAs to showcase collaborative working as part of the Solent FTZ. Joint Committee members were interviewed by Wave FM and the Local Democracy Reporter for Portsmouth.



Programme Issues/Challenges

- **Joint Legal Agreement/ Information Governance** . All LTA partners have now signed the Joint Legal Agreement (JLA). Also working directly with LTA partners to rationalise data sharing processes. SCC have been appointed Information Governance Lead for the Programme. Day to day oversight and IG strategic planning at project level require further resourcing. The Data Processing Agreements between the SCC and UoS & UoP, our research and M&E partners, have been signed. Agreements between LA delivery partners and UoS & UoP are progressing. The terms of an overarching Data Sharing Agreement between the partner LAs have been agreed to bring into line the data protection obligations of each LA.
- **MaaS Platform.** Following the launch of the Breeze app featuring micromobility modes on 3rd October; current priorities and challenges relate to (1) on-going technical integrations of transport data and operators (2) onboarding of the back-office functions are not yet in place or been fully tested (reconciliation, customer support and CRM), (3) We need to sell 400+ tickets to pass the rail accreditation pilot by early Feb (4) the level of capacity required across MaaS vastly outstrips the resource available (5) All core transport operators have signed an MOU to support the integration process and these need to be replaced with more detailed Transport Operators Agreements going forward (6) RDG does not currently have an appropriate licence for MaaS apps, the use of a Travel Agent Licence is being used as an interim solution. This will give some rail purchasing facilities, but will limit the scope of the MaaS apps full functionality (this will need resolution at national level if MaaS is to succeed as envisioned in the long term.
- **Bike Share Schemes.** Alignment of branding, marketing approaches and technical integration with the Breeze App was subject to additional negotiations. An issue with the NFC unlock function on the Beryl Bikes by Breeze has been resolved. We are also currently exploring opportunities for expanding Beryl Bikes by Breeze into the Hampshire region.
- **Macro and micro consolidation.** Securing freight traffic data has proved challenging (PCN locations, traffic flows, etc.) and there is limited use of data that does exist. As the DfT has recently investigated freight data and are due to provide local authorities with a toolkit for decarbonising transport, we would welcome discussion about how local authorities could improve management and use of available local datasets. Obtaining full datasets remains challenging although some additional data is in the process of being purchased from commercial providers (Microlise / Evri) in conjunction with our University partners.
- **Programme Budget** – financial reprofiling due to FTZ extension to cover additional year.



Programme Issues/Challenges cont ...

- **Drones for medical logistics.** Our work with the commercial sector has demonstrated to us that there is no single Drone on the market that is ideal for NHS use cases we are currently investigating. We are exploring the possibility of a bespoke design competition in order to address this challenge. Securing an extension to the TDA to cover 2023 test flights. Understanding the complex nature of airspace regulation change so that we are able to achieve the milestones required is challenging given the lack of precedent.
- **Lift Share (now Business Engagement Project)** reviews have reshaped this project and consultancy support continues to be required to deliver the Business Engagement Plan. The delivery of the engagement activity resources has been identified from the SCC Workplace Travel Planning (WTP) team to support the delivery and implementation of the scheme, which will be governed by an SLA.
- **Mobility Credits** – Reviews have resulted in this project remaining largely unchanged from the original proposed form. Existing FTZ staff are heavily committed on other projects but have moved forward with re-engaging with a local Borough Council to co-develop the project plan with a view to launching in 2023 following the wider Breeze marketing launch. Further use of consultancy support will be considered as appropriate once the project progresses.
- **FTZ Recruitment.** Eleven fixed term staff are now in post in the FTZ Delivery Team. Recruitment continues to be challenging and the loss of the Theme 1 Lead in August 22 has put additional pressure on those team members working on Theme 1 projects. Although we have been successful in finding high quality team members for the majority of positions, there are on-going recruitment challenges both due to the previous unsuccessful recruitment rounds and due to the need for additional posts which have been identified as new projects and evolving programme requirements become apparent. A further recruitment round commenced in December 2022. We are actively working to fill the few remaining unfilled posts while planning strategically for appropriate resource for commencement of new projects and evolving programme requirements. Commissioning of consultancy support in the short term for posts not filled and in the medium/longer term to provide expertise to the delivery of specific elements of the programme.
- **M&E** – Data Processing Agreements are in place between SCC and our research partners, University of Southampton and University of Portsmouth to support their M&E role. Progress on getting similar agreements in place with the other three Solent Transport LA partners has been slower than anticipated. The need for individual Agreements between each LA and each University will be resolved by the signing of an overarching Data Sharing Agreement between the partner LAs to bring into line the data protection obligations of each LA. Consultancy support is now in place to lead and deliver the Monitoring and Evaluation requirements of our programme.

Monitoring and evaluation

A monitoring report should be prepared following the completion of each year of the scheme. DfT and the FMZs will work on the format to ensure consistency

Update

- **Programme Level M&E** - Our key partners (University of Southampton, UoS) are leading our work on the FTZ Programme Level M&E. They are assessing impacts/outcomes of the programme through a combination of the secondary data provided by the DfT and our Local Authority partners, as well as primary data collected by the individual projects "bottom up" and "across the piste" by our MarComms activities. Specialist consultancy support from TRL is now in place and this is delivering leadership/support for the project level M&E activities within the FTZ Team. The development of Logic Maps and Evaluation Frameworks are well underway for all projects across both Themes of the Programme, across Marcoms and Programme level monitoring.
- **Mobility as a Service (MaaS)** - Regular meetings between Solent Transport, Trafi, BIT and universities continue to take place and research continues across workstreams. A monthly MaaS (and Solent Go) Project Board involving the local authorities and our project partners has also been established. Recent data sharing of Unicard ITSO public transport data of usage of Solent Go and concessionary travel card to help map trends. Scoping of Randomised Controlled Trial (RCT) by BIT.
- **E-scooter trials** - Monthly sit-reps submitted to DfT as part of national evaluation. Incident reporting has been improved to ensure that reports are verified. Additional M+E for the project was commissioned to inform decisions by IOW, SCC and PCC on further extensions to the trials from March to November 2022. All schemes now extended to November 2022.
- **Marketing & Communications (MarComms)** - The effectiveness of our MarComms activities is assessed through a number of outputs, including marketing campaigns, brand building, press releases, ads, web content and direct mail, as well as social media engagement and stakeholder/focus groups. The outcomes/impacts of these activities are aligned to the Programme/Project objectives, for which a strategic framework to support the behaviour change has been developed. Both e-scooter operators are now submitting relevant marcomms data for M&E. The requirement that operators provide anonymised marcomms data will be written into the bike share contract to ensure that the data collected is consistent with the established KPIs.
- **FTZ National Evaluation** - We have continued to conduct regular progress meetings with NatCen and work with them to align reporting/monitoring requirements for NatCen & DfT. We also participate in their quarterly Community of Practice (CoP) Workshops and their in-depth stakeholder interviews held during Oct-Nov 2021. The draft Outcomes Matrix was submitted and additional sessions held/planned to explore further the revised M&E requirements focusing on process and lessons learnt. The draft Outputs Matrix and the update on the Evaluation Tracker are to be submitted on the 3rd of February 2023.
- **Knowledge sharing** – project specific workshops for key local/regional stakeholders have been held for MaaS, E-scooters, Bike Share. Presentations at local and regional conferences/events (inc COP26, MOVE) have been used to raise profile, understanding and engagement of activity and objectives of the Solent FTZ programme. An event in collaboration with the DfT took place on 28th October, with Solent Transport hosting a 'show and tell' Transport Day in Portsmouth on the last day of the DfT International Transport Forum. A planned 2 day conference in collaboration with Landor LINK in September, Future Transport Forum 2022, was postponed due to a period of national mourning. The event was re-arranged and was successfully delivered across two days in January 2023 with exceptional feedback from delegates Webinar presentation at the Transport Planning Society in November regarding rental e-scooters. MaaS presentation at the Global MaaS Transit conference in Dubai on 9th September. In response to a call for papers by the Modeshift TravelWise and STARS Conference in March, the FTZ Breeze for Business Project will present on "delivering effective initiatives targeting behaviour change as an outcome". Dissemination plans/records/logs for FTZ team and university partners developed and regularly updated



Monitoring and evaluation

A monitoring report should be prepared following the completion of each year of the scheme. DfT and the FMZs will work on the format to ensure consistency

Risks and challenges

- Separation and identification of project impacts and benefits of the FTZ programme from other wider transport schemes and initiatives in the region (e.g. SCC & PCC TCFs).
- Ensuring FTZ programme activity compliments and aligns with other local and regional activity to deliver maximum benefit (TCFs, BSIPs etc)
- Progress on a Data Sharing Agreement (DSA) among our local authorities (LA) delivery partners has been slower than anticipated.
- Recruitment to the Research and Evaluation Manager failed to find a suitable candidate. Efforts to recruit via a recruitment agency were also unsuccessful. Therefore we undertook a procurement exercise to seek consultancy support to deliver leadership/ support for project level M&E activities within the FTZ team. That consultancy support is now in place to lead and will deliver the Monitoring and Evaluation requirements of our programme

Next steps

- To continue progress updates with NatCen through planned qtrly catch up and ad-hoc meetings. The Theme 2 workshop regarding Movement of Goods is anticipated to take place early March as planned with NatCen.
- The Data Processing Agreements between the SCC and UoS/UoP research/M&E partners have been signed. To progress the DPAs among the LA delivery partners, and UoS/UoP research/M&E partners.
- DDRT project – contract award in Q4 22/23 for back office operator and roll out of Phase 1 of the project
- Breeze for Business (revised lift Sharing project) – implementation and delivery of the Business Engagement Plan.
- M&E consultants to work with the project managers and to deliver leadership/ support for project level M&E activities within the FTZ team. To continue development of project Logic Maps, Evaluation Frameworks and Evaluation Plans across the schemes and the overall programme.
- Bike share – expanding the mobilisation plan and refinement of integration with Breeze app.
- Continuation of second phase of drone trials, subject to an extension of the TDA being secured.
- Full scoping of Mobility Credits project to align with MaaS launch timescales
- Breeze App - The delays with rail elements resulted in a micromobility only launch of Breeze on 3rd October to align with the launch on the Bike Share scheme. Revised project plan will now see a wider marketing launch incorporating the additional MaaS transport features in Q4 2023.





Work Package RAG Status Overview

	Work Package	Milestones	Resource	Brief Commentary (including justification for rating).
1	<p>WP 1 Mobility-as-a-Service platform and trials</p> <p><i>Develop and offer to market a MaaS product that enables customers to plan journeys, purchase tickets and receive incentives in one place, leading to more seamless journeys and reduced car dependency.</i></p>			<p>Milestones: Delays with rail elements resulted in a micromobility only launch of the Breeze App on 3rd October to align with the launch on the Bike Share scheme, which was promoted by a digital only media plan. A revised project plan will now see a wider marketing launch incorporating the additional MaaS transport features in Q4 which will be promoted via digital media to key audiences with above-the-line marketing, PR, physical and digital media across the region. Delays and issues obtaining the rail licence are outlined in previous sections. Onboarding of the back-office functions are not yet in place or been fully tested (reconciliation, customer support and CRM). We need to sell 400+ tickets to pass the rail accreditation pilot. Engagement and integration of transport operators continues, managed through NDA's and MOU with the on-going engagement to integrate more operators. University research is progressing across five workstreams.</p> <p>Resourcing: FTZ PM (MaaS/Solent Go) has been in post since July 2021. A second Programme Support Officer is now in post to support MaaS PM. The UoP and UoS have identified their research teams. Additional technical support procured. Further resources to be sourced via consultancy and/or intern support.</p>
2	<p>WP2 - Solent Go – growing the ticketing options offered by Solent Go</p> <p><i>Design and implement a range of new multi-operator public transport tickets, leading to increased flexibility of travel and use of these modes across the region.</i></p>			<p>Milestones: Three additional new products planned for 2023, alongside MaaS integration to create an ITSO MaaS platform. Customer migration to new platform also planned in. Discussions with BSIP and EP teams to create additional new products to support local ambitions for better ticketing.</p> <p>Resourcing: FTZ PM (MaaS/Solent Go) has been in post since July 2021.</p>
3	<p>WP3 - Mobility Credits</p> <p><i>Trial of travel credit scheme offered to low socio-economic groups aimed at understanding the impact such credits have on travel behaviour.</i></p>			<p>Milestones: The project has been reinitiated and a full scoping exercise has been undertaken. Some minor adjustments have been made to the funding profile to enable increased budget specifically for the provision of mobility credits. Due to time constraints, the trial period will now be reduced to 12 months under the revised proposals. The project team have reengaged with Havant Borough Council who have reiterated their commitment to hosting the trial. There is strong confidence that MaaS integration for the purposes of this trial can be achieved by the point of the scheme going 'live' in early 2023, with an aim of launching by the end of January. Next steps will be to progress project planning, development and design of the monitoring and evaluation plan with the support of the FTZ M&E consultancy partner.</p> <p>Resourcing: Funding reprofiled, PM resource for scoping exercise allocated from core team</p>
4	<p>WP4 - Bike Share</p> <p><i>Design and launch a new bike share scheme, electric or otherwise, initially to be trialled in a pilot area and subsequently rolled out across the region.</i></p>			<p>Milestones: The mobilisation and launch plan has been successfully delivered, largely in line with project timelines. The initial launch of the first tranche of bikes took place on 3rd October, followed by a public launch on 6th October supported by press, members of the Solent Transport Joint Committee and other key stakeholders. Collaborative working has secured the successful alignment of branding, marketing approaches and technical integration with the Breeze App. A full launch in Spring 2023 and growing the scheme through to 2023/24. Resource allocations have been identified by the participating LTA's.</p> <p>Resourcing: FTZ Bike Share PM with support from SCC and PCC embeds, FTZ Programme Support officer and relevant LTA officers.</p>
5	<p>WP5 – Key Trip Generator Engagement (formerly Lift share)</p> <p><i>Utilising the power of the MaaS App, together with other FTZ project delivery (e-scooters/bike share) to encourage key trip generating sites within the region to deliver travel behaviour change.</i></p>			<p>Milestones: Completion of the development of the Business Engagement Plan PID. Mobilisation and delivery of the Business Engagement Plan has commenced with key collateral being developed to support the engagement process. Onboarding and training of the engagement delivery team will take place throughout Q4 with roll out dependant on the wider Breeze marketing launch.</p> <p>Resourcing: Funding reprofiled. Consultant support and FTZ Programme Support Officer.</p>



Work Package RAG Status Overview

	Work Package	Milestones	Resource	Brief Commentary (including justification for rating).
6	<p>WP6 - Demand Responsive Transit</p> <p><i>Design and launch of responsive services to supplement existing public transport networks to improve connectivity in areas under-represented.</i></p>			<p>Milestones: The procurement and specification for the commissioning of a shared back-office system for Phase 1 is almost completed with contract award planned for Q4 22/23. Phase 1 involves application of DDRT technology and operating principles to two existing Community Transport service providers in the FTZ area, during early 2023. The second phase will look to expand the project to include more vehicles and operators during Autumn 2023. The mobilisation of the project is expected to be completed by mid March 2023 - with the aim of launching an initial public trial by late Spring 2023. Following Phase 1 an engagement and discovery exercise will take place between Trafi (the Breeze app Developer) and the appointed Back Office Operator to work towards integration into the Breeze app. A piece of discovery work is underway to implement a grant funding process to support the transport operators participating in Phase 1. Engagement with the M&E consultants to support the creation of a Logic Mapp and on-going monitoring and evaluation activity.</p> <p>Resourcing: Funding reprofiled. DDRT PM has been in post since May 2022. Consultants have been commissioned to provide technical advice across all phases of the project</p>
7	<p>WP7 E-Scooter trials</p> <p><i>Design and launch an e-scooter trial, in response to the Government's post-COVID drive to pilot new micro-mobility modes, addressing local health, environmental and social issues as well as the imminent travel challenges posed by COVID 19.</i></p>			<p>Milestones: Three e-scooter trials have been established and are running successfully. The trial extensions have been approved by all participating Authorities until May 2024. SCC and PCC have now made permanent TROs to facilitate the extension. Voi continue to operate the trials in Southampton and Portsmouth and Beryl operate the trial on the Isle of Wight. Both operators have now been integrated into the Breeze App. Plans continue for expanding parking locations, including carriage way parking, and to refine the service offered through Breeze. An independent research report has helped to identify future monitoring approaches and data requirements, which includes continued data collection on the trials, a requirement for further interrogation of accident, safety and equity data (including comparisons with STATS19 data) and LA partners to conduct further perception surveys.</p> <p>Resourcing: FTZ PM (PCC and SCC embeds) to carry out the majority of the ongoing work on these trials.</p>
8	<p>WP8 Micro Consolidation</p> <p><i>Introduction of micro consolidation hubs, using innovative concepts and zero emission vehicles including cargo bikes to reduce the impact of last mile deliveries</i></p>			<p>Milestones: WP1 and WP2 is nearing completion with reports in the process of finalisation as well as business engagement. Work with LTAs to advance micro consolidation trials is underway and on schedule.</p> <p>Resourcing: Successful recruitment of a dedicated PM and allocation of further additional project support resource has enabled greater progress to be made in this area. FTZ PM SCC and PCC embeds to support the project in the two pilot council areas.</p>
9	<p>WP9 Macro Consolidation</p> <p><i>Increased use of existing Southampton SDC and research into development of sustainable commercial consolidation in Portsmouth or other relevant locations in the Solent region</i></p>			<p>Milestones: WP1 (shared with Micro) is on track, although limited datasets exist within Local Authorities. Limited commercial data is being procured to provide an external baseline. WP7 (review of existing Southampton Sustainable Distribution Centre) has delivered initial findings that will be included in a comprehensive report to SCC on current practice and future recommendations with the SDC</p> <p>Resourcing: Currently Interim FTZ Theme 2 Lead is acting as PM for this project. We are seeking to recruit an additional PM role to take a lead on this area of work. FTZ PM SCC and PCC embeds will support the project in the two pilot council areas.</p>
10	<p>WP10 Drones Logistics</p> <p><i>(1) Trials and practical testing of BVLOS delivery of medical samples to the Isle of Wight, incorporating logistics and human factors elements. (2) Development of an uncrewed traffic management system for drones</i></p>			<p>Milestones: We are progressing with procurement activity for flying trials in Spring / Summer 2023 to greater understand the existing levels of activity within the Solent region airspace and inform future airspace regulation change applications.</p> <p>WP2 (Project Lima airspace) Trials planned in North Wales in June 2022 has successfully completed. WP1 and WP6 (Drone taxonomy and Cargo hold development) are nearing completion and will report by end of Dec 2022. A lot on the FTZ Dynamic Purchasing System is presently being let which should allow wider access to services, better governance \ project management of the third party drone operations.</p> <p>Resourcing: Currently Interim FTZ Theme 2 Lead is acting as PM for this project, supported by the FTZ Theme 2 (Sustainable Logistics) PM and technical specialists from Consortiq.</p>



WP	Capital	Revenue	Spend YTD	Comment
WP 1 – MaaS	£6,778,025	£0*	£3,901,980	Reprofiled budget includes: ~ £1,873,518 for University of Portsmouth work on MaaS Trials ~ £1,588,954 spend for University of Southampton on MaaS Trials ~ £800,000 Trafi for MaaS platform development Committed Spend ~ £2.5M Total for Trafi MaaS platform development budget ~ £1,588,954 Total for UoS MaaS Trials ~ £1,873,518 Total for UoP MaaS Trials - £800,00 Total for Maas integrations
WP 2 – Solent Go	£486,644		£277,644	Reprofiled budget. Costs of MaaS Integration
WP 3 – Mobility Credits	£569,627		£0	Reprofiled budget. Project team has re-engaged and the project is being developed .
WP 4 – Bike Share	£2,793,564		£1,615,227	Bike share launched in October 2022.
WP 5 – Breeze for Business (formerly Lift share)	£300,000		£16,975	Reprofiled budget Committed Spend ~ £10,00 Design Agency ~ £46,640 consultant cost for delivery and implementation of Business Engagement Plan ~ £60,000 delivery team
WP 6 - DDRT (for all phases of the project)	£675,000		£12,509	Reprofiled budget Committed spend - £4,320.00 DDRT Possible Demand Survey - £30,000 consultant support for back office specification
WP 7 – E-Scooter	£855,437		£278,468	Reprofiled budget Committed Spend To cover costs up to May 2024 (all trial extensions approved) ~ £123,313 loW trial ~ £356,414 PCC trial (Includes £170k Voi subsidy) ~ £237,979 SCC trial ~ £37,731 HCC trial ~ £100,000 contingency





WP00	Capital	Revenue	Spend YTD	Comment
WP 8 – Micro Consolidation	£2,009,446		£241,000	Reprofiled budget Planning and research underway, delivery Spring 2023 Committed spend £1,063,314.50 to the UoP and UoS *subject to a reprofiling exercise in Q4
WP 9 – Macro Consolidation	£823,356		£93,851	Reprofiled budget Committed spend £555,355.56 to UoP and UoS *subject to a reprofiling exercise in Q4
WP 10 – Drones Logistics	£7,041,439		£961,856	Reprofiled budget Committed spend £2,804,503.69 to UoP and UoS *subject to a reprofiling exercise in Q4 Actual Spend £200,000 Advanced funding to UoS April 2020 covering trials in May 2020 and Sept 2021 (not included in spend below) £55,858 University of Portsmouth £2,516,998 University of Southampton £98,250 Consortiq (Drone Consultants) £105,000 Apian (via UoS)
Other – Staffing, marketing etc	£6,426,463		£2,455,562	Reprofiled budget Actual Spend £1,798,900 FTZ Delivery Team £120,097 Legal and Procurement costs £267,767 Marketing / Communications £202,646 Monitoring & Evaluation

RAG	Change	Key financial risks and mitigation
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		<p>* It is assumed that all spend on the FTZ project will be considered as Capital, this has been an issue of ongoing discussion with SCC finance</p> <p>Total committed spend currently circa £12.5m Committed spend for work undertaken/in-progress/commissioned but not yet paid for by the FTZ Programme circ £4.1m Cost codes and work orders required for FTZ are set up on SCC's financial system</p> <p>At this stage in the programme, no key financial risks have been identified. A financial reprofiling exercise has now been completed to take into account the extension of the Programme to June 2025</p>
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Agenda Item 8



Title of meeting: Solent Transport Joint Committee

Date of meeting: 6th March 2023

Subject: Solent Future Transport Zone Programme extension

Report by: Tim Forrester - FTZ Programme Manager

Wards affected: N/A

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1. To detail the proposal for requesting an extension to the FTZ programme of an additional year to June 2025.

2. Recommendations

- 2.1. To approve a one-year extension to the FTZ programme to 30 June 2025.
- 2.2. To accept and approve the proposed funding reprofile to accommodate the one-year programme extension.

3. Background

- 3.1. Solent Transport received £28.759M of funding for the Solent Future Transport Zone (FTZ) programme from Department for Transport (DfT) in March 2020, shortly before the country went into lockdown for the Covid-19 pandemic.
- 3.2. Solent Transport has made strong progress towards the delivery of its FTZ objectives and considers itself to be one of the leading FTZ programmes.
- 3.3. Solent was the first of the FTZs to reassess its delivery programme in light of the pandemic and its likely effects, it has still made positive advancement against its goals:
 - setting five new UK aviation firsts,
 - launching, and operating three rental e-scooter scheme trials,
 - developing and launching the UK's first multicity Mobility as a Service (MaaS) app and
 - launch of Solent-wide bike and e-bike hire scheme.



- 3.4. Strong progress has also been made on all other projects within the programme; all of which are scheduled to launch within the next six months.
- 3.5. Solent Future Transport Zone is seen by DfT as delivering against its objectives.

Challenges:

- 3.6. The FTZ programme has however, faced considerable challenges:
 - External issues such as the COVID19 pandemic,
 - the UK leaving the EU and the war in Ukraine have all had direct and indirect effects on programme delivery,
 - the MaaS delivery has also been affected by changes in the rail industry brought on by the creation of Great British Railways:
 - difficulty in recruiting means the team has never actually reached its full staff allocation
- 3.7. The knock-on effects of these issues on other organisations has limited the ability of third-party organisations, partners, and suppliers to effectively work with us in a timely manner
- 3.8. Uncertainty at national and regional government levels has impacted timely decision making and significantly reduced risk appetite.
- 3.9. Despite these risks overall the programme will still deliver within the original timescales, however the amount of operational testing time that remains available to prove the value and business case of these projects will be much more limited. This may in-turn limit the research value of some of the programme deliverables.

Proposal:

- 3.10. Solent Transport continues to make every effort to create a legacy from FTZ, but the June 2024 timescale would significantly limit the ability for projects to become self-sustainable or establish sufficiently compelling business cases to attract additional income from other sources.
- 3.11. In August 2022 Solent Transport submitted a draft proposal to DfT to explore the idea of securing an extension to the programme timescales (no additional funding was requested as it was made very clear by the DfT that none was available).
- 3.12. In Oct 2022 the DfT wrote to Solent Transport (see Appendix A) to approve the years extension to the current programme (subject to approval through the FTZ governance structure) on the basis that it could be delivered in line with the original budget allocation.

- 3.13. A comprehensive financial reprofiling exercise has subsequently been undertaken to recognise and enable the extension of the programme for an additional year.

Funding allocation reprofile to accommodate a one-year extension:

- 3.14. The below table provides a high-level summary of the financial reprofile proposal undertaken to take account of an additional year of programme delivery.

Actual & forecast spend values per financial year for programme duration	Current approved spend profile (to June 2024)	Proposed spend profile to accommodate one year extension (to June 2025)
Yr1 2020/21 (<i>actual</i>)	£787,510	£863,510
Yr2 2021/22 (<i>actual</i>)	£5,019,888	£5,027,738
Yr3 2022/23	£9,664,280	£6,026,515
Yr4 2023/24	£11,474,897	£10,815,892
Yr5 2024/25	£1,813,475*	£5,399,521
Yr6 2025/26	N/A	£625,823*
TOTALS	£28,759,000	£28,759,000

* April – June (3months) only

- 3.15. The overall spend profile totals for each of the two scenarios are the same given that no new funding is available from DfT for the extension period and the additional years extension will be completely funded from the original DfT £28.759M FTZ grant allocation received.

- 3.16. The rational and justification for the proposed 12 month extension to the FTZ programme, together with the associated financial reprofile was submitted to and approved by Solent Transport's Senior Management Board on 26th Jan 2023.

4. Reasons for recommendations

- 4.1. To approve the continuation of the FTZ programme for an additional 12 months (from current end June 2024 to end June 2025).
- 4.2. To accept the revised spend profile developed to account for the extension of the programme to June 2025.
- 4.3. Given the constraints faced in the early part of programme delivery the requested extension of an additional year to the programme will provide

additional time and scope for the programme to meet its objectives, specifically in relation to:

- Delivery of comprehensive Monitoring & Evaluation strategy.
- Greater opportunities for enabling projects and products developed to become self-sustainable beyond the FTZ funding period.
- Further scope to explore and exploit the commercialisation of projects and products developed (Breeze, DDRT, Drones etc) by the programme
- Recruitment and retention of FTZ programme staff

5. Integrated impact assessment

5.1. No new or revised Policies or Procedures directly affecting the public will be introduced as a result of the recommendations in this report.

6. Legal implications

6.1. N/A

7. Financial comments

7.1. A detailed financial reprofiling exercise has been undertaken, reviewed and approved by SCC as the financially responsible authority for the FTZ programme.

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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
Solent FTZ extension letter (DfT approval)	Appendix A

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:

Appendix A: Solent FTZ extension DfT approval letter



Department
for Transport

MICHAEL DNES
HEAD OF FUTURE ROADS TECHNOLOGY
DEPARTMENT FOR TRANSPORT

DIRECT LINE: 07342 076160

Web Site: www.dft.gov.uk

14 October 2022

Dear Conrad,

When we met last month as part of the quarterly update on the Solent Future Transport Zone, you asked that we confirm what we would expect to happen in 2024 when current arrangements come to an end. In particular, you noted that the impact of Covid and wider operational challenges meant that the trial periods of some parts of the programme would still be in progress, with existing budget unspent and meaningful outcomes and results of the trails still to be fully realised. You asked whether there was scope to continue existing arrangements.

In strategic terms, the Department wishes to learn as much as it can from the FTZ programme. It would be counterproductive to end work on an arbitrary date, when it has the capacity to further refine deliverables and potential to deliver further results.

Having consulted with policy and finance colleagues, there is no reason why we cannot extend existing arrangements by a year to the end of June 2025; provided that any additional administrative and monitoring costs in Solent for that year can be borne by existing funding.

Its positive to see the programme delivery this far and look forward to seeing more of the future in the Solent; and wish you best of luck with the ITF delegation later this month.

Yours Sincerely

Michael Dnes

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Agenda Item 9



Title of meeting: Solent Transport Joint Committee

Date of meeting: 6th March 2023

Subject: Bike Share Hampshire Expansion Update

Report by: Tim Forrester - FTZ Programme Manager

Wards affected: n/a

Key Decision: No

Full Council decision: No

1. Purpose of report

- 1.1. To detail the potential expansion of Beryl Bikes by Breeze into Hampshire.

2. Recommendations

- 2.1. To approve the capital and officer time funding allocations to Hampshire County Council to support the potential expansion of the bike share service to Totton and Gosport.

3. Background

- 3.1. Beryl Bikes by Breeze was launched in Southampton, Portsmouth and the Isle of Wight in October 2022. Beryl was appointed to the framework procured via Portsmouth City Council on behalf of the Solent FTZ region.
- 3.2. A key aim for the Future Transport Zone Bike Share project is to expand after the initial launch into other areas of South Hampshire. The Framework was designed to allow flexibility for other partner LTAs to call off directly, simplifying the procurement process but providing assurances of a compliant and robust assessment process.
- 3.3. HCC are engaging with Beryl via Solent Transport to develop a list of priority locations for implementing the service. The two shortlisted areas for implementation via Solent FTZ are Totton and Gosport as these locations are natural progressions from the existing schemes in Portsmouth and Southampton. This paper therefore seeks approval to provide funding for HCC to launch bike share in Totton and Gosport. Subject to successful roll out of these pilot areas, additional locations within Hampshire will be investigated and funding sources external to the FTZ programme explored.

Budget Allocations

3.4. A Joint Committee decision was taken in June 2022 to allocate funding from the FTZ programme to deliver bike share schemes in Southampton, Portsmouth and the Isle of Wight (including provision for operator contracting costs and LTA officer time). £2.1M CAPEX has already been committed to Bike Share in these areas. The following details the funding sought for expanding beyond the initial launch areas.

3.5. Gosport CAPEX requirement:

Requirement	Qty	Price	Total
E-Bikes	62	£2,200	£148,400
Pedal Bikes	12	£1,000	
Docking stations: geo-fenced	20	£400	£8,000
Mobilisation			£13,680
Total			£170,080

3.6. Totton CAPEX requirement:

Requirement	Qty	Price	Total
E-Bikes	54	£2,200	£129,600
Pedal Bikes	11	£1,000	
Docking stations: geo-fenced	25	£400	£10,000
Mobilisation			£12,000
Total			£151,600

3.7. HCC Officer Time costs to cover tasks listed below is **£20,000**.

- Senior officer support (inc. committees, meetings etc.)
- Transport planning and policy support
- Technical highways support (e.g. parking assessments)
- Legal (e.g. S115E consultations)
- Communications and marketing
- Consultation and engagement
- Design and engineering costs

3.8. The total funding requirement is **£341,680**.

Management and Governance

- 3.9. HCC will be invited to attend the Micromobility Project Board. Decision making will be through the agreed FTZ Governance Process.

4. Reasons for recommendations

- 4.1. To facilitate the expansion of Beryl Bikes by Breeze beyond the initial launch areas to South Hampshire.

5. Integrated impact assessment

- 5.1. To be completed by the individual Local Authority as part of their individual decision-making process.

6. Legal implications

- 6.1. No legal implications

7. Financial comments

- 7.1. Solent FTZ budget approved by SCC Full Council 17 November 2021 and is continually monitored and reported, with decisions on variation made by SMB/JC as necessary.

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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

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:

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