



Progress on the development of the Capital Plan 2024/2025 to 2026/2027 including the Capital Budget 2024/2025

Date of meeting 23 February 2024

Date of report 7 February 2024

Report by Director of Finance & Corporate Support

1. Object of report

To update the Committee on progress made on the development of the Capital Plan 2024/2025 to 2025/2026, including the Capital Budget 2024/2025.

2. Background to report

The preparation of the Capital Plan 2024/2025 to 2026/2027 seeks to balance the transport project delivery aspirations with the available funding and to progress projects that help to deliver the emerging new Regional Transport Strategy (RTS) Policies that are aligned with the new RTS Objectives.

SPT normally prepares an aligned three-year rolling capital programme however, due to the one-year funding settlement, no funding information for years two and three is normally known at this stage. Therefore, the capital programme for years two and three is normally indicative only using indicative funding levels consistent with previous years.

Capital funding and programme for 2024/2025 is currently at risk, following the publication of the provisional Local Government Finance Settlement 2024/2025 on 21 December 2023, which allocated no general capital grant. In addition, Transport Scotland have intimated no specific capital grant for subway modernisation to SPT.

3. Outline of proposals

The development of the Capital Plan is a collaborative process with all constituent local authorities and SPT departments invited to submit project proposals.

The project proposals were assessed against the new RTS as well as deliverability and affordability considerations.

Proposals deemed to be Category 1 are projects for which approval is sought to incur expenditure in year one of the three-year programme. These proposals have progressed successfully through the evaluation process and are ready to be delivered in year one of the three-year programme.

Proposals deemed to be Category 2 are projects that require further development work to agree the project scope, successful conclusion of project delivery risks and / or additional funding to

ensure that they are robust and deliverable. These would only be progressed during the financial year 2024/2025 subject to funding being available and full development work being completed.

Approval would need to be sought to promote projects from Category 2 to Category 1. Any projects assessed as not meeting SPT's strategic objectives are not included in the Capital Plan.

The Proposed Capital Plan 2024/2025 to 2026/2027 seeks to progress projects that help to deliver the emerging new RTS Policies and that are aligned with the new RTS objectives. The five RTS objectives are as follows:

- Objective 1: To improve accessibility, affordability, availability and safety of the transport system, ensuring everyone can get to town centres, jobs, education, healthcare and other everyday needs
- Objective 2: To reduce carbon emissions and other harmful pollutants from transport in the region
- Objective 3: To enable everyone to walk, cycle or wheel and for these to be the most popular choices for short, everyday journeys
- Objective 4: To make public transport a desirable and convenient travel choice for everyone
- Objective 5: To improve regional and inter-regional connections to key economic centres and strategic transport hubs for passengers and freight

A majority of projects contribute to the achievement of more than one objective.

A summary of the projects initially assessed as Category 1 in 2024/2025 is shown in Table 1 below with the detail breakdown being shown in Appendix 1.

Table 1: Projects initially assessed as Category 1 in 2024/2025

	Legally Committed £000	Operational Necessity £000	Active Travel £000	Other £000	Total £000
Bus Operations	12	1,440	0	4,060	5,512
Subway Infrastructure	0	6,000	0	273	6,273
Subway Modernisation	19,105	2,088	0	0	21,193
Subway Operations	0	867	0	300	1,167
Other Infrastructure and Projects	1,491	560	0	375	2,426
SPT Projects	20,608	10,955	0	5,008	36,571
Bus Infrastructure and Operations	965	275	0	5,535	6,775
Active Travel Initiatives	0	0	5,570	0	5,570
Rail / Multi-modal Projects	0	0	0	3,532	3,532
Local Authorities and Others	965	275	5,570	9,067	15,877
Total	21,573	11,230	5,570	14,075	52,448

It is anticipated that the current economic environment will continue to affect the delivery of projects in 2023/2024. The proposed plan and budget for 2024/2025 will likely require to be amended following the current year-end to accommodate project slippage which has not yet been identified. The Committee would normally be advised of this at the earliest opportunity in the new financial year.

4. Sources of capital funding

SPT capital funding is received via a number of streams including specific direct capital awards for projects, the local government capital grant settlement, contributions from the revenue budget and General Fund when resources allow and where SPT can self-generate savings, as well as other project specific external sources.

As the Committee will be aware, balancing a capital budget and delivery of a plan in the context of a one-year settlement and within the current restrictions is very difficult in terms of approving (and then delivering) projects. However, if capital investment across the region is to continue, then it is necessary to take a balanced approach to the assumptions made.

In 2023/2024 SPT was awarded a general capital grant of £15.327m, maintaining the same level of funding as recent years, and a planned specific capital grant of £12.882m has been confirmed in support of subway modernisation. For 2024/2025 SPT was anticipating in its planning assumptions £10m-£15m of general capital grant and £19.560m for subway modernisation in line with the agreed funding profile. At present there is no capital funding formally proposed for SPT in 2024/2025.

Delivering a capital programme which meets the aspirations of SPT and partner local authorities for investment in public transport was already very challenging and to be awarded no capital grant funding for 2024/2025 would understandably have a significant impact on our ability to maintain essential transport infrastructure and deliver current commitments.

Discussions are ongoing with Transport Scotland to identify what, if any, funding may be available for the legally committed and operational necessity projects initially assessed as being Category 1, as summarised in Table 1 above. SPT continues to liaise with our local authority partners to keep them informed of the situation and to explore what alternative funding may be available to them. However, members are advised that without funding support some projects will require to be paused or delayed until such time as funding is identified.

Local authority partners have been advised to seek alternative funding for their Active Travel projects which are detailed in Appendix 1. However, while there are funds potentially available through the £220m Active Travel Infrastructure Fund and other Active Travel funding, there is no guarantee that bids made to these funds will be successful or approved in line with current project timelines.

Further work is currently being undertaken to prioritise projects and continue the dialogue with Transport Scotland about this funding. The proposed Capital Plan 2024/2025 to 2026/2027, including the Capital Budget 2024/2025, will be submitted to a future Partnership meeting for approval.

5. Committee action

The Committee is recommended to note the content of this report, and the ongoing discussions with Transport Scotland to secure a level of financial support.

6. Consequences

Policy consequences

Proposed projects support delivery of the Regional Transport Strategy.

Legal consequences	<i>None directly.</i>
Financial consequences	<i>As outlined in the report.</i>
Personnel consequences	<i>None directly.</i>
Equalities consequences	<i>Dependent on particular scheme, each project will be reported on in terms of the social inclusion agenda.</i>
Risk consequences	<i>Risk will be quantified and closely monitored during the course of the financial year.</i>
Climate Change, Adaptation & Carbon consequences	<i>SPT's capital programme supports delivery of sustainable transport infrastructure to increase use of walking, wheeling and cycling and public transport and to support a reduction in total transport emissions.</i>

Name Lesley Aird
Title **Director of Finance & Corporate Support**

Name Valerie Davidson
Title **Chief Executive**

For further information, please contact *Lesley Aird, Director of Finance & Corporate Support* on *0141 333 3380*.

Appendix 1 - 2024/25 Category 1 Projects

2024/25	Legally Committed	Operational Necessity	Active Travel	Other	Total
SPT	20,608,000	10,955,000	0	5,008,000	36,571,000
Bus Operations	12,000	1,440,000	0	4,060,000	5,512,000
10044 Bus Stops and Shelters Upgrade Programme	0	300,000	0	300,000	600,000
10052 Purchase of Operational Vehicles	0	0	0	3,360,000	3,360,000
10055 Buchanan Bus Station Improvements	0	1,120,000	0	50,000	1,170,000
10244 Expansion and Upgrade of Real Time Bus Information	0	0	0	350,000	350,000
10580 Bus Station Improvements	0	20,000	0	0	20,000
10588 Bus Stop Asset Management System	12,000	0	0	0	12,000
Subway Infrastructure	0	6,000,000	0	273,000	6,273,000
10375 Tunnel & Infrastructure Works	0	6,000,000	0	273,000	6,273,000
Subway Modernisation	19,105,000	2,088,000	0	0	21,193,000
10073 Subway Modernisation Programme Support	0	345,000	0	0	345,000
10302 Rolling Stock & New System: Management & Specialist Support	0	1,743,000	0	0	1,743,000
10505 Rolling Stock & New System: Manufacture & Supply Agreement	19,105,000	0	0	0	19,105,000
Subway Operations	0	867,000	0	300,000	1,167,000
10310 Station Minor Works	0	375,000	0	0	375,000
10417 Broomloan Depot Improvements	0	205,000	0	0	205,000
10419 New and Enhanced Plant & Equipment	0	120,000	0	300,000	420,000
10552 Secure Mobile Operational Communications System	0	167,000	0	0	167,000
Other Infrastructure and Projects	1,491,000	560,000	0	375,000	2,426,000
10048 Smart & Integrated Ticketing	379,000	0	0	0	379,000
10083 Transport Planning Model Development	0	0	0	250,000	250,000
10137 Technical Refresh	0	285,000	0	0	285,000
10365 Advertising Infrastructure	0	0	0	50,000	50,000
10374 Corporate Security Systems Replacement (including CCTV)	1,002,000	0	0	75,000	1,077,000
10416 Property Improvements (including Accessibility)	0	50,000	0	0	50,000
10454 Corporate System Improvements	0	25,000	0	0	25,000
10571 Public Wifi and Cellular Network Connectivity	110,000	0	0	0	110,000
new Workforce Systems Transformation	0	200,000	0	0	200,000
Local Authorities and Others	965,000	275,000	5,570,000	9,067,000	15,877,000
Bus Infrastructure and Operations	965,000	275,000	0	5,535,000	6,775,000
10093 Bus Infrastructure Improvements - East Renfrewshire	0	0	0	50,000	50,000
10121 Bus Infrastructure Improvements - South Ayrshire	0	0	0	100,000	100,000
10124 Bus Infrastructure Improvements - South Lanarkshire	0	0	0	100,000	100,000
10126 Route Action Plans (various routes) - South Lanarkshire	0	0	0	150,000	150,000
10130 Bus Infrastructure Improvements - West Dunbartonshire	0	0	0	210,000	210,000
10252 Bus Infrastructure Upgrades in Helensburgh Area - Argyll and Bute	0	0	0	190,000	190,000
10257 Bus Corridor Improvements - North Ayrshire	0	0	0	370,000	370,000
10292 A73 Corridor Improvements - North Lanarkshire	0	0	0	70,000	70,000
10315 Bus Infrastructure Improvements - East Ayrshire	0	0	0	50,000	50,000
10332 Bus Route Congestion Reduction Measures - South Lanarkshire	0	0	0	250,000	250,000
10354 Bus Infrastructure Improvements - Inverclyde	0	0	0	200,000	200,000
10401 Renfrewshire Bus Corridor Improvements - Renfrewshire	0	0	0	225,000	225,000
10422 Bus Infrastructure Improvements - East Dunbartonshire	0	0	0	50,000	50,000
10424 City-wide Bus Stop Enhancements - Glasgow	0	0	0	275,000	275,000
10458 Bus Station Improvements - East Ayrshire	800,000	0	0	0	800,000
10479 Bus Infrastructure Improvements - North Lanarkshire	0	0	0	400,000	400,000
10502 A814 Congestion Reduction Measures - West Dunbartonshire	0	0	0	55,000	55,000
10536 Hope Street / Renfield Street Area Bus Stop Improvements - Glasgow	0	0	0	1,640,000	1,640,000
10539 Paisley Road West Bus Corridor Improvements - Glasgow	0	0	0	160,000	160,000
10545 Renfrewshire Traffic Management Improvements - Renfrewshire	0	0	0	400,000	400,000
10554 Bus Traffic Route Priority Upgrades - Glasgow	0	0	0	150,000	150,000
10578 A8014 Kilbowie Road Bus Route Improvements - West Dunbartonshire	0	275,000	0	0	275,000
10585 Linburn Bus Turning Loop - Renfrewshire	165,000	0	0	0	165,000
new Inverkip Bus Laybys - Inverclyde	0	0	0	440,000	440,000
Active Travel Initiatives	0	0	5,570,000	0	5,570,000
10092 Pedestrian and Cycling Improvements - East Renfrewshire	0	0	200,000	0	200,000
10125 National Strategic Cycle Routes - South Lanarkshire	0	0	250,000	0	250,000
10317 Walking and Cycling Off-Road Network Improvements - East Dunbartonshire	0	0	500,000	0	500,000
10337 Local Cycle Network Improvements - South Ayrshire	0	0	650,000	0	650,000
10357 Helensburgh and Lomond Cycleways - Argyll and Bute	0	0	100,000	0	100,000
10474 Brodick to Corrie Cycle Path - North Ayrshire	0	0	50,000	0	50,000
10477 Irvine Cycle Friendly Town - North Ayrshire	0	0	250,000	0	250,000
10560 Cycle Route Improvements - Inverclyde	0	0	150,000	0	150,000
10573 Kilmarnock to Crosshouse Cycle Route - East Ayrshire	0	0	75,000	0	75,000
10582 A77 Strategic Cycle Corridor - East Renfrewshire	0	0	250,000	0	250,000
10584 Motherwell Station Active Travel Links - North Lanarkshire	0	0	700,000	0	700,000
10586 Pedestrian Crossing Installation - Renfrewshire	0	0	250,000	0	250,000
10590 Rosneath Cyclepath - Argyll and Bute	0	0	300,000	0	300,000
10593 B714 Active Travel Links - North Ayrshire	0	0	660,000	0	660,000
10610 Lennoxton Sustainable Transport Project - East Dunbartonshire	0	0	825,000	0	825,000
10612 Airbles Station Active Travel Links - North Lanarkshire	0	0	300,000	0	300,000
new A723 Active Travel Strategic Network Route 10 - North Lanarkshire	0	0	60,000	0	60,000
Rail / Multi-modal Projects	0	0	0	3,532,000	3,532,000
10445 Balloch Station Park & Ride - West Dunbartonshire	0	0	0	415,000	415,000
10488 Hairmyres Interchange Improvements - South Lanarkshire	0	0	0	1,000,000	1,000,000
10489 Lanark Interchange Improvements - South Lanarkshire	0	0	0	750,000	750,000
10541 Greenock Town Centre Improvements - Inverclyde	0	0	0	200,000	200,000
10544 Cumbrae Ferry Bus Stop and Queuing Facilities - North Ayrshire	0	0	0	250,000	250,000
10591 Port Glasgow Park & Ride Extension - Inverclyde	0	0	0	380,000	380,000
10595 Milliken Park Station Connections - Renfrewshire	0	0	0	187,000	187,000
new A721 Windmillhill Street Multi-Modal Corridor Improvements - North Lanarkshire	0	0	0	75,000	75,000
new Improved Access to Bus and Subway Stations - Glasgow	0	0	0	275,000	275,000
Total	21,573,000	11,230,000	5,570,000	14,075,000	52,448,000