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13 July 2012

Dear Mr Murphy,

### **Local Sustainable Transport Fund (LSTF) Grant Award for Financial Year 2012/13**

Following Pauline Reeves' notification letter of early July, I am pleased to confirm the Department's grant funding for your successful LSTF project for financial year 2012/13. The attached document sets out the terms under which the Secretary of State for Transport is prepared to award grant under Section 31 of the Local Government Act 2003 to Wiltshire Council for the Local Sustainable Transport Fund.

The formal grant determination is attached. The Department's funding contribution of the Local Sustainable Transport Fund (LSTF) grant for 2012/13 to the project will be paid as revenue and capital grant as set out in Annex A and the terms of capital grant are set out in Annex B of the grant determination. Acceptance by the Authority of the award is acceptance of those terms. Please note that as mentioned in your notification letter, the LSTF fund takes effect as of 27 June; claims should therefore be made from that date.

**You should work on the basis that any unclaimed funds cannot be carried forward into subsequent financial years.** Slippage in project timescales can result in claims for DfT grant being lower than the award. Under-spending by promoters in one year could place additional budgetary pressures on the Department in future years. Every effort should therefore be made to avoid such slippage, as we cannot guarantee that a project underspend in one year will be incorporated into higher DfT grants in subsequent years.

Conversely, where variances to spending budget profiles (which result in in-year overspends) are expected to emerge, these should be notified to the Department at the earliest opportunity. The Department cannot guarantee the availability of funds to cover these overspends, but it may be able source some funding from in-year underspends elsewhere within the LSTF programme. This would of course require an offsetting reduction in later years. Arrangements on how the grant will be paid can be found in Annex B.

If any successive annual external audit arrangements are required following the disbanding of the Audit Commission, we will notify you of such arrangements in writing. Award of grant funding will be made on the basis that you will comply with any such

arrangements. The information contained in this letter and the attached forms should be brought to the attention of all relevant staff in the Authority.

Should you wish to discuss the contents of this letter, please contact the LSTF team on, 020 7944 6943; e-mail: [lstf@dft.gsi.gov.uk](mailto:lstf@dft.gsi.gov.uk)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J D', with a horizontal line underneath.

**John Dowie**

## **LOCAL SUSTAINABLE TRANSPORT FUND No.3 GRANT DETERMINATION 2012: 31/2067**

The Minister for Transport, Norman Baker, in exercise of the powers conferred on him by Section 31 of the Local Government Act 2003, hereby makes the following determination:

### **Citation**

1. This determination may be cited as the Local Sustainable Transport Fund No.2 Grant Determination 2012: 31/2067.

### **Purpose of the grant**

2. The purpose of the grant is to provide support to receiving authorities in England towards capital expenditure lawfully incurred by them.

### **Determination**

3. The Minister for Transport, Norman Baker, determines:

(a) that the authorities listed in Annex A, column 1, are the authorities to which grant under this determination is to be paid; and

(b) that the amount of grant payable to the authorities shall be the capital and revenue amounts shown against the name of the authority in Annex A.

### **Grant conditions**

4. Pursuant to section 31(4) of the Local Government Act 2003, the Minister for Transport, Norman Baker, determines that the grant will be paid subject to the conditions in Annex B.

### **Treasury Consent**

5. Before making this determination the Minister obtained the consent of the Treasury.

**Norman Baker**

13 July 2012

## ANNEX A

**Authority:** Wiltshire Council

**Project name:** Improving Wiltshire's Rail Offer

**Maximum DfT Funding:** £4.250m

<b>£K</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<b>Revenue</b>	332	1247	1117
<b>Capital</b>	138	812	604

# ANNEX B

## GRANT CONDITIONS

1. In this Annex “capital grant”, in relation to an authority, means the amount of grant identified as capital grant in relation to the authority and for the purpose specified in Annex A.
2. Capital grant paid to an authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under section 11 of the Local Government Act 2003.
3. Claims for grant payable shall be made in accordance with the arrangements set out in Annex C, or other such arrangements as may from time to time be required by the Secretary of State and notified in writing to the Chief Finance Officer.
4. The Local Sustainable Transport Fund grant is payable quarterly in arrears, based on expenditure lawfully incurred by the Authority. The Authority should note that Section 31 grant claims are therefore made on an accruals basis as set out in “The Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice” (SORP) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA).
5. For the avoidance of doubt this means the Authority will not claim in advance of capital work having been undertaken but may claim on the basis of work done but not paid for.
6. The Chief Executive and Chief Internal Auditor of each authority which receives capital grant under this grant determination are required to sign and return to the Local Sustainable Transport Fund team at the Department for Transport a declaration, to be received no later than 31<sup>st</sup> March 2014, in the following terms:

“To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Local Sustainable Transport Fund Grant Determination **No.3** 2012: 31/2067 have been complied with”.

7. If an authority fails to comply with any of the requirements of paragraphs 2 and 3, the Minister for Transport may-
  - a. reduce, suspend or withhold grant; or

- b. by notification in writing to the authority, require the repayment of the whole or any part of the grant.
8. Any sum notified by the Minister for Transport under paragraph 4 shall immediately become repayable to the Minister.
9. The authority's Chief Finance Officer is required to complete the slip at ANNEX D and return within 28 days as Wiltshire Council's acknowledgement of the arrangements under which this grant is awarded. **PLEASE NOTE THAT NO GRANT WILL BE PAID UNTIL THE ACKNOWLEDGEMENT SLIP HAS BEEN RECEIVED.**

## **ANNEX C - INFORMATION ON MAKING CLAIMS FOR CAPITAL AND RESOURCE GRANT**

1. Payment of grant will be made quarterly in arrears against certification, by the Chief Finance Officer and the Senior Responsible Owner for the Project, that expenditure has been correctly incurred in accordance with the Grant Conditions. Claims will be made by completing the claim and reporting form sent quarterly by the Department to the Authority. The timetable for claims and payments is set out in the tables below.

<b>2012/13</b>	<b>Quarter 1 (Apr-June 2012)</b>	<b>Quarter 2 (July-Sept 2012)</b>	<b>Quarter 3 (Oct-Dec 2012)</b>	<b>Quarter 4 (Jan-Mar 2013)</b>
Claim deadline	20 July 2012	19 October 2012	21 January 2013	22 April 2013
Payment date	31 August 2012	30 November 2012	1 March 2013	31 May 2013

2. The Department may update this timetable at any point during the financial year. For Department year-end procedures, you may be asked to supply your Quarter 4 grant requirements end of March / beginning April 2013.
3. Claims received after the claim deadline for any quarter may not be paid until the subsequent payment date. The Authority will be liable for any costs incurred through late payment of claims as a result of missing claim deadlines.
4. All claims may be audited annually by the Department or external auditors. The Department will confirm any additional audit arrangements to the Authority in writing. The Authority is expected to comply with any such arrangements.

**ANNEX D**

**ACKNOWLEDGMENT SLIP**

**I ACKNOWLEDGE RECEIPT OF THE LOCAL SUSTAINABLE TRANSPORT FUND GRANT AWARD LETTER FOR THE IMPROVING WILTSHIRE'S RAIL OFFER PROJECT AND**

**(A) I ACCEPT THE GRANT OFFER FOR AND ON BEHALF OF WILTSHIRE COUNCIL SUBJECT TO THE CONDITIONS SET OUT IN THIS LETTER. I CONFIRM THAT I AM LAWFULLY AUTHORISED TO DO SO**

**OR**

**(B) I CONFIRM THAT WILTSHIRE COUNCIL HAS ACCEPTED THE GRANT OFFER SUBJECT TO THE CONDITIONS SET OUT IN THIS LETTER**

**[DELETE AS APPROPRIATE]**

**SIGNED (CHIEF FINANCE OFFICER).....**

**PLEASE PRINT NAME.....**

**DATE.....**

Please return to The Department for Transport, c/o Barbara Magloire, LSTF Grant Claim Manager, Sustainable Travel & Equalities, 2/16 Great Minster House, 33 Horseferry Road, London SW1P 4DR.