



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

JAMES PALMER
CAMBRIDGESHIRE &
PETERBOROUGH MAYOR

Agenda Item No: 2.2

Report title: Budget and Performance Update

To: Transport & Infrastructure Committee meeting

Meeting Date: 10 March 2021

Public report: Yes

Lead Member: Mayor James Palmer

From: Paul Raynes, Director of Delivery and Strategy

Key decision: No

Forward Plan ref: N/A

Recommendations: The Transport & infrastructure Committee is recommended to:

Note the March 2021 Budget and Performance Monitoring Update

Voting arrangements: simple majority of all members present and voting.

1 Purpose

- 1.1 This report provides the regular budget and performance reporting to the Transport and Infrastructure Committee.

2 Background

- 2.1 The Combined Authority Board has decided that budget and performance reporting should be seen in the round.
- 2.2 At its January 2021 meeting, the Combined Authority Board approved a new Business Plan and Medium-Term Financial Plan (MTFP), including Revenue and Capital projects for 2021/22. This report presents the progress made against these budgets along with any changes in line with subsequent Executive Committee and Board decisions.

3 Revenue Budget

- 3.1 The Revenue position for the Transport programme, for the 10-month period to 31st January 2021, is set out in the table below:

Delivery and Strategy	Budget			YTD		Whole Year		
	Jan Budget	Adjustments	Revised Budget	Actuals	Variance	Forecast Outturn	Change in FO	FO Variance
A10 Dualling SOBC	297.1		297.1	185.1	185.1	185.1	-	-112.0
A141 Huntingdon SOBC	350.0		350.0	54.0		105.0	-41.0	-245.0
Additional Home to School Transport Grants	1,055.5		1,055.5	1,055.5		1,055.5	-	-
Bus Review Implementation	1,844.0		1,844.0	151.0	151.0	171.0	-429.0	-1,673.0
Bus Service Subsidisation	245.0		245.0	174.8		174.8	-70.2	-70.2
CAM Metro OBC	1,356.4		1,356.4	1,331.0	1,331.0	1,356.0	-36.1	-0.4
CAM Innovation Company	6,915.2		6,915.2	4,640.0	4,640.0	6,458.7	-456.5	-456.5
COVID Bus Service Support Grant	439.5		439.5	439.5	439.5	439.5	-	-
Schemes and Studies	100.0		100.0	38.0	38.0	100.0	-	-
Sustainable Travel	150.0		150.0	91.0	91.0	150.0	-	-
Transport Levy	12,347.6		12,347.6	10,290.0	10,290.0	12,347.6	-	-
Total Transport	25,100.3		25,100.3	18,449.8	17,165.5	22,543.2	(1,032.9)	(2,557.2)

- 3.2. A10 Dualling (SOBC) – In final discussions with DfT to complete this approval of the Business Case. A letter has been received from the Roads Minister to confirm that there should be government decision in March 2021.
- 3.3. A141 Huntingdon (SOBC) - It is expected to complete in Summer 2021 and therefore the budget has been split between the two financial years.
- 3.4. Bus Review Implementation - The reduction in the forecast of expenditure is primarily due to COVID-19 issues. Franchising has not been able to proceed because the OBC is written but now needs to be audited, and with no exit plan for the bus industry it is not possible to make a financial case that is not dependent on ongoing subsidy.

Demand Responsive Transport (DRT) cannot be launched during lockdown – the trial needs to be made fairly, without HMG discouraging travel. Roll out of two new bus services for Peterborough and March will commence in March.

Cambridgeshire Autonomous Metro (CAM) – The savings from the budget was made possible by working closely with the delivery partners and streamlining the Delivery Strategy as much as possible.

Progress of work underway:

- A comprehensive Delivery Strategy is currently being reviewed by CPCA officers with the aim of finalising it at end March 2021;
- Informal stakeholder engagement has begun with HMT, DfT and Homes England to inform the Programme Business Case (PBC) and the approach to economic appraisal;
- The focus on the recent work on the Transport Strategy has been to look at options for reducing complexity and therefore costs in the Central Tunnel Section by reducing tunnel diameter, simplifying station design, refining ventilation concepts, cross passage locations, requirements for fire and smoke alarms and intervention requirements. In addition, alternative so called “low cost options” have been considered, as required by the government’s Green Book.
- Following a competitive tender process three consortia led by Dromos, Egis and Mott McDonald were awarded 3 month long contracts to work up conceptual design ideas for CAM. They will complete their work on time in late March. Regular reviews are being held with each team and formal presentations will be made in the next few weeks of their overall concept design ideas. These ideas will be considered for adoption within the next phase as design work continues and the next phase is initiated at the start of the Programme Business Case work.
- The Chair and Non-Executive Directors have been appointed and the first Board meeting has been held. The Shareholder Agreement, which will govern the relationship between the CPCA and One Cam Ltd, is in the final stages of preparation and will be signed by both parties by end February 2021. The Chief Executive Officer, Chief Financial Officer and Director of Strategy and Sponsorship are being recruited and detailed discussions are being held with preferred candidates. These appointments should be finalised within 4 weeks with appointees starting to take up their roles from the spring.

Capital Budget

3.5. The capital position for Transport for the 10-month period to 31st January 2021, is set out in the table below.

Delivery and Strategy	Budget		Year to-date	Whole Year			
	Jan Budget £'000	Revised Budget £'000	Actuals £'000	Forecast Outturn £'000	Change in FO £'000	FO Variance £'000	
A10 Dualling	500.0	500.0	-	-	(500.0)	(500.0)	
A1260 Nene Parkway Junction 15	653.8	653.8	36.2	202.8	(243.0)	(451.0)	
A1260 Nene Parkway Junction 32/3	517.0	517.0	67.0	89.8	(322.0)	(427.2)	
A141 capacity enhancements	978.0	978.0	142.1	150.0	-	(828.0)	
A16 Norwood Dualling	61.0	61.0	59.0	61.0	-	-	
A47 Dualling	40.0	40.0	53.4	52.3	(1.0)	12.3	
A505 Corridor	422.0	422.0	263.6	322.0	72.0	(100.0)	
A605 Oundle Rd Widening - Alwalton-Lynch Wood	792.5	792.5	780.8	780.6	-	(11.9)	
A605 Stanground - Whittlesea	1,110.2	1,110.2	1,068.7	1,068.4	(41.9)	(41.9)	
Active Travel Grant payments to Highways Authorities	2,942.4	2,942.4	2,942.4	2,942.4	-	-	
CAM Innovation Company Set up	1,995.0	1,995.0	-	1,995.0	-	-	
Cambridge South Station	385.3	385.3	-	385.3	-	-	
Coldhams Lane roundabout improvements	409.1	409.1	143.2	150.4	0.3	(258.7)	
Ely Area Capacity Enhancements	2,163.3	2,163.3	555.0	2,163.3	-	-	
Fengate Access Study - Eastern Industries Access - Phase 1	614.1	614.1	83.8	183.1	(431.0)	(431.0)	
Fengate Access Study - Eastern Industries Access - Phase 2	146.6	146.6	139.0	150.4	3.8	3.8	
Highways Maintenance (with PCC and CCC)	23,080.0	23,080.0	23,080.0	23,080.0	-	-	
King's Dyke	8,619.8	8,619.8	6,727.0	9,333.8	(1,065.6)	714.0	
Lancaster Way	2,633.5	2,633.5	1,708.5	2,088.5	(545.0)	(545.0)	
March Junction Improvements	2,636.8	2,636.8	311.0	749.8	(350.2)	(1,887.0)	
Pothole and Challenge Funds	12,554.0	12,554.0	12,554.0	12,554.0	-	-	
Regeneration of Fenland Railway Stations	1,707.5	1,707.5	391.4	599.5	(330.5)	(1,108.0)	
Soham Station	5,736.7	5,736.7	2,257.8	4,611.9	(987.8)	(1,124.8)	
Wisbech Access Strategy	5,494.5	5,494.5	666.8	1,183.5	(2,616.5)	(4,310.9)	
Wisbech Rail	341.4	341.4	331.6	334.1	(7.3)	(7.3)	
Transport Total	76,534.6	-	76,534.6	54,362.3	65,231.9	(7,365.7)	(11,302.7)

- 3.6. A10 Junction and Dualling OBC – This phase has now been delayed due to finalisation of the SOBC, with DfT.
- 3.7. A1260 Nene Parkway Junction 15 and Junctions 32/3 – Surveys have now been completed. The Full Business Case (FBC) stages are experiencing delays as the surveys took place later than planned. The delay is due to COVID.
- 3.8. A141 Capacity Enhancements – This pre-SOBC stage has been completed. The SOBC stage is now being delivered by CPCA directly and has been budgeted within Revenue.
- 3.9. A505 Corridor – The Pre-SOBC stage has been nearly completed and there is an expected saving against the current budget.
- 3.10. Coldhams Lane – At the November Transport Committee, it was agreed that this project would be paused whilst further funding is being sought.
- 3.11. Fengate Access Study Phase 1 – Substantial saving from the SOBC stage. Board approval to commence the FBC was in November. Therefore, we estimate to spend the remainder in 21/22.

- 3.12. King's Dyke – The forecast has reduced from the previous estimate. This is mainly due to poor weather however the work is back up to speed and ahead of schedule.
- 3.13. Lancaster Way - Phase 1 BP Roundabout nearly completed and awaiting Road Safety Assessment. Phase 2 Lancaster Way Roundabout improvement scheme construction phase commenced and due to complete in April. Therefore, budget will need to be carried forward at year end.
- 3.14. March Junction Improvement - A paper is being taken to T&I in March 2021 for an additional budget request to develop the next stage of walking and cycling programme for the March area. However, the current year forecast is showing a significant underspend this is because additional funding was approved by the Board in November, in order to commit with delivery partner and will be spent over two financial years.
- 3.15. Regeneration of Fenland Railway Stations – The Board has approved further funding in November for the Construction of Manea and March station which will be spent over two financial years.
- 3.16. Soham Station – This project is progressing well and is expected to complete ahead of schedule. Work will continue beyond the current financial year. The saving is due to efficiencies identified by working with Network Rail however it is expected that the saving will be carried forward into the next financial year due to commitments made.
- 3.17. Wisbech Access Strategy - A revision of the design programme has delayed the construction due to land issues and diversion of high voltage transmission lines. Further delay has also been caused by new COVID regulations requiring 6 months' notice of demolition.

4. Performance Reporting

- 4.1 The Cambridgeshire and Peterborough Devolution Deal is about delivering better economic outcomes for the people of our area and commits us to specific results. The Combined Authority needs to monitor how well it is doing that.
- 4.2. Appendix 1 shows the Transport Performance Dashboard. It includes an update on delivery against the following growth outcomes set by the Devolution Deal, which are reported to the Combined Authority Board:
- Prosperity (measured by Gross Value Added (GVA))
 - Housing
 - Jobs

The appendix also includes indicators relating to the Transport programme chosen by the Committee, to supplement the corporate headline indicators.

- 4.3. Also provided is the RAG status of projects within the Transport portfolio. These are based on the February reporting month.

5. Financial Implications

- 5.1 There are no other financial implications other than those included in the main body of the report.

6. Legal Implications

- 6.1 Adopting a Business Plan alongside the budget is good practice but not a legal obligation. The recommendation accords with the Combined Authority's Constitution (September 2019) Chapter 4 para.2(b) and powers under Part 4 Article 11 of the Cambridgeshire and Peterborough Combined Authority Order 2017 (SI 2017/251).

7. Other Significant Implications

- 7.1 None not mentioned above.

8. Appendices

- 8.1 Appendix 1 – Transport Performance Dashboard

9. Background Papers