



<b>TRANSPORT AND INFRASTRUCTURE COMMITTEE</b>	<b>AGENDA ITEM No: 2.1</b>
<b>7 NOVEMBER 2019</b>	<b>PUBLIC REPORT</b>

## **BUDGET AND PERFORMANCE UPDATE**

### **1.0 PURPOSE**

- 1.1. This report provides a proposal for future Budget and Performance reporting to the Transport and Infrastructure Committee.

<b><u>DECISION REQUIRED</u></b>	
<b>Lead Member:</b>	<b>Councillor Steve Count, Portfolio for Investment and Finance</b>
<b>Lead Officer:</b>	<b>Jon Alsop, Head of Finance (Section 73 Officer)</b>
<b>Forward Plan Ref:</b>	<b>Key Decision: No</b>
The Transport and Infrastructure Committee is recommended to:	<b>Voting arrangements</b>
(a) Note the November budget and performance monitoring update;	N/A
(b) Agree to take reports in the format proposed for future meetings.	N/A

### **2.0 BACKGROUND**

- 2.1. Budget and performance reporting should be seen in the round. This report proposes the new format of reporting to the bi-monthly Transport & Infrastructure Committee meetings.
- 2.2. At its September 2019 meeting, the Board approved a refreshed Medium-Term Financial Plan (MTFP), including balanced revenue and capital budgets for 2019/20. This report shows the actual expenditure to date and forecast outturn position against those budgets.

### 3.0 BUDGET

#### Revenue Budget

3.1. The revenue position for Transport for the five-month period to 31 August 2019 is set out in the table below.

	<u>MTFP refresh Budget</u>	<u>Actuals to 31 August 2019</u>	<u>Forecast Outturn</u>
	£'000	£'000	£'000
<b>Transport</b>			
CAM	1,907.0	342.8	1,907.0
A10 SOBC	0.0	4.0	0.0
A14 Revenue Feasibility	150.0	0.0	150.0
Huntingdon 3rd River Crossing	300.0	8.7	300.0
Bus Review Implementation	800.0	0.0	800.0
Cambridge South - Interim Concept	100.0	96.5	100.0
Transport Levy PCC	3,631.0	1,512.9	3,631.0
Transport Levy CCC	8,738.0	3,640.8	8,738.0
Local Transport Plan	376.7	264.2	376.7
Sustainable Travel	150.0	45.2	150.0
Schemes, Studies and Monitoring	100.0	59.3	100.0
<b>Total Transport</b>	<b>16,252.7</b>	<b>5,974.5</b>	<b>16,252.7</b>

3.2. Actual figures are based on payments made and accrued expenditure where known. The year to date costs may therefore be understated due to the delay between goods and services being provided by suppliers, and invoices being raised and paid.

3.3. The actual expenditure to date reflects the expected cost profile of the transport programme throughout the year. A higher run-rate of spend can be expected in the second half for projects which have been mobilised over the summer such as the Cambridgeshire Autonomous Metro (CAM), Strategic Bus Review and Huntingdon Third River Crossing.

#### Capital Budget

3.4. The capital position for Transport for the five-month period to 31 August 2019, is set out in the table below.

	<u>MTFP Refresh</u>	<u>Budget</u>	<u>Revised 19-20</u>	<u>Actuals to</u>	<u>Forecast</u>	<u>Forecast</u>
<b>Capital</b>	<u>Budget</u>	<u>Adjustments</u>	<u>Budget</u>	<u>31 August</u>	<u>Outturn</u>	<u>Outturn</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>2019</u>	<u>£m</u>	<u>Variance</u>
				<u>£m</u>		<u>£m</u>
Kings Dyke CPCA Contribution	2.50		2.50	0.00	2.50	0.00
Cambridge South Station	0.75		0.75	0.00	0.75	0.00
A10 SOBC Capital	0.25		0.25	0.00	0.25	0.00
Soham Station GRIP 3	0.95		0.95	0.14	0.95	0.00
St Neots River Crossing Cycle Bridge	0.60		0.60	0.00	0.60	0.00
St Neots Masterplan Capital	0.15	0.18	0.33	0.05	0.33	0.00
Wisbech Rail	1.48		1.48	0.29	1.48	0.00
Wisbech Access Strategy	0.30		0.30	0.48	0.30	0.00
Digital Connectivity Infrastructure	0.84		0.84	0.18	0.84	0.00
A47 Dualling	0.41		0.41	0.10	0.41	0.00
Ely Rail Capacity next stage	1.00		1.00	0.00	1.00	0.00
Coldhams Lane roundabout improvements	0.53		0.53	0.06	0.13	(0.40)
Eastern Industries Access - Phase 1	0.43		0.43	0.01	0.43	0.00
Eastern Industries Access - Phase 2	0.10		0.10	0.00	0.10	0.00
March junction improvements	1.08		1.08	0.14	1.08	0.00
Regeneration of Fenland Railway Stations	0.39		0.39	0.00	0.39	0.00
Regeneration of Fenland Railway Stations - Non Platforms	0.61		0.61	0.05	0.61	0.00
A1260 Nene Parkway Junction 15	0.36		0.36	0.00	0.10	(0.26)
A1260 Nene Parkway Junction 32-3	0.32		0.32	0.04	0.20	(0.12)
A141 Capacity enhancements	1.27		1.27	0.02	1.27	0.00
A16 Norwood Dualling	0.05		0.05	0.00	0.05	0.00
A505 Corridor	1.00		1.00	0.01	0.20	(0.80)
A605 Oundle Rd Widening - Alwalton-Lynch Wood	0.51		0.51	0.04	0.51	0.00
<b>Total</b>	<b>15.04</b>	<b>0.18</b>	<b>15.21</b>	<b>1.44</b>	<b>13.64</b>	<b>(1.58)</b>
<b>Passported</b>	<u>MTFP Refresh</u>	<u>Budget</u>	<u>Revised 19-20</u>	<u>Actuals to</u>	<u>Forecast</u>	<u>Forecast</u>
	<u>Budget</u>	<u>Adjustments</u>	<u>Budget</u>	<u>31 August</u>	<u>Outturn</u>	<u>Outturn</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>2019</u>	<u>£m</u>	<u>Variance</u>
				<u>£m</u>		<u>£m</u>
Highways Maintenance Capital Grants	23.08		23.08	9.81	23.54	0.46
A47 J18 improvements	3.85		3.85	1.55	3.85	0.00
A605 Stanground East (whittlesea Access)	2.80		2.80	0.00	2.80	0.00
<b>Passported/Ringfenced Total</b>	<b>29.73</b>	<b>0.00</b>	<b>29.73</b>	<b>11.36</b>	<b>30.19</b>	<b>0.46</b>
<b>Growth Funds</b>						
King's Dyke Crossing (Growth Fund)	0.78		0.78	0.00	0.78	0.00
Ely Area Capacity Enhancements	2.32		2.32	0.00	1.00	(1.32)
Wisbech Access Strategy - Delivery Phase	1.00		1.00	0.45	1.00	0.00
Soham Station Feasibility	1.00		1.00	0.03	1.00	0.00
Whittlesea and Manea Railway Stations	0.03		0.03	0.00	0.03	0.00
<b>Growth Funds Total</b>	<b>5.13</b>	<b>0.00</b>	<b>5.13</b>	<b>0.49</b>	<b>3.81</b>	<b>(1.32)</b>
<b>Total</b>	<b>49.90</b>	<b>0.18</b>	<b>50.07</b>	<b>13.28</b>	<b>47.64</b>	<b>(2.43)</b>

3.5. Many of the capital programmes show limited spend to date. These apparent underspends are due mainly to suppliers not yet having charged for services provided, or where commissioned activities are work in progress.

3.6. Capital underspends may also be due to emerging differences from assumptions made in the profiling of expenditure forecasts across multi-year projects. Specific variances of forecast outturn against the revised 2019/20 budget are as follows:

- (a) Coldhams Lane roundabout improvements (£0.40m under): The outturn forecast is dependent on the approval of the next tranche of funding for the project;
- (b) A1260 Nene Parkway (£0.38m under): Spend to date has been on the development of the Strategic Outline Business Case (SOBC). Further costs will be dependent on the outcome of the SOBC;
- (c) A505 Corridor (£0.8m under): The outturn forecast reflects the revised expenditure profile against the project. Costs are now expected to be incurred in 20/21 and 21/22;

- (d) Ely Area Capital Enhancements (£1.32m under): The outturn forecast is based on Network Rail advising that expenditure will continue into 2020/21.

#### **4.0 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. A performance report update is currently presented quarterly at the Combined Authority Board meeting. This provides an overview of the rating of key projects on a Red/Amber/Green scale, which reflects financial, delivery and risk considerations.
- 4.3. Appendix 1 shows the current Performance Dashboard with the RAG status for Transport & Infrastructure projects. The format of this performance report is currently being updated at the request of Combined Authority Board members and a revised version will be proposed to the Combined Authority Board at the end of November.
- 4.4. It is proposed that once updated, the Performance Dashboard is presented to the bi-monthly Transport & Infrastructure Committee meetings, along with an overview of the RAG status of projects that fall within this Directorate.

#### **5.0 FINANCIAL IMPLICATIONS**

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

#### **6.0 LEGAL IMPLICATIONS**

- 6.1. The Combined Authority is required to prepare a balanced budget in accordance with Chapter 7 Paragraph 4 of the Constitution and section 40 of Local Government Finance Act 1992 ( with reference to the draft Combined Authorities (Finance) Order 2017 Parts 2, 3 and 4) as applicable and all other statutory requirements.”

#### **7.0 SIGNIFICANT IMPLICATIONS**

- 7.1. There are no other significant implications.

#### **8.0 APPENDICES**

- 8.1. Appendix 1 – Performance Dashboard.