

TRANSPORT AND INFRASTRUCTURE COMMITTEE	AGENDA ITEM No: 2.1
8th July 2020	PUBLIC REPORT

BUDGET AND PERFORMANCE UPDATE

1.0 PURPOSE

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

<u>DECISION REQUIRED</u>	
Lead Member:	James Palmer, Mayor
Lead Officer:	Paul Raynes, Director of Delivery and Strategy
Forward Plan Ref:	Key Decision: No
<p>The Transport and Infrastructure Committee is recommended to:</p> <p>(a) Note the July budget and performance monitoring update</p>	<p>Voting arrangements</p> <p>N/A</p>

2.0 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 2020 meeting, the Combined Authority Board approved a new Business Plan and Medium-Term Financial Plan (MTFP), including Revenue and Capital projects for 2020/21. This report presents the progress made against these budgets along with any changes in line with subsequent Executive Committee and Board decisions.

3.0 BUDGET

Revenue Budget

3.1. The Revenue position for the Transport programme, for the 2-month period to 31st May 2020, is set out in the table below:

	<u>20-21 Budget</u> <u>(As at Jun)</u>	<u>Actuals to 31</u> <u>May 2020</u>	<u>Forecast</u>	<u>Forecast to</u> <u>Budget</u> <u>Variance</u>
	£'000	£'000	£'000	£'000
CAM OBC (City Tunnel Section)	1,356	644	1,356	-
A10 SOBC	297	148	198	(99)
Bus Review Implementation	644	65	644	-
Transport Levy PCC	3,850	642	3,850	-
Transport Levy CCC	8,498	1,416	8,498	-
Sustainable Travel	148	1	148	-
Schemes, Studies and Monitoring	100	-	100	-
Total Transport	14,893	2,915	14,794	(99)

3.2. The CAM expenditure in the above table relates to the current OBC (City Tunnel Section) phase only. The details on the rest of the CAM project has been provided in section 4 of this report.

3.3. The Forecast position, as set out in the table above, shows a 'favourable' variance against the budget for the current financial year of £99,000. The saving from the budget was made possible because the A10 SOBC project was procured and has been managed internally by CPCA, saving on external costs.

Capital Budget

3.4. The capital position for Transport for the 2-month period to 31st May 2020, is set out in the table below.

	<u>20-21 Budget</u> <u>(As at Jun)</u>	<u>Actuals to 31</u> <u>May 2020</u>	<u>Forecast</u>	<u>Forecast to</u> <u>Budget</u> <u>Variance</u>
	£m	£m	£m	£m
King's Dyke Level Crossing	6.2	0.1	6.2	-
Soham Station	5.7	0.5	5.6	(0.1)
Wisbech Rail	0.3	0.1	0.3	-
Wisbech Access Strategy	10.0	0.2	4.5	(5.5)
A47 Dualling Study	0.0	0.0	0.0	0.0
Ely Area Capacity Enhancements	2.2	0.1	2.2	-
Cambridge South Station	0.4	-	0.4	-
Coldhams Lane roundabout improvements	0.5	0.0	0.5	-
Fengate Access Study - Phase 1	0.3	-	0.1	(0.3)
University Access	0.1	0.0	0.1	-
March Junction Improvements	0.7	0.1	0.7	-
Regeneration of Fenland Railway Stations	1.7	0.0	1.7	-
CAM Innovation Company (Capital)	0.3	-	0.3	-
A1260 Nene Parkway Junction 15	0.2	0.0	0.2	-
A1260 Nene Parkway Junction 32-3	0.0	0.0	0.0	-
A141 Huntingdon Capacity Enhancements	0.5	0.0	0.5	-
A16 Norwood Dualling	0.1	0.0	0.1	-
A505 Corridor Royston to Granta Park	0.4	0.0	0.3	(0.2)
A605 Oundle Rd Widening - Alwalton	0.8	0.1	0.8	-
Highways Maintenance Capital Grants	22.6	-	22.6	-
A605 Stanground - Whittlesea Access - Phase 2	1.1	0.0	1.1	-
Lancaster Way	2.6	-	2.6	-
Total	56.8	1.3	50.7	(6.1)

- 3.5. The reasons for the reduction in Capital forecast are shown on the following page;
- (a) Wisbech Access Strategy – Whilst the budget for the year is £10 million, it is anticipated that only £4.5 million will be spent in this financial year. The project is undergoing formal change control which is expected to be agreed in July.
 - (b) Fengate Access Study Phase 1 – There is a potential saving of some £300,000 at the SOBC stage. A paper will be prepared for both Committee and Board proposing that this underspend be rolled forward to support the Outline Business Case stage.
 - (c) A505 Corridor Royston to Granta Park – The forecast is currently showing a saving of £160,000; further details have been requested from the supply chain and further updates will be provided.

4.0 CAM Update

4.1. At the May Board meeting a further allocation of funding was made in the MTFP for the CAM. This arose from work undertaken by the CAM Partnership Board to help develop the CAM project.

4.2. The CAM Partnership Board identified through the Delivery sub-group that the CAM would benefit from a company structure. The Technology sub-group identified that an alternative approach to design and technology could produce a transport system of much lower value. To assist the work of these sub-groups, the Chief Executive instructed Deloitte to assist in the development of these concepts. All decisions were recorded in Officer Decision Notices and published on the CPCA’s website. Appropriate procurement and contractual processes were followed to engage with Deloitte. A summary of the spend to date on each of these contracts is reported below. Further spend on the CAM project will be reported to the Board in August.

ODN	ODN Date	Contract Value	Actual costs to Date ¹	Status Update
Workstreams 1-3 CAMco Governance Framework Organisational Design Shadow Board Selection	23/04/2020	£495k	£341k	Estimated completion 1st week of July
LGF Application	23/04/2020	£90k	£90k	Complete
Communications and Engagement Strategy / National significance of the CAM	19/05/2020	£183k	£95k	Estimated completion 1st week of July
Innovation Procurement	21/04/2020	£286k	Nil	In progress
Programme Management Review	19/05/2020	£115k	£82k	Complete
Delivery Strategy Scoping	19/05/2020	£196k	Nil	In progress

¹ Actual expenditure includes invoices received only and therefore does not include unbilled costs.

4.3. The following are emerging CAM contracts resulting from Leaders Strategy and are yet to be procured. An update will be provided to the Board in August.

- (a) Garden Villages Scoping
- (b) Interim CEX & Directors

- (c) Recruitment of CEX & Directors
- (d) Bid for prototype R&D funding

5.0 PERFORMANCE REPORTING

5.1. 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.

5.2. 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.

5.3. Also provided is the RAG status of projects within the Transport portfolio. These are based on the June reporting month.

6.0 FINANCIAL IMPLICATIONS

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

7.0 LEGAL IMPLICATIONS

7.1. The Combined Authority is required to prepare a balanced budget in accordance with statutory requirements.

8.0 SIGNIFICANT IMPLICATIONS

8.1. There are no other significant implications.

9.0 APPENDICES

9.1. Appendix 1 – Transport Performance Dashboard