



WMCA Board

Date	9 June 2023
Report title	Financial Monitoring Report
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Report has been considered by	Executive Board – 31 May 2023 WM FDs – 31 May 2023

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note the latest update on the production of Statutory Accounts.
- (2) Note the financial position as at 31 March 2023, as detailed in Sections 3 and 4.
- (3) Approve the proposed transfers to earmarked reserves as outlined in paragraph 3.7.
- (4) Note the updates to the 2023/24 revenue budget as outlined in Section 5 of this report.
- (5) Approve delegated authority to the S151 Officer, Executive Director of TfWM and Transport Portfolio Lead to submit a change request in respect of BSIP funds to allow funds to be used to maintain existing services.
- (6) Delegate authority to the S151 officer to utilise the transport risk reserves as necessary to support the transport network, including £5m to support existing network services.
- (7) Approve the continuation of payments of concessions to operators at pre-pandemic levels until 31 March 2024.

- (8) Approve the rebased 2023/24 capital programme as detailed in Section 5 and Appendices 6 to 9 of this report.
- (9) Note the new grant awards to the WMCA as outlined in Section 6, and the arrangements for these grants.
- (10) Delegate authority to accept the funding to be provided to WMCA following the Deeper Devolution Deal agreement; subject to the terms and conditions of those grants being to the satisfaction of the WMCA Section 151 Officer (Section 7).
- (11) Note the intended use of the DLUHC Capital funds of £25m to be awarded to WMCA which will be subject to business cases progressing through the SAF in the normal way (Section 7).
- (12) Note the financial position as at 31st March 2023 and future project life forecast projections for West Midlands Cycle Hire (WMCH) as detailed in Section 8 of this report.
- (13) Note the receipt of funding totalling £3.6m for the West Midlands Region for Additional Highways Maintenance and Pothole repair announced within the Central Government 2023 Budget Statement and endorse the allocation of this funding to relevant Local Authorities as set out at Section 9 of this report.
- (14) Delegate authority to the WMCA Section 151 Officer and to the TfWM Executive Director for Transport (in consultation with the WMCA Portfolio Holder for Transport) and the three programme partners to enter into funding agreements for funding and outputs for the first gateway stage of the Very Light Rail project only, noting the terms and conditions are considered materially different from those approved by WMCA Board in January 2023. (Section 10)
- (15) Delegate authority to the WMCA Section 151 Officer and TfWM Executive Director for Transport (in consultation with the WMCA Portfolio Holder for Transport) to enter into subsequent agreements for subsequent gateway stages at a later time, up to a total value of c. £36.8m (subject to any changes from the original Board approval not being of a material nature).

1. Purpose

- 1.1 This report provides a summary of the financial position for the 2022/23 Revenue and Capital Budgets, updates on the Investment Programme, Administered Funds and the Balance Sheet as at 31 March 2023. The figures represent the provisional outturn position for the 2022/23 financial year. External audit procedures will be completed between July and September 2023, with anticipated signing date for the 2022/23 Statutory Accounts at the end of September 2023.

2. Statutory Accounts Update

- 2.1 WMCA's external auditors Grant Thornton have completed their initial audit of the 2021/22 financial statements and reported their initial findings to Audit, Risk and Assurance Committee on 24 January 2023. They are currently awaiting the resolution of a sector wide issue on pensions before finalising their audit report for the year to enable WMCA's audited accounts for 2021/22 to be published.

- 2.2 During the pandemic, the target date for publishing draft accounts was extended from 31 May until the end of July each year with audited accounts required to be published by 30 November. The Department for Levelling Up, Communities and Housing confirmed earlier this year that the pre-pandemic target date for the publication of draft accounts of 31 May will again apply from 2022/23 onwards with audited accounts required to be published by 30 September.
- 2.3 Following the prolonged audit process for 2021/22 which has not yet concluded, the Finance Team are currently on track to complete the draft accounts for 2022/23 by the end of June 2023 to enable the audit process to commence in early July 2023. This unfortunately means that the target date for the faster close of 31 May will not be achieved and although there are no specific implications to report, it is clearly disappointing.

3. 2022/23 Revenue Position

- 3.1 Appendix 1 shows the overall consolidated 2022/23 outturn revenue position for the West Midlands Combined Authority and Appendices 2 to 4 present the detailed summaries for Transport, the WMCA Portfolios budget and the Mayoral office respectively.
- 3.2 The overall 2022/23 outturn position is a favourable variance to budget of £2.8m. The position is after all budgeted reserves for both the Transport and Portfolios have been fully utilised as well as proposed appropriations to earmarked reserves, totalling £21.4m to provide additional financial resilience and as a prudent measure for risk mitigation.
- 3.3 The surplus has been taken to WMCA's General Reserves, leaving a balance of £4.4m on 31 March 2023.
- 3.4 Within Transport there is a surplus at the end of March of £4.6m before transfers to reserves. This is largely due to Concession savings arising from reduced patronage and fare levels. In line with previous reports, this saving has been transferred to an earmarked reserve to protect against risks in relation to the bus network going forward. In addition, there were savings arising from vacancies, reduced spend on non-pay budgets and increased Digital Advertising revenue compared to budgeted expectations. Savings of £1.1m have been realised within Accessible Transport due to lower contractual payments and reduced costs against budget due to a reduction in service demand. The savings mitigate the adverse variation of £1.9m on the Metro Services budget due to an increased MML operating costs requirement of £4.2m in year which is partly offset by Local Transport Fund grant income that has been received and savings on insurance premiums.
- 3.5 Within the Portfolio budgets there is a favourable variance of £1.1m compared to budget. Savings arise from staffing vacancies and lower than budgeted expenditure on external advice.
- 3.6 The Mayoral Office position as at the end of March 2023 was broadly in line with budget.
- 3.7 Details of proposed transfers to earmarked reserves include:
- **£11.5m** of Concessions savings and unutilised in year grant funding transferred to transport reserves to protect against future risks. The WMCA Board has already endorsed the transfer of Concessions savings as previous reports have signalled that all surplus generated within 2022/23 would be taken to Transport reserves to support the 2023/24 Transport Budget and protect against future risks in relation to the transport network which were outlined in the 2023/24 budget report.

- **£4.8m** as contingency for capital pressures. Of this total, £2.4m was previously reported in the Financial Monitoring Report to Board in January.
- **£1.9m** of other transfers to reserves, with £1m earmarked to fund activity deferred to 2023/24.
- **£2.7m** Enabling Services surplus arising from a strong Treasury management strategy and reaping the upside of interest rate changes on investment income. It should be noted that this surplus is based on market conditions and therefore cannot be guaranteed to continue.
- **£0.5m** for funding of upcoming Transport events. This was already reported in the January Board report.

3.8 The proposed transfers to earmarked reserves replaces the £14.1m of reserves that have been used to support the 2022/23 transport budgetary position. It should be noted that reserves are one-off and therefore while this provides some resilience against future fiscal shocks, it cannot be relied on as a permanent funding solution.

4. 2022/23 Capital Programme Position

4.1 Appendix 5 sets out the position on the Capital Programme as at the end of March 2023. Actual costs totalled £345.2m, resulting in a favourable variance of £245.7m against budget.

4.2 The expenditure to budget variance is primarily contained within Transport (£155.7m) and Housing (£45.7m).

4.3 The Transport Programme has been categorised into six sub programmes. The largest of these is the Investment Programme with a full year budget of £196.5m, including all the Rail, Sprint & Metro extension schemes.

4.4 At the end of March, actual costs for the Investment Programme are £58.9mm below the budget of £196.5m. The main variances are within the Metro Programme totalling £35.4m and the Rail Programme totalling £20.9m. The variations within Metro are due to various reasons including rescheduling of design approvals and some procurement activities, whilst the Rail project has encountered a number of operational issues at each site which impacted on progress.

4.5 Within Housing, the variance primarily relates to Brownfield Housing Fund ('BHF') and BLPDF Pipeline projects where projects have not yet been able to be taken to Investment Board for approval and/or move from approval to signed funding agreements due to delays resulting from the impact of the economic climate, national policy changes (e.g., on planning), land negotiations, and applicants not being able to secure the relevant planning permissions and resolve construction and energy cost issues. These include Telford Station Quarter (£2.4m), Shard End (£2.5m) and Icknield Port Loop (£2.1m). Furthermore, there has been a review of costs on Phoenix Park (£4.3m) due to cost inflation and this is now due to go back for Investment Board approval in 2023/24. In addition, works within the Land and Property Investment Fund, managed outside of the Housing and Land Portfolio and totalling £5.5m, related to the Phoenix 10 project and the uncommitted funds have now been deferred to future years.

4.6 Further details about full in year spend against the Authority Capital Programme is available in Appendix 5.

5. 2023/24 Revenue and Capital Budgets Update

- 5.1 The Authority approved a balanced budget at its meeting on 10 February 2023. At this early stage in the financial year, there are no material variances to report. However, the Authority continues to monitor risks in relation to the national economic picture specifically in relation to pay and price inflation and global supply issues. There are also continuing revenue risks to the West Midlands transport network, estimated to be in the region of £30m. As last year, these risks are being closely monitored and updates on the emerging funding for the region along with implications will be reported in each financial report throughout this year, along with any mitigations taken by the WMCA to reduce/manage the risks. A verbal update will be given to the Board in relation to the latest position with regards to transport risks.
- 5.2 The consolidated revenue budget as reported to the February Board was £345.0m. Since that time, the revenue budget has been revised upwards by £27.9m to take account of new grants received to support Portfolio delivery, including UKSPF £14.3m and funding for Digital Skills £10.6m. As reported previously, the Adult Education Budget funding for financial year 2023/24 (including Free Courses for Jobs) has also increased by £0.8m compared to budgeted assumptions reported to Board in February 2023. Most of the changes impact on the Economic Delivery, Skills and Communities Directorate. The changes are depicted in the table below and have an overall net nil impact.

	2023/24 Original Budget £m	Funding adjustment £m	2023/24 Current Budget £m
Transport Levy	119.4		119.4
Commonwealth Games	0.0		0.0
Investment Programme	36.5		36.5
Adult Education Budget	140.6	0.8	141.4
Share of Business Rates	12.0		12.0
Revenue Grants & Other Income	17.1	27.1	44.1
Constituent Membership	4.6		4.6
Non Constituent Members	0.4		0.4
Investment Income	5.2		5.2
Mayoral Precept	0.0		0.0
Use of Reserves	9.2		9.2
Unsecured Mayoral Election Funding	0.0		0.0
Total Funding	345.0	27.9	372.9
Transport for West Midlands	133.2		133.2
Commonwealth Games	0.0		0.0
Housing & Rengeneration	1.8	0.0	1.9
Strategy, Integration and Net Zero	5.5	1.4	7.0
Economic Delivery, Skills & Communities	159.4	26.5	185.8
Portfolio Support	3.7		3.7
Investment Programme	40.4		40.4
Mayoral Office	0.9		0.9
Mayoral Election	0.0		0.0
Enabling Services	0.0		0.0
Total Expenditure	345.0	27.9	372.9

- 5.3 When the WMCA Board approved the 2023/24 capital budget in February 2023, it was made explicit that the figures were indicative only and would be updated when there was clarity on the 2022/23 outturn position. This update has now taken place, and the capital budgets have been rephased to take account of the outturn position, capital financing pressures, new grants received by the Authority of £17.7m, as well as resourcing capacity and practical delivery expectations. Today's Board Agenda contains a separate update on capital cost pressures, and any identified mitigations.
- 5.4 The proposed budget 2023/24 is £591.9m, which is £213.3m less than the indicative capital budget reported at the February meeting and £246.7m higher than the 2022/23 outturn. The main increases on the outturn position are on Investment Programme £107.3m, CRSTS £89.2m and Housing £47.9m.
- 5.5 The Investment programme, totalling £244.9m for 2023/24, includes an allocation for ongoing construction of the Wednesbury to Brierley Hill and Birmingham Eastside Metro tram extensions £164.8m, ongoing work on the new railway services and stations on the Birmingham Camp Hill and Walsall to Wolverhampton lines £55.6m and the Buy Before Boarding Project £5.2m. The CRSTS programme assumes that several local authority projects will be delivered in the second half of 2023/24 following securing of the necessary business case approvals, with a total of £142.2m to be expended in year. The rephasing also commits £67.4m in 2023/24 for housing and land projects targeted on supporting the WMCA's brownfield regeneration programme to unlock and redevelop more derelict urban land and help safeguard the green belt.
- 5.6 The phasing changes in the capital programme can be summarised as shown in the table below:

	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£m	£m	£m	£m	£m	£m
Indicative capital budget (February 2023)	805.2	671.0	550.1	361.2	352.6	2,740.1
Investment Programme	244.9	152.0	82.1	15.8	0.0	494.8
Transport Legacy Programme	13.2	0.0	0.0	0.0	0.0	13.2
Other Major Programmes	17.8	65.2	28.0	0.0	0.0	110.9
Minor Work Programme	8.2	3.1	0.0	0.0	0.0	11.3
Grants to Local Authorities	23.6	42.3	0.0	0.0	0.0	65.9
CRSTS	142.2	285.7	243.9	215.4	11.5	898.7
Total Transport Programme	449.9	548.3	354.0	231.2	11.5	1,594.8
IP Grants to Local Authorities	67.5	148.4	163.6	135.7	111.9	627.1
Housing	67.4	73.2	60.6	24.2	13.6	239.0
Net Zero	7.1	1.3	0.1	0.0	0.0	8.5
Total Other Portfolio Programme	142.0	222.9	224.3	159.9	125.6	874.6
Revised capital budgets (May 2023)	591.9	771.2	578.3	391.0	137.1	2,469.5
Reduction/ (Increase) in profile across years	213.3	(100.2)	(28.2)	(29.8)	215.5	270.6

- 5.7 Further details on the rephased capital budgets can be found in Appendix 6-9 of this report.

6. New Funding

- 6.1 The WMCA continues to secure external funding to deliver on its priorities and make a positive impact for the region. Since the last report, new grant funding, totalling £71.2m has been secured. Details of these grants are summarised in the table below.

Grant name	Value	Grant period		Purpose
	£m	From	To	
Social Decarbonisation Fund (Wave 2.1)	17.780	Apr-23	Mar-25	Funding to make homes more energy efficient through retrofitting with better insulation, new doors and windows and greener heating systems. This will be matched by further £35 million from registered social housing providers across the region to benefit approximately 3000 homes.
Homes Upgrade Grant	16.000	Apr-23	Mar-25	Retrofit off gas grid homes in Birmingham, Dudley and Sandwell, Dudley. The bid was part of the Midlands Net Zero Hub consortium that successfully bid for £140 million for the wider Midlands area.
Levelling Up Capacity Grant	0.625	Apr-22	Mar-23	Following successful bid to DLUHC on 24/02/2023, the grant has provided funding to build the necessary capacity and capability support infrastructure to support local authorities within the MCAs geographical area to deliver their capital projects. A further 2 years of funding will be made available, subject to delivery of outcomes outlined in the proposal to DLUHC.
Local Transport Fund- Bus Recovery Fund extension	6.087	Apr-23	Jun-23	March Board report indicated that Government had extended the funding for support of the bus network to June 2023 in light of the challenges that the sector continues to face. This report confirms the value
DLUHC Capital funding	25.900	Apr-23	Not specified	Grant to support delivery of the following schemes: i. The extension to the West Midlands Metro network that will link Dudley and Brierley Hill via Line One to Wolverhampton and Birmingham ii. The extension of the Wolverhampton Metro iii. A package of works to renew life-expired sections of key systems on Metro Line One iv. Funding for the renewal of University station v. The provision of digital devices through the Connected Services Project
Highways Maintenance Funding	3.617	Apr-23	Mar-24	For Additional Highways Maintenance and Pothole repair announced within the Central Government 2023 Budget Statement
Cycling facilities (velodrome)	0.040	May-23	Maximum term of 7 years specified	Grant to fund expert consultants to determine whether there is a business case for specialist cycling facilities in the West Midlands. The consultancy will make recommendations to a Cycling Facility Advisory Group chaired by the WM Walking and Cycling Commissioner as to whether there is a strategic, site allocation; business, commercial, management and financial business case(s) for such facilities.
Local Investment in Natural Capital Programme	1.000	Mar-23	Mar-25	DEFRA funding to support the establishment of a natural environment investment fund.
One Public Estate Opportunity Development Fund	0.140	Apr-23	Not specified	The Opportunity Development Fund (ODF) will fund a comprehensive forward-looking assessment of the region's public estate. The assessment will identify pipeline opportunities for land release to deliver new homes, employment, health and community space alongside wider inclusive growth benefits.
Events Screening	0.045	May-23	May-23	Department for Digital, Culture, Media & Sport grant of £30k for coronation screening events across the region plus £10k for the Eurovision screening,
Total	71.234			

- 6.2 Grants will progress through the necessary governance processes to ensure satisfactory terms and be reflected in the budgets once completed.
- 6.3 Government has announced further funding the bus network to 31 March 25. WMCA are awaiting formal confirmation of the amount that will flow to the region and a verbal update will be given at the meeting. It is also expected that there will be a relaxation around the use of BSIP funds to allow those funds to be used more flexibly to maintain existing services. WMCA will be putting forward a change request to DfT requesting to reallocate funds shortly. WMCA will also be seeking to utilise up to £5m of its transport reserves to support the existing network. In support of this and in line with the Statutory Instrument extension, WMCA will continue to pay concessions to operators at pre pandemic budget levels until March 2024.

7. Deeper Devolution Deal

7.1 In February 2022 Government published the Levelling Up White Paper which made a commitment to ‘extend, deepen, and simplify’ devolution in England. Within this, Government confirmed an intention to negotiate new “Trailblazer Devolution Deals” with the West Midlands and Greater Manchester. In March 2023, as part of the 2023 Budget Settlement, the Chancellor announced the Trailblazer Devolution Deal for the West Midlands, following months of negotiations.

7.2 The Deeper Devolution Deal (previously called Trailblazer Devolution Deal) shows confidence in the WMCA as a forerunner in the delivery of activity, granting new powers (e.g., public health, careers advice, devolving retrofit funding and bus service operators grant) and financial flexibilities, some of which will materialise after the next Spending Review, so 2025/26 onwards. It commits the WMCA to partnership arrangements with Government and other organisations on areas such as national arts and culture, targeted employment support, local oversight and control of public transport services etc. It provides certainty around some income streams to fund existing revenue activity and provides additional resources for the remaining schemes in the 2016 Investment Programme.

7.3 The key financial features of the devolution deal include:

- A long-term commitment to the current arrangements in respect of business rates, extending the 100% business rates retention scheme pilot for a further 10 years.
- New ‘growth zones’ (Levelling Up Zones) which are subject to further design but where business rates growth above an agreed baseline can be retained for 25 years.
- Commitment to a single settlement across the next Spending Review period (multi-year settlement), intended to allow more autonomy over investment decisions locally.
- Commitment to a £25m capital fund to support business decarbonisation, culture, environmental programmes and the West Midlands’ Smart City Region initiative.
- Commitment to a £60m capital grant to help fund the Wednesbury to Brierley Hill Metro extension.
- Commitment to £100m for a single regeneration fund.
- Funding of £4m for Digital Devices (included in a wider funding award to WMCA of £25.9m as detailed in Section 5 above).

7.4 With respect to the £25m granted to West Midlands, the value of initial business cases provided during the DDD negotiation vs the funding confirmed as available through the deal vary. Notwithstanding this, it is considered those initial priorities are all still deliverable within the resources available and the recommended allocation of funds is detailed below; these have been provisionally endorsed by the WMCA Executive Board:

Project	Initial Value	Suggested Revised Value
WM Smart City Region	£12.1m	£10.0m
Industrial Decarbonisation	£14.5m	£10.5m
Cultural Infrastructure Fund	£5.0m	£4.0m
Air Quality Sensors	£0.9m	£0.5m
TOTAL	£32.5m	£25.0m

- 7.5 From an external approval perspective, progression of all the above will be subject to DLUHC confirming the funding, the process for which is expected to be through the submission of individual business cases. It is possible also that DLUHC may not finally confirm the availability of funding until the full deal is ratified by Board, expected to be in October 2023; WMCA are discussing the programme impacts of this with DLUHC.
- 7.6 From an internal perspective, once the terms and conditions of the funding are received, they will be reviewed to ensure they are to the satisfaction of the WMCA Section 151 Officer. In addition, all cases will progress through the Single Assurance Framework to ensure business cases are properly appraised and assured.
- 7.7 There is a separate report on the Board agenda which deals with the implementation arrangements for the Devolution Deal.

8. Cycle Hire

- 8.1 The WMCH FBC was approved by WMCA Board in July 2020 with a central case operating deficit of £2.7m over 5 years. In response to the uncertain economic climate in 2020, as a public body, WMCA cannot take on any undue financial risk exposure. As such, to protect against any downside risk, a total financial provision of £4.6m over the 5-year period (including the central case deficit of £2.7m) was set. Serco were awarded the 5-year contract to October 2025 to deliver the scheme.
- 8.2 As at March 2023, the scheme has an operating deficit of £3m since operations began. Current scheme modelling has a forecast outturn by October 2025 of £6.4m, a shortfall of £1.8m against the current approved business case. In terms of performance, following two successive months of reductions in the month-on-month scheme revenue, February 2023 revenue saw an increase of 12.1% compared to February 2022 (35.6% increase in number of rides). Furthermore, there are various activities taking place which aim to increase the uptake of the scheme and improve the financial position utilising the current fleet of bikes and docking stations that are in operation. WMCA also continues to explore sponsorship opportunities for the scheme. As such WMCA will continue to operate the scheme within the £4.6m funding set aside and return to a future board with an update and options.

9. Additional Highways Maintenance Funding

- 9.1 On 15th March 2023, within the Budget 2023 Central Government announced a further £200 million of funding for Highways Maintenance would be made available to Local Authorities in the financial year 2023-24. This funding is in addition to the existing Highways Maintenance funding included within the Region's City Region Sustainable Transport Settlement.
- 9.2 This funding is to be used by Local Authorities to maintain and improve local highways networks based upon their local knowledge, circumstances and priorities.
- 9.3 Once WMCA receive the Terms and Conditions (and these are acceptable to the Section 151 Officer), it is proposed that the funding is disbursed by WMCA to the Local Authorities using the DfT ratio adopted for CRSTS Highways Maintenance Funding is set out below:

	Allocation
WMCA	-
Birmingham	Covered by PFI
Coventry	613,839
Dudley	673,884
Sandwell	712,227

Solihull	581,646
Walsall	536,069
Wolverhampton	499,535
Total	3,617,200

10. Very Light Rail

- 10.1 The WMCA board approved at their meeting in January 2023 the Very Light Rail SOBC and the release of CRSTS funds, via completion of four gateway stages of £36.8m. This scheme is a retained scheme by DfT within the CRSTS programme and is also subject to their sign off. The WMCA board decision was conditional on this. There has been ongoing dialogue with DfT regarding VLR and the exact approvals route through which they appraise it. Initially they had been reviewing the business case in line with that used for traditional transport projects and have confirmed their firm support in principle for the scheme. However, following further consideration the DfT now appreciates the extensive innovation, research and development elements of this project. DfT have consequently now opted to review an updated business case for the scheme through an innovation lens. This will therefore change how the project is appraised through the three later gateways of the previously approved SOBC (with the work within the first gateway expected to remain substantively unchanged). This will change the exact trigger points for each gateway for the release of funding.
- 10.2 The DfT have authorised the release of £7,312,500, out of the £10,787,777 required to deliver first gateway, which is necessary to cover commitments already made and to ensure that the project can continue to progress without a period of de-mobilisation and re-mobilisation (which would introduce significant risk to the programme). DfT have provided this authorisation by way of two letters and the funds will be drawn from the CRSTS monies already received by the WMCA.
- 10.3 Work continues between DfT, Coventry City Council (CCC), Dudley Metropolitan Borough Council (DMBC) and TfWM to ensure the region can move forward with the programme, which has many benefits to the economy of the region and will enable the testing and trialling of new innovative track and vehicles, which could reduce costs for future investment in light rail projects overall (including conventional Metro).
- 10.4 The current form of approval from DfT is not in full alignment with the January 2023 WMCA board report and to ensure the WMCA can release funds to CCC, who are the programme partner most adversely impacted by this change, WMCA Board is recommended to approve delegated authority to the WMCA Section 151 Officer and to the TfWM Executive Director for Transport (in consultation with the WMCA Portfolio Holder for Transport) and the three programme partners to enter into funding agreements for funding and outputs for the first gateway stage of the project only. This approach represents a material change to that endorsed by WMCA Board in January 2023, hence the requirement for approval from WMCA Board.
- 10.5 WMCA Board is advised to note that the terms and conditions endorsed in January will not apply to the funding agreements for the first gateway phase, and in particular will not be subject to the same CRSTS Local Contribution requirement and clawback conditions. WMCA Board is advised to note the material change and delegate authority to the WMCA Section 151 Officer and TfWM Executive Director for Transport (in consultation with the WMCA Portfolio Holder for Transport) to agree appropriate terms and conditions in respect of gateway phase 1.

- 10.6 WMCA Board is also recommended to approve delegated authority to the WMCA Section 151 Officer and TfWM Executive Director for Transport (in consultation with the WMCA Portfolio Holder for Transport) to enter into any necessary agreements for subsequent gateway stages at a later time, up to a total value of £36.8m (subject to any changes from the original Board approval not being of a material nature).
- 10.7 This change is considered necessary to ensure the project progress can continue in line with the DfT retained scheme approval, and the agreements entered into align with the level of authorisation provided to the WMCA from the DfT in line with the DfT's own approvals processes.
- 10.8 The recommended approach will allow scope for some variation within the detail of the SOBC as the relevant stakeholders adapt to meet DfT's requirements, but without repeatedly needing to seek individual approvals through the WMCA for each variation (providing those changes are not material versus the original Board approval in January 2023), as DfT provide clarity on their own approvals.
- 10.9 Progress and any detail changes will be reported through the CRSTS quarterly reporting to the WMCA Investment Board. Once full clarity is obtained from the DfT on their requirements, if necessary, a consolidating Change Control process will be initiated through the WMCA SAF. This approach will ensure that CCC, DMBC and TfWM are able to progress the targeted business case outcomes in the face of currently emerging DfT governance and incremental approvals steps, whilst also retaining the critical flexibility and agility which an innovation programme such as the Very Light Rail project needs in order to be a success.

11. Commercial Risks

- 11.1 Details on the Commercial project financial risks can be found in Appendix 15 of this report. Commercial risks are shared with West Midlands Finance Directors monthly and changes between months are discussed. This enables the West Midlands Finance Directors to gauge the overall risk profile of the Combined Authority and can be used when considering how appropriate it may be to import additional risk into the Authority when considering potential, new initiatives.

12. WMCA Investment Programme

- 12.1 The March expenditure for the West Midlands Regional Investment Programme is shown at Appendix 11, which reports the gross delivery totals for programmes delivered by both WMCA and other entities (being primarily constituent member local authorities).
- 12.2 Appendix 12 summarises grant funding commitments approved by WMCA for projects within the WMCA Investment Programme, which total £853.7m as at 31st March 2023 (no overall change from the last reporting at January 2023).
- 12.3 WMCA Investment Programme funding drawn / incurred by projects against these funding commitments as at 31st March 2023 totals £507.3m.
- 12.4 WMCA Board is advised to note that WMCA are in contact with the Department for Levelling Up, Housing and Communities ('DLUHC') in respect of an interim gateway review which is expected to complete in February 2024.

13. Administered Funds

- 13.1 Administered Funds totalled £77.7m as of 31 March 2023. This sum excludes funds fully utilised and concluded by 31 March 2022. A breakdown of this amount is included within Appendix 13.
- 13.2 These funds do not form part of the Authority's own revenue and capital budgets but are effectively funds received by WMCA and passported to partner authorities for delivery.
- 13.3 Elements of the overarching grants listed in Appendix 13 which are not passported are excluded from this appendix.

14. Balance Sheet

- 14.1 Appendix 14 presents the West Midlands Combined Authority Balance Sheet which shows a healthy financial position as at 31 March 2023.
- 14.2 The increase in property, plant and equipment reflects TfWM capital spend in relation to the Metro extension.
- 14.3 The reduction in short-term deposits is largely due to payments in respect of PWLB principal loan repayments, Adult Education Budget, Investment Programme and Metro extension schemes. This is offset by grant receipts in respect of DfT Active Travel Fund of £12m and Collective Investment Funds loans repayments.
- 14.4 Payments for the Investment Programme and Adult Education Budget contributed to the net £18.5m reduction in earmarked reserves.
- 14.5 The £7.7m increase in short-term creditors/accruals is reflective of year end activities, relating to higher grant and accounts payable accruals. Grants received in advance have reduced by £20.3m due mainly to the payments for the Metro extension schemes.

15. Financial Implications

- 15.1 The financial implications are set out in the report.

16. Legal Implications

- 16.1 In respect of the funding and passporting of funds there will be conditions that WMCA will need to adhere to. Legal support will be required for any legal documentation entered into in respect of the above.

17. Other Implications

- 17.1 There are no Equalities, Inclusive Growth, Geographical or Other implications arising from this report.

18. Appendices

- Appendix 1 – WMCA Consolidated Summary – March 2023
- Appendix 2 – WMCA Transport Revenue Summary – March 2023
- Appendix 3 – WMCA Delivery Budget Summary – March 2023
- Appendix 4 – WMCA Mayor Revenue Summary – March 2023
- Appendix 5 – WMCA Capital Programme – March 2023

- Appendix 6 – WMCA 2022/23 Transport Capital Programme
- Appendix 7 – WMCA 2022/23 Housing and Land Capital Programme
- Appendix 8 – WMCA 2022/23 Investment Programme to Local Authorities Programme
- Appendix 9 – WMCA 2022/23 City Regional Sustainable Transport Settlement Programme
- Appendix 10 – CRSTS Commitments – March 2023
- Appendix 11 – Total Regional Investment Programme Expenditure – March 2023
- Appendix 12 – WMCA Investment Programme Commitments – March 2023
- Appendix 13 – WMCA Administered Funds – March 2023
- Appendix 14 – WMCA Balance Sheet – March 2023
- Appendix 15 – Commercial Risks

Appendix 1

WMCA Consolidated Revenue Budget Summary – March 2023

£000's	Full Year			Full Year		
	Actual	Budget	Variance	Actual	Forecast	Variance
Transport Levy	117,015	117,015	0	117,015	117,015	0
Commonwealth Games	27,306	18,656	8,650	27,306	27,346	(40)
Revenue Grants & Other Income	35,369	8,338	27,031	35,369	36,351	(982)
Adult Education Funding	124,574	140,577	(16,003)	124,574	129,204	(4,630)
Share of Business Rates	10,500	10,500	0	10,500	10,500	0
Constituent Membership	4,644	4,644	0	4,644	4,644	0
Non Constituent Members	510	510	0	510	510	0
Investment Programme	36,500	36,500	0	36,500	36,500	0
Investment Income	3,035	898	2,137	3,035	2,932	103
Use of Reserves	15,824	15,195	629	15,824	15,910	(86)
Total Funding	375,277	352,833	22,444	375,277	380,912	(5,635)
Transport for West Midlands	122,124	126,093	3,969	122,124	123,521	1,397
Commonwealth Games	27,306	18,656	(8,650)	27,306	27,346	40
Economic Delivery, Skills & Communities	149,801	149,446	(355)	149,801	155,689	5,888
Strategy, Integration and Net Zero	14,600	6,177	(8,423)	14,600	15,063	463
Housing & Regeneration	1,904	1,455	(449)	1,904	1,545	(359)
Portfolio Support	3,855	3,055	(800)	3,855	3,855	0
Investment Programme	49,137	47,105	(2,032)	49,137	49,113	(24)
Mayoral Office	846	846	0	846	846	0
Mayoral Election	0	0	0	0	0	0
Total Expenditure	369,573	352,833	(16,740)	369,573	376,978	7,405
Net Expenditure (before earmarked reserves)	5,704	0	5,704	5,704	3,934	1,770
Transfer to earmarked reserve (2023/24) Capital Pressures	2,400	0	(2,400)	2,400	2,400	0
Transfer to earmarked reserve (2023/24) Transport Events	500	0	(500)	500	500	0
Net Expenditure (after transfers to earmarked reserves)	2,804	0	2,804	2,804	1,034	1,770
Transport	1,697	0	1,697	1,697	387	1,310
Portfolios	1,107	0	1,107	1,107	647	460
Investment Programme	0	0	0	0	0	0
Mayoral Office	0	0	0	0	0	0
Total Surplus / (Deficit)	2,804	0	2,804	2,804	1,034	1,770

The final outturn position at the end of March shows a surplus of £2.804m. This comprises £1.7m within Transport and £1.1m within Portfolios and represents a favourable variance from forecast of £1.8m which has largely occurred within the Bus Infrastructure area in Transport and lower expenditure largely against external advice budgets across various Portfolios.

Within Transport savings largely relate to higher advertising income than budgeted (£1.2m), savings against the Accessible Transport budget (£1.1m), external advice (£2.1m) which were diverted to fund an additional Metro subsidy requirement of £4.2m and staffing budgets due to vacant posts. Savings within the concessions budgets are due to lower patronage and fare levels and have been transferred to an ear-marked reserve to protect against risks in relation to the bus network going forward.

Provisions have been made for future funding pressures within the capital programme (£2.4m) and to support WMCA in hosting transport events (£0.5m) such as the 2027 Intelligent Transport Systems World Congress bid as reported to September 2022 WMCA Board.

Within the Portfolios budgets, the surplus is largely due to vacant posts across several Portfolios resulting in savings against staffing budgets and external advice due to activity being re-profiled pending recruitment during the year.

Reserves earmarked to support the overall Transport and Portfolio budgets have been drawn down in line with budget.

Appendix 2

Transport for West Midlands Revenue Budget Position 31st March 2023

At the end of March 2023 there is a £1.7m favourable variance against budget. This represents a favourable variance from forecast of £1.3m which is largely within the Bus Stations and Infrastructure budget due to higher than forecast advertising income (£0.4m) and lower than forecast expenditure across various other budgets in this area.

	ACTUAL £000			BUDGET £000			YTD VARIANCE FAV / (ADVERSE) £000	ACTUAL NET	FORECAST £000 NET	FULL YEAR VARIANCE FAV / (ADVERSE) £000
	INCOME	EXPENDITURE	NET	INCOME	EXPENDITURE	NET				
Transport Levy	117,015	0	117,015	117,015	0	117,015	0	117,015	117,015	(0)
Use of Reserves	8,972	0	8,972	9,078	0	9,078	(106)	8,972	9,059	(87)
TOTAL FUNDING	125,986	0	125,986	126,092	0	126,092	(106)	125,986	126,074	(87)
Concessions										
National Bus Concession	134	48,688	(48,554)	212	48,055	(47,843)	(711)	(48,554)	(48,467)	(87)
Metro / Rail	0	4,532	(4,532)	0	4,576	(4,576)	44	(4,532)	(4,550)	18
Child Concession	0	5,718	(5,718)	0	6,710	(6,710)	992	(5,718)	(5,815)	96
	134	58,938	(58,804)	212	59,342	(59,130)	325	(58,804)	(58,832)	27
Bus Services										
Bus Stations / Infrastructure	8,705	12,665	(3,960)	7,684	13,328	(5,643)	1,683	(3,960)	(4,985)	1,025
Subsidised Network	30,192	43,612	(13,420)	2,044	15,465	(13,420)	0	(13,420)	(13,420)	(0)
Accessible Transport	204	5,728	(5,524)	0	6,638	(6,638)	1,114	(5,524)	(5,664)	140
	39,100	62,005	(22,905)	9,729	35,430	(25,702)	2,797	(22,905)	(24,070)	1,165
Rail and Metro Services										
Metro Services	8	8,014	(8,006)	204	6,341	(6,137)	(1,869)	(8,006)	(8,004)	(2)
Rail Services	1,340	4,769	(3,429)	1,626	5,791	(4,165)	736	(3,429)	(3,395)	(34)
	1,348	12,783	(11,435)	1,830	12,132	(10,302)	(1,133)	(11,435)	(11,399)	(36)
Integration										
Safety and Security	765	1,736	(971)	674	1,931	(1,257)	286	(971)	(908)	(63)
Passenger Information	26,036	31,943	(5,907)	999	7,959	(6,959)	1,052	(5,907)	(6,050)	143
Sustainable Travel	24	1,575	(1,551)	155	2,047	(1,893)	342	(1,551)	(1,660)	109
	26,825	35,254	(8,429)	1,828	11,937	(10,109)	1,680	(8,429)	(8,618)	189
Network Resilience										
Commonwealth Games	17	3,333	(3,316)	55	3,799	(3,744)	428	(3,316)	(3,379)	63
Business and Democratic Support	27,306	27,306	0	18,656	18,656	0	0	0	0	0
Strategic Development	(0)	3,518	(3,519)	(500)	3,197	(3,697)	178	(3,519)	(3,444)	(75)
Transport Governance	1,165	5,610	(4,445)	2,435	7,299	(4,863)	418	(4,445)	(4,490)	45
Capital Finance Charges	21	148	(127)	0	135	(135)	9	(127)	(145)	18
	0	8,410	(8,410)	0	8,410	(8,410)	(0)	(8,410)	(8,410)	0
TOTAL EXPENDITURE	95,916	217,306	(121,390)	34,245	160,337	(126,092)	4,702	(121,390)	(122,787)	1,397
NET before Earmarked Reserves	221,902	217,306	4,596	160,337	160,337		4,596	4,596	3,285	1,312
Earmarked Reserve (2023/24) Capital Pressures	(2,400)	0	(2,400)	0	0	-	(2,400)	(2,400)	(2,400)	
Earmarked Reserve (2023/24) Transport Events	(500)	0	(500)	0	0	-	(500)	(500)	(500)	
NET after Earmarked Reserves	219,002	217,306	1,696	160,337	160,337		1,696	1,696	387	1,310

Concessions

Savings in year within the ENCTS and Child concessions budgets are due to lower patronage and fare levels and have been transferred to an ear-marked reserve to protect against risks in relation to the bus network going forward.

Bus Services

There are savings across Bus Infrastructure budgets of £1.7m in the main relating to additional variable advertising income alongside savings against external advice and cleaning budgets.

The Subsidised Bus position is in line with budget with Local Transport Funding (LTF) offsetting the increased subsidised service costs largely due to Diamond.

Within Accessible Transport there are in year savings of £1.1m. This largely reflects savings against contractual costs, reduced costs against budget due to a reduction in service partly offset by costs relating to the Accessible Transport joint commission with Birmingham City Council.

Rail & Metro

The Metro Services budget has an adverse variance of £1.9m due to an increased MML operating costs requirement of £4.2m in year which is partly offset by LTF grant income that has been received in relation to the first half of year, alongside savings on general insurance premiums to date.

Within Rail Services the savings of £0.7m are largely within the external advice budget where savings have been committed to help fund the additional Metro subsidy requirement.

Integration

Within Passenger information savings of £1.1m largely relate to staffing where there are vacant posts across several budgets, savings against external budgets and additional commission receivable.

In addition, there are savings against contractual Safety and Security costs along with increased capital recharges due to the extension of the Active Travel Fund.

Network Resilience

Within the Network Resilience budget there are full year savings of £0.4m mostly relating to Software Maintenance costs due to completion of RTCC activity now expected to complete in 2023/24 and against the Staffing budget due to vacant posts.

Strategic Development

In year savings of £0.4m largely relate to lower than anticipated spend on staffing and external advice.

Reserves

Use of reserves drawn down relate to budgeted support for the 2022/23 Transport Budget and the delivery of the West Midlands Cycle Hire scheme.

Appendix 3

West Midlands Combined Authority Portfolios Budget – March 2023

Final outturn within the Portfolio budgets is a £1.1m surplus which represents at £0.5m favourable movement from forecast which is largely within the Economic Delivery, Skills and Communities Portfolio.

FINANCIAL SUMMARY AS AT MARCH 2023	FULL YEAR 2022/23			FULL YEAR 2022/23			
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000	
Operational Income							The full year position reflects budgeted investment income that will now instead be utilised to fund an increased provision against loans defaulting within the Collective Investment Fund due to the loan portfolio increasing.
Mayoral Capacity Funding	154	154	0	154	154	0	
Other Revenue Income	0	500	(500)	0	0	0	
Notional Interest Receivable	898	794	104	898	820	78	
Contribution - 7 Met Councils	4,644	4,644	0	4,644	4,644	0	
Contribution - Non constituent members	510	510	0	510	510	0	
Total Income	6,206	6,602	(396)	6,206	6,128	78	
Corporate Support Recharges to Portfolios	2,262	2,562	(300)	2,262	2,262	0	
Total Expenditure	2,262	2,562	(300)	2,262	2,262	0	
Operational Income Net Total	8,468	9,164	(696)	8,468	8,390	78	
Economy & Innovation							The favourable variance is largely due to additional Create Central funding secured post budget. There is additional grant income with Policy and Programme Development relating to the UK Community Renewal Fund which was carried forward from last FY.
Other Industrial Strategy Income	3,275	567	2,708	3,275	2,514	761	
DDCMS - Creative Scale Up	20	200	(180)	20	20	0	
Economic Delivery	85	0	85	85	85	0	
Create Central Projects	746	410	336	746	714	32	
Policy and Programme Development	3,271	0	3,271	3,271	3,446	(175)	
IAWM	133	108	25	133	132	1	
Total Income	7,530	1,285	6,245	7,530	6,911	619	
Industrial Strategy	(3,423)	(732)	(2,691)	(3,423)	(2,729)	(694)	
DDCMS - Creative Scale Up	(43)	(200)	157	(43)	(43)	0	
Economic Delivery	(151)	0	(151)	(151)	(149)	(2)	
Create Central Projects	(830)	(915)	85	(830)	(797)	(33)	
Policy and Programme Development	(3,271)	0	(3,271)	(3,271)	(3,446)	175	
IAWM	(133)	(108)	(25)	(133)	(131)	(2)	
Economic Intelligence	(72)	(240)	168	(72)	(79)	7	
Funding For Growth	(700)	(700)	0	(700)	(700)	0	
Total Expenditure	(8,623)	(2,895)	(5,728)	(8,623)	(8,074)	(549)	
Economy & Innovation Net Total	(1,093)	(1,610)	517	(1,093)	(1,163)	70	
Health and Communities							Additional grant income has been used to cover core costs which has led to a favourable position.
Head of Health & Communities	136	0	136	136	125	11	
Thrive at Work	218	76	142	218	295	(77)	
IPS Programme	287	155	132	287	300	(13)	
Total Income	641	231	410	641	720	(79)	
Head of Health & Communities	(727)	(761)	34	(727)	(846)	119	
Thrive at Work	(338)	(287)	(51)	(338)	(417)	79	
IPS Programme	(287)	(155)	(132)	(287)	(300)	13	
Total Expenditure	(1,352)	(1,203)	(149)	(1,352)	(1,563)	211	
Health and Communities Net Total	(711)	(972)	261	(711)	(843)	132	
Employment and Skills							Grant income relating to CITB previously written off in 2021/22 has been recovered resulting in a favourable position in the current financial year (£508k).
Employment & Skills	125	30	95	125	125	0	
Employment Support	48	0	48	48	71	(23)	
Construction Skills	(387)	0	(387)	(387)	(377)	(10)	
Adult Education	124,574	140,577	(16,003)	124,574	129,204	(4,630)	
Careers	7	0	7	7	7	0	
Digital Skills	7,121	0	7,121	7,121	6,000	1,121	
Investment Programme (Skills)	290	298	(8)	290	290	0	
Commonwealth Games	444	470	(26)	444	440	4	
European Structural & Investment Funding	1,289	2,068	(779)	1,289	1,384	(95)	
Multiply	3,052	0	3,052	3,052	4,873	(1,821)	
UKSPF	2,101	0	2,101	2,101	2,791	(690)	
Health Inequalities	59	0	59	59	0	59	
Total Income	138,723	143,443	(4,720)	138,723	144,808	(6,085)	
Employment & Skills	(1,606)	(1,935)	329	(1,606)	(1,735)	129	
Employment Support	(48)	0	(48)	(48)	(71)	23	
Construction Skills	387	0	387	387	377	10	
Adult Education	(124,067)	(140,577)	16,510	(124,067)	(128,696)	4,629	
Careers	(7)	0	(7)	(7)	(7)	0	
Digital Skills	(7,121)	0	(7,121)	(7,121)	(6,000)	(1,121)	
Investment Programme (Skills)	(290)	(298)	8	(290)	(290)	0	
Commonwealth Games	(444)	(470)	26	(444)	(440)	(4)	
European Structural & Investment Funding	(1,289)	(2,068)	779	(1,289)	(1,384)	95	
Multiply	(3,052)	0	(3,052)	(3,052)	(4,873)	1,821	
UKSPF	(2,268)	0	(2,268)	(2,268)	(2,937)	669	
Health Inequalities	(59)	0	(59)	(59)	0	(59)	
Total Expenditure	(139,864)	(145,348)	5,484	(139,864)	(146,056)	6,192	
Employment and Skills Net Total	(1,141)	(1,905)	764	(1,141)	(1,248)	107	

Business and Tourism Programme							
Tourism, Trade and Investment Programme	7,419	0	7,419	7,419	8,057	(639)	Grant and Investment Programme funding is passported to WMGC who manage delivery of the Programme.
Total Income	7,419	0	7,419	7,419	8,057	(639)	
Tourism, Trade and Investment Programme	(7,419)	0	(7,419)	(7,419)	(8,057)	638	
Total Expenditure	(7,419)	0	0	(7,419)	(8,057)	0	
Business Tourism Programme Net Total	(0)	0	(0)	(0)	0	(0)	
Levelling Up							
Office of Data Analytics	33	81	(48)	33	33	0	Spend has accelerated in the last quarter of the year resulting in the final outturn being in line with budget and forecast.
Head of Policy & Public Affairs	0	0	0	0	9	(9)	
Total Income	33	81	(48)	33	42	(9)	
Office of Data Analytics	(271)	(261)	(10)	(271)	(246)	(25)	
Executive Director of Strategy, Integration and Ne	(1,518)	(1,552)	34	(1,518)	(1,526)	8	
Head of Research & Intelligence	(380)	(371)	(9)	(380)	(365)	(15)	
Head of Policy & Public Affairs	(353)	(315)	(38)	(353)	(361)	8	
Public Affairs	(80)	(154)	74	(80)	(115)	35	
Total Expenditure	(2,602)	(2,653)	51	(2,602)	(2,613)	11	
Public Service Reform & Social Economy Net Total	(2,569)	(2,572)	3	(2,569)	(2,571)	2	
Inclusive Communities							
Homelessness	537	478	59	537	412	125	The favourable variance is due to the Head of Service started mid-way through the year with related activity budgeted on external advice reprofiled accordingly.
Total Income	537	478	59	537	412	125	
Head of Systems Change & Inclusion	(244)	(365)	121	(244)	(275)	31	
Youth Combined Authority	(181)	(223)	42	(181)	(215)	34	
Homelessness	(579)	(523)	(56)	(579)	(457)	(122)	
Inclusion	(148)	(151)	3	(148)	(150)	2	
Total Expenditure	(1,152)	(1,262)	110	(1,152)	(1,097)	(55)	
Inclusive Communities Net Total	(615)	(784)	169	(615)	(685)	70	
Culture and Digital							
Culture	77	0	77	77	56	21	Slightly lower activity than planned within the Digital budget pending the appointment of a Head of Directorate.
Total Income	77	0	77	77	56	21	
Culture	(274)	(178)	(96)	(274)	(257)	(17)	
Digital	(198)	(245)	47	(198)	(205)	7	
Total Expenditure	(472)	(423)	(49)	(472)	(462)	(10)	
Culture and Digital Net Total	(395)	(423)	28	(395)	(406)	11	
Environment & Energy, HS2							
Environment	187	210	(23)	187	195	(8)	Staff savings due to three vacant posts with recruitment planned in later part of the year, there are also resultant lower levels of activity on external advice.
Community Green	409	47	362	409	443	(34)	
Total Income	596	257	339	596	638	(42)	
Environment	(986)	(1,108)	122	(986)	(994)	8	
Community Green	(409)	(47)	(362)	(409)	(443)	34	
Total Expenditure	(1,395)	(1,155)	(240)	(1,395)	(1,437)	42	
Environment & Energy, HS2 Net Total	(799)	(898)	99	(799)	(799)	0	
Energy Capital							
Energy Capital	956	625	331	956	844	112	There are minor over-spends within the Energy Capital budget.
Net Zero Neighbourhood	600	59	541	600	570	30	
Total Income	1,556	684	872	1,556	1,414	142	
Energy Capital	(966)	(625)	(341)	(966)	(844)	(122)	
Net Zero Neighbourhood	(628)	(59)	(569)	(628)	(598)	(30)	
Total Expenditure	(1,594)	(684)	(910)	(1,594)	(1,442)	(152)	
Energy Capital Net Total	(38)	0	(38)	(38)	(28)	(10)	
Housing & Regeneration							
Director of Housing & Regeneration	1,904	1,455	449	1,904	1,546	358	
Total Income	1,904	1,455	449	1,904	1,546	358	
Director of Housing & Regeneration	(1,904)	(1,455)	(449)	(1,904)	(1,546)	(358)	
Total Expenditure	(1,904)	(1,455)	(449)	(1,904)	(1,546)	(358)	
Housing & Regeneration Net Total	0	0	0	0	0	0	
Operational Income Net Total	1,107	0	1,107	1,107	647	460	

Appendix 5

West Midlands Combined Authority Transport Delivery Capital Programme – March 2023

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Metro	115,922	151,277	35,355	115,922	125,596	9,674
Rail	21,515	42,436	20,920	21,515	26,000	4,484
Sprint	196	2,810	2,614	196	331	135
TRANSPORT - INVESTMENT PROGRAMME	137,633	196,522	58,889	137,633	151,926	14,293

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £58.9m lower than budget.

Metro

Wednesbury to Brierley Hill Extension £18.0m – Target Cost 2 approved for phase 1, with some activities now rephased into phase 2.

Birmingham Eastside Extension £7.9m – This is made up of £18.5m utilities works not undertaken this year, offset by accelerated physical construction work of £7.6m.

Wolverhampton WIP Contingency £2.1m – Expenditure has been re-profiled into 2023/24.

Buy Before Boarding £5.4m - Civil enabling work programme has been rephased and procurement of validators and ticket vending machines is expected 2023/24.

Metro Wolverhampton City Centre Extension (£5.8m) - Additional costs are a result of the timing of approvals and added scope of the project.

Rail

Camp Hill Line Local Enhancements Package 2 £13.1m – This is largely attributable to physical construction, due to the timing of the signing of construction contract and subsequent mobilisation, along with the time scales in agreeing site land access.

Walsall to Wolverhampton Local Enhancements Package 1 £7.6m – Rephasing of project works due to identification of mining infrastructure on construction site. Enabling works are anticipated to start in Q1 2023/24.

Perry Barr Rail Station 3.5m - This is largely attributable to the timing of closing station construction contracts and also bus interchange contracts.

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £14.3m lower than forecast.

Metro

Wednesbury to Brierley Hill Ext £1.4m – Target Cost 2 approved for phase 1, with some activities now rephased into phase 2.

Birmingham Eastside Ext £2m – Rescheduling of design and construction activities. Utility works have also been re-phased into 2023/24 due to approval from the relevant party stakeholders, Birmingham City Council and Traffic Management.

Metro Wolverhampton City Centre Extension £3.5m - Construction has been re-profiled due to the timing of design approval (£2.5m) and the timing of land valuation, estimated at £0.8m.

Buy Before Boarding £1.0m - Civil enabling work programme has been rephased and procurement of validators and ticket vending machines is expected in later periods.

MML Life Cycle Projects £1.0m - Due to re-profiling of expenditure between financial years.

Rail

Camp Hill Line Local Enhancements Package 2 £4.0m – This is largely attributable to physical construction, due to later than anticipated signing of construction contract and subsequent mobilisation along with the time scales in agreeing site land access

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Highway	4,965	8,723	3,759	4,965	5,368	403
Other	589	590	1	589	590	1
Rail	24,783	28,548	3,765	24,783	28,620	3,837
Sprint	21,266	22,073	807	21,266	21,583	317
TRANSPORT - COMMONWEALTH GAMES	51,603	59,934	8,332	51,603	56,161	4,558

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £8.3m under budget.

Highway

RTCC - Highway Interventions £2.5m - Rephasing of works due to outstanding signed agreements with Local Authorities to commence installation of traffic signals, cameras and weather stations.

RTCC Data - Tactical and Operational Intelligence £0.2m. A saving of £0.1m on consultancy data modeling has been identified and will now be utilised on additional camera installation. A web service costs of £0.1m will be expect in Q1 2023/24.

Rail

Perry Barr Station Improvement £3.5m - The variance is largely made up of the contingency for contract close out while compensation events are resolved.

Sprint

A34 Walsall to Birmingham £0.5m - Phase 1 physical works are complete with just minor snagging work taking place, requiring review and approval of a significant number of compensation events.

A45 Birmingham to Airport and Solihull £0.3m – Phase 1 physical works are complete with minor snagging works taking place. The variance is due to the review and approval of compensation events which are ongoing and are expected to continue into Q1 2023/24.

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £4.6m under forecast.

Rail

University Station Improvement Project £3.1m - The variance is largely made up of the contingency for contract close out while compensation events are resolved.

Perry Barr Rail Station £0.8m - Variance is due to the delay in resolving compensation events with main construction contract partner and also with bus interchange construction partner Birmingham City Council.

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Bus	10,777	29,128	18,351	10,777	10,952	175
Cycling	91	311	220	91	281	190
Other	3,156	9,439	6,283	3,156	3,608	452
TRANSPORT - OTHER MAJOR PROGRAMMES	14,024	38,878	24,853	14,024	14,841	817

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £24.9m below budget.

Bus

Coventry Electric Bus City £6.3m - £1.5m of this is related to a power supply connection scheduled to be completed which may not now be required, owing to contractors arranging separately. A further £3m is due to an order for single deck buses which is on hold pending the Coventry network review to better understand what services are required going forward. Remaining £1.8m relates to payments awaiting release once TfWM are satisfied charging infrastructure works have begun.

Cross City Bus - Dudley - Druids Heath Package £4.2m - The full business case submission has been rephased. Scheme delivery is not expected until 2023/24.

Cross City Bus - City Centre Package £1.5m - Rephasing of works, delivery of Cross City Package 1 expected to commence June 2023.

Zero Emission Bus Regional Area (ZEBRA) £5.7m - Largely due to six-month deferral request submitted to DFT in late 2022.

Other

Future Mobility Zone Enabling Data Exploitation £1.2m – The primary variance relates to resource allocation for the Mobility as a Service Project (MaaS).

Future Mobility Zone - Transport Network Data £2.7m - The Regional Strategic modelling and Insight Tool is behind schedule due to the timing of procurement.

Future Mobility Zone – Innovation Showcases £1.3m – Phase 2 Hub Design and Development costs are now expected in 2023/24

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £0.8m under Forecast due to minor variances across a number of projects.

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Minor Work Programme	7,329	12,426	5,097	7,329	8,124	795
TRANSPORT - MINOR WORKS	7,329	12,426	5,097	7,329	8,124	795

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £5.1m below budget.

A435 Alcester Road Bus Priority Revitalisation £1.2m - Rephasing of construction works into Q1 2023/24 due to timing of obtaining a TRO from the relevant local authority.

Asset Management Programme £0.7m - Rephasing of procurement materials, to be used for upgrades to bus stations and rail park & ride sites, will commence in the coming months.

Air Quality Grant Scheme 2021 £1m - Project team is looking to reassign a new operator for this project and costs are likely to be incurred in the next financial year.

Key Route Network Safety £0.6m - This variance is likely to be phased into the next financial year as plans to spend this are being considered.

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £0.8m under Forecast.

Better Streets Community Fund - £0.4m Variance due to Birmingham City Council and Coventry City Council claims being lower than budgeted.

Key Route Network Safety - £0.3m largely relates to delay in compliance process and tag guidance. Costs are expected to be occurred in 2023/24.

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Grants to Local Authorities	13,917	38,861	24,944	13,917	14,139	222
Total Grants to Local Authorities	13,917	38,861	24,944	13,917	14,139	222

ACTUAL V BUDGET VARIANCE COMMENTARY

At the end of March 2023, actual expenditure was £24.9m below budget.

Active Travel Fund - Tranche 3 £16.0m - variance is due to the Commonwealth Games physical construction embargo and local authority resourcing capacity. The programme business case has now been approved and Local Authorities are progressing individual business cases as per grant conditions. Expenditure has been profiled from 2023/24.

Priority 1 Delivery- A45 Coventry Road Birmingham £4.5m - Project not yet commenced due to timing of submission of business cases.

Priority 1 Delivery - Perry Barr to Sutton Coldfield £1.5m – funding agreements between the two parties have not been signed yet to enable the local authority to submit their grant claim.

MRN - A450 Bham Midd-Eastside £0.4m – Local authority claim is lower than expected. Delay due to parking survey requirements, claims will fall in 2023/24.

Major Road Network-A449 Stafford Rd M54 J2 to A4150 Ring Road £0.3m - due to rescheduling of design. Will now be completed in 2023/24.

Priority 1 Delivery- WTBH Metro Corridor Access Improvements £0.7m – Local authority claims are lower than budgeted.

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £0.2m below forecast.

MRN - A461- Sandwell £0.1m Expected to complete Q1 2023/24, delayed due to governance OBC.

MRN-A4540 Bham Midd.- Eastside £0.1m- Local authority claim is lower than expected. Delay due to parking survey requirements, claims will fall in 2023/24.

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
CRSTS	52,983	86,602	33,619	52,983	56,628	3,645
Total Grants to Local Authorities	52,983	86,602	33,619	52,983	56,628	3,645

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £33.6m under budget.

Metro Line 1 Renovation £6.3m - The budget assumed Board approval would take place in April 2022 but actual approval happened in March 2023.

Metro Network Enhancements - Wednesbury Depot Upgrades £5.5m - Construction work for a power upgrade has been rephased due to restricted access to works site.

BSIP Bus Priority Cross City Routes £4.0m - The programme business case has been approved for an initial £0.5m to complete design works to confirm the scope and delivery costs for the project.

Swift cEMV Contactless Payment Broker £6.1m - original budget was phased indicatively, as the project has advanced activity will accelerate into 2023/24.

CRSTS - VLR Phase 2 Coventry Demonstration Route £2.5m - The VLR phase 2 project SOC was approved at January 2023 WMCA Board.

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £3.6m forecast.

Sprint Ph2 A34 / A45-1.6m There are underspend across programme primarily due to delay in commencing early design works and pending decision regards to " Re-imagine" initiative.

Metro Line 1 Renovation costs -1.7m OLE parafil works were due to transfer to this project in February 2023, this has not taken place due to a separate funding source has been identified for OLE project. Also, Application 1 less than forecast.

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Investment Programme (Grants to Local Authorities)	46,729	83,593	36,864	46,729	50,769	4,040
Total Investment Programme Grants to Local Authorities	46,729	83,593	36,864	46,729	50,769	4,040

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £36.9m under budget.

Coventry City Centre South Regeneration - Coventry City Centre South £19.4m – deferred land acquisition costs to future years as the main property developer is looking for a development partner and it will take some time before the right party is selected and construction costs are incurred.

CoW Technical Centre £6.1m - Funding agreement has now been exchanged between the two parties, however no funding claim has yet been received.

UK Central HS2 Interchange £5.2m - this project is made up of several sub projects, the roundabout over trace is underspent by £2.4m and NEC Roundabout by £1.3m, these variances represent changes to the phasing of expenditure not expected project life expenditure.

UK Central Infrastructure Package £4.1m - 24 sub-projects make up this project. The following sub-projects have seen slippage: Solihull Town Centre Low Carbon Energy Network £0.8m, A45 Damson Parkway Junction Improvements £0.3m, Accelerated Housing Delivery £0.4m, A452 Chester Road Corridor Enhancement £0.3m, Playing Pitch implementation strategy £0.3m.

Coventry Friargate Business District Phase 1 (£1.6m) - this variance is due to accelerated construction, plot acquisition and infrastructure costs as construction works are now expected to be complete by May 2023.

Actual v Forecast variance commentary

At the end of March 2023, actual expenditure was £4.0m less than forecast.

Coventry City Centre South Regeneration - Coventry Friargate Business District Phase 1 - £3.4m variance primarily due to construction, plot acquisition, letting and infrastructure costs deferred to the 2023/24 financial year.

West Midlands Combined Authority Housing Capital Programme – March 2023

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Housing	19,500	65,167	45,667	19,500	20,148	648
Total Housing	19,500	65,167	45,667	19,500	20,148	648

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £45.7m under budget.

BHF - Pipeline £21m - Several projects are not commenced due to various factors such as rising construction costs, inflation, complex land negotiations and securing planning permissions.

BLPDF £6.9m – the underspend is largely due to the Shard End project which is now at risk of not progressing due to environmental issues and delays in work progressing with the local authority. Viability of this project to be reviewed given the significant delays.

LF - Icknield Port Loop Phase 2a and 2b £2.7m – Solvency issues with the supply chain resulted in the project stalling progress during 2022/23. The scheme will require a variation to the existing funding agreement with new grant conditions.

BHF - Phoenix Park £2.5m - project cost inflation has been considered and the project is now due to go to Board early 2023.

Black Country Land and Property Investment Fund – LPIF £5.5m - Large variance due to Phoenix 10 scheme where spend is deferred and City Council are costs are expected in 2023/24.

LF Port Loop phase 3&4 £2.1m – As reported to Investment board, this scheme was not approved by WMCA due to issue with applicants complying with WMCA terms and conditions including security.

West Midlands Combined Authority Net Zero Capital Programme – March 2023

	FULL YEAR			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	ACTUAL £000	FORECAST £000	VARIANCE £000
Net Zero Programme	1,036	8,894	7,858	1,036	3,803	2,767
Total Retrofit	1,036	8,894	7,858	1,036	3,803	2,767

Actual v Budget variance commentary

At the end of March 2023, actual expenditure was £7.9m under budget.

Social Housing Decarbonisation £5.4m - The project has timing issues due to prolonged procurement process and hurdles in seeking suppliers as such an extension has now been agreed.

Sustainable Warmth Competition £2.5m - The scheme is in the mobilisation phase, with the customer recruitment and property assessment and the installations is to take place in 2023/24.

Actual v Forecast variance commentary

Sustainable Warmth Competition- £1.8m variance is due delayed supplier selection issues.

Appendix 6 2023/24 Transport Capital Programme

TRANSPORT CAPITAL PROGRAMME (£M)		2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL
Investment Programme - Metro	Metro Wednesbury to Brierley Hill Extension	99.8	90.9	69.6	-	-	260.4
	Metro Centenary Square Extension	0.6	-	-	-	-	0.6
	Metro Birmingham Eastside Extension	65.0	35.3	4.2	-	-	104.5
	Metro Edgbaston Extension	3.7	-	-	-	-	3.7
	Metro Network Enhancements	3.2	2.1	0.2	0.0	-	5.5
	Wolverhampton Metro Extension	7.9	-	-	-	-	7.9
	Buy Before Boarding	5.2	3.0	3.0	-	-	11.2
	Metro Enabling and Other Works	0.9	0.6	-	-	-	1.5
Investment Programme - Rail	Rail - Camp Hill Line Local Enhancements (Package 2)	34.8	3.8	-	-	-	38.4
	Rail - Walsall to Wolverhampton Local Enhancements (Package 1)	20.8	14.7	-	-	-	35.5
	Rail - Sutton Coldfield Gateway	0.3	0.2	5.0	15.8	-	21.3
Investment Programme - Sprint	Sprint - Hagley Road Phase 1	2.4	1.8	-	-	-	4.0
	Sprint - Longbridge to Birmingham	0.1	-	-	-	-	0.1
	Sprint - Hall Green to Interchange via Solihull	0.2	-	-	-	-	0.2
	Sprint - Hagley Road Phase 2	0.1	-	-	-	-	0.1
	Sprint - Sutton Coldfield to Birmingham	-	-	-	-	-	-
INVESTMENT PROGRAMME TOTAL		244.9	152.0	82.1	15.8	-	494.8
CWG Programme	Sprint - A45 Birmingham to Airport and Solihull	1.4	-	-	-	-	1.4
	Sprint - A34 Walsall to Birmingham	0.3	-	-	-	-	0.3
	University Station Improvement Project	3.8	-	-	-	-	3.8
	Perry Barr Rail Station	3.5	-	-	-	-	3.5
	Regional Traffic Control Centre	3.9	-	-	-	-	3.9
	Birchley Island - Sandwell MBC	0.3	-	-	-	-	0.3
CWG PROGRAMME TOTAL		13.2	-	-	-	-	13.2
Other Major Programmes	Dudley Interchange	3.1	15.3	0.1	-	-	18.5
	Cross City Bus - City Centre & Druids Heath	2.5	9.8	9.5	0.0	-	21.8
	Coventry City Electric Bus	6.0	27.8	0.1	-	-	33.7
	Zero Emission Bus Regional Area (ZEBRA)	-	12.1	18.3	-	-	30.4
	Future Mobility Zone	5.6	0.3	-	-	-	5.9
	Other Works - Other Major Programmes	0.5	-	-	-	-	0.5
OTHER MAJOR SCHEMES PROGRAMME TOTAL		17.8	65.2	28.0	0.0	-	110.9
Minor Works Programme	A435 Alcester Rd Bus Priority Revitalisation	1.1	-	-	-	-	1.1
	Strategic Transport Officer Group Top Slice	0.3	-	-	-	-	0.3
	Priority One Development Schemes	0.7	-	-	-	-	0.7
	Tackling Nitrogen Dioxide	0.1	-	-	-	-	0.1
	Asset Management Programme	2.0	-	-	-	-	2.0
	M6 Toll - In Vehicle Messaging	0.2	-	-	-	-	0.2
	Air Quality	1.0	-	-	-	-	1.0
	Local EV Infrastructure Fund	1.0	2.0	-	-	-	3.0
	Multi-Area Connected Automated Mobility	0.4	1.1	-	-	-	1.5
	Other Works - Minor Works Programme	1.5	-	-	-	-	1.5
MINOR WORKS PROGRAMME TOTAL		8.2	3.1	-	-	-	11.3
Grants to Local Authorities Programme	Active Travel Fund- Tranche 3	8.7	8.1	-	-	-	16.8
	Active Travel Fund- Tranche 4	1.3	10.8	-	-	-	12.0
	Priority 1 Delivery- Perry Barr- Sutton Coldfield	1.3	0.2	-	-	-	1.5
	Priority 1 Delivery- A45 Coventry Road Birmingham	0.5	4.0	-	-	-	4.5
	Priority 1 Delivery- Binley Road Coventry	0.1	-	-	-	-	0.1
	Priority 1 Delivery- WTBH Metro Corridor Access Improvements	0.5	0.2	-	-	-	0.7
	New St/High St/Victoria Sq Public Realm - Birmingham CC	0.0	-	-	-	-	0.0
	MRN-A4123 Corridor -A4150 Ring Road to A456 Hagley Road	0.2	-	-	-	-	0.2
	MRN - M5 J1 - Sandwell	0.2	-	-	-	-	0.2
	MRN-Cov North Package Link M6	0.2	-	-	-	-	0.2
	MRN-A452 Balsall Common Bypass	0.2	-	-	-	-	0.2
	Major Road Network- A454 Wolverhampton to Neachells	0.1	-	-	-	-	0.1
	Major Road Network-A449 Stafford Rd M54 J2 to A4150 Ring Road	0.3	-	-	-	-	0.3
	Major Road Network- A46 Link Road Coventry	0.1	-	-	-	-	0.1
	Major Road Network - A461	0.5	-	-	-	-	0.5
	MRN-A4540 Bham Middleway -Eastside	0.2	-	-	-	-	0.2
	UKSPF Communities and Places	9.0	19.0	-	-	-	28.0
Other Works - Grants to Local Authority Programme	0.4	-	-	-	-	0.4	
GRANTS TO LOCAL AUTHORITIES PROGRAMME TOTAL		23.6	42.3	-	-	-	65.9
TRANSPORT TOTAL		307.7	262.6	110.0	15.8	-	696.1

Appendix 7 2023/24 Housing and Land Capital Budget

HOUSING AND LAND CAPITAL PROGRAMME (£M)		2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL
IP Land Remediation	Brownfield Land & Property Development Fund (BLPDF)	5.6	2.0	2.8	0.0	0.0	10.4
	LPIF (Black Country Consortium)	22.1	3.1	0.1	-	-	25.2
Land Fund	Land Fund - Simon Digby	0.0	2.5	-	0.6	-	3.0
	Land Fund - Stone Yard	-	0.0	1.0	0.0	1.0	2.1
	LF - Abbots Lane	0.7	0.0	-	-	-	0.7
	Land Fund - Aga	-	-	0.7	-	0.8	1.5
	Land Fund - Portersfield	0.0	0.4	3.8	1.9	-	6.1
	Land Fund - Fountain Lane	0.9	0.6	-	-	-	1.5
	Land Fund - Brierley Hill	0.1	0.1	-	-	-	0.1
	Land Fund - Culwell St	1.5	3.5	0.2	-	-	5.2
	Brownfield Land - Pipeline	29.2	47.5	33.4	8.6	0.1	119.0
	Woodend Henley Manor Farm	0.2	0.0	-	-	-	0.2
	Brownfield Land - Phoenix Park	0.7	2.9	-	-	-	3.6
	Brownfield Land - Murdoch and Pitman	0.0	0.0	1.7	-	-	1.7
	Brownfield Land - Globe House	0.3	0.3	-	-	-	0.6
	Brownfield Land - Erdington Baths	0.9	1.1	0.0	-	-	2.0
	National Competitive Fund - Pipeline	2.6	3.6	4.3	4.2	2.9	17.6
	National Competitive Fund - West Longbridge	0.0	0.0	0.0	0.0	0.0	0.1
	Land Fund - Dobbs Street	0.1	0.2	0.2	-	-	0.5
	Land Fund - Lioncourt	0.2	-	-	-	-	0.2
	Land Fund - Friar Park	0.3	2.3	2.1	0.0	0.0	4.7
	Land Fund - Pipeline	0.9	1.0	8.8	8.7	8.7	28.1
	Land Fund - Abberley Street	0.3	0.1	0.0	0.0	-	0.4
	Land Fund - Cranford Way	0.1	0.0	-	-	-	0.1
	Land Fund - Caparo	0.4	0.5	0.0	-	-	0.9
Land Fund - Icknield Port Loop Phase 2a and 2b	0.0	1.4	1.3	-	-	2.7	
Land Fund - Cookley Works	0.5	-	-	-	-	0.5	
Land Fund - Other	0.0	0.1	0.1	0.1	0.1	0.3	
HOUSING AND REGENERATION PROGRAMME TOTAL		67.4	73.2	60.6	24.2	13.6	239.1
OTHER CAPITAL PROGRAMME (£M)		2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL
Net Zero	Social Housing Decarbonisation	5.4	-	-	-	-	5.4
	Sustainable Warmth Competition	1.6	-	-	-	-	1.6
	Net Zero Neighbourhood - Capital	0.1	1.3	0.1	-	-	1.5
OTHER TOTAL		7.1	1.3	0.1	-	-	8.5

Appendix 8

2023/24 Investment Programme Grants to Local Authorities Programme

INVESTMENT PROGRAMME GRANTS TO LOCAL AUTHORITIES CAPITAL PROGRAMME (£M)		2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL
IP Grants to Local Authorities	Coventry City Centre South Regeneration - City Centre	45.2	15.0	5.1	2.7	9.8	77.7
	Coventry City Centre South Regeneration - Friargate	6.3	-	0.0	-	-	6.3
	Coventry UKC Plus - Coventry South Package	0.2	8.5	23.4	30.9	16.0	79.0
	Coventry UKC Plus - Coventry North Package	-	4.0	11.3	6.2	-	21.4
	UK Central Infrastructure Package - Programme Total	5.1	74.5	57.0	44.4	43.6	224.6
	UK Central HS2 Interchange - Programme Total	4.5	45.2	66.8	51.6	42.5	210.5
	CoW Technical Centre	6.2	1.3	-	-	-	7.5
IP GRANTS TO LOCAL AUTHORITIES		67.5	148.4	163.6	135.7	111.9	627.1

Appendix 9 2023/24 City Regional Sustainable Transport Settlement Programme

This appendix provides an overview of the forecast utilisation of funding from the West Midlands Region £1.05bn capital CRSTS Settlement, for which WMCA is accountable. It does not provide an overview of the expected gross expenditure for projects within the CRSTS programme, inclusive of expenditure funded from other funding sources administered by WMCA, or match funding sources administered by local authority partners.

Gross expenditure recognised by WMCA is reported within the Transport Capital Programme is detailed at **Appendices 5** and **6**. A reconciliation to the expenditure within the appropriate sections of these appendices is provided below.

CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT PROGRAMME (£M)		2023 / 2024	2024 / 2025	2025 / 2026	2026 / 2027	2027 / 2028	TOTAL
City Region Sustainable Transport Settlement Programme	Grants to Local Authorities						
	Highways Maintenance	24.1	24.1	24.1	24.1	-	96.3
	Local Network Improvement Plan	16.0	16.0	16.0	16.0	-	64.1
	Grants to Local Authority Projects						
	Bus	1.5	10.0	3.5	4.0	-	19.0
	Rail	7.1	27.6	20.2	17.7	-	72.6
	Sustainable Travel	31.6	81.3	101.3	98.6	-	312.8
	Grants to Local Authorities Subtotal	80.3	159.0	165.1	160.5	-	564.9
	Projects Delivered by TFWM						
	Bus	4.1	23.1	29.7	25.8	-	82.8
	Digital and Data	1.7	1.7	1.7	1.8	-	6.9
	Metro	27.1	28.7	15.6	0.0	-	71.4
	Rail	3.7	10.2	14.3	16.7	-	44.9
	Sprint	15.7	31.1	7.7	10.5	11.5	76.5
	Sustainable Travel	9.7	25.9	9.8	-	-	45.4
	WMCA Local Network Improvement Plan	5.5	5.5	5.5	5.5	-	21.9
	Transforming Cities Fund 2	32.3	-	-	-	-	32.3
Projects Delivered by TFWM Subtotal	99.6	126.2	84.3	60.4	11.5	382.0	
CITY REGION SUSTAINABLE TRANSPORT SETTLEMENT PROGRAMME		180.0	285.2	249.4	220.8	11.5	946.9

Note: Prior period CRSTS funded expenditure amounted to £103m, which combined with the budgeted £946.3m totals £1.05bn.

Appendix 10
CRSTS Funding Awarded as at 31 May 2023

Delivery Body	Expected CRSTS Funding	Approved	Unapproved
Birmingham	125,067,500	33,134,558	91,932,942
Coventry	106,602,000	67,426,246	39,175,754
Dudley	53,732,500	32,765,410	20,967,090
Sandwell	68,896,000	34,246,000	34,650,000
Solihull	79,381,000	25,281,000	54,100,000
Walsall	58,259,000	26,009,000	32,250,000
Wolverhampton	117,737,000	26,312,000	91,425,000
Local Authority Sub-Total	609,675,000	245,174,214	364,500,786
WMCA	440,325,000	257,949,001	182,375,999
Total	1,050,000,000	503,123,215	546,876,785

Appendix 11

Total Regional Investment Programme Expenditure as at 31st March 2023

PROGRAMME	COST TO COMPLETION			
	PRIOR PERIOD SPEND	2022 / 2023 ACTUAL	FUTURE YEARS FORECAST	TOTAL FORECAST OUTTURN
	£000	£000	£000	£000
COVENTRY UKC PLUS	194,167	10,714	509,208	714,089
SPRINT PROGRAMME	75,519	21,462	195,547	292,528
RAIL PROGRAMME	47,690	25,678	160,997	234,364
METRO PROGRAMME	488,958	113,022	1,101,201	1,703,182
UK CENTRAL INFRASTRUCTURE PACKAGE	88,655	86,422	1,180,762	1,355,839
UK CENTRAL HS2 INTERCHANGE	35,297	8,049	585,969	629,315
HS2 GROWTH STRATEGY TOTAL	930,286	265,347	3,733,684	4,929,316
COVENTRY CITY CENTRE SOUTH REGENERATION	55,370	31,803	247,674	334,846
INNOVATION PROGRAMME	37,876	5,531	151,592	194,999
LAND RECLAMATION AND REMEDIATION	55,918	11,463	132,619	200,000
COMMONWEALTH GAMES 2022	73,028	5,320	-	78,348
EMPLOYMENT, EDUCATION & SKILLS	1,023	290	18,687	20,000
BUSINESS AND TOURISM PROJECT - BATP	10,745	11,788	1,415	23,948
COVENTRY ELECTRIC BUS CITY	11,407	9,866	118,162	139,434
REGIONAL RECOVERY & RISKS	11,754	1,637	36,437	49,828
COLLECTIVE INVESTMENT FUND	87,111	36,371	876,518	1,000,000
OTHER INVESTMENT PROGRAMME SCHEMES	344,231	114,069	1,583,103	2,041,403
GRAND TOTAL	1,274,517	379,416	5,316,787	6,970,719

Appendix 12

WMCA Investment Programme Commitments as at 31st March 2023

£m	Total Expected Approvals	Approved Commitments	Actual Spend (Mar-23)
Coventry UK Central Plus	288.1	94.8	94.4
Sprint Programme	217.4	47.0	42.3
Rail Programme	113.9	63.0	9.4
Metro Programme	227.0	227.0	106.0
UK Central Infrastructure Package	288.0	35.1	27.4
UK Central HS2 Interchange	398.0	57.5	41.9
SUB TOTAL HS2 GROWTH STRATEGY	1,532.4	524.6	321.5
Coventry City Centre South Regeneration	150.0	150.0	62.9
Innovation Programme	50.0	16.1	14.5
Land Reclamation and Remediation	200.0	103.0	67.4
Commonwealth Games 2022	25.0	25.0	25.0
Employment, Education & Skills	20.0	1.3	1.3
Business and Tourism Project - BATP	2.6	2.6	1.2
Coventry Electric Bus City	5.0	5.0	0.5
Regional Recovery & Risks	37.1	26.2	13.0
OTHER INVESTMENT PROGRAMME	489.6	329.2	185.8
TOTAL	2,022.0	853.7	507.3

Appendix 13
WMCA Administered Funds – March 2023

Funding Stream	Grant Awarded £'000	Spend to Date £'000	Purpose
Midlands Connect	30,867	28,790	Revenue funding. Midlands Connect researches, develops and progresses transport projects that will benefit the region, its people and its businesses. The overall ambition is to make the Midlands region fairer, greener and stronger for everyone who lives here.
One Public Estate	1,903	886	Revenue funding. Agreed by WMCA Board that WMCA would assume accountable body status for this grant award, which is delivering various projects to secure more from public sector assets through collective action.
Community Renewal Fund	5,145	5,015	Revenue funding. This fund aims to support people and communities most in need across the UK. The fund will pilot programmes and new approaches to invest in skills, community and place, local business and supporting people into employment.
Active Travel Fund - Capital	38,611	4,483	Funding awarded to external local authorities for the delivery of an array of capital schemes to support the production of cycling and walking facilities throughout the region.
Active Travel Fund - Revenue	1,157	498	Revenue funding to support the above.
Total	77,683	39,671	

Appendix 14
WMCA Balance Sheet

WMCA Balance Sheet as at 31 March 2023			
	31 March 2023	28 February 2023	Movement
	£'000	£'000	£'000
Property, plant and equipment	720,304	715,601	4,703
Intangible assets	1,274	1,327	(53)
Investments	39,659	45,118	(5,459)
Loan Receivables	15,922	15,922	-
Long-term assets	777,159	777,968	(809)
Short-term debtors	102,956	77,444	25,512
Short-term deposits	717,226	744,632	(27,406)
Cash and bank	238	535	(297)
Current assets	820,420	822,611	(2,191)
Loans - interest due	(3,247)	(4,411)	1,164
Short-term creditors/accruals	(137,239)	(129,573)	(7,666)
Current liabilities	(140,486)	(133,984)	(6,502)
Net current assets	679,934	688,627	(8,693)
Provisions	(5,342)	(4,998)	(344)
Loans - PWLB	(494,231)	(496,079)	1,848
Other loans - Barclays	(10,000)	(10,000)	-
Dudley MBC	(3,670)	(4,678)	1,008
Grants receipts in advance	(515,585)	(535,865)	20,280
Long-term liabilities	(1,028,828)	(1,051,620)	22,792
Net assets	428,265	414,975	13,290
General fund balance	4,412	4,942	(530)
Earmarked reserves	266,660	285,174	(18,514)
Capital receipts reserve	2,259	1,841	418
Usable reserves	273,331	291,957	(18,626)
Revaluation reserve	6,108	6,126	(18)
Deferred capital grants account	775,392	752,979	22,413
Capital financing account	(622,704)	(632,224)	9,520
Financial Instruments Adjustment Account	(2,724)	(2,724)	-
Accumulated absences account	(1,138)	(1,138)	-
Unusable reserves	154,934	123,018	31,916
Total reserves	428,265	414,975	13,290

Appendix 15 Commercial Risk

This risk register documents the status of the commercial initiatives WMCA are undertaking, the majority of which have been considered by the WMFD group at a headline or in detail. It includes both live and emerging initiatives. There are other risks WMCA will be exposed to (for example reductions in Government grants) which are not included on this register; but it is important to consider the risks detailed below in the context of the other financial risks WMCA are exposed to managing, and the low financial resilience of the organisation in general.

