



Transport Delivery Overview & Scrutiny Committee

Date	3 rd July 2023
Report title	Financial Monitoring Report
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Report to be/has been considered by	Councillor Akhtar

Recommendation(s) for action or decision:

The Transport Delivery Overview & Scrutiny Committee is recommended to:

1. Note the position as at the end of May 2023 against the TfWM Revenue Budget which shows a favourable variance of £0.6m, as detailed in Section A.
2. Note the TfWM Capital Programme position as at 31 May 2023 which shows a favourable variance of £0.7m for WMCA delivered schemes and an adverse variance of £0.1m for externally delivered schemes, as detailed in Section B.

1. Purpose

- 1.1 This report sets out the financial position as at 31 May 2023. The content relates to the financial position of the Combined Authority's Transport Delivery Revenue and Capital Budgets and consists of the following Sections:

SECTION A

2.0 Section A - Summary Revenue Position

2.1 The Transport revenue budget as at the end of May 2023 shows a favourable variance of £0.6m against budget.

	May 2023 Year to Date			Full Year		
	Actual £'000	Budget £'000	Variance £'000	Forecast £'000	Budget £'000	Variance £'000
Net TfWM Surplus / (Deficit) before reserves	(1,119)	(1,669)	550	(9,201)	(9,201)	0
Use of Reserves	215	195	20	9,201	9,201	0
Net TfWM Surplus / (Deficit)	(904)	(1,474)	570	0	0	0

2.2 Within Transport there is a surplus of £0.9m which represents a favourable variance from budget of £0.6m. In addition to savings arising from vacant posts, the most notable variances relate to Concessions where savings to date due to lower patronage and fare levels have been transferred to a reserve to protect against future risks in relation to the transport network.

2.3 The main risk in relation to the bus network relates to the commercial viability of the sector and the increasing requirement for significant on-going funding if networks are to be maintained.

2.4 Further details of net spending are set out in Appendix 1.

SECTION B

3.0 Summary Position TfWM Capital Budget

3.1 The TfWM Capital Programme expenditure totals £35.7m for WMCA delivered schemes which is £0.7m more than profiled budget. For externally delivered schemes, expenditure totals £11.5m which is £0.1m more than budget at this stage of the year.

TRANSPORT PROGRAMME	YEAR TO DATE - MAY 23			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000
Transport						
Metro	21,753	21,176	(577)	213,380	213,380	0
Rail	10,386	9,311	(1,075)	67,017	67,017	0
Bus	965	874	(91)	17,159	17,159	0
Sprint	936	1,086	150	20,070	20,070	0
Highways	71	121	50	2,498	2,498	0
Digital and Data	1,188	2,007	819	12,065	12,065	0
Other Transport	132	105	(27)	2,271	2,271	0
Sustainable Travel	221	314	93	11,517	11,517	0
Total - Transport	35,650	34,993	(656)	345,977	345,977	0
Transport (External)						
Rail - External	543	543	0	7,079	7,079	0
Bus - External	0	0	0	1,500	1,500	0
Grants to Local Authorities - Transport	10,845	10,737	(108)	116,010	116,010	0
Sustainable Travel - External	116	116	0	31,629	31,629	0
Total - Transport (External)	11,504	11,395	(108)	156,218	156,218	0
TOTAL	47,156	46,390	(766)	502,195	502,195	0

3.2 Capital schemes are being delivered in line or broadly in line with the revised capital budget approved by the WMCA Board in June 2023. Expenditure on the Transport capital programme is relatively close to budget with a minor over-spend against budget of £0.8m.

3.3 The majority of the variance relates to Rail projects where there is an over-spend of £1.1m, specifically University Station of £0.6m due to accelerated cladding works and Walsall to Wolverhampton local enhancement package 1 of £0.5m mainly due to higher costs of grouting, which can be accommodated within the full project budget. Project costs remain within overall budget allocation.

3.4 Within Metro there is an over-spend against year to date of £0.6m relating to the Wednesbury to Brierley Hill Extension and Wolverhampton City Central Extension due to the timing of works. Total project costs are within budget.

3.5 Withing the Digital and Data workstreams there are savings against budget to date of £0.8m relating to the timing of CCTV installation, the development of a Mobility as a Service (MaaS) application and other project support work.

3.6 Other projects remain relatively close to budget at this early stage of the year.

3.7 Appendix 2 provides more detail of the financial performance of WMCA delivered schemes against budget to date.

3.8 Appendix 3 provides more detail of the financial performance of externally delivered schemes against budget to date.

4.0 Glossary of Terms

FMZ = Future Mobility Zone

HS2 = High Speed 2

MRN = Major Road Network
RTI = Real Time Information
RTCC = Regional Transport Coordination Centre
TfWM = Transport for West Midlands
WMCA = West Midlands Combined Authority

Appendix 1 Transport for West Midlands Revenue Budget Position 31st May 2023

At the end of May 2023 there is a £0.6m favourable variance against budget.

	Year To Date			Full Year
	Actual £'000	Budget £'000	YTD Variance £000	Budget £'000
Transport Levy	19,892	19,892	0	119,355
Business Rates	0	0	0	4,674
Use of Reserves	215	195	20	9,201
Total Funding	20,108	20,088	20	133,229
National Bus Concession	(7,575)	(7,486)	(89)	(47,254)
Metro / Rail	(760)	(762)	1	(4,572)
Child Concession	(850)	(1,010)	160	(7,162)
Concessions	(9,186)	(9,258)	72	(58,989)
Bus Stations / Infrastructure	(1,024)	(1,244)	220	(5,933)
Subsidised Network	(2,350)	(2,399)	49	(14,255)
Accessible Transport	(1,051)	(1,112)	62	(6,630)
Bus Services	(4,425)	(4,755)	330	(26,818)
Metro Services	(1,728)	(1,662)	(66)	(10,913)
Rail Services	(559)	(578)	19	(5,300)
Rail and Metro Services	(2,286)	(2,239)	(47)	(16,213)
Safety and Security	(176)	(147)	(28)	(2,375)
Passenger Information	(1,036)	(1,069)	33	(6,651)
Sustainable Travel	(328)	(323)	(4)	(1,934)
Integration	(1,539)	(1,540)		(10,961)
Network Resilience	(444)	(504)	60	(3,185)
Business and Democratic Support	(759)	(762)	3	(4,605)
Strategic Development	(600)	(732)	132	(4,832)
Transport Governance	(24)	(24)	(1)	(141)
Capital Finance Charges	(1,748)	(1,748)	0	(10,485)
Efficiency Target	0	0	0	3,000
Total Expenditure	(21,012)	(21,561)	549	(133,229)
Net Surplus / Deficit	(904)	(1,473)	569	0

Concessions

Savings in year within the ENCTS and Child concessions budgets are due to a lower service provision. To date savings of £0.9m that have occurred due to a lower service provision have been transferred to a risk reserve in recognition of significant pressures around the transport network in the coming year.

Bus Services

There are savings across Bus Infrastructure budgets of £0.2m in the main relating to the timing of External Advice expenditure and Staff vacancies.

Rail & Metro

Within Metro there is a minor over-spend relating to car body repairs and servicing of the 2GT fleet.

Strategic Development

There are savings to date of £0.1m within Strategic Development which are largely due to Staff vacancies.

Other areas within Transport remain close to budget at this early stage of the year.

Reserves

Use of reserves drawn down relate to budgeted support for the 2023/24 Transport Budget and the delivery of the West Midlands Cycle Hire scheme.

Appendix 2 TfWM Delivered Capital Schemes

	YEAR TO DATE - MAY 23			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000
Metro						
Birmingham City Centre Extension	0	0	0	0	0	0
Buy Before Boarding	85	17	(68)	5,210	5,210	0
Metro Birmingham Eastside Extension	6,893	7,659	766	65,007	65,007	0
Metro Centenary Square Extension	28	3	(25)	617	617	0
Metro Edgbaston Extension	383	321	(62)	3,665	3,665	0
Metro Wednesbury to Brierley Hill Extension	11,558	10,259	(1,299)	99,810	99,810	0
Metro Wolverhampton City Centre Extension	1,525	1,210	(315)	7,932	7,932	0
Trams	0	0	0	0	0	0
Metro Network Enhancements	945	1,348	403	27,066	27,066	0
Metro - Other	334	360	26	4,073	4,073	0
Total - Metro	21,752	21,177		213,380	213,380	
Rail						
Park and Ride	0	1	1	500	500	0
Rail Package 1	2,337	1,853	(484)	20,807	20,807	0
Rail Package 2	5,990	6,011	21	34,810	34,810	0
Rail Station	2,052	1,426	(626)	7,377	7,377	0
Snow Hill	0	0	0	0	0	0
Very Light Rail	0	0	0	600	600	0
Rail Developemnt	0	0	0	100	100	0
Dudley Port Integrated Transport Hub	6	0	(6)	450	450	0
Aldridge Station	0	6	6	2,015	2,015	0
Rail - Other	0	13	13	359	359	0
Total - Rail	10,386	9,310		67,018	67,018	
Bus						
Bus Station/Interchange	311	282	(29)	3,139	3,139	0
Clean Bus	187	233	46	6,226	6,226	0
Cross City Bus	18	20	2	2,508	2,508	0
East Birmingham to Solihull Corridor	9	20	11	499	499	0
Demand Responsive Bus	0	1	1	6	6	0
BSIP Bus Priority Cross City Routes	120	102	(18)	3,110	3,110	0
BSIP Retrofit Programme	0	0	0	500	500	0
National Productivity Investment Fund	321	216	(105)	1,170	1,170	0
Total - Bus	965	874		17,158	17,158	
Sprint						
Hagley Road	36	8	(28)	2,420	2,420	0
Hall Green to Interchange via Solihull	0	0	0	202	202	0
Longbridge to Birmingham	0	0	0	57	57	0
Sprint Ph2 A45	1,144	1,338	194	8,202	8,202	0
Sprint Ph2 A34	(63)	49	112	7,465	7,465	0
Sprint A45	69	18	(51)	1,420	1,420	0
Sprint A34	(251)	(327)	(76)	304	304	0
Total - Sprint	935	1,086		20,070	20,070	
Highways						
KRN/MRN	1	0	(1)	607	607	0
Highways - Other	70	121	51	1,891	1,891	0
Total - Highways	71	121		2,498	2,498	
Digital and Data						
FMZ	314	549	235	5,600	5,600	0
RTCC	607	1,095	488	3,856	3,856	0
RTI	6	11	5	584	584	0
Scheme Development and M and E	75	161	86	1,688	1,688	0
Digital and Data - Other	186	191	5	337	337	0
Total - Digital and Data	1,188	2,007		12,065	12,065	
Other Transport						
Asset Management	132	105	(27)	2,019	2,019	0
Transport - Other	0	0	0	252	252	0
Total - Other Transport	132	105		2,271	2,271	
Sustainable Travel						
Air Quality	0	0	0	990	990	0
Better Streets Community Fund	0	0	0	141	141	0
Electric Vehicles	42	66	24	5,614	5,614	0
Priority One Development	16	23	7	690	690	0
Swift ceMV Contactless Payment Broker	162	225	63	4,082	4,082	0
Total - Sustainable Travel	221	314		11,517	11,517	
TOTAL	35,650	34,993	(656)	345,977	345,977	0

Appendix 3 Externally Delivered Capital Schemes

	YEAR TO DATE - MARCH 23			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000
Rail - External						
Very Light Rail - External	543	543	0	6,329	6,329	0
Solihull Rail Station	0	0	0	750	750	0
Total - Rail - External	543	543		7,079	7,079	
Bus - External						
East Birmingham to Solihull Corridor - External	0	0	0	1,000	1,000	0
UKC - Solihull - Dorridge Bus Priority	0	0	0	500	500	0
Total - Bus - External	0	0		1,500	1,500	
Grants to Local Authorities - Transport						
City Centre Regeneration	2,501	2,501	0	51,688	51,688	0
Cycling and Walking	126	22	(104)	12,302	12,302	0
Highways	681	681	0	6,377	6,377	0
Highways Maintenance	3,332	3,332	0	19,994	19,994	0
Local Network Improvement Plan	2,672	2,672	0	16,035	16,035	0
Grants to Local Authorities - Other	849	843	(6)	5,150	5,150	0
HS2 Enabling	684	684	0	4,464	4,464	0
Total - Grants to Local Authorities - Transport	10,845	10,735		116,010	116,010	
Sustainable Travel - External						
Electric Vehicles - External	38	38	0	3,389	3,389	0
Sutton Coldfield Gateway	0	0	0	1,000	1,000	0
Active Travel - A45 Segregated Cycleway	0	0	0	700	700	0
A38 Selly Oak to Longbridge Segregated Cycling	0	0	0	700	700	0
City Centre Active Travel Connections to Interchange	0	0	0	410	410	0
One Station and Smalbrook Queensway	0	0	0	1,000	1,000	0
Snow Hill Growth Strategy	0	0	0	750	750	0
Foleshill Transport Package	37	37	0	4,038	4,038	0
Cov South Sustainable Transport	40	40	0	4,356	4,356	0
A461 Walk, Cycle and Bus Corridor	0	0	0	200	200	0
Smethwick - Birmingham Inclusive Growth Corridor Transport Package	0	0	0	1,000	1,000	0
Chester Road Corridor - Segregated Cycleway and Capacity Enhancement	0	0	0	200	200	0
Dickens Heath to Solihull Town Centre LCWIP Scheme	0	0	0	1,100	1,100	0
Knowle to Solihull Town Centre LCWIP Scheme	0	0	0	1,000	1,000	0
Multi-modal Access to HS2 Enhancement	0	0	0	250	250	0
Bus, Cycle and Walk Access - Darlaston and Willenhall Train Stations	0	0	0	200	200	0
A454 Walk, Cycle and Bus Corridor	0	0	0	2,600	2,600	0
A41 Moxley Iron Park to Walsall Town Centre Walk, Cycle and Bus Corridor	0	0	0	300	300	0
Black Country Walking and Cycling Package	0	0	0	2,000	2,000	0
A4123 Walk, Cycle and Bus Corridor	0	0	0	800	800	0
A449 Walk, Cycle and Bus Corridor	0	0	0	1,635	1,635	0
Wolverhampton City Centre Movement - Walk, Cycle and Bus Package	0	0	0	4,000	4,000	0
Total - Sustainable Travel - External	115	115		31,628	31,628	
TOTAL	11,503	11,393	(110)	156,217	156,217	0