



**West Midlands
Combined Authority**

WMCA Board

Date	20 July 2018
Report title	Financial Monitoring Report 2018/19
Portfolio Lead	Councillor Bob Sleigh - Finance & Investments
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Report to be / has been considered by	WMCA Programme Board - 6 July 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note the financial position as at the end of May 2018.

1.0 Purpose

- 1.1 To provide an update of the West Midlands Combined Authority finances as at the end of May 2018.

2.0 Financial Monitoring

- 2.1 This is the first financial monitoring report of the year. A summary of the revenue and capital financial positions against the approved budget are attached at appendices 1-5. A summary of the Investment Programme along with current commitments is included in appendices 6 and 7.
- 2.2 Appendix 1 shows the overall consolidated revenue position for the West Midlands Combined Authority. The full year position at the end of May shows a £0.365 million favourable variance from budget largely due to variances within the Transport and Operational budgets due to the timing of activity across a number of areas and recruitment to vacant posts.
- 2.3 The position also shows that a number of devolution grants have not been utilised in line with budgeted profile to date. In particular, within the Operational budget (specifically Productivity and Skills where the budget profile was set prior to detailed delivery plans being in place), expenditure will be re-profiled to reflect planned spend relating to the Employment Support Pilot and £5m Construction Fund now that delivery plans have been confirmed.
- 2.4 There has been no change in the forecast position at this early stage in the year, the first re-forecast of the year will take place during July and be reported as part of the July position to August boards.
- 2.5 Note that a balance sheet will not be produced until the end of the first quarter following finalisation of the statutory accounts.
- 2.6 The 2017/18 statutory accounts and audit is now complete. A report were presented to Audit, Risk & Assurance Committee on 21 June recommending approval of the 2017/18 annual statutory accounts of the West Midlands Combined Authority (WMCA) noting the unqualified audit report, as the meeting was not quorate these will now be reported for approval to 20 July WMCA board.

3.0 Transport

- 3.1 Appendix 2 sets out the position on the Transport Revenue Budget as at the end of May 2018, showing a favourable variance of £0.136 million against budget.
- 3.2 The year to date variances are primarily due to the timing of activity and vacant posts which have not yet been recruited to. Further details of variances from budget are set out in appendix 2.
- 3.3 Note that the annual 2018/19 English national concession scheme payment to NX has now been agreed and is in accordance with policy and regulations and within budget.

4.0 West Midlands Combined Authority Operational Budget

- 4.1 Appendix 3 sets out the position on the West Midlands Combined Authority Operational budget as at the end of May 2018.
- 4.2 There is a favourable year to date variance of £0.225 million which is primarily due to a delay in the start-up of planned activity and vacant posts across a number of areas.
- 4.3 As mentioned above there has been a lower than budgeted draw down of Devolution grants to date largely against the Employment Support Pilot grant (£0.305m) and Construction Skills funding (£0.278m). Contracts for the delivery of the Employment Support Pilot were awarded in June with delivery commencing at the end of June as planned. Delivery of the first training courses to be funded through the Construction Skills fund has commenced and expenditure will now be re-profiled to reflect this.
- 4.4 Within Housing and Land where there is currently an under-spend to date of £0.064m, however, recruitment to several posts is currently in progress and so the expenditure rate will increase as we move through the year along with the Industrial Strategy area where recruitment plans are currently being firmed up.

5.0 Mayor's Office

- 5.1 Appendix 4 details the Mayor's office spend, which shows an underspend of £0.033 million to date, largely due to vacant posts yet to be recruited to.

6.0 Funding and Priorities

- 6.1 A review of current expenditure to date across all devolution grant funded budgets will take place following May month end with a view to a possible re-prioritisation of funding to support the current key areas of delivery.
- 6.2 As noted the first reforecast of all spend for the full year will be undertaken during July.
- 6.3 In the interim £0.365 million is underspent year to date. Of this the £0.136m relating to transport is a phasing of activity and is therefore expected to catch up. The £0.225m on the operating budget however has mainly accrued due to timing of recruitment to vacancies and therefore collective consideration is required to assess priorities and whether this one off balance of funding saved to date can be used to meet any gaps in priority requirements and risks.

7.0 Transport Delivery Capital Programme

- 7.1 Appendix 5 sets out the position on the Capital Programme as at the end of May 2018. Overall there is an underspend of £7.5m against the Budget. This is primarily contained within the TfWM Investment Programme (£7.4m) and primarily relates to Metro schemes.

- 7.2 More specifically, the Metro Edgbaston Extension is £1.9m below budget due to a delay in commencing complimentary Highway works (until July 2018), as statutory orders have not yet been obtained. In addition the Metro Wednesbury to Brierley Hill Extension (£1.4m) Programme has slipped, owing to a delay in completing survey and investigation work and as a consequence delaying the start of preliminary design work. Metro Wolverhampton City Centre Extension (£1.3m) has experienced delays in completion of design submissions, and the purchase of the NCP Car Park (£0.8m) originally planned in quarter 1, will not now conclude until later in the year. The Metro East Birmingham to Solihull is also behind programme due to slippage in completion of surveys and modelling works.
- 7.3 As expected at this time of the year, the forecast assumes overall spend aligned to budget, with the exception of Metro Edgbaston Extension, where an underspend of £3.6m has been reflected in May 2018. This is primarily due to early year slippage in highway works and the Canal Bridge where a change in the delivery solution has been agreed, with a knock on impact to deliverables in 2018/19. The Metro Wolverhampton City Centre Extension (£0.4m) has been reduced marginally to reflect a revised construction Programme following early year slippage in preliminary design. The SPRINT Programme has also been reduced (£0.2m), owing to delays in securing land with respect to the Hagley Road scheme, which has prevented the commencement of utility diversion works. It is anticipated the land negotiations can be resolved by the end of August 2018, allowing the utility work to commence in October 2018, with a revised completion date of July 2019.

8.0 Investment Programme

- 8.1 The financial results for the Investment Programme run one month behind the regular Management Accounts due to the requirement to consolidate out-puts across the Metropolitan area. The April results are shown in Appendix 6.
- 8.2 Due to the magnitude of the financial changes across the programme in 2017/18, a re-base exercise is currently being undertaken to the costs to completion. The numbers contained in Appendix 6 include re-based budgets as follows:
- £415m Decrease: UK Central Interchange, following changes agreed during 2017 / 2018 to remove elements of cost and funding from the programme.
 - £629m Increase: UK Central Infrastructure in relation to the significant uplift in value funded by the private sector, consistent with Strategic Outline Business Case Two.
 - £32m Increase: Coventry UK Central Plus in relation to the addition of scope to be funded from the Housing Innovation Fund for Kings Hill.
 - £32m Increase: For Wolverhampton Interchange following the agreement between WMCA and City of Wolverhampton Council to meet the cost pressure associated with the scheme.
 - £2m Decrease: Representing a minor amendment consistent with the 2018/19 returns from Coventry City Council.
- 8.3 The direct WMCA funding into the above programmes is not affected by these amendments to the project totals. WMCA are continuing to work with Project Sponsors to confirm the base-line financial targets for the current financial year.

- 8.4 The financial summary continues to highlight increased spend against the Wednesbury to Brierley Hill and Birmingham to Solihull Interchange Metro extensions. An exercise is ongoing via the Metro Delivery Board to review and verify the costs to completion for the Metro Programme and the results will be reported in due course.
- 8.5 The cost to completion against UK Central Interchange remains red in status due to the funding gap of £205m which Solihull MBC are looking to resolve.
- 8.6 Appendix 7 details the commitments made against the Investment Programme which totalled £469m to the end of May 2018.
- 8.7 Following government approval to grant the WMCA non-transport borrowing powers, work is underway to transfer the existing CIF commitments from Birmingham City Council. Also the June investment board has agreed to re-admit Sandwell MBC into the scheme and increase the fund back up to the original £70m from the temporary £60m limit.

9.0 Legal implications

- 9.1 There are no legal implications.

10.0 Equalities implications

- 10.1 There are no equalities implications.

11.0 Appendices

- Appendix 1 – WMCA Consolidated Summary – May 2018
- Appendix 2 – WMCA Transport Revenue Summary – May 2018
- Appendix 3 – WMCA Operational Revenue Summary – May 2018
- Appendix 4 – WMCA Mayor Revenue Summary – May 2018
- Appendix 5 – WMCA Capital Transport Delivery Programme – May 2018
- Appendix 6 – WMCA Investment Programme Summary – May 2018
- Appendix 7 – WMCA Investment Programme Commitments – May 2018

Appendix 1

WMCA Consolidated Summary – May 2018

		May 2018 YEAR TO DATE			FULL YEAR 2018/19		
		ACTUAL £'000	BUDGET £'000	VARIANCE £'000	FORECAST £'000	BUDGET £'000	VARIANCE £'000
INCOME							
1	Transport Levy	19,120	19,120	0	114,720	114,720	0
2	Devolution Deal grant (IP)	36,500	36,500	0	36,500	36,500	0
3	Devolution Deal grants (Other)	250	1,017	(767)	6,116	6,116	0
4	Adult Education Funding	20	33	(13)	200	200	0
5	Business rates growth*	750	750	0	4,500	4,500	0
6	Grants from Constituent members	774	774	0	4,644	4,644	0
7	Grants from Non Constituent members	71	71	0	425	425	0
8	Investment Income	100	82	18	494	494	0
9	Use of Reserves	0	12	(12)	767	767	0
Total income		57,585	58,359	(774)	168,366	168,366	0
EXPENDITURE							
Operating expenditure:							
10	Transport delivery	19,101	19,237	136	114,720	114,720	0
11	Operational budget	885	1,871	986	11,823	11,823	0
12	Investment Programme Governance	340	777	437	4,659	4,659	0
13	Mayoral Office	106	139	33	823	823	0
Capital Financing:							
14	Revenue finance of capital expenditure	36,927	36,474	(453)	36,341	36,341	0
Total expenditure		57,359	58,498	1,139	168,366	168,366	0
Net		226	(139)	365	0	0	0

* note that full year budget has been revised from £8.1m (as per the 2018/19 budget report approved in February 2018) to £4.5m. This adjustment relates to £3.6m of business rates growth income now included in the 2017/18 final accounts.

The year to date position at the end of May shows a favourable variance of £0.365m against budget. This is largely due to the timing of recruitment and activity within the Transport and the Operational budgets where there are net favourable variances of £0.136m and £0.225m respectively.

Note that there is a significant underspend against utilisation of devolution grants (3) to date. This largely sits within the Operational budget (12) and specifically the Productivity and Skills area where the Employment Support Trial is due to go live during June and also within Construction skills where the first training courses have recently been delivered and recruitment of a Project Manager is underway. The lower utilisation of grants within income is fully offset by lower expenditure.

Within the Investment Programme (13) there is a favourable variance against planned expenditure of £0.437m mainly associated with budgeted loan interest relating to borrowing to fund the Investment Programme which to date has not been necessary due to higher cash balances than anticipated because of delayed re-imbursments. This has resulted in a higher than budgeted transfer into the IP reserve (15).

A full re-forecast of expenditure will take place during July across all WMCA budgets.

Appendix 2
Transport Revenue Budget – May 2018

FINANCIAL SUMMARY AS AT MAY 2018	MAY 2018 YEAR TO DATE			FULL YEAR 2018/19			VARIANCE EXPLANATION(S)
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000	
TRANSPORT FOR WEST MIDLANDS							
INCOME							
Specific resources:							
Transport Levy	19,120	19,120	() 0%	114,720	114,720	0%	
TOTAL INCOME	19,120	19,120	() 0%	114,720	114,720	0%	
EXPENDITURE							
Concessions							
National Bus Concession	8,708	8,720	12 0%	52,241	52,241	0%	
Metro / Rail	755	758	4 0%	4,588	4,588	0%	
Child Concession	1,607	1,608	1 0%	9,581	9,581	0%	
	11,070	11,086	16	66,410	66,410		
Bus Services							
Bus Stations / Infrastructure	564	579	15 3%	3,306	3,306	0%	Minor favourable variance due to phasing of some infrastructure costs
Subsidised Network	1,397	1,403	6 0%	8,498	8,498	0%	Due to phasing on Subsidised Bus survey costs
Tendering / Monitoring	77	112	35 31%	683	683	0%	Favourable due to phasing of monitoring activity with less activity taking place year to date than anticipated in the budget profile
Accessible Transport	1,209	1,210	1 0%	7,261	7,261	0%	
	3,247	3,304	57	19,748	19,748		
Rail and Metro Services							
Metro Services	217	255	38 15%	1,561	1,561	0%	Favourable due to Metro Concessions contract performance deduction (due to underperformance) and minor phasing on other costs (less costs year to date than anticipated in budget profile)
Rail Services	327	334	7 2%	2,253	2,253	0%	Minor favourable variance due to phasing of some infrastructure costs
	544	590	46	3,814	3,814		
Integration							
Safety and Security	135	131	(5) 4%	819	819	0%	
Passenger Information	832	836	4 0%	5,123	5,123	0%	
Sustainable Travel	39	40	2 4%	253	253	0%	
	1,006	1,007	1	6,195	6,195		
Network Resilience	94	134	40 30%	831	831	0%	Favourable due to vacant posts (which now have now been recruited to) and some phasing on Marketing and External Advice activity.
Business Support Costs	555	544	(11) 2%	3,285	3,285	0%	Variance mostly due to lower recovery against 16 Summer Lane building income target and phasing related to purchase of ICT equipment
Strategic Development	389	372	(17) 5%	2,240	2,240	0%	Adverse variance due to some phasing of expenditure with some activity taking place earlier than anticipated in the budget profile
Elected Members	44	46	1 3%	271	271	0%	
Capital Finance Charges	2,152	2,155	3 0%	11,927	11,927	0%	
TOTAL EXPENDITURE	19,101	19,237	136 1%	114,720	114,720	0%	
NET	19	(117)	136 116%			0%	

Appendix 3
WMCA Operational Budget – May 2018

FINANCIAL SUMMARY AS AT MAY 2018	MAY 2018 YEAR TO DATE			FULL YEAR 2018/19			WMCA OPERATIONAL BUDGET
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000	
Contribution - 7 Met Council's	774	774	0	4,644	4,644	0	<p>As at the end of May 18 there is a favourable variance of £225k within the operational budget against member fee income. Specific key variances are explained below:</p> <p>Economic Growth: The overspend within Industrial Strategy relates to an under accrual last financial year for interim cover costs of the Director of Strategy post plus an earlier than budgeted return to work for the Director of Strategy (following maternity leave). Vacant Senior Policy advisor posts within Funding for Growth and Industrial Strategy are offset by lower utilisation of grant income.</p> <p>PSR: There is currently an underspend due to a vacant Lead Economist post within the Inclusive Growth area. Revised plans have led to the recruitment of a policy advisor to replace this role delivering some savings that will be utilised elsewhere. In addition there is a further vacant policy advisor post.</p> <p>Health and Wellbeing: An underspend within the Mental Health area has occurred due to a number of vacant posts which are now in the process of being recruited to.</p> <p>Housing and Land: The underspend is due to several vacant posts which are currently being recruited to. Expenditure is expected to pick up during the year once vacant posts have been filled.</p> <p>Productivity and Skills: The underspend to date largely relates to the Employment Support trial where the trial is due to go live in June and so there has been minimal spend to date. Also there has been no activity relating to the Construction skills area of work to date although recruitment of a project manager is now underway.</p> <p>Leadership: An over-spend due to unbudgeted administrative costs is offset by an unbudgeted grant contribution from the LGA towards the costs of the Executive Business Manager post.</p> <p>Corporate Support: The year to date underspend is due to vacant posts. Lower draw down of funds due to not recruiting to a digital officer post and a policy advisor posts within industrial strategy.</p>
Non-Constituent Members	63	63	0	375	375	0	
Associate Members / Official Observers	8	8	0	50	50	0	
Investment Income	82	82	0	494	494	0	
Members Fees and Investment Income	927	927	0	5,563	5,563	0	
Economic Growth							
Mayoral Capacity Funding	61	93	(32)	388	388	0	
Devo Office of Data Analytics	20	20	0	200	200	0	
Total Income	81	113	(32)	588	588	0	
Culture and Tourism Commission	0	0	0	(60)	(60)	0	
Funding for Growth	(117)	(147)	30	(880)	(880)	0	
Industrial Strategy	(96)	(63)	(33)	(308)	(308)	0	
Office of Data Analytics	(20)	(20)	0	(201)	(201)	0	
Black Country Economic Intelligence Unit	(38)	(40)	2	(240)	(240)	0	
Total Expenditure	(271)	(270)	(1)	(1,689)	(1,689)	0	
Economic Growth Net Total	(190)	(157)	(33)	(1,101)	(1,101)	0	
Public Service Reform							
Other Grants	0	17	(17)	100	100	0	
Mayoral Capacity Funding	0	17	(17)	100	100	0	
Total Income	0	34	(34)	200	200	0	
Public Sector Reform	(65)	(82)	17	(490)	(490)	0	
Inclusive growth	0	(33)	33	(200)	(200)	0	
Total Expenditure	(65)	(115)	50	(690)	(690)	0	
Public Service Reform Net Total	(65)	(81)	16	(490)	(490)	0	
Health & Wellbeing							
Mental Health Commission	(6)	(73)	67	(435)	(435)	0	
Well Being	(29)	(32)	3	(242)	(242)	0	
Total Expenditure	(35)	(105)	70	(677)	(677)	0	
Health & Wellbeing Net Total	(35)	(105)	70	(677)	(677)	0	
Housing & Land							
Devolution Housing & Land	38	103	(65)	1,000	1,000	0	
Total Income	38	103	(65)	1,000	1,000	0	
Housing and Land Commission	(63)	(128)	65	(1,150)	(1,150)	0	
Total Expenditure	(63)	(128)	65	(1,150)	(1,150)	0	
Housing & Land Net Total	(25)	(25)	0	(150)	(150)	0	
Skills & Productivity							
Devolution Productivity & Skills	14	628	(614)	3,770	3,770	0	
Adult Education Funding	20	33	(13)	200	200	0	
Total Income	34	661	(627)	3,970	3,970	0	
Productivity and Skills Commission	(64)	(133)	69	(464)	(464)	0	
Employment Support Pilot Skills	(12)	(305)	293	(1,829)	(1,829)	0	
HS2 Skills	0	(29)	29	(175)	(175)	0	
Gatsby Skills	(2)	(17)	15	(100)	(100)	0	
Construction Skills	0	(278)	278	(1,666)	(1,666)	0	
Adult Education	(20)	(30)	10	(179)	(179)	0	
Careers	0	0	0	0	0	0	
Total Expenditure	(98)	(792)	694	(4,413)	(4,413)	0	
Skills & Productivity Net Total	(64)	(131)	67	(443)	(443)	0	
Leadership							
Other Grants	7	0	7	0	0	0	
Total Income	7	0	7	0	0	0	
Leadership	(69)	(64)	(5)	(381)	(381)	0	
Total Expenditure	(69)	(64)	(5)	(381)	(381)	0	
Leadership Net Total	(62)	(64)	2	(381)	(381)	0	
Corporate Support							
Programme, Policy and Support	(261)	(319)	58	(2,061)	(1,914)	(147)	
Communications	(23)	(68)	45	(260)	(407)	147	
Total Expenditure	(284)	(387)	103	(2,321)	(2,321)	0	
Corporate Support Net Total	(284)	(387)	103	(2,321)	(2,321)	0	
TOTAL RETURN	202	(23)	225	0	0	0	

Appendix 4
Mayoral Office Budget – May 2018

	MAY 2018 YEAR TO DATE			FULL YEAR 2018/19		
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST T £000	BUDGET £000	VARIANCE £000
MAYORAL OFFICE						
Mayoral Capacity Fund*	106	139	(33) 24%	558	558	0 0%
Use of Reserves	0	0	0 0%	265	265	0 0%
TOTAL INCOME	106	139	(33) 24%	823	823	0 0%
Staff Costs	(82)	(117)	35 30%	(692)	(692)	0 0%
Agency Staff	(8)	0	(8) 0%	0	0	0 0%
IT	0	(2)	2 100%	(10)	(10)	0 0%
Travel & Subsistence	(1)	(7)	6 86%	(40)	(40)	0 0%
Other	0	0	0 0%	(2)	(2)	0 0%
Direct Recharges	(2)	0	(2) 0%	0	0	0 0%
Indirect Recharges	(13)	(13)	0 0%	(79)	(79)	0 0%
TOTAL EXPENDITURE	(106)	(139)	33 24%	(823)	(823)	0 0%
NET	0	0	0 0%	0	0	0 0%

As at the end of May 18 the Mayoral budget has a favourable variance of £33k against budgeted expenditure this is largely due to vacant posts which have not yet been recruited to.

* note that this is only part of the Mayoral Capacity Fund granted to WMCA for 2018/19 with the balance being used to support the WMCA Operational budget.

Appendix 5
WMCA Transport Delivery Capital Programme – May 2018

Financial Summary Month Ending May	YEAR TO DATE			FULL YEAR 2018/19			
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000	
TFWM Directly Delivered Investment Programme Schemes							
<u>HS2 Connectivity Programme:</u>							<p>At the end of May 2018, actual expenditure was £7.4m below budget</p> <p>The main variances are contained within the Metro Programme. The Metro Edgbaston Extension was £1.9m below Budget, due to delays in obtaining Statutory Orders, which has pushed back the commencement of Complimentary Highway works until July 2018. The Metro Wednesbury to Brierley Hill Extension is below budget (£1.4m) due to minor slippage in completion of Survey work and site investigations. As a consequence Preliminary Design work has been delayed. The Metro Wolverhampton City Centre Extension has commenced Construction but on a lesser scale to anticipated due to delays in design submissions. In addition the purchase of the NCP Car park (£0.8m) expected in Q1 18/19, will not now be concluded until later in the year. The main Construction works have also been pushed back to November 2018 due to delays in completion of detailed Design. The Metro East Birmingham to Solihull Extension was also behind Budget (£1.2m) due to delays in completion of Surveys and Modelling works, and as a consequence pushing back the commencement of Preliminary Design.</p> <p>The Annual Forecast is £4.2m below Budget.</p> <p>The main variance relates to Metro Edgbaston Extension (£3.5m), reflecting delays to the current Programme. Also the Metro Wolverhampton City Centre Extension has been reduced by £0.4m to reflect the Design delays, which have pushed back the commencement of the construction schedule until November. The SPRINT Programme underspend is reflective of advance Utility work on the Hagley Road Scheme, which cannot commence until land agreements have been secured. As a consequence some of the Construction work expected to start in Q4 18/19 will slip into 2019/20.</p>
Bilston Road Track Replacement Phase 2	(14)	0	(14)	(262)	(250)	(12)	
Sprint Network	(156)	(562)	406	(4,994)	(5,227)	233	
Investment Programme Rail Programme	(135)	(135)	0	(135)	(135)	0	
Metro Centenary Square Extension	(2,354)	(3,013)	659	(17,422)	(17,422)	0	
Metro Wolverhampton City Centre Extension	(1,588)	(2,858)	1,270	(13,196)	(13,593)	397	
Metro Edgbaston Extension	(1,481)	(3,385)	1,904	(13,737)	(17,289)	3,552	
<u>Other TFWM Investment Programme Schemes</u>							
Metro Birmingham Eastside Extension	(864)	(1,425)	561	(22,859)	(22,859)	0	
Metro East Birmingham to Solihull Extension	(1,513)	(2,730)	1,217	(13,273)	(13,273)	0	
Metro Wednesbury to Brierley Hill Extension	(1,471)	(2,903)	1,432	(34,510)	(34,510)	0	
TOTAL TFWM INVESTMENT PROGRAMME	(9,576)	(17,011)	7,435 44%	(120,388)	(124,558)	4,170 3%	
TFWM Other Major Schemes							
Longbridge Connectivity Package	(15)	(20)	5	(3,557)	(3,557)	0	At the end of May 2018, there is a minor underspend against Budget
Connected and Autonomous Vehicles	(27)	(67)	40	(1,100)	(1,100)	0	
TOTAL TFWM INVESTMENT PROGRAMME	(42)	(87)	45 52%	(4,657)	(4,657)	0 0%	
TFWM Minor Works Programme							
TFWM Minor Works Programme	(636)	(643)	7	(10,534)	(10,532)	(2)	At the end of May 2018, there is a minor underspend against Budget
TOTAL TFWM INVESTMENT PROGRAMME	(636)	(643)	7 1%	(10,534)	(10,532)	(2) 0%	
TFWM Administered Programme							
TFWM Administered Programme	(27)	(30)	3	(4,777)	(4,762)	(15)	At the end of May 2018, there is a minor underspend against Budget
TOTAL TFWM INVESTMENT PROGRAMME	(27)	(30)	3 10%	(4,777)	(4,762)	(15) 0%	
GRAND TOTAL TFWM CAPITAL PROGRAMME	(10,281)	(17,771)	7,490 42%	(140,356)	(144,509)	4,153 3%	

Note: The Year to-date variance attributable to timing amounts to 99%

Appendix 6
WMCA Investment Programme Financial Summary period ending 30th April 2018

	2018 / 2019 YEAR TO DATE			2018 / 2019 FULL YEAR			COST TO COMPLETION					
	ACTUAL	BUDGET	VARIANCE	BUDGET	FORECAST	VARIANCE	PRIOR YEAR SPEND	2018/19 FORECAST	FUTURE YEARS FORECAST	TOTAL FORECAST OUTTURN	TOTAL BUDGET	VARIANCE
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
UK CENTRAL : HS2 INTERCHANGE	51	51	0	12,718	12,718	0	3,947	12,718	587,946	604,612	604,612	0
UK CENTRAL : HS2 INFRASTRUCTURE	90	90	0	13,425	13,425	0	2,155	13,425	1,262,426	1,278,006	1,278,006	(0)
CURZON STREET STATION MASTERPLAN	0	0	0	4,406	4,406	0	0	4,406	551,894	556,300	556,300	0
METRO BIRMINGHAM EASTSIDE	399	399	0	22,859	22,859	0	6,217	22,859	108,123	137,200	137,200	0
METRO BIRMINGHAM TO SOLIHULL INTERCHANGE	688	688	0	13,273	13,273	0	4,102	13,273	717,626	735,000	675,000	(60,000)
HS2 WIDER CONNECTIVITY PACKAGE	4,562	5,896	1,334	112,197	108,027	4,170	106,997	108,027	887,440	1,102,465	1,102,465	0
BRIERLEY HILL METRO EXTENSION	498	498	0	34,510	34,510	0	7,368	34,510	301,722	343,600	310,000	(33,600)
NATIONAL COLLEGE FOR HIGH SPEED RAIL	0	0	0	78	78	0	25,431	78	0	25,509	25,233	(276)
HS2 GROWTH STRATEGY PROGRAMME MANAGEMENT	20	20	0	239	239	0	615	239	3,547	4,400	4,400	0
HIGH SPEED SUPPLY CHAIN & BUSINESS SUPPORT	0	0	0	TBC	TBC	-	11,270	TBC	TBC	350,000	350,000	0
HS2 GROWTH STRATEGY TOTAL	6,307	7,641	1,334	213,706	209,536	4,170	168,102	209,536	4,420,724	5,137,092	5,043,216	(93,876)
COVENTRY UK CENTRAL PLUS CONNECTIVITY	167	167	0	8,922	8,922	0	2,341	8,922	492,867	504,130	504,130	0
COVENTRY CITY CENTRE REGENERATION	679	679	0	25,394	25,394	0	5,821	25,394	326,556	357,771	357,771	0
COLLECTIVE INVESTMENT VEHICLE	0	0	0	20,000	20,000	0	20,785	20,000	959,215	1,000,000	1,000,000	0
LAND RECLAMATION	0	0	0	20,000	20,000	0	0	20,000	180,000	200,000	200,000	0
COMMONWEALTH GAMES	0	0	0	25,000	25,000	0	0	25,000	0	25,000	25,000	0
DEVOLVED TRANSPORT INVESTMENT	0	0	0	0	0	0	0	0	1,299,000	1,299,000	1,299,000	0
EZ EXPANSION EXCLUDING CURZON	0	0	0	0	0	0	0	0	20,000	20,000	20,000	0
EMPLOYMENT EDUCATION & SKILLS	0	0	0	0	0	0	0	0	20,000	20,000	20,000	0
BUSINESS INNOVATION	0	0	0	0	0	0	25	0	49,975	50,000	50,000	0
OTHER INVESTMENT PROGRAMME SCHEMES	846	846	0	99,316	99,316	0	28,972	99,316	3,347,613	3,475,901	3,475,901	0
GRAND TOTAL	7,153	8,487	1,334	313,022	308,852	4,170	197,074	308,852	7,768,337	8,612,993	8,519,117	(93,876)

The financial results for April are shown above. Due to the magnitude of the financial changes across the programme during 2017/18, a re-base exercise is currently being undertaken. The numbers contained in the report above include re-based cost to completion budgets as follows:

- 1) £415m Decrease : UK Central Interchange, following changes agreed during 2017 / 2018 to remove elements of cost and funding from the programme.
- 2) £629m Increase : UK Central Infrastructure in relation to the significant uplift in value funded by the private sector, consistent with Strategic Outline Business Case Two.
- 3) £32m Increase : Coventry UK Central Plus in relation to the addition of scope to be funded from the Housing Innovation Fund for Kings Hill.
- 4) £32m Increase : For Wolverhampton Interchange following the agreement between WMCA and City of Wolverhampton Council to meet the cost pressure associated with the scheme.
- 5) £2m Decrease : Representing a minor amendment consistent with the 2018/19 returns from Coventry City Council.

The financial allocations into these projects funded by WMCA are not affected by these amendments to the project totals. WMCA are continuing to work with Project Sponsors to confirm the base-line financial targets for the current financial year.

The report above does however continue to highlight forecast increases in spend against the Wednesbury to Brierley Hill and Birmingham to Solihull Interchange Metro extensions which are currently being reviewed by TfWM and the MMA with funding options being reviewed.

The cost to completion against UK Central Interchange remains red due to the funding gap of c.£205m which Solihull MBC are looking to resolve.

Appendix 7

WMCA Investment Programme Commitment Profile

Scheme (S)	Total Expected WMCA Funding into Programme	WMCA Funding Approved to be Released	FORECAST COMMITMENT PROFILE															TOTAL APPROVALS	
			2018/19					2019/20					Post 2019/20						Timescale to be Confirmed
			May	June	July to September	October to December	January to March	April to June	July to September	October to December	January to March	2020/21	2021/22	2022/23	2023/24	2024/25			
E	E	E	E	E	E	E	E	E	E	E	E	E	E	E					
Approved Investment WMCA Management Board & Assurance Framework:																			
Coventry City Centre South	98,753,985	98,753,985															98,753,985		
Coventry Friargate	51,200,000	51,200,000															51,200,000		
Innovation CDIS	50,000,000	471,500			250,000							11,383,000	12,884,000	11,383,000	5,000,000	4,803,500	50,000,000		
Black Country Strategic Brownfield Land Programme	150,000,000	53,040,000											32,500,000	32,460,000	32,000,000		150,000,000		
Brownfield Land & Property Development Fund	50,000,000	34,814,000		620,000	4,566,000	5,000,000	5,000,000										50,000,000		
Sprint Birmingham to Sutton	27,100,000	300,000				4,990,000			21,810,000								27,100,000		
Sprint - A34 Walsall to Birmingham	27,700,000	300,000				3,600,000			23,800,000								27,700,000		
Sprint - Birmingham to Longbridge	38,400,000	300,000							4,100,000			34,000,000					38,400,000		
Sprint - Hagley Road (Phases 1 & 2)	74,600,000	2,900,000														64,240,000	74,600,000		
Sprint - Half Green to Interchange via Spillihull	26,900,000	300,000											26,600,000				26,900,000		
Sutton Coldfield Gateway (Rail)	20,900,000	367,000			20,533,000												20,900,000		
HS2 Connectivity (Rail)	90,440,000	3,620,000						86,820,000									90,440,000		
UK Central Interchange Programme	Land Valuations	50,000															50,000		
	Car Park Strategy	30,000															30,000		
	Utilities Investigations	100,000															100,000		
	UGC Business Plan	10,061,000	10,061,000														10,061,000		
	HS2 Change Request	260,000,000	9,800,000						250,200,000								260,000,000		
Bham Int Station hub redevelopment	81,000,000	9,270,000							71,730,000								81,000,000		
Interchange - remaining projects	46,359,000								46,359,000								46,359,000		
UK Central Infrastructure Programme	UKC Infrastructure Programme - Phase 1	62,600,000	13,159,000						49,441,000								62,600,000		
	UKC Infrastructure Programme - Phase 2	225,840,000							225,840,000								225,840,000		
Edgbaston Metro Extension (HS2 CP)	58,900,000	58,900,000															58,900,000		
Coventry UKC Plus	Country South - A46 Link Road	81,300,000	200,000			1,125,000			33,225,200	2,675,000			43,874,800				81,300,000		
	Coventry South - Binley & Walgrave Junction	50,000,000									50,000,000						50,000,000		
	Coventry South Interchange	18,000,000	400,000					1,500,000				2,200,000	13,900,000				18,000,000		
	Coventry South - Tile Hill Station Improvements	7,200,000	200,000			500,000		6,500,000									7,200,000		
	Coventry Station Masterplan (CC First)	39,400,000	39,400,000														39,400,000		
	Coventry North	23,700,000	200,000					3,861,000				18,639,000					23,700,000		
Very Light Rail	55,000,000	12,204,821								42,795,179						55,000,000			
Wednesbury Brierley Hill Metro	103,000,000	-			103,000,000											103,000,000			
Wolverhampton Interchange	27,400,000	27,400,000															27,400,000		
HS2 Programme Governance	3,023,270	721,000							277,159	280,738		283,546	286,380	289,244	292,136	593,067	3,023,270		
Commonwealth Games	25,000,000	25,000,000															25,000,000		
Sub Total - Approvals to Date and Forecast Based on Approved SOCs	1,882,957,255	453,462,306	277,159	1,945,000	25,599,000	211,120,000	16,861,000	612,521,938	-	64,240,000	120,764,000	159,300,725	116,145,180	58,032,244	37,292,136	5,396,567	1,882,957,255		
Projects Yet to Enter Assurance Process:																			
HS2 Connectivity - Sprint Programme (Routes not Detailed above)	18,110,000	-															18,110,000		
HS2 Connectivity - Rail Programme	74,760,000	-															74,760,000		
Coventry UKC Plus Coventry Ring Road Imp. & remaining funding	10,450,000	-															10,450,000		
Metro - Bilston Road Track Replacement	15,985,000	15,985,000															15,985,000		
Employment Education & Skills	20,000,000	-															20,000,000		
Sub Total - Projects Yet to Enter Assurance	139,305,000	15,985,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	123,320,000		
Total Potential Commitment Against Devolution Grant	2,022,262,255	469,447,306	277,159	1,945,000	25,599,000	211,120,000	16,861,000	612,521,938	-	64,240,000	120,764,000	159,300,725	116,145,180	58,032,244	37,292,136	5,396,567	2,022,262,255		