



**West Midlands
Combined Authority**

WMCA Board

Date	22 March 2019
Report title	Financial Monitoring Report 2018/19
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Report to be / has been considered by	WMCA Programme Board - 8 March 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Note the financial position as at the end of January 2019.

1.0 Purpose

- 1.1 To provide an update on West Midlands Combined Authority finances as at the end of January 2019.

2.0 Background - Financial Monitoring

- 2.1 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 and the balance sheet position in appendix 8.
- 2.2 Appendix 1 shows the overall consolidated revenue position for the West Midlands Combined Authority. The year to date position at the end of January shows a £1.099m (£1.267m Dec18) favourable variance from budget largely owing to revised delivery schedules for various work streams including the Productivity and Skills and the Health and Wellbeing portfolios as well as a favourable variance within the Transport delivery budget. Further details are provided in sections 3 and 4 below.
- 2.3 Following the final forecast of the year the full year position shows a favourable variance of £0.321m for the year. A favourable movement of £0.298m, of which £0.167m is within the Transport budget and £0.131m is within the Operational budget, reflecting savings within transport due to lower infrastructure and operational costs and vacant post savings within the operational budget.

3.0 Transport

- 3.1 Appendix 2 sets out the position on the Transport revenue budget as at the end of January 2019, showing a favourable variance of £0.538m (£0.603m Dec 18) against budget to date. The full year forecast position shows an overall saving of £0.213m (£0.047m Dec18) due to lower costs across infrastructure and operational costs.
- 3.2 The year to date position shows that expenditure on travel concessions is £1.592m (£1.443m Dec18) under budget due to lower bus patronage than budgeted. The majority of these savings will be used to fund the income foregone as a result of the (12 month) departure charge and roadside information holiday commencing from 1st Oct 2018 within Bus Services of £1.448m.
- 3.3 Other key variances in the year to date position are favourable variances within Strategic development £0.188m due to the profiling of external advice activity which is due to take place during February and March, leading to a minor adverse variance in the full year position.
- 3.4 Other favourable variances are within Metro services of £0.184m due to the timing of infrastructure maintenance works which are scheduled to take place later in the year. Passenger information has a favourable variance of £0.101m due to lower costs associated with ticketing processing and information production and tendering and monitoring of £0.085m where external advice activity has been re-profiled to the remaining part of the financial year. These savings are partly offset by an adverse variance within capital financing of (£0.217m) due to the finance charges related to the CAV mobility project which is being fully funded in the current year to minimise future cost pressures on the budget

- 3.5 The full year position shows a favourable variance of £2.172m (£1.721m Dec 18) within travel concessions due to lower than expected bus patronage, this is offset by the cost of funding the departure charge holiday (£1.448m) and any savings at year end are to be used to fund the remainder of these costs.
- 3.6 The full year passenger information position has a favourable variance of £0.257m largely due to a combination of higher ticketing commission and lower ticketing processing and operating costs. These are offset by higher full year costs within capital financing (£0.219m) due to the unbudgeted costs associated with the CAV mobility project. Additionally business support has an adverse full year variance due to lower rental income than budgeted, increased ICT hardware costs and recruitment costs incurred (£0.184m).
- 3.7 The final reforecast of the year has taken place during January and indicates the expected full year outturn. The favourable movement in the full year position of £0.167m is largely due some lower infrastructure costs in relation to rates, cleaning and other operational costs, higher ticketing commission received and lower ticketing related processing costs.
- 3.8 Further details are set out in appendix 2.

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 January 2019.
- 4.2 There is a favourable year to date variance of £0.561m (£0.664m Dec18) and full year variance of £0.108m. The full year position shows a favourable variance from budget of £0.108m representing a favourable movement of £0.131m from that previously reported due to savings from vacant posts within the Health and Wellbeing portfolio.
- 4.3 To date there is a favourable variance within Health and Wellbeing of £0.266m (£0.354m Dec18). This is largely due to vacant posts within the Mental Health team. The portfolio reflects revised delivery schedules for providing intensive mental health support for those with complex needs or who are homeless and supporting people with mental health as they prepare to leave prison.
- 4.4 There is a favourable year to date variance against the Productivity and Skills budget of £0.224m (£0.223m Dec18), with recruitment activity underway to support delivery of the portfolio's objectives over its 3 year planning period. The Employment Support Pilot is now being delivered and spend has been re-profiled across the 3 year programme to accommodate the revised delivery timetable. There is also a favourable variance on construction skills due to the rescheduling of construction training activities that will now take place later in the year. After an initial delay HS2 skills delivery is now also underway.
- 4.5 In addition there is a favourable year to date variance of £0.100m (£0.092m Dec18) within Corporate Support, primarily owing to the timing of marketing campaigns and events supporting activity across WMCA some of which are planned to take place by the end of the financial year.
- 4.6 Within the full year position the key movements from budget are an adverse variance within the Economic Growth portfolio due to unbudgeted support required related to the Local Industrial Strategy (£0.138m).

- 4.7 There are also unbudgeted full year costs within the Environment portfolio of £0.151m relating to the air quality strategy and costs of £0.194m associated with the transition of the West Midlands Fire Service which will be funded by use of reserves.

Partly offsetting this are favourable variances within the Mental Health and Wellbeing portfolios totalling £0.243m where planned recruitment and support will not now take place this financial year.

5.0 Mayor's Office

- 5.1 The Mayoral office YTD and full year forecast remains in line with budget, with the YTD position reflecting minor favourable variances on staffing costs.

6.0 Funding and Priorities

- 6.1 The final reforecast of the year shows a saving of £0.321m against budget. Forecast savings within the Operational budget will be earmarked to fund activity next financial year as outlined in the 2019/20 planning process.

7.0 Transport Delivery Capital Programme

- 7.1 Appendix 5 sets out the position on the Capital Programme as at the end of January 2019. Overall there is a favourable variance of £54.8m (£48.3m Dec18) against budget. This is primarily contained within the TfWM Investment Programme (£47.4m) and predominantly relates to Metro extension schemes.

- 7.2 There is a favourable variance on the Wednesbury to Brierley Hill Metro Extension (£17.9m) which reflects the re-phasing of early start activities within the project to accommodate the refresh of statutory powers and finalisation of the business case. In addition there is a favourable variance on Edgbaston Metro Extension Scheme (£6.7m) owing to a rescheduling of complimentary highway measures to combine works with Hagley Road Sprint scheme. Construction costs have been reprofiled following the decision to re-strengthen (rather than reconstruct) the canal bridge. The Metro Birmingham Eastside scheme which is below budget (£6.2m), as a result of the impacts of the delay in confirmation of the Transport and Works Act Order on the programme and re-profiling in response to ongoing design options appraisal. The Rail Investment Programme is £4.5m below budget, owing mainly to a deferral of land acquisition with respect to local enhancements on the Walsall to Wolverhampton Rail scheme, and Camp Hill local rail enhancements.

- 7.3 Other favourable variances include the Metro East Birmingham to Solihull Extension (£4.4m) due to a rescheduling of survey and modelling works, impacting on the submission of an application for a Transport and Works Act Order from December 2018 to early 2020. The favourable variance on the Wolverhampton City Centre Metro Extension scheme (£3.0m) reflects re-profiling of the project to align with the Wolverhampton Interchange Programme station reconstruction works, and the purchase of the NCP Car Park (£0.8m) which is in progress, but will not conclude until mid-2019.

- 7.4 The Other Major Schemes Programme is underspent by £2.4m (£1.9m Dec 18) against budget, primarily due to the Longbridge Connectivity Package (£2.7m). The pre-construction ground investigation works have identified that piled foundations will be required, adding significant cost to the current budget. Planning consent was approved in December, necessitating additional drainage measures and visual requirements to complement the area are required as a result. As a consequence, the overall project costs are under review, deferring the commencement of the main construction phase of the Decked Car Park until 2019/20.
- 7.5 The Minor Works programme shows a favourable variance of £3.5m (£2.8m Dec 18) to budget, spread across the wider Programme. The main variations include Snow Hill 3rd Access (£1.5m), Clean Bus Technology Fund 2019-20 (£1.1m), TBT Platinum RTI Equipment (£0.4m), and Network Wide Bus Station Refurbishments (£0.2m).
- 7.6 The Administered Programme shows a favourable variance of £0.9m (£0.5m Dec 18). The main variance relates to the National Productivity Investment Programme (£0.4m), and is due to the reprofiling of bus transit schemes into March 2019. Transport modelling strategy work allied to the Commonwealth Games has been rephrased to reflect the final funding confirmed available for 2018/19, with other activities rephrased into 2019/20.
- 7.7 The Annual Forecast shows a £62.2m (£58.1m Dec18) favourable movement against budget, primarily being a reflection of timing rather than project slippage. The main variance relates to Metro Wednesbury to Brierley Hill Metro Extension scheme (£22.4m), due to the re-phasing of early start activities within the project to accommodate the refresh of statutory powers, and finalisation of the business case. The transfer of the Network Rail corridor acquisition to WMCA has been agreed in principle with formal agreement expected by the end of 2018/19, and transfer of the land to complete in Q1 2019/20, which will allow initial site works to be progressed in 2019, with opening on schedule for 2023. In addition there is a favourable variance against the Birmingham Eastside Extension (£16.2m) due to the impacts of the delay in confirming the Transport and Works Act Order on the programme and re-profiling following further review of design options and addressing emerging interfaces with HS2's planned construction works. The East Birmingham to Solihull Metro Extension (£6.4m) reflects a reduction owing to ongoing modelling and survey work, resulting in a rescheduling of the Public consultation and the Transport and Works Order submission to early 2020, however this variance is not expected to influence the completion date for the scheme, which is on schedule towards the end of 2026. There is a favourable variance on the Edgbaston Metro Extension scheme (£5.6m) primarily as a result of the ongoing complementary highway works, however this variance is not expected to influence the completion date for the scheme, which is on schedule to open in December 2021.
- 7.8 The Rail Investment Programme (£5.4m) is below budget due to a re-profiling of land acquisition costs specific to the Walsall to Wolverhampton Local enhancements, and cost re-profiling of the Camp Hill Line.
- 7.9 Completion of the Wolverhampton City Centre Extension (£2.3m) is now scheduled for late 2020 due to the access dependencies with the Wolverhampton Station works.
- 7.10 On the remaining schemes within the Investment Programme, the forecast changes represent re-profiling of commitments and have no adverse impact on the timescales for overall delivery of schemes.
- 7.11 The Other Major Schemes (£4.2m) favourable variance is a continuation of the year to- date variance explained previously, being primarily due to the Longbridge Connectivity Package (£3.4m).

- 7.12 The Minor Works Programme (4.0m) variance is primarily reflective of Snow Hill 3rd Access (£1.9m), where design and survey works have commenced in January 2019. The Annual Forecast has been reduced by £1.9m to reflect the majority of the construction works falling into 2019/20.
- 7.13 The Administered Programme (£0.7m) variance is reflective of the transport modelling strategy allied to the Commonwealth Games (£0.3m), and to a lesser extent, NPIF (£0.2m), both a continuation of the current position.
- 7.14 Further details are set out in appendix 5.

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 outputs across the Metropolitan area. The December results are shown in Appendix 6.
- 8.2 The year to date cash spend to December 2018 is £89m behind the initial forecast (£76m November 2018). For the full year 2018/19 the programmes are forecast to be £122m behind initial forecasts. Both the year-to-date and full year variances are primarily due to the Metro programme (for the full year being £50m), the Coventry UKC+ programme (for the full year being £25m) and the Coventry City Centre regeneration programme (for the full year being £22m).
- 8.3 The financial summary continues to highlight an increased forecast 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.
- 8.4 The cost to completion against UK Central Interchange remain red status due to the funding gap of c. £205m relating to the Birmingham International Station redevelopment project.
- 8.5 Appendix 7 details the commitments made against the Investment Programme which totalled £514m to the end of January 2019 (unchanged from December 2018).
- 8.6 Based on the sequencing of further business cases through the Assurance Process, the West Midlands Combined Authority expects to fully exhaust the buying power of the Devolution Deal Grant during 2019/20, having made 'commitments to fund' over £750 million of Investment Programme schemes which will be delivered over the next circa 8 years. In order to continue making commitments to fund schemes after this point, sustainable, long term revenue sources of circa £200 million will need to be identified to allow all the scheduled business cases to pass through the assurance process in 2019/20. Post 2019/20 there remains an additional £1.1 billion to secure.
- 8.7 Work was undertaken throughout the autumn to articulate the scale of the issue and agree a strategy with Leaders to identify viable solutions which consist of both income generation and cost avoidance / reduction. Regular updates against these strategies will continue to be provided to Investment Board and West Midlands Combined Authority Board throughout 2019/20.

8.8 Ultimately, if the Combined Authority are unable to close the gap between Investment Programme commitments and available funding, it is likely schemes could encounter delays and / or the overall Investment Programme will need to be scaled back in consultation with Leaders.

9.0 Balance Sheet

9.1 Appendix 8 presents The West Midlands Combined Authority Balance Sheet which shows a good financial position at the end of January 2019. Main changes reflect Transport for West Midlands capital spend and work-in-progress mainly funded by grants in advance, resulting in the increase in long-term assets.

9.2 The decrease in debtors is largely due to lower trade receivables and receipt from the Business Rates Growth which contributed to the increase in total cash and deposits. The loan repayments in the Collective Investment Fund portfolio also contributed to the increase in cash and deposits and resulted in a decrease in investments.

9.3 The increase in short-term creditors/accruals is mainly due to the capital accruals for the Land and Property Investment Fund.

10.0 Administered Funds

Funding Stream	2018/19 Latest Forecast Grant Award £'000	2018/19 Spend to date £'000	Purpose
Midlands Connect	9,230	6,861	Work is continuing on delivering the Midlands Engine 'Vision for Growth'.
Housing First Pilot	9,600	9,600	WMCA are the accountable body for this grant award that has now been paid to Birmingham City Council to develop work streams to help rough sleepers off the streets
One Public Estate	490	-	It was agreed by WMCA Board that WMCA would assume accountable body status for this grant award, that is delivering various projects that secure more from public sector assets through collective action. Sandwell MBC are in the process of transferring the funds to WMCA.
Highways Maintenance Block	13,112	13,112	Distributed to the 7 Mets. excluding Birmingham City Council which has separate PFI arrangements, to deliver programmed highways maintenance works in line with the conditions of the grant award
Integrated Transport Block	17,618	17,239	Supporting delivery of the 7 Mets. Capital Programmes & WMCA's Minor Works Capital Programme
Total	50,050	46,812	

11.0 Financial Implications

12.1 The Financial Implications are set out in the report.

12.0 Legal implications

12.1 There are no legal implications.

13.0 Equalities implications

13.1 There are no equalities implications.

14.0 Inclusive Growth Implications

14.1 The WMCA budget includes implications of inclusive growth in the region.

15.0 Geographical Area of Report's Implications

15.1 The report encompasses the West Midlands region.

16.0 Other Implications

16.1 There are no other implications

17.0 Schedule of Background Papers

- Appendix 1 – WMCA Consolidated Summary – January 2019
- Appendix 2 – WMCA Transport Revenue Summary - January 2019
- Appendix 3 – WMCA Operational Revenue Summary – January 2019
- Appendix 4 – WMCA Mayor Revenue Summary – January 2019
- Appendix 5 – WMCA Capital Transport Delivery Programme – January 2019
- Appendix 6 – WMCA Investment Programme Summary – December 2018
- Appendix 7 – WMCA Investment Programme Commitments – January 2019
- Appendix 8 – WMCA Balance Sheet – January 2019

Appendix 1

WMCA Consolidated Summary – January 2019

	January 2019 YEAR TO DATE			FULL YEAR 2018/19		
	ACTUAL £'000	BUDGET £'000	VARIANCE £'000	FORECAST £'000	BUDGET £'000	VARIANCE £'000
INCOME						
1 - Transport Levy	95,600	95,600	0	114,720	114,720	0
2 - Devolution Deal grant (IP)	36,500	36,500	0	36,500	36,500	0
3a Devolution Deal grants - Operational	2,114	3,789	(1,675)	3,438	5,558	(2,120)
3b Devolution Deal grants - Mayoral	390	422	(32)	558	558	0
4 - Adult Education Funding	266	167	99	318	200	118
5 - Business rates growth	3,970	3,750	220	4,500	4,500	0
6 - Grants from Constituent members	3,870	3,870	0	4,644	4,644	0
7 - Grants from Non Constituent members	354	354	0	425	425	0
8 - Investment Income	791	411	380	892	494	398
9 - Use of Reserves	265	398	(133)	1,530	1,767	(237)
Total income	144,120	145,261	(1,141)	167,525	169,366	(1,841)
EXPENDITURE						
Operating expenditure:						
10 - Transport delivery	95,643	96,181	538	115,508	115,721	213
11 - Operational budget	7,363	8,968	1,605	10,891	11,822	931
12 - Investment Programme	1,122	3,436	2,314	2,731	4,659	1,928
13 - Mayoral Office	655	687	32	823	823	0
14 - Financing Costs	39,063	36,814	(2,249)	37,251	36,341	(910)
Total expenditure	143,846	146,086	2,240	167,204	169,366	2,162
Net	274	(825)	1,099	321	0	321
Made up as follows:						
Transport Delivery	(43)	(581)	538	213	0	213
Operational Budget	317	(244)	561	108	0	108
Investment Programme	0	0	0	0	0	0
Mayoral Office	0	0	0	0	0	0
Net	274	(825)	1,099	321	0	321

The year to date position at the end of January shows a favourable variance of £1.099m (£1.267m Dec18) against budget. This is largely due to the timing of recruitment and activity within the Operational budget, where there is a net favourable variance of £0.561m (£0.603m Dec18). Transport Delivery has a favourable variance of £0.538m (£0.664m Dec18) due to savings within the concessions budget largely due to lower patronage.

The overall consolidated position shows a favourable movement in the full year position of £0.321m which comprises of £0.213m within transport and £0.108m within the operational budget. The transport favourable variance has occurred due to savings within the concession budget due to lower patronage which are offset by the costs of the 12 month departure charge holiday. The operational budget full year saving is largely due to vacant post savings and reduced activity taking place within the health and wellbeing budget.

Within the Investment Programme (12) there is a favourable variance to date of £2.314m (£1.458m Dec18) owing to planned borrowing not being necessary due to higher cash balances than anticipated, which also results in Investment Income (8) being higher than budget by £0.380m (£0.359m Dec18).

The variance against Financing Costs (14) is as a result of the Investment Programme savings detailed above being transferred to the Investment Programme reserve to meet the costs of future Investment Programme borrowing. This approach is consistent with the financial principles of the original Investment Programme financial model and effectively results in a neutral effect across the Investment Programme income and expenditure account.

Appendix 2

Transport for West Midlands 2018-19 year to date revenue position – January 2019

	ACTUAL JAN 19 £000	BUDGET JAN 19 £000	VARIANCE JAN 19 £000	FORECAST FULL YEAR £000	BUDGET FULL YEAR £000	VARIANCE FULL YEAR £000	
							As at the end of January there is a £0.538m favourable position in-year with a minor favourable position of £0.213m forecast for the full year. The material year to date and full year variances of note are detailed below.
TRANSPORT FOR WEST MIDLANDS							
INCOME							
Specific resources:							
Transport Levy	95,600	95,600	0	114,720	114,720	0	
TOTAL INCOME	95,600	95,600	0	114,720	114,720	0	
EXPENDITURE							
Concessions							
National Bus Concession	42,077	43,531	1,454	50,170	52,244	2,075	<p>Mainly due to lower Bus concessionary patronage than budgeted and the majority of the saving will be used to fund the income foregone as a result of the agreed 12 month Departure charge and Roadside Information holiday that commenced from 1 October 2018.</p> <p>The majority of the in-year adverse variance and full year forecast is due to income foregone as a result of the agreed introduction of the 12 month Departure charge and Roadside Information holiday commencing from 1 October 2018. The income foregone from this will be funded from savings on Concessions. Part of the adverse full year position is due to some additional costs/activity in relation to Bus Policy Development options work. The in-year adverse variance is partly offset by phasing attributable to monitoring and survey related activity with some of this reprofiled to take place in the final part of the year.</p> <p>The in-year position on Metro Services is due to a re-profiling of some infrastructure maintenance activity to later in the year than originally envisaged.</p> <p>The in-year position on Rail Services is due to some lower operational related costs incurred in relation to Bromsgrove Station and lower rail infrastructure utility costs.</p> <p>Due to higher Ticketing Commission received and lower ticketing related processing costs incurred as well as other lower expenditure such as marketing costs in relation to passenger information as a result of less hard copy marketing literature (e.g. maps, guides and leaflets) being produced.</p> <p>This is due to lower recovery against the 16 Summer Lane building income target that was set for the 2018-19 budget and some one off full year support cost pressures that includes ICT infrastructure.</p> <p>This reflects some in-year phasing on External Advice related activity with it now planning to take place before the end of the financial year.</p> <p>This is due to a financing charge in relation to the CAV Mobility project which is being funded from the current financial year to minimise future cost pressures on the overall Transport Delivery budget.</p>
Metro / Rail	3,780	3,785	5	4,542	4,542	(1)	
Child Concession	7,788	7,921	133	9,453	9,552	99	
	53,645	55,237	1,592	64,165	66,338	2,172	
Bus Services							
Bus Stations / Infrastructure	4,479	3,084	(1,394)	5,275	3,510	(1,764)	
Subsidised Network	7,058	7,092	35	8,456	8,498	42	
Tendering / Monitoring	490	575	85	674	683	9	
Accessible Transport	6,047	6,050	2	7,259	7,261	2	
	18,074	16,801	(1,273)	21,663	19,952	(1,711)	
Rail and Metro Services							
Metro Services	1,107	1,291	184	1,546	1,560	14	
Rail Services	1,755	1,832	77	2,192	2,253	61	
	2,863	3,124	261	3,739	3,814	75	
Integration							
Safety and Security	567	510	(56)	684	614	(70)	
Passenger Information	4,125	4,226	101	4,938	5,195	257	
Sustainable Travel	198	209	11	243	253	10	
	4,889	4,945	56	5,866	6,063	197	
Network Resilience							
	698	686	(11)	912	831	(81)	
Business Support Costs							
	2,762	2,701	(61)	3,469	3,285	(184)	
Strategic Development							
	1,640	1,829	188	2,278	2,240	(39)	
Elected Members							
	221	224	3	268	271	2	
Capital Finance Charges							
	10,851	10,635	(217)	12,148	11,929	(219)	
TOTAL EXPENDITURE	95,643	96,181	538	114,509	114,721	213	
NET	(43)	(581)	538	211	(1)	213	

Appendix 3

West Midlands Combined Authority Operational Budget – January 2019

FINANCIAL SUMMARY AS AT JANUARY 2019	JANUARY 2019 YEAR TO DATE			FULL YEAR 2018/19			
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000	
Contribution - 7 Met Council's	3,870	3,870	0	4,644	4,644	0	As at the end of January 2019, there is a favourable year to date variance of £559k within the Operational Budget. Following the final forecast of the year there is a favourable variance of £106k within the full year position. Key variances are explained below.
Non-Constituent Members	313	313	0	375	375	0	
Associate Members / Official Observers	42	42	0	50	50	0	
Total Income	4,225	4,225	0	5,069	5,069	0	
Favourable variance due to positive cash balances.							
Economic Growth							
Mayoral Capacity Funding	233	337	(104)	362	388	(26)	The favourable year to date and full year variance within culture and tourism reflects a slow start to activity, some of which may not take place during this financial year.
Devo Office of Data Analytics	141	162	(21)	178	200	(22)	
Total Income	374	499	(125)	540	588	(48)	Funding for growth largely reflects an in year and full year favourable variance due to a vacant senior policy advisor post.
Culture and Tourism Commission	0	(30)	30	(30)	(60)	30	Industrial Strategy year to date and full year adverse variance is due to additional consultancy work being commissioned to support the local industrial strategy development.
Funding for Growth	(653)	(733)	80	(780)	(880)	100	
Office of Data Analytics	(141)	(163)	22	(178)	(201)	23	Environment is a new unbudgeted area which shows a year to date and full year variance due to work being commissioned for air quality strategy and costs for an interim appointment of a resource to take the work of this portfolio forward.
Black Country Economic Intelligence Unit	(191)	(200)	9	(243)	(240)	(3)	
Industrial Strategy	(299)	(262)	(37)	(397)	(308)	(89)	
Environmental	(84)	0	(84)	(151)	0	(151)	
Total Expenditure	(1,368)	(1,388)	20	(1,779)	(1,689)	(90)	
Economic Growth Net Total	(994)	(889)	(105)	(1,239)	(1,101)	(138)	
Public Services Reform							
Revenue Contributions to / from Third Parties	40	83	(43)	40	100	(60)	Inclusive growth shows a favourable in year and full year variance reflecting a vacant lead economist post.
Mayoral Capacity Funding	50	83	(33)	80	100	(20)	
Third Party Income	219	0	219	169	0	169	Costs associated with the transition of the West Midlands fire service are unbudgeted but can be accommodated within the overall position.
Investment Programme Revenue funding contribution	550	0	550	1,150	0	1,150	
Miscellaneous Revenue Grant Income	694	0	694	981	0	981	5G mobilisation costs are funded from the approved IP contribution and DCMS grant.
Use of Reserves	492	411	81	688	494	194	
Total Income	1,553	166	1,387	2,420	200	2,220	
Public Sector Reform	(377)	(409)	32	(489)	(490)	1	
Inclusive growth	(60)	(167)	107	(91)	(200)	109	
5G Network	(1,462)	0	(1,462)	(2,300)	0	(2,300)	
WM Fire Service Transition	(84)	0	(84)	(194)	0	(194)	
Total Expenditure	(1,983)	(576)	(1,407)	(3,074)	(690)	(2,384)	
Public Service Reform Net Total	62	1	61	34	4	30	
Health & Wellbeing							
Revenue Contributions to / from Third Parties	33	0	33	33	0	33	The favourable in year variance reflects vacant posts within the Health and wellbeing team, as well as mental health activity which is being commissioned later than planned.
Total Income	33	0	33	33	0	33	
Mental Health Commission	(180)	(363)	183	(277)	(435)	158	The full year position shows a favourable variance due to vacant post savings due to posts not being recruited to this financial year and physical activity not taking place this financial year.
Well Being	(147)	(197)	50	(190)	(242)	52	
Total Expenditure	(327)	(560)	233	(467)	(677)	210	
Health & Wellbeing Net Total	(294)	(560)	266	(434)	(677)	243	
Housing & Land							
Devolution Housing & Land	591	819	(228)	782	1,000	(218)	Housing and Land shows a favourable variance due to vacant posts which are currently being recruited to later in the year.
Total Income	591	819	(228)	782	1,000	(218)	
Housing and Land Commission	(710)	(945)	235	(925)	(1,150)	225	The full year position has a favourable variance due to vacant post savings.
Total Expenditure	(710)	(945)	235	(925)	(1,150)	225	
Housing & Land Net Total	(119)	(126)	7	(143)	(150)	7	
Skills & Productivity							
Devolution Productivity & Skills	992	2,304	(1,312)	1,921	3,770	(1,849)	The favourable variance within the Productivity and skills commission budget is largely due to a slower start to portfolio activity taking place this financial year but this will pick up as the activities commence.
Investment Programme Revenue funding contribution	35	0	35	71	0	71	
Adult Education Funding	266	167	99	318	200	118	The favourable in year variance reflects revised delivery timetables in respect of the portfolios key objectives including the Employment Support Pilot scheme, HS2 and Construction skills where activity will take place later than anticipated.
Total Income	1,293	2,471	(1,178)	2,310	3,970	(1,660)	
Productivity and Skills Commission	(421)	(664)	243	(464)	(464)	0	In contrast there is an adverse variance within the Adult education budget due to consultancy work taking place for the procurement of AEB activity. Career learner pilot has an adverse variance but this is offset by grant income received.
Employment Support Pilot Skills	(222)	(851)	629	(457)	(1,829)	1,372	
HS2 Skills	(35)	(136)	101	(71)	(175)	104	The full year position largely remains in line with budget overall.
Gatsby Skills	(53)	(83)	30	(61)	(100)	39	
Construction Skills	(439)	(1,233)	794	(996)	(1,666)	670	
Adult Education	(266)	(149)	(117)	(318)	(179)	(139)	
Careers	0	0	0	0	0	0	
Career Learning Pilot	(240)	0	(240)	(355)	0	(355)	
Digital Skills	(38)	0	(38)	(52)	0	(52)	
Total Expenditure	(1,714)	(3,116)	1,402	(2,774)	(4,413)	1,639	
Skills & Productivity Net Total	(421)	(645)	224	(464)	(443)	(21)	
Leadership							
Revenue Contributions to / from Third Parties	34	0	34	41	0	41	Leadership broadly remains in line with budget.
Total Income	34	0	34	41	0	41	
Leadership	(344)	(318)	(26)	(412)	(381)	(31)	
Total Expenditure	(344)	(318)	(26)	(412)	(381)	(31)	
Leadership Net Total	(310)	(318)	8	(371)	(381)	10	
Corporate Support							
Mayoral Capacity Funding	0	0	0	0	0	0	The favourable in year variances relates primarily to scheduling of communications spend relating to marketing campaigns, digital development and events some of which are anticipated to take place later in the year and a vacant post within support that will be recruited to later in the year.
Total Income	0	0	0	0	0	0	
Programme, Policy and Support	(1,652)	(1,594)	(58)	(2,006)	(1,914)	(92)	The full year adverse variance is primarily due to corporate services costs which comprise of recruitment and ICT equipment.
Communications	(181)	(339)	158	(338)	(407)	69	
Total Expenditure	(1,833)	(1,933)	100	(2,344)	(2,321)	(23)	
Corporate Support Net Total	(1,833)	(1,933)	100	(2,344)	(2,321)	(23)	
TOTAL NET EXPENDITURE	(3,909)	(4,470)	561	(4,961)	(5,069)	108	
NET RETURN	316	(245)	561	108	0	108	
Devolution grants	(2,114)	(3,789)	1,675	(3,438)	(5,558)	2,120	
AEB Funding	(266)	(167)	(99)	(318)	(200)	(118)	
Use of reserves	0	(133)	133	(265)	(502)	237	
NET RETURN PRESENTED IN CONSOLIDATED SUMMARY	(2,064)	(4,334)	2,270	(3,913)	(6,260)	2,347	

Appendix 4

West Midlands Combined Authority Mayoral Budget – January 2019

	JANUARY 2019 YEAR TO DATE			FULL YEAR 2018/19		
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000
MAYORAL OFFICE						
Other Grants	390	422	(32) 8%	558	558	0 0%
Governance Income	0	0	0 0%	0	0	0 0%
Use of Reserves	265	265	0 0%	265	265	0 0%
TOTAL INCOME	655	687	(32) 5%	823	823	0 0%
Staff Costs	(610)	(644)	34 5%	(721)	(771)	50 6%
IT	(8)	(8)	0 0%	(10)	(10)	0 0%
Promotions, Information and Initiatives	(3)	0	(3) 0%	(2)	0	(2) 0%
External Advice	0	0	0 0%	(39)	0	(39) 0%
Travel & Subsistence	(13)	(33)	20 61%	(30)	(40)	10 25%
Other	(2)	(2)	0 0%	(2)	(2)	0 0%
Statutory Finance Charges	(6)	0	(6) 0%	(6)	0	(6) 0%
Direct Recharges	(13)	0	(13) 0%	(13)	0	(13) 0%
TOTAL EXPENDITURE	(655)	(687)	32 5%	(823)	(823)	0 0%
NET	0	0	0 0%	0	0	0 0%

The Mayoral budget shows a favourable variance to date largely due to minor staff cost variances. The full year position remains in line with budget.

Appendix 5 West Midlands Combined Authority Transport Delivery Capital Programme – January 2019

Financial Summary Month Ending January	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>Year to Date Variances</p> <p>At the end of January 2019, actual expenditure was £47.4m (Dec £42.2m) lower than the budget with the overall variances relating to cash flow reprofiling. An explanation of the main variances is as follows:</p> <p>The favourable cashflow variance on the Metro Edgbaston Extension (£6.7m) is due to a rescheduling of Complimentary highway measures and Land purchase to combine with Hagley Road Sprint scheme commencing in 2019, and Centenary Square (£1.5m) due to utility re-profiling, mitigated by the acceleration of works following the closure of Paradise Circus which will bring forward the completion date of the scheme in 2019.</p> <p>The favourable cashflow variance for the Wolverhampton City Centre £3.0m (Dec £3.9m) scheme accommodates changes within the programme plan to align with the Wolverhampton Interchange reconstruction works and the purchase of the NCP Car Park which is ongoing and due to complete in the early part of 2019.</p> <p>The Metro Birmingham Eastside Extension £6.2m (Dec £4.6m) variance is reflective of design option reappraisal at the Delta Junction, Bull Steet, rescheduling the preliminary design submission back to the end of 18/19 following a solution being agreed in November 2018 .</p> <p>The Metro East Birmingham to Solihull Metro Extension £4.4m (Dec £3.5m) variance is reflective of ongoing surveys and modelling works, requiring the reprofiling of the Transport Works Order request from December 2018 to late 2019.</p> <p>The Metro Wednesbury to Brierley Hill Extension £17.9m (Dec £14.7m) reflects ongoing investigation work on retaining walls and structures and survey input data, impacting on preliminary design progression. The legal agreement with Network Rail has been obtained, with Land transfer expected towards the end of Q4 18/19, allowing construction works to progress in 2019.</p> <p>The Annual Forecast Variances</p> <p>Changes have been made since April 2018 to the forecast out-turn which again relate to timing of expenditure rather than being indicative of project slippage. The Annual variance is £62.2m (Dec £56.1m) below budget. The overall reduction in January (£6.1m) is primarily contained within Birmingham Eastside Extension (£1.3m) and Metro Wednesbury to Brierley Hill Extension (£1.3m) further explained below</p> <p>The main variances are as follows:</p> <p>The Edgbaston and Centenary Square Metro Extension forecasts have been reduced by £6.3 (Dec £4.8m) owing to the complimentary highway works and the 2018/19 impact of the Traffic Regulation Orders as detailed above.</p> <p>The Birmingham Eastside Extension £16.2m (Dec £14.9m) and East Birmingham to Solihull Extension forecast revisions £6.4m (Dec £6.4m) are representative of the full year effect of the cash flow variations to the end of January. In addition, within the Birmingham Eastside Extension, utility diversions and land acquisition work have not been able to commence due to the delay in obtaining the Transport and Works Act Order submitted in September 2018. Also 3G Tram contract negotiations and award have been reprofiled to September 2019.</p> <p>The main variation within the Metro Wednesbury to Brierley Hill Extension £22.4m (£21.1m) relates to a delay in commencement of early start construction activities, however the Network rail corridor acquisition which contributed to the delay has been obtained, allowing construction to commence in 2019.</p> <p>The variances against these Metro extensions represent re-profiling of commitments and have no adverse impact on the timescales for overall delivery.</p> <p>The Investment Programme £5.4m (Dec £4.8m) underspend is primarily due to reprofiling of Land acquisition on the Rail-Walsall to Wolverhampton Local Enhancements (£2.0m) and design activities (£0.8m), and reprofiling of costs on the Rail-Camp Hill Line (£1.4m).</p>
Bilston Road Track Replacement Phase 2	(42)	(250)	208	(33)	(250)	217	
Sprint Network	(1,281)	(4,254)	2,973	(2,336)	(5,227)	2,891	
Investment Programme Rail Programme	(3,379)	(7,915)	4,536	(3,771)	(9,184)	5,413	
Metro Centenary Square Extension	(12,954)	(14,452)	1,498	(16,711)	(17,422)	711	
Metro Wolverhampton City Centre Extension	(10,413)	(13,438)	3,025	(11,257)	(13,593)	2,336	
Metro Edgbaston Extension	(9,005)	(15,653)	6,648	(11,714)	(17,289)	5,575	
<u>Other TFWM Investment Programme Schemes</u>							
Metro Birmingham Eastside Extension	(4,727)	(10,899)	6,172	(6,658)	(22,859)	16,201	
Metro East Birmingham to Solihull Extension	(6,201)	(10,556)	4,355	(6,862)	(13,273)	6,411	
Metro Wednesbury to Brierley Hill Extension	(9,176)	(27,116)	17,940	(12,061)	(34,510)	22,449	
TOTAL TFWM INVESTMENT PROGRAMME	(57,178)	(104,533)	47,355	(71,403)	(133,607)	62,204	
			45%			47%	
TFWM Other Major Schemes							
Regional Transport Coordination Centre (RTCC) development	(59)	(52)	(7)	(119)	(172)	53	<p>Year to-date Variances</p> <p>At the end of January 2019, there was an underspend of £3.0m (Nov £2.4m), the main variance being the Longbridge Connectivity Package. It was originally envisaged that construction of the Decked Car park at Longbridge would have commenced in September 2018, however further ground investigative confirmed that piled foundations were required, which will increase the cost. Planning approval was concluded in November 2018, with additional costs required for Drainage and visual requirements to meet Planning consent. All costings are being reviewed as a consequence of the above.</p> <p>Annual Forecast Variances</p> <p>The Annual Forecast is £4.0m (Dec £4.2m) below the Budget, primarily due to the rescheduling of the main construction works at Longbridge (£3.4m) into 19/20 as a consequence of the delays identified above. The CAV project is also below Budget, being cash-flow related following the decision to procure the Highway and Road Traffic control equipment towards the end of Q1 19/20. This has no impact on the delivery of the 2 year programme.</p>
Bromsgrove Station	3	0	3	3	0	3	
Longbridge Connectivity Package	(132)	(2,849)	2,717	(134)	(3,557)	3,423	
Connected and Autonomous Vehicles	(282)	(535)	253	(353)	(1,100)	747	
TOTAL TFWM OTHER MAJOR SCHEMES	(470)	(3,436)	2,966	(603)	(4,829)	4,226	
			86%			88%	
TFWM Minor Works Programme							
TFWM Minor Works Programme	(7,826)	(11,354)	3,528	(10,755)	(14,770)	4,015	<p>Year to Date Variances</p> <p>At the end of January 2019, there was an underspend of £3.5m (Dec £3.4m) against budget. The main variances relate to Snow Hill 3rd Access (£1.5m) Clean Bus Technology Fund (£1.1m), TBT Platinum RTI Equipment (£0.4m) Network Wide Bus Station Refurbishments (£0.2m), and the construction of walking and cycling routes (£0.1m).</p> <p>Annual Forecast Variances</p> <p>The Annual Forecast is £4.0m (Dec £2.4m) below Budget, primarily reflective of Snow Hill 3rd Access (£1.9m) where the majority of Construction costs have been rescheduled into 19/20. Also TBT Platinum Equipment (£0.3m) owing to delays due to re-branding on Bus Alliance and major Bus infrastructure enhancements. The primary reduction in January 2019 relates to Clean Bus Technology (£0.7m), owing to the withdrawal of one of the operators. Offsetting this, development work has progressed ahead of budget on the Perry Barr Rail Station (£0.2m), pending finalisation of Grant draw down procedures with Birmingham City Council through the Housing Investment Fund (HIF).</p>
TOTAL TFWM MINOR WORKS PROGRAMME	(7,826)	(11,354)	3,528	(10,755)	(14,770)	4,015	
			31%			27%	
TFWM Administered Programme							
TFWM Administered Programme	(1,361)	(2,265)	904	(2,414)	(3,109)	695	<p>Year to-Date Variances</p> <p>The main variance relates to National Productivity Investment Fund (NPIF) £0.4m primarily due to reprofiling of bus transit schemes between growth points in Birmingham. In addition, transport Modelling Strategy for the Commonwealth Games (£0.3m) is under budget due to a rephrasing of activities to reflect the final funding available for 18/19, with other activities profiled into 2019/20.</p> <p>Annual Forecast Variances</p> <p>The Annual position is reflective of the year to date position, however it is anticipated there will be some recovery of NPIF costs in the final quarter.</p>
TOTAL TFWM ADMINISTERED PROGRAMME	(1,361)	(2,265)	904	(2,414)	(3,109)	695	
			40%			22%	
GRAND TOTAL TFWM CAPITAL PROGRAMME	(66,835)	(121,588)	54,753	(85,175)	(156,315)	71,140	
			49%			46%	

Appendix 6

WMCA Investment Programme Financial Summary period ending 31st December 2018

	2018 / 2019 YEAR TO DATE			2018 / 2019 FULL YEAR			COST TO COMPLETION					
	ACTUAL	BUDGET	VARIANCE	BUDGET	FORECAST	VARIANCE	PRIOR PERIOD 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
COVENTRY UKC PLUS	5,754	26,184	20,431	42,051	16,821	25,230	12,588	16,821	617,197	646,605	655,204	8,599
SPRINT PROGRAMME	1,239	3,735	2,496	5,227	2,790	2,437	2,435	2,790	274,499	279,724	279,330	(394)
RAIL PROGRAMME	2,957	7,254	4,297	8,852	4,266	4,586	248	4,266	420,586	425,100	425,100	(0)
METRO	58,293	94,738	36,446	135,632	85,262	50,370	111,749	85,262	1,269,628	1,466,640	1,373,000	(93,640)
UK CENTRAL INFRASTRUCTURE	2,119	10,947	8,828	16,494	11,877	4,617	2,173	11,877	1,372,676	1,386,726	1,386,543	(183)
UK CENTRAL HS2 INTERCHANGE	7,860	10,518	2,658	12,718	9,819	2,899	3,930	9,819	590,667	604,416	604,612	196
CURZON STREET STATION MASTERPLAN	-	2,795	2,795	4,406	3,111	1,295	-	3,111	550,737	553,848	556,300	2,452
NATIONAL COLLEGE FOR HIGH SPEED RAIL	122	78	(44)	78	122	(44)	25,431	122	-	25,553	25,509	(44)
HIGH SPEED SUPPLY CHAIN & BUSINESS SUPPORT	-	-	-	-	-	-	11,270	-	338,730	350,000	350,000	-
HS2 GROWTH STRATEGY TOTAL	78,342	156,250	77,908	225,458	134,068	91,390	169,824	134,068	5,434,720	5,738,612	5,655,597	(83,015)
COVENTRY CITY CENTRE REGENERATION	1,004	1,482	478	25,394	3,190	22,204	5,821	3,190	364,360	373,371	357,771	(15,600)
INNOVATION	1,097	-	(1,097)	5,000	1,697	3,303	25	1,697	193,278	195,000	50,000	(145,000)
LAND RECLAMATION AND REMEDIATION	3,966	19,794	15,828	20,000	21,010	(1,010)	84	21,010	178,907	200,000	200,000	-
COMMONWEALTH GAMES	-	-	-	-	-	-	-	-	25,000	25,000	25,000	-
EMPLOYMENT EDUCATION & SKILLS	24	-	(24)	2,000	308	1,692	-	308	19,692	20,000	20,000	(0)
COLLECTIVE INVESTMENT VEHICLE	9,383	5,000	(4,383)	20,000	15,574	4,426	18,764	15,574	965,662	1,000,000	1,000,000	(0)
DEVOLVED TRANSPORT INVESTMENT	-	-	-	-	-	-	-	-	1,299,000	1,299,000	1,299,000	-
EZ EXPANSION EXCLUDING CURZON	-	-	-	-	-	-	-	-	20,000	20,000	20,000	-
OTHER INVESTMENT PROGRAMME SCHEMES	15,473	26,276	10,802	72,394	41,778	30,616	24,694	41,778	3,065,899	3,132,371	2,971,771	(160,599)
GRAND TOTAL	93,816	182,526	88,710	297,851	175,846	122,006	194,518	175,846	8,500,619	8,870,983	8,627,368	(243,614)

The financial results for December 2018 are shown above.

In respect of full project costs to completion, the financial summary continues to highlight increased spend in the Metro programme regarding 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.

For 2018/19, the YTD spend to December is £88.7m behind budget. This includes the significant variances set out below:

- * Metro programme underspend of £36.4m comprising- Edgbaston (£7.7m), Wolverhampton (£3.9m), Centenary Square (£1.8m), Birmingham Eastside (£4.6m), East Birmingham to Solihull (£3.5m) and Metro Wednesbury to Brierley Hill (£14.7m);
- * Coventry UKC Plus programme is £20.4m behind budget including- Coventry Station Masterplan (£9.3m), VLR (£5.6m) and Coventry City Centre South (£2.1m);
- * UK Central Infrastructure - £8.8m;
- * UK Central Interchange - £2.7m;
- * Land reclamation and remediation - £15.8m.

The main reasons for the YTD underspends are covered in the full year commentary below.

The 2018/19 full year forecast underspend of £91.4m for the HS2 Growth Strategy relates primarily to the following projects:

- * UKC Infrastructure (£4.6m);
- * UKC HS2 Interchange (£2.9m) - delayed spend relating to the Birmingham International Station redevelopment project, FBC now scheduled for approval in 2020/21 and UGC's main focus is on the HS2 Hybrid Act changes;
- * Brierley Hill Metro Extension (£21.1m) - the Network Rail corridor acquisition was rescheduled to December 2018, in tandem with the Target Cost, leading to a re-profiling of detailed design into 2019/20;
- * Bham Eastside Metro Extension (£16.3m) - the 3G Tram contract has gone out to tender, however negotiations and contract award originally scheduled for February 2019 will now take place in May 2019;
- * East Birmingham to Solihull Metro Extension (£6.4m) - reflects a reduction owing to ongoing modelling & survey work, resulting in a rescheduling of the public consultation and the Transport & Works Order submission into Q1 2019/20;
- * Metro Edgbaston Extension (£4.9m) - primarily as a result of the ongoing complementary highway works;
- * Coventry City Centre First (£13.7m) - primarily delay to Ring Road improvements as a result of revised plans to deliver City of Culture;
- * Coventry VLR (£6.0m) - delayed vehicle development spend and Dudley retaining wall spend;
- * Coventry City Centre South (£5.3m) - A46 Link Road Phase 1 delays;
- * Rail Programme (£4.6m) - due to refinement of timescales for delivery and corresponding phasing of expenditure;
- * Sprint Hagley Road (£2.4m) - delays in utilities work due to land acquisition.

The other major full year variance to forecast are:

- * Underspend of £22.2m in respect of Coventry City Centre regeneration, primarily due to delays to the Friargate development;
- * Collective Investment Vehicle advances exceeding original budget (by £4.4m).

The cost to completion against UK Central Interchange remains red due to the funding gap of c.£205m relating to the Birmingham International Station redevelopment project. Funding sources are being progressed by UGC.

Appendix 7

WMCA Investment Programme Commitment Profile January 2019

£m	Committed	2018 / 2019	2019 / 20				2020/21	2021/22	2022/23	2023/24	2024/25	Post 2025	TOTAL
		Q4	Q1	Q2	Q3	Q4							
UKC Interchange	29.8		0.2	175.3			141.7		10.0	41.0			398.0
UKC Infrastructure	26.9	3.5	2.0	8.3	1.7	2.3	36.8	33.3	76.3	96.9			288.0
Sprint Programme	4.1	16.5			16.0	50.4	35.1	59.5		31.1			212.7
Metro Programme	101.3												101.3
Rail Programme	5.2		0.5	13.4		1.0	44.9	16.4				104.8	186.1
City Centre First incl. CSMP	39.4												39.4
Coventry VLR	12.2					9.0	33.8						55.0
Coventry North	0.2		0.4					21.0					21.6
Coventry South	7.4		0.6	0.5		0.7	23.9	26.8		46.7		50.0	156.5
Wednesbury Brierley Hill Metro			103.0										103.0
SUB TOTAL INVESTMENT PROGRAMME	226.5	20.0	106.7	197.4	17.7	63.3	316.3	156.9	86.3	215.7		154.8	1561.6
Coventry Regeneration	154.0	11.6											165.6
Land Remediation	103.0								97.0				200.0
Business Innovation	4.3	5.3		3.9			11.4	12.9	12.3				50.0
Employment Education & Skills	0.8					9.0	8.0	2.2					20.0
Commonwealth Games	25.0												25.0
OTHER INVESTMENT PROGRAMME	287.1	16.9		3.9		9.0	19.4	15.1	109.2				460.6
Approval commitment profile based on September 2018 PMO prioritisation exercise													
CUMULATIVE APPROVALS	513.6	550.5	657.2	858.5	876.1	948.5	1284.1	1456.1	1651.6	1867.3	1867.3	2022.1	

Appendix 8

WMCA Balance Sheet as at 31 January 2019			
	31 January 2019 £'000	31 December 2018 £'000	Movement £'000
Property, plant and equipment	332,257	327,789	4,469
Investments	17,739	28,110	(10,371)
Long-term assets	349,996	355,899	(5,903)
Debtors	31,258	41,599	(10,341)
Short-term deposits	49,600	28,805	20,795
Cash and bank	449	211	238
Current assets	81,307	70,615	10,692
Loans - interest due	(1,495)	(1,126)	(369)
Short-term creditors/accruals	(59,812)	(47,902)	(11,911)
Current liabilities	(61,307)	(49,028)	(12,280)
Net current assets	20,000	21,587	(1,587)
Provisions	(3,746)	(3,746)	0
PWLB	(119,099)	(119,239)	140
Other loans - Barclays	(10,000)	(10,000)	-
Dudley MBC	(7,873)	(7,873)	-
Grants receipts in advance	(39,634)	(41,384)	1,750
Long-term liabilities	(180,352)	(182,242)	1,890
Net assets	189,644	195,244	(5,600)
General fund balance	2,570	2,910	(340)
Earmarked reserves	122,093	122,175	(82)
Capital grants unapplied reserve	247	247	-
Usable reserves	124,910	125,332	(422)
Revaluation reserve	6,938	6,939	(1)
Deferred capital grants account	325,318	320,849	4,469
Capital financing account	(267,217)	(257,572)	(9,645)
Accumulated absences account	(305)	(305)	-
Unusable reserves	64,734	69,912	(5,178)
Total reserves	189,644	195,244	(5,600)
<p>The WMCA Balance Sheet reflects a healthy financial position. Main changes since December reflect TfWM capital spend and work-in-progress funded mainly by grants in advance, resulting in an increase of £4.5m net of depreciation in property, plant and equipment.</p> <p>The decrease in debtors is largely due to the receipt of Business Rates Growth and lower trade receivables which contributed to the increase in total cash and deposits. Loan repayments within the Collective Investment Fund portfolio also contributed to the increase in cash and deposits and resulted in a decrease in investments.</p> <p>The increase in short-term creditors/accruals is mainly due to capital accruals for the Land and Property Investment Fund.</p>			