



## Transport Delivery Committee

<b>Date</b>	22 July 2019
<b>Report title</b>	Financial Monitoring Report
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### Recommendation(s) for action or decision:

The Transport Delivery Committee is recommended to:

1. Note that the year to date net revenue expenditure to the end of May 2019 shows a favourable variance of £89,000 compared to budget. There is no change in the full year position to date.
2. Note that total capital expenditure to the end of May 2019 for the overall transport programme was £13.6 million, which was £3.9m below the year to date budget of £17.5m.

### 1.0 Purpose

- 1.1 This report sets out the financial position as at 31 May 2019 and is the first report for the 2019/20 financial year. 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** Summary TfWM Revenue Budget

**Section B** Summary TfWM Capital Budget

## **SECTION A**

### **2.0 Summary Revenue Position**

- 2.1 Overall there is a favourable variance against budget to date of £89,000 as at the end of May 2019.
- 2.2 This variance is made up of minor variances across a number of budgets across the TfWM budget.
- 2.3 The first forecast review of the year will be undertaken following June month end and will be included in July's financial position.

	MAY 2019 YEAR TO DATE			FULL YEAR 2018/19			VARIANCE EXPLANATION(S) As at the end of May 2019-20 there is a £0.089m favourable year-to-date variance. At this early stage of the year there are only minor variances within the transport budget.
	ACTUAL £000	BUDGET £000	VARIANCE £000	FORECAST £000	BUDGET £000	VARIANCE £000	

**TRANSPORT FOR WEST MIDLANDS**

<b>INCOME</b>							
Specific resources:							
Transport Levy	19,120	19,120	0%	114,720	114,720	0%	
<b>TOTAL INCOME</b>	<b>19,120</b>	<b>19,120</b>	<b>0%</b>	<b>114,720</b>	<b>114,720</b>	<b>0%</b>	
<b>EXPENDITURE</b>							
<b>Concessions</b>							
National Bus Concession	8,535	8,523	(11) 0%	51,184	51,184	0%	
Metro / Rail	755	761	6 1%	4,578	4,578	0%	
Child Concession	1,240	1,269	28 2%	7,643	7,643	0%	
	10,530	10,553	23	63,404	63,404		
<b>Bus Services</b>							
Bus Stations / Infrastructure	658	676	19 3%	3,994	3,994	0%	
Subsidised Network	1,546	1,548	3 0%	9,379	9,379	0%	
Tendering / Monitoring	122	127	4 3%	788	788	0%	
Accessible Transport	1,209	1,209	0%	7,259	7,259	0%	
	3,535	3,560	25	21,419	21,419		
<b>Rail and Metro Services</b>							
Metro Services	212	219	8 3%	1,609	1,609	0%	
Rail Services	336	352	15 4%	2,267	2,267	0%	
	548	571	23	3,875	3,875		
<b>Integration</b>							
Safety and Security	150	171	21 12%	1,031	1,031	0%	
Passenger Information	800	827	26 3%	5,062	5,062	0%	
Sustainable Travel	53	59	6 10%	378	378	0%	
	1,003	1,056	53	6,471	6,471		
<b>Network Resilience</b>							
Network Resilience	190	173	(17) 10%	1,788	1,788	0%	
<b>Business Support Costs</b>							
Business Support Costs	547	524	(23) 4%	3,534	3,534	0%	
<b>Strategic Development</b>							
Strategic Development	368	353	(15) 4%	2,412	2,412	0%	
<b>Elected Members</b>							
Elected Members	41	63	22 35%	391	391	0%	
<b>Corporate &amp; Democratic Core</b>							
Corporate & Democratic Core							
<b>Capital Finance Charges</b>							
Capital Finance Charges	1,980	1,977	(3) 0%	11,425	11,425	0%	
<b>TOTAL EXPENDITURE</b>	<b>18,742</b>	<b>18,831</b>	<b>89 0%</b>	<b>114,720</b>	<b>114,720</b>	<b>0%</b>	
<b>NET</b>	<b>378</b>	<b>289</b>	<b>89 31%</b>	<b>0</b>	<b>0</b>	<b>0%</b>	

## SECTION B

### 3.0 Summary Position TfWM Capital Budget

3.1 Overall, TfWM Capital Programme expenditure totalled £13.6m at the end of May 2019, which was £3.9m (29%) below the budget of £17.5m, with the variance primarily contained within the Investment Programme portfolio (£3.19m). At this early stage of the year, there were only minor variances against the other programmes.

TRANSPORT PROGRAMME	MAY 2019 YEAR TO DATE			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	BUDGET £000	FORECAST £000	VARIANCE £000
Investment Programme	(11,823)	(15,013)	3,190	(128,923)	(128,923)	0
CWG Programme	(770)	(1,091)	321	(21,780)	(21,780)	0
Other Major Programmes	(614)	(950)	336	(20,657)	(20,639)	(18)
Minor Work Programme	(396)	(454)	58	(8,693)	(8,699)	6
Grants to Local Authorities	(14)	(14)	0	(10,592)	(10,580)	(12)
<b>TOTAL</b>	<b>(13,617)</b>	<b>(17,522)</b>	<b>3,905</b> 29%	<b>(190,645)</b>	<b>(190,621)</b>	<b>(24)</b> 0%

3.2 The TfWM delivered Investment Programme portfolio comprises the largest of the five Programmes within the Transport Programme, containing the schemes which feature in the WMCA Devolution Deal Investment Programme to be delivered by TfWM. These schemes are all, to some extent, funded from the West Midlands Combined Authority Devolution Deal funding arrangements.

3.3 The Transport Programme has been categorised into five sub programmes. The largest of these is the Investment Programme with a Budget of £128.9m, including all of the Rail / Sprint & Metro Extension Schemes. The main variances at the end of May 2019 are contained within the Investment Programme totalling £3.2m. The Metro Centenary Square Extension (£1.2m) variance is due to rescheduled progression of engine works construction, with a knock on impact to construction of a substation. The Wednesbury to Brierley Hill Extension (£0.6m) favourable variance is due to site investigative works at the Delta Junction.

3.4 The Commonwealth Games Programme includes all of the schemes (SPRINT, Perry Barr & University Rail Stations, and Games) scheduled to be delivered in advance of the Games in July and August 2022. There are only minor variances at this early stage of the year.

3.5 Other Major Schemes includes construction of the decked car park with respect to the Longbridge Connectivity Package and the Snow Hill Third Access. There are only minor variances at this early stage of the year.

3.6 The Minor Works Programme includes a large number of small schemes, all broadly in line with budget at this stage of the year. The Grants to Local Authorities includes the schemes funded by the DfT Transforming Cities Fund, which are in the process of being allocated to schemes.

## TfWM Delivered Investment Programme Schemes

INVESTMENT PROGRAMME	MAY 2019 YEAR TO DATE			FULL YEAR		
	ACTUAL	BUDGET	VARIANCE	BUDGET	FORECAST	VARIANCE
	£000	£000	£000	£000	£000	£000
<b>Rail</b>						
Rail -Camp Hill Line Local Enhancements	(257)	(131)	(126)	(3,503)	(3,503)	0
Rail -Walsall to Wolverhampton Local Enhancements	(192)	(193)	1	(2,267)	(2,267)	0
Rail -Sutton Coldfield Public Transport Package	(5)	(43)	38	(250)	(250)	0
Rail -Tile Hill P and R Expansion	(3)	(4)	1	(194)	(194)	0
<b>Metro</b>						
Metro Centenary Square Extension	(4,829)	(5,995)	1,166	(19,983)	(19,983)	0
Metro Birmingham Eastside Extension	(1,407)	(2,004)	597	(22,098)	(22,098)	0
Metro Wolverhampton City Centre Extension	(637)	(710)	73	(3,551)	(3,551)	0
Metro Wednesbury to Brierley Hill Extension	(2,092)	(2,663)	571	(43,207)	(43,207)	0
Metro Edgbaston Extension	(1,842)	(2,111)	269	(20,979)	(20,979)	0
Metro East Birmingham to Solihull Extension	(381)	(572)	191	(2,017)	(2,017)	0
Bilston Road Track Replacement Phase 2	(8)	0	(8)	(283)	(283)	0
Metro Network Projects	(26)	(64)	38	(337)	(337)	0
MML Life Cycle Projects	(82)	(187)	105	(3,082)	(3,082)	0
<b>Sprint</b>						
SPRINT - Longbridge to Birmingham	(8)	(3)	(5)	(21)	(21)	0
SPRINT - Hall Green to Interchange via Solihull	(8)	(3)	(5)	(21)	(21)	0
SPRINT - Hagley Road Phase 2 and Halesowen	(8)	(3)	(5)	(120)	(120)	0
SPRINT - Sutton Coldfield to Birmingham via Langley	(59)	(116)	57	(1,311)	(1,311)	0
SPRINT - Hagley Road	21	(211)	232	(5,699)	(5,699)	0
<b>TOTAL</b>	<b>(11,823)</b>	<b>(15,013)</b>	<b>3,190</b>	<b>(128,923)</b>	<b>(128,923)</b>	<b>0%</b>

3.7 Expenditure against TfWM delivered Investment Programme schemes totalled £11.8m at the end of May 2019 which was £3.19m below the budget of £15.013m. The main contributors to the favourable variance were as follows:

- Metro Centenary Square Extension (£1.166m) which is due to a rescheduling of engine works construction.
- Metro Birmingham Eastside (£0.597m) due to reprofiling of preliminary design costs.
- Metro Wednesbury to Brierley Hill Metro Extension (£0.571m) due to the requirement for further ground investigative works at the Delta Junction, which has impacted progression of site clearance works.

## Commonwealth Games Programme

COMMONWEALTH GAMES PROGRAMME	MAY 2019 YEAR TO DATE			FULL YEAR		
	ACTUAL	BUDGET	VARIANCE	BUDGET	FORECAST	VARIANCE
	£000	£000	£000	£000	£000	£000
SPRINT - A34 Walsall to Birmingham	(77)	(213)	136	(7,951)	(7,951)	0
Perry Barr Interchange Development	0	0	0	(12)	(12)	0
University Station Improvement Project	(299)	(346)	47	(1,504)	(1,504)	0
DfT- Regional Integrated Control Centre (RICC)	(45)	(60)	15	(98)	(98)	0
Perry Barr Rail Station	(173)	(193)	20	(1,105)	(1,105)	0
Commonwealth Games (Transport Modelling/Strategy)	(31)	(31)	0	(1,416)	(1,416)	0
Regional Transport Coordination Centre (RTCC) development	(33)	(38)	5	(370)	(370)	0
A45 Sprint	(112)	(210)	98	(9,324)	(9,324)	0
<b>TOTAL</b>	<b>(770)</b>	<b>(1,091)</b>	<b>321</b>	<b>(21,780)</b>	<b>(21,780)</b>	<b>0%</b>

- 3.8 Expenditure against the Commonwealth Games Programme totalled £0.770m at the end of May 2019 which was £0.321m below the budget of £1.091m. The only variance of note related to SPRINT - A34 Walsall to Birmingham , where early contractor involvement scheduled for April / May 2019 is now scheduled for to June 2019.

### Other Major Works Programme

OTHER MAJOR WORKS PROGRAMME	MAY 2019 YEAR TO DATE			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	BUDGET £000	FORECAST £000	VARIANCE £000
Dudley Bus Station Development	0	0	0	(82)	(82)	0
Bromsgrove Station Delivery	18	0	18	0	18	(18)
Longbridge Connectivity Package	(9)	(30)	21	(5,202)	(5,202)	0
Snow Hill 3rd Access	(56)	(229)	173	(2,043)	(2,043)	0
Snow Hill Public Realm	0	0	0	(150)	(150)	0
Connected and Autonomous Vehicles TestBed (CAV)	(387)	(331)	(56)	(3,777)	(3,777)	0
Clean Bus Technology Fund 2017-2019	(80)	(80)	0	(5,428)	(5,428)	0
NPIF 2 Birmingham Growth Point	178	0	178	(1,481)	(1,481)	0
Key Route Network Safety	(81)	(80)	(1)	(2,294)	(2,294)	0
Dudley Interchange	(197)	(200)	3	(200)	(200)	0
<b>TOTAL</b>	<b>(614)</b>	<b>(950)</b>	<b>336</b> 0%	<b>(20,657)</b>	<b>(20,639)</b>	<b>(18)</b> 0%

- 3.9 Expenditure against the Other Major Works Programme totalled £0.614m at the end of May 2019 which was £0.336m below the budget of £0.950m. The only variance of note related to SnowHill 3<sup>rd</sup> Access (£0.173m) which is due to a delay in finalising the Contract award to the preferred supplier, which has had a knock on impact in 2019/20 on progression of site surveys to inform on the design option before construction can commence..

## Minor Works Programme

MINOR WORKS PROGRAMME	MAY 2019 YEAR TO DATE			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	BUDGET £000	FORECAST £000	VARIANCE £000
<b>Bus</b>						
Shelter Appeals	(1)	(1)	0	(10)	(10)	0
TBT Birmingham City Centre Shelter Design Optimisation	0	0	0	(10)	(10)	0
TBT Platinum Route RTI Equipment Upgrades	(49)	(67)	18	(366)	(366)	0
TBT Highway Scheme Development (Bus reliability and punctuality)	2	0	2	0	0	0
DfT Tackling Nitrogen Dioxide - Dudley MBC	0	0	0	(190)	(190)	0
DfT Tackling Nitrogen Dioxide (Wolverhampton MBC)	(91)	(91)	0	(2,730)	(2,730)	0
<b>Rail</b>						
Tipton Park and Ride	0	0	0	(24)	(24)	0
<b>Metro</b>						
Bradley Lane Park and Ride	(197)	(196)	(1)	(1,212)	(1,212)	0
<b>Cycling</b>						
SNSC(1.0) - Cycling	0	(24)	24	(24)	(24)	0
Network Wide Cycling Programme (NWCP)	0	(18)	18	(120)	(120)	0
Bike Life Report	0	0	0	(15)	(15)	0
<b>Highway</b>						
ADEPT Live Lab	(3)	(4)	1	(1,763)	(1,763)	0
Asset Replacement						
Network Wide Bus Station Refurbishment Phase 1	(28)	(25)	(3)	(767)	(767)	0
Network Wide P and R Lighting Enhancement	(4)	(2)	(2)	(30)	(30)	0
Network Wide Park and Ride Upgrades	1	0	1	(164)	(164)	0
Network Wide Park and Ride Expansion Developments -Phase 2	(13)	(13)	0	(116)	(116)	0
IDOX - Asset Management System	(3)	(1)	(2)	(41)	(41)	0
Asset Management- Shelter Replacement	0	0	0	(197)	(197)	0
Network Infrastructure Measures	0	0	0	(500)	(500)	0
Bridges (Assesment Management)	0	0	0	(30)	(30)	0
<b>Other</b>						
No project	(2)	0	(2)	0	0	0
Project Development Costs	(1)	0	(1)	0	(6)	6
Road Safety Grant	0	0	0	(2)	(2)	0
LTP Technical Development Nims Mattisse	0	0	0	(19)	(19)	0
Top Slice	0	0	0	(71)	(71)	0
Asset Management- RTI Upgrades	(5)	(5)	0	(285)	(285)	0
Expansion of West Midlands GLOSA Trial	(2)	(7)	5	(7)	(7)	0
<b>TOTAL</b>	<b>(396)</b>	<b>(454)</b>	<b>58</b> 0%	<b>(8,693)</b>	<b>(8,699)</b>	<b>6</b> 0%

3.10 Expenditure against the Minor Works Programme totalled £0.396m at the end of May 2019 which was £0.058m below the budget of £0.454m. There are no variances of note at this early stage of the year.

## Grants to local Authorities

GRANTS TO LOCAL AUTHORITIES	MAY 2019 YEAR TO DATE			FULL YEAR		
	ACTUAL £000	BUDGET £000	VARIANCE £000	BUDGET £000	FORECAST £000	VARIANCE £000
MST (DU01) Highway works - NCN Route 54 to Pensnett Trading Estate and associated links	(12)	(12)	0	(12)	0	(12)
MST (SAN09) Walsall Canal South to Patent Drive	(2)	(2)	0	(80)	(80)	0
Transforming Cities Fund	0	0	0	(10,500)	(10,500)	0
<b>TOTAL</b>	<b>(14)</b>	<b>(14)</b>	<b>0</b> 0%	<b>(10,592)</b>	<b>(10,580)</b>	<b>(12)</b> 0%

3.11 Expenditure against the Grants to Local Authorities Programme totalled £0.014m at the end of May 2019 which was on budget. There are only small variances at this early stage of the year.