

**CITY DEAL**

Appendix 'B'

Finance Monitoring Report

Quarter 3 2016/17

**Section A : 10 year Infrastructure Delivery fund (IDF) - current forecasts as at 31st December 2016**

NB - expanded to show the 5 year extension period

**1. Surplus / (Deficit)**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	
Total	Pre-2014/15	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Surplus/ (Deficit)	1.936	2.185	4.207	5.335	- 9.618	- 10.965	- 31.539	- 23.895	10.878	- 1.786	11.223	18.421	12.089	2.093	2.159	2.138	9.013
Cumulative Surplus/ (Deficit)		2.185	6.392	11.727	2.109	- 8.856	- 40.395	- 64.290	- 53.412	- 55.198	- 43.975	- 25.554	- 13.465	- 11.372	- 9.213	- 7.075	1.938

Position at 30th Sept 2016

2.152

Key changes in surpluses and deficits since last Quarter

- 0.214

The surplus of £2.152m as at 30 Sept 2016 has moved by the following key items

1	increased income to model from developemnts	0.126
2	changes to the Cil inflation figures	-0.342
3	changes in costs and funding of Preston Bus Station - net nil	
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Total changes in monitoring period

-0.216

**Current Surplus / Deficit as at 31st December 2016**

**1.936**

The current surplus as at 31st December 2016 is £1.936m against a target of £NIL

NB : The current maximum cash flow position (£64.29m in Year 6) is within the agreed maximum cash flow liability under the terms of the deal.

The current estimated deficit position is outside of position anticipated at the time of the LCC cabinet approvals.



2. Expenditure Breakdown

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		Year 11	Year 12	Year 13	Year 14	Year 15													
Delivery Programmes	Total	Pre-2014/15	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27	2027/28	2028/29												
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		£m	£m	£m	£m	£m												
<u>North West Preston</u>																														
NW Preston Green Infrastructure	5.221	-	-	-	0.853	0.683	0.693	0.598	0.598	0.598	0.598	0.598		-	-	-	-	-												
Further Community Infrastructure	4.579	-	-	-	0.659	0.686	0.641	0.591	0.591	0.591	0.591	0.226		-	-	-	-	-												
Market Quarter	0.400	-	-	0.035	0.365	-	-	-	-	-	-	-		-	-	-	-	-												
East-West Spine Road	9.800	-	0.141	0.693	2.216	6.750	-	-	-	-	-	-		-	-	-	-	-												
Preston Western Distributor M55 to A583, M55 Junction 2 & Land Asser	104.500	0.197	0.994	1.749	2.500	4.860	47.100	44.100	3.000	-	-	-		-	-	-	-	-												
Quaker Lodge commission	0.061	-	-	-	0.061	-	-	-	-	-	-	-		-	-	-	-	-												
Cottam Parkway	15.000	-	0.004	0.001	0.300	0.300	0.900	0.900	2.000	10.595	-	-		-	-	-	-	-												
<u>Whittingham / Broughton / Preston East</u>																														
A6 Broughton Congestion Reduction	27.283	3.189	0.892	4.008	15.994	3.200	-	-	-	-	-	-		-	-	-	-	-												
M55 Junction 1 Roundabout	1.716	1.602	0.114	-	-	-	-	-	-	-	-	-		-	-	-	-	-												
M6 Junction 32	8.000	-	8.000	-	-	-	-	-	-	-	-	-		-	-	-	-	-												
<u>Preston City Centre</u>																														
Preston Bus Station	24.267	0.003	0.211	0.409	8.222	11.876	3.546	-	-	-	-	-		-	-	-	-	-												
Fishergate Central Gateway	11.000	1.746	1.744	4.223	1.360	1.927	-	-	-	-	-	-		-	-	-	-	-												
<u>South Ribble</u>																														
Pickerings Farm Link Road	4.500	-	-	-	0.050	1.250	3.200	-	-	-	-	-		-	-	-	-	-												
Moss Side Test Track Road Infrastructure	2.050	-	-	-	-	0.025	2.025	-	-	-	-	-		-	-	-	-	-												
Land Between Heatherleigh and Moss Lane Spine Road	1.000	-	-	-	1.000	-	-	-	-	-	-	-		-	-	-	-	-												
Cuerden Strategic Site Road Infrastructure	6.002	-	-	-	0.050	5.952	-	-	-	-	-	-		-	-	-	-	-												
Community/ Green Infrastructure	6.448	-	-	0.299	0.643	0.567	0.823	0.823	0.823	0.823	0.823	0.823		-	-	-	-	-												
A582 South Ribble Western Distributor/ B2523 Flensburg Way	44.543	0.152	5.841	7.328	1.295	1.125	15.390	13.412	-	-	-	-		-	-	-	-	-												
Completion Penwortham Bypass	17.500	0.019	0.227	0.829	1.000	7.096	7.500	0.829	-	-	-	-		-	-	-	-	-												
New Ribble Bridge - Preliminary Works & Route Protection	2.000	-	0.005	0.027	0.750	1.218	-	-	-	-	-	-		-	-	-	-	-												
South Ribble Other	5.000	-	-	-	-	-	-	-	-	-	-	5.000		-	-	-	-	-												
<u>Education Infrastructure - Preston</u>																														
Education Infrastructure - Preston	25.972	-	-	-	-	1.420	1.420	5.875	8.507	8.750	-	-		-	-	-	-	-												
<u>Education Infrastructure - South Ribble</u>																														
Education Infrastructure - South Ribble	13.727	-	-	-	-	-	2.830	2.830	8.067	-	-	-		-	-	-	-	-												
<u>Community Provision - Preston CC</u>																														
Community Provision - Preston CC	8.031	-	0.803	0.803	0.403	0.803	0.803	0.803	0.803	0.803	0.803	1.203		-	-	-	-	-												
<u>Community Provision - South Ribble BC</u>																														
Community Provision - South Ribble BC	4.922	-	0.492	0.492	0.492	0.492	0.492	0.492	0.492	0.492	0.492	0.492		-	-	-	-	-												
<u>Public Transport Corridors &amp; Local Centres- Preston</u>																														
Public Transport Corridors & Local Centres- Preston	12.113	0.250	0.028	0.084	2.614	5.270	0.517	1.600	1.750	-	-	-		-	-	-	-	-												
<u>Public Transport Corridors &amp; Local Centres- South Ribble</u>																														
Public Transport Corridors & Local Centres- South Ribble	12.113	0.250	0.068	0.035	3.357	0.512	5.302	2.589	-	-	-	-		-	-	-	-	-												
<u>Masterplan Costs</u>																														
Masterplan Costs	0.025	-	-	-	0.025	-	-	-	-	-	-	-		-	-	-	-	-												
<u>CL Transport Modelling costs</u>																														
CL Transport Modelling costs	0.198	-	-	0.098	0.050	0.030	0.020	-	-	-	-	-		-	-	-	-	-												
<u>Revenue costs to be included in City Deal</u>																														
Revenue costs to be included in City Deal	0.086	-	-	0.006	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010		-	-	-	-	-												
<u>Communications and Marketing</u>																														
Communications and Marketing	0.065	-	-	0.003	0.062	-	-	-	-	-	-	-		-	-	-	-	-												
<u>Construction inflation provision</u>																														
Construction inflation provision	13.531	-	-	-	2.456	0.127	5.385	4.031	0.462	0.830	0.132	0.108		-	-	-	-	-												
<u>Cost of capital</u>																														
Cost of capital	-	6.843	-	-	0.095	0.000	-	0.228	-	0.574	-	1.036	-	1.083	-	0.994	-	0.993	-	0.739	-	0.434	-	0.294	-	0.254	-	0.211	-	0.099

Total Delivery Programmes

384.809	7.408	19.564	21.218	46.788	55.952	98.024	78.448	26.019	22.499	2.457	7.722
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-	0.434	-	0.294	-	0.254	-	0.211	-	0.099
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**3. Revenue Breakdown**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10		Year 11	Year 12	Year 13	Year 14	Year 15	
Total	Pre-2014/15	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	2026/27	2027/28	2028/29	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m		£m	£m	£m	£m	£m	
<b>Resources</b>																		
<b>Upper Tier Councils - Lancashire County Council</b>																		
LCC Capital Investment Programme	22.277	4.400	1.500	0.952	10.425	5.000	-	-	-	-	-	-	-	-	-	-	-	
Integrated Transport Block	24.250	0.500	1.250	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	-	-	-	-	-	
Lostock Hall Land Receipt	0.228	-	-	-	-	-	0.057	0.057	0.057	0.057	-	-	-	-	-	-	-	
New Homes Bonus	12.953	-	-	-	2.591	1.295	1.295	1.295	1.295	1.295	1.295	1.295	1.295	-	-	-	-	
LCC Revenue Contribution - Capital Financing Cost	6.843	-	-	0.095	0.000	0.228	0.574	1.036	1.083	0.994	0.993	0.739	0.434	0.294	0.254	0.211	0.099	
European Regional Development Funding for Fishergate Central Gateway Delivery Programme	1.601	1.000	0.380	0.221	-	-	-	-	-	-	-	-	-	-	-	-	-	
LCC reserves	7.000	-	-	-	-	7.000	-	-	-	-	-	-	-	-	-	-	-	
<b>Central Government</b>																		
Single Local Growth Fund	79.500	-	-	16.020	10.780	-	25.090	23.890	3.720	-	-	-	-	-	-	-	-	
HCA - Locally Retained Landhold Receipts (1 year loan)	39.894	-	4.759	7.648	4.942	3.522	3.703	3.974	6.941	4.177	-	-	0.227	-	-	-	-	
HCA - Expected Land Value Realisation on HCA Sites	37.500	-	-	-	3.359	6.978	9.437	6.977	8.995	1.753	-	-	-	-	-	-	-	
HCA - Loan repayments	- 39.894	-	-	4.759	7.648	4.942	3.522	3.703	3.974	6.941	4.177	-	-	0.227	-	-	-	
HCA - Interest on Loans	- 0.399	-	0.004	0.054	0.073	0.047	0.035	0.037	0.044	0.066	0.036	-	-	0.000	0.002	-	-	
Highways Agency - Pinchpoint Funding for Broughton/ M55/ M6 Delivery Programme	8.600	0.600	8.000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Highways Agency - Pinchpoint Funding for A582 Golden Way	2.109	-	2.109	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Highways Agency - Pinchpoint Funding for M55 Junction 2	25.000	-	-	-	-	12.500	12.500	-	-	-	-	-	-	-	-	-	-	
<b>Developers Contribution</b>																		
Community Infrastructure Levy - employment sites in Preston City Council area	0.310	-	0.048	-	0.024	0.028	0.043	0.045	0.034	0.030	0.030	0.028	-	-	-	-	-	
Community Infrastructure Levy - employment sites in South Ribble Borough Council area	2.613	-	0.011	0.011	0.017	2.331	0.024	0.048	0.058	0.055	0.048	0.032	-	-	-	-	-	
Community Infrastructure Levy - housing sites in Preston City Council area	32.165	-	0.510	0.648	3.562	2.775	2.287	2.494	1.916	1.377	1.291	1.276	1.342	1.408	1.474	1.548	8.256	
Community Infrastructure Levy - housing sites in South Ribble Borough Council area	29.297	-	0.174	0.174	1.145	1.181	7.229	10.005	6.044	2.916	0.375	0.201	0.201	-	-	-	-	
Community Infrastructure Levy Plus - housing sites in Preston City Council area	8.035	-	-	-	0.027	0.186	0.646	0.695	0.706	0.651	0.647	0.575	0.494	0.441	0.420	0.420	2.127	
Community Infrastructure Levy Plus - housing sites in South Ribble Borough Council area	9.998	-	-	-	0.045	0.109	0.399	1.228	1.472	1.457	1.260	1.021	0.910	0.732	0.525	0.441	0.399	
Quaker Lodge rental income	0.108	-	-	-	0.022	0.022	0.022	0.022	0.022	0.022	-	-	-	-	-	-	-	
S106 / S278 Agreements - non housing related	2.933	1.893	-	0.040	1.000	-	-	-	-	-	-	-	-	-	-	-	-	
S106 / S278 Agreements - sites in Preston City Council area	31.871	1.200	4.985	3.222	2.933	2.300	3.347	2.975	2.417	3.849	1.054	3.035	0.300	0.082	0.082	0.082	0.008	
S106 / S278 Agreements - sites in South Ribble Borough Council area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Lower Tier Councils - Preston City Council</b>																		
Business Rate Retention at Strategic City Deal Locations	5.135	-	0.031	0.042	0.307	0.670	0.692	0.714	0.345	0.629	0.746	0.961	-	-	-	-	-	
PCC Grants - lottery funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
New Homes Bonus	28.051	-	-	0.077	0.463	0.960	1.684	2.668	3.894	4.884	5.462	5.761	2.197	-	-	-	-	
<b>Lower Tier Councils - South Ribble Borough Council</b>																		
Business Rate Retention at Strategic City Deal Locations	4.350	-	0.042	0.085	0.671	0.774	0.877	0.980	0.103	0.188	0.273	0.357	-	-	-	-	-	
New Homes Bonus	25.409	-	-	0.198	0.770	0.800	1.200	1.601	2.428	3.428	4.325	5.188	5.470	-	-	-	-	
Moss Side Test Track Land Receipt	5.000	-	-	-	-	-	-	-	-	-	-	5.000	-	-	-	-	-	
Preston 5% CIL admin charge	- 2.025	-	-	0.060	0.181	0.149	0.149	0.162	0.133	0.103	0.098	0.094	-	0.092	0.092	0.095	0.098	0.519
South Ribble 5% CIL admin charge	- 2.095	-	-	0.060	0.181	0.383	0.564	0.379	0.221	0.084	0.063	-	0.056	0.037	0.026	0.022	0.020	
Contribution for Communications & Marketing	0.065	-	-	0.009	0.056	-	-	-	-	-	-	-	-	-	-	-	-	
Community Infrastructure Levy due to Parish Councils in Preston	- 4.511	-	0.001	0.170	0.362	0.328	0.352	0.395	0.254	0.173	0.182	0.191	-	0.201	0.211	0.221	0.232	1.238



3.1 Key changes in resources .

1 During the period Feb 16 to June 16 there has been ongoing dialogue both with district planners following their may 16 returns and with Keppie Massie as part of phase 2 of the Resources review , these have led to various changes to the forecast income to the model .

Section B : in year monitoring

Year 3 Quarter 3

	Total			Quarter 1			Quarter 2			Quarter 3			Quarter 4			Q1 Reported	Q2 Reported	Q3 Reported
	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	Variance	Original	forecast	Variance			
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m			
<b>Central Government</b>																		
Transport Funding	10.780	10.780	-			-	5.390	-	5.390			-	5.390	10.780	5.390			
HCA - Locally Retained Landhold Receipts	0.581	0.581	-	0.581	1.089	0.508		2.500	2.500			-		3.009	3.009			
<b>Developer Contributions (less Parish Council share)</b>	<b>4.549</b>	<b>8.025</b>	<b>3.477</b>	1.137	0.302	0.835	1.137	0.242	0.895	1.137	1.497	0.360	1.137	5.984	4.847			
<b>Lancashire County Council</b>																		
Capital Programme & Grants	12.159	15.516	3.356			-		2.591	2.591			-	12.159	12.925	0.765			
Capital Receipts	-	-	-			-			-			-		-	-			
Revenue Contribution - Capital Financing Cost	0.236	0.000	0.236	0.059	0.000	0.059	0.059	0.000	0.059	0.059	0.006	0.053	0.059	0.006	0.065			
<b>Preston City Council</b>																		
Business Rates Retention	0.307	0.307	-			-	0.153	-	0.153			-	0.153	0.307	0.153			
Heritage Lottery funding	-	-	-			-		-	-			-		-	-			
New Homes Bonus	0.419	0.463	0.044	0.419	0.121	0.298		0.121	0.121			-		0.221	0.221			
<b>South Ribble Borough Council</b>																		
Business Rates Retention	0.671	0.671	-	-	-	-	0.336	-	0.336			-	0.336	0.671	0.336			
New Homes Bonus	1.055	0.770	0.285	-	0.770	0.770	0.527	-	0.527			-	0.527	-	0.527			
contributions for comms	0.056	0.056	-	-	-	-	-	-	-				0.056	0.056	-			
<b>Resources Total</b>	<b>30.813</b>	<b>37.169</b>	<b>6.356</b>	<b>2.197</b>	<b>2.282</b>	<b>0.086</b>	<b>7.603</b>	<b>5.454</b>	<b>2.149</b>	<b>1.196</b>	<b>1.503</b>	<b>0.307</b>	<b>19.818</b>	<b>27.929</b>	<b>8.111</b>			

	Total			Quarter 1			Quarter 2			Quarter 3			Quarter 4			
	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	Variance	Original	Forecast	Variance	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
<b>Preston Transport Programmes</b>																
East-West Link Road	2.216	2.216	-	0.554	0.064	0.490	0.554	0.001	0.553	0.554	0.130	0.684	0.554	2.281	1.727	
Preston Western Distributor	1.500	2.500	1.000	0.625	0.882	0.257	0.625	0.307	0.318	0.625	0.543	0.082	0.375	0.768	1.143	
Broughton*	15.994	15.994	-	3.999	2.483	1.516	3.999	1.601	2.398	3.999	5.053	1.055	3.999	6.857	2.859	
Cottam Parkway	0.300	0.300	-	0.075	0.021	0.054	0.075	0.029	0.046	0.075	0.091	0.016	0.075	0.159	0.084	
Preston Bus Station	10.608	8.222	2.386	2.652	0.296	2.356	2.652	0.208	2.444	2.652	1.224	1.428	2.652	6.494	3.842	
Fishergate Central Gateway	1.360	1.360	-	0.340	0.088	0.252	0.340	0.010	0.330	0.340	0.562	0.222	0.340	0.700	0.360	
Market Quarter	0.365	0.365	-	0.091	-	0.091	0.091	-	0.091	0.091	-	0.091	0.091	0.365	0.274	
Public Transport & Public Realm Corridors	3.231	2.614	0.618	0.657	0.008	0.649	0.657	-	0.657	0.657	0.050	0.607	1.262	2.556	1.294	
Quaker Lodge Commission	-	0.061	0.061	-	-	-	-	-	-	-	-	-	-	0.061	-	
community infrastructure	1.513	1.513	-	0.378	0.194	0.184	0.378	0.002	0.376	0.378	0.031	0.347	0.378	1.286	0.908	
Education Infrastructure	6.739	-	6.739	1.685	-	1.685	1.685	-	1.685	1.685	-	1.685	1.685	-	1.685	
Community Provision - Preston City Council	0.403	0.403	-	0.101	-	0.101	0.101	-	0.101	0.101	-	0.101	0.101	0.403	0.302	
<b>South Ribble Transport Programmes</b>																
Pickerings Farm Link Road	0.050	0.050	-	-	-	-	-	-	-	-	-	-	0.050	0.050	-	
Moss Side Test Track Road Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Land Between Heatherleigh & Moss Lane Spine Road	1.000	1.000	-	0.250	-	0.250	0.250	-	0.250	0.250	-	0.250	0.250	1.000	0.750	
Cuerden Strategic Site Road Infrastructure	0.050	0.050	-	-	-	-	-	-	-	-	-	-	0.050	0.050	-	
Green Infrastructure	0.643	0.643	-	0.161	0.211	0.050	0.161	0.287	0.126	0.161	-	0.161	0.161	0.145	0.016	
A582 South Ribble Western Distributor/ B2523 Flensburg Way	1.295	1.295	-	0.324	0.182	0.142	0.324	2.067	1.743	0.324	0.198	0.126	0.324	1.152	1.475	
Penwortham Bypass	0.750	1.000	0.250	0.250	0.125	0.125	0.250	0.434	0.184	0.250	0.079	0.171	-	0.362	0.362	
New Ribble Bridge - Preliminary Works & Route Protection	0.750	0.750	-	0.188	0.024	0.164	0.188	0.018	0.170	0.188	0.119	0.069	0.188	0.589	0.402	
Public Transport & Public Realm Corridors	3.319	3.357	0.037	0.830	0.005	0.825	0.830	0.473	0.357	0.830	0.019	0.811	0.830	2.860	2.030	
Education Infrastructure	3.629	-	3.629	0.907	-	0.907	0.907	-	0.907	0.907	-	0.907	0.907	-	0.907	
Community Provision - South Ribble Borough Council	0.492	0.492	-	0.123	-	0.123	0.123	0.492	0.369	0.123	-	0.123	0.123	0.000	0.123	
Construction inflation provision	2.531	2.456	0.075	0.653	-	0.653	0.653	-	0.653	0.653	-	0.653	0.571	2.456	1.885	
CLTM transport Modelling	0.030	0.050	0.020	-	0.013	0.013	-	0.013	0.013	-	-	-	0.030	0.024	0.006	
Masterplan costs	-	0.025	0.025	-	-	-	-	-	-	-	-	-	-	0.025	0.025	
Revenue costs	0.072	0.072	-	-	-	-	-	-	-	-	-	-	0.072	0.072	-	
Capital Financing Cost	0.236	0.000	0.236	-	-	-	-	-	-	-	-	-	0.236	0.000	0.236	
<b>Expenditure Total</b>	<b>58.606</b>	<b>46.788</b>	<b>11.818</b>	<b>14.842</b>	<b>4.596</b>	<b>10.246</b>	<b>14.842</b>	<b>5.942</b>	<b>8.900</b>	<b>14.842</b>	<b>7.839</b>	<b>7.003</b>	<b>14.080</b>	<b>28.411</b>	<b>14.269</b>	

Net position for the year

- 27.793 - 9.619

\*Includes congestion relief, and M55 and M6 junction improvements

**General update on Q3 Year 3**

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During 2016-17 work has focused on the housing numbers submitted in may 16 from the districts and the phase 2 of the Keppie massie led resource Review work.