

## CITY DEAL

### Finance Monitoring Report

#### Quarter 2 2015-16

#### Section A : 10 year Infrastructure Delivery fund (IDF) - current forecasts as at 30th September 2015

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)	-6.856	0.292	4.201	5.149	-28.034	-18.383	-7.343	-21.681	11.77	10.918	15.214	13.214		4.11	1.759	1.959	0	0
Cumulative Surplus/(Deficit)		0.292	4.493	9.642	-18.392	-36.775	-44.118	-65.799	-54.029	-43.111	-27.897	-14.683		-10.573	-8.814	-6.855	-6.855	-6.855

Key changes in surpluses and deficits.

-0.938

The deficit of 938k as at March 15 has moved by the following key items

1 inclusion of PBS into the IDF of expenditure of £15.042m and income of £6m	-9.042
2 adjustments to planned work on fisher gate central - additional expenditure of £3.6 and additional income of £5.9m from Growth deal and £0.221m from ERDF funding	2.521
3 Revised expenditure forecast on A582 south Ribble Western distributor of £0.829m	0.957
4 certain items of Revenue spend ( transport modelling , HCA loan interest etc.) are now shown within the model - to date £0.094m ; these were previously paid from LCC revenue budgets and eff	-0.3
5 Reductions in CIL monies (£0.003) and S106 agreements (£0.085) - Preston	-0.088
6 various minor adjustments on forecast expenditure over schemes	0.035

The current deficit as at 30th September 2015 is £ 6.855m

-6.855

## 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
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>Delivery Programmes</b>																	
<b>North West Preston</b>																	
NW Preston Green Infrastructure	5.256	-	-	1.051	0.601	0.601	0.601	0.601	0.601	0.601	0.601						
Further Community Infrastructure	4.944	-	0.038	0.650	0.690	0.595	0.595	0.595	0.595	0.595	0.595						
East-West Spine Road	9.800	0.141	0.659	4.500	4.500												
Preston Western Distributor M55 to A583, M55 Junction 2 & Land Assembly	104.500	0.197	0.994	1.009	1.000	7.100	47.100	47.100									
Cottam Parkway	15.000		0.004					1.496	8.000	5.500							
<b>Whittingham / Broughton / Preston East</b>																	
A6 Broughton Congestion Reduction	24.283	3.189	0.892	2.351	16.514	1.337											
M55 Junction 1 Roundabout	1.716	1.602	0.114														
M6 Junction 32	8.000		8.000														
<b>Preston City Centre</b>																	
Preston Bus Station	23.640	0.003	0.211	1.110	10.608	11.708											
Fishergate Central Gateway	7.000	1.746	1.744	2.116	1.360	0.034											
<b>South Ribble</b>																	
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		0.500	0.500													
Cuerden Strategic Site Road Infrastructure	5.050		0.050	5.000													
Community/ Green Infrastructure	7.400	-	0.645	0.993	0.823	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	4.371	2.309	1.125	15.395	15.350									
Completion Penwortham Bypass	17.500	0.019	0.227	0.750	0.350	16.154											
New Ribble Bridge - Preliminary Works & Route Protection	2.000		0.005	0.750	0.250	0.250	0.745										
South Ribble Other	5.000																5.000
Education Infrastructure - Preston	28.495			6.739	0.018	0.018	0.018	5.426	5.426	5.426	5.426						
Education Infrastructure - South Ribble	11.203			3.629	0.386	0.386	0.386	1.604	1.604	1.604	1.604						
Community Provision - Preston CC	8.031		0.803	0.803	0.803	0.803	0.803	0.803	0.803	0.803	0.803						
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						
Public Transport Corridors & Local Centres- Preston	12.125	0.250	0.028	0.140	1.925	7.700	0.082	0.250	1.750								
Public Transport Corridors & Local Centres- South Ribble	12.125	0.250	0.068	0.380	2.950	1.125	4.750	2.602									
CL Transport Modelling costs	0.150	-	-	0.070	0.030	0.030	0.020										
Revenue costs to be included in City Deal	0.094	-	-	0.014	0.010	0.010	0.010	0.010	0.010	0.010	0.010						
Cost of Capital	10.659		-	0.079	0.226	0.698	0.940	1.212	1.308	1.116	0.945	1.178	1.049	1.271	0.793	-	-
<b>Total Delivery Programmes</b>	<b>380.986</b>	<b>7.408</b>	<b>19.564</b>	<b>16.219</b>	<b>63.139</b>	<b>58.809</b>	<b>74.784</b>	<b>71.738</b>	<b>21.411</b>	<b>16.970</b>	<b>11.298</b>	<b>16.531</b>	<b>1.049</b>	<b>1.271</b>	<b>0.793</b>	<b>-</b>	<b>-</b>

### 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	£m
<b>Resources</b>																	
Upper Tier Councils - Lancashire County Council																	
LCC Capital Investment Programme	20.400	4.400	1.500	9.500	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						
Lostock Hall Land Receipt	0.228							0.057	0.057	0.057	0.057						
New Homes Bonus	12.953				0.116	0.492	0.920	1.394	1.943	2.440	2.773	2.876					
LCC Revenue Contribution - Capital Financing Cost	10.659	-	-	0.079	0.226	0.698	0.940	1.212	1.308	1.116	0.945	1.178	1.049	1.271	0.793	-	-
European Regional Development Funding for Fishergate Central Gateway Delivery Programme	1.601	1.000	0.380	0.221													
Central Government																	
Single Local Growth Fund	79.500			4.880	15.220	6.270	28.800	23.240	1.090								
HCA - Locally Retained Landhold Receipts (1 year loan)	55.746	-	4.759	4.229	4.101	4.587	5.760	5.805	8.064	8.407	6.028	4.006					
HCA - Expected Land Value Realisation on HCA Sites	38.827	-	-	1.488	2.902	4.573	5.734	6.354	5.561	4.771	2.720	7.700					
HCA - Loan repayments	- 55.746			4.759	4.229	4.101	4.587	5.760	5.805	8.064	8.407	10.034					
HCA - Interest on Loans	- 0.060		0.004	0.005	0.004	0.004	0.005	0.006	0.006	0.008	0.008	0.010					
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	27.500				13.750	13.750											
Developers Contribution																	
Community Infrastructure Levy - employment sites in Preston City Council area	1.041		0.048	0.674	0.029	0.032	0.032	0.050	0.045	0.044	0.044	0.043					
Community Infrastructure Levy - employment sites in South Ribble Borough Council area	2.648		0.005	2.334	0.034	0.041	0.043	0.045	0.040	0.038	0.035	0.033					
Community Infrastructure Levy - housing sites in Preston City Council area	14.877		0.510	0.544	1.293	1.259	1.075	2.030	1.776	1.738	1.672	1.551	1.429	-	-	-	-
Community Infrastructure Levy - housing sites in South Ribble Borough Council area	18.663		0.174	0.369	1.289	1.852	2.160	2.008	1.788	1.655	1.572	1.708	1.626	1.165	1.297	-	-
Community Infrastructure Levy Plus - housing sites in Preston City Council area	4.697		-	-	0.414	0.390	0.297	0.784	0.707	0.698	0.664	0.602	0.141	-	-	-	-
Community Infrastructure Levy Plus - housing sites in South Ribble Borough Council area	8.480		-	-	0.380	0.756	0.914	0.813	0.813	0.834	0.834	0.966	0.914	0.594	0.662	-	-
S106 / S278 Agreements - sites in Preston City Council area	32.027	1.200	4.985	2.007	3.766	3.668	3.695	2.289	5.139	1.114	3.022	1.142	-	-	-	-	-
S106 / S278 Agreements - sites in South Ribble Borough Council area	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lower Tier Councils - Preston City Council																	
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	0.945			0.456	0.158	0.205	0.079	0.047									
New Homes Bonus	28.051		-	0.066	0.391	1.068	1.952	2.883	4.074	5.384	6.343	5.890					
Lower Tier Councils - South Ribble Borough Council																	
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	0.801	1.350	2.147	3.111	4.119	4.795	5.170	3.718					
Moss Side Test Track Land Receipt	5.000											5.000					
Community Infrastructure Levy due to Parish Councils in Preston	- 1.726		- 0.001	- 0.073	- 0.156	- 0.163	- 0.139	- 0.239	- 0.264	- 0.257	- 0.223	- 0.211					
Community Infrastructure Levy due to Parish Councils in South Ribble	- 2.033		- 0.023	- 0.333	- 0.104	- 0.242	- 0.250	- 0.253	- 0.217	- 0.190	- 0.190	- 0.231					

Total Resources

374.130	7.700	23.765	21.368	35.105	40.426	67.441	50.057	33.181	27.888	26.512	29.745	5.159	3.030	2.752	-	-
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3.1 Key changes in resources .

During July / August work was undertaken to review the assumptions of build out rates and therefore CIL monies that will flow into the IDF , the slippage in build rates has meant that CIL income is now not expected to be fully received until Year 13, this is 3 years into the 5 year extension plan . this is reflected in the above model and has led to us reporting over the full 15 years.

Section B : in year monitoring  
Year 2 Quarter 2

	Total			Quarter 1			Quarter 2			Quarter 3			Quarter 4			Q1 Reported	Q2 Reported
	Original £m	Revised £m	Variance £m	Original £m	Revised £m	Variance £m	Original £m	Revised £m	Variance £m	Original £m	Revised £m	Variance £m	Original £m	Revised £m	Variance £m		
<b>Central Government</b>																	
Transport Funding																	in line with forecast and agreed capital programme.
	3.000	4.880	- 1.880	3.000	3.000	-	-	-	-	-	-	-	-	-	-		see note 9 below
HCA - Locally Retained Landhold Receipts	2.018	2.018	-	2.018		2.018	-	-	-	-	-	-	-	-	-		
	-	-	-	-		-	-	-	-	-	-	-	-	-	-		
<b>Developer Contributions (less Parish Council share)</b>																	see note 5 below
	6.076	5.522	0.554	1.519		1.519	1.519		1.519	1.519	-	1.519	1.519	-			see note 10 below
	-	-	-	-		-	-	-	-	-	-	-	-	-	-		
<b>Lancashire County Council</b>																	
Capital Programme & Grants	12.000	12.220	- 0.220	12.000	12.000	-	-	-	-	-	-	-	-	-	-		
Capital Receipts	-	-	-	-		-	-	-	-	-	-	-	-	-	-		
Revenue Contribution - Capital Financing Cost	0.067	0.079	0.012	-		-	-	-	-	-	-	0.067	0.067	-			
	-	-	-	-		-	-	-	-	-	-	-	-	-	-		
<b>Preston City Council</b>																	
Business Rates Retention	0.263	0.042	0.221	-		-	-	0.042	- 0.042	-	-	0.263	0.263	-			see note 11 below
Heritage Lottery funding	0.456	0.456	-									0.456	0.456				
New Homes Bonus	0.066	0.066	-					0.066	- 0.066			0.066	0.066				
	-	-	-	-		-	-	-	-	-	-	-	-	-	-		
<b>South Ribble Borough Council</b>																	
Business Rates Retention	0.085	0.085	-	-		-	-	0.085	- 0.085	-	-	0.085		- 0.085			
New Homes Bonus	0.198	0.198	-					0.198	- 0.198			0.198	0.198				
	-	-	-	-		-	-	-	-	-	-	-	-	-	-		
<b>Resources Total</b>	<b>20.059</b>	<b>21.372</b>	<b>- 1.313</b>	<b>14.501</b>	<b>15.000</b>	<b>0.499</b>	<b>1.519</b>	<b>0.391</b>	<b>1.128</b>	<b>1.519</b>	<b>1.519</b>	<b>-</b>	<b>2.520</b>	<b>2.435</b>	<b>- 0.085</b>		

	Total			Quarter 1			Quarter 2			Quarter 3			Quarter 4				
	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	Variance	Original	Revised	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	0.659	0.659	-	0.165	0.012	- 0.152	0.165	0.234	- 0.070	0.165	0.165	-	0.165	0.317	0.152	see notes 3 & 4 below	see notes 3 & 4 below
Preston Western Distributor	1.009	1.009	-	0.252	0.016	- 0.236	0.252	0.481	- 0.229	0.252	0.252	-	0.252	0.489	0.236	see notes 3 & 4 below	see notes 3 & 4 below
Broughton*	2.238	2.351	- 0.113	0.560	0.014	- 0.545	0.560	0.337	0.223	0.560	0.560	-	0.560	1.105	0.545	see notes 3 & 4 below	see notes 3 & 4 below
Preston Bus Station	0.812	1.110	- 0.298	0.203	-	- 0.203	0.203	0.056	0.147	0.203	0.203	-	0.203	0.406	0.203		
Fishergate Central Gateway	2.064	2.116	- 0.052	0.516	0.117	- 0.399	0.516	1.596	- 1.080	0.516	0.516	-	0.516	0.915	0.399	see notes 3 & 4 below	see notes 3 & 4 below
Public Transport & Public Realm Corridors	0.140	0.140	-	0.035	0.006	- 0.029	0.035	0.045	- 0.010	0.035	0.035	-	0.035	0.064	0.029		
Community Provision - Preston City Council	0.803	0.803	0.000	0.201	-	- 0.201	0.201	-	0.201	0.201	-	- 0.201	0.201	-	- 0.201		
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>South Ribble Transport Programmes</b>																	
Pickerings Farm Link Road	0.050	0.050	-	0.013	-	- 0.013	0.013	-	0.013	0.013	0.013	-	0.013	0.025	0.013		
Moss Side Test Track Road Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Land Between Heatherleigh & Moss Lane Spine Road	0.500	0.500	-	0.125	-	- 0.125	0.125	-	0.125	0.125	0.125	-	0.125	0.250	0.125	see notes 3 & 4 below	see notes 3 & 4 below
Cuerden Strategic Site Road Infrastructure	0.050	0.050	-	0.013	-	- 0.013	0.013	-	0.013	0.013	0.013	-	0.013	0.025	0.013		
Green Infrastructure	0.640	0.640	-	0.160	-	- 0.160	0.160	-	0.160	0.160	0.160	-	0.160	0.320	0.160		
A582 South Ribble Western Distributor/ B2523 Flensburg Way	4.499	4.371	0.128	1.125	0.385	- 0.739	1.125	1.829	- 0.704	1.125	1.125	-	1.125	1.864	0.739	see notes 3 & 4 below	see notes 3 & 4 below
Penwortham Bypass	0.750	0.750	-	0.188	0.012	- 0.175	0.188	0.465	- 0.278	0.188	0.188	-	0.188	0.363	0.175		
New Ribble Bridge - Preliminary Works & Route Protection	0.750	0.750	-	0.188	-	- 0.188	0.188	0.006	0.182	0.188	0.188	-	0.188	0.375	0.188		
Public Transport & Public Realm Corridors	0.380	0.380	-	0.095	0.001	- 0.094	0.095	0.022	0.073	0.095	0.095	-	0.095	0.189	0.094		
Community Provision - South Ribble Borough Council	0.492	0.492	0.000	0.123	-	- 0.123	0.123	-	0.123	0.123	-	- 0.123	0.123	-	- 0.123		
								0.030	- 0.030								
CLTM transport Modelling		0.070	- 0.070	-	-	-	-	-	-	-	-	-	-	-	-		see note 12 below
Capital Financing Cost	- 0.067	- 0.079	0.012	-	-	-	-	-	-	-	-	-	- 0.067	- 0.067	-		
<b>Expenditure Total</b>	<b>15.769</b>	<b>16.162</b>	<b>- 0.393</b>	<b>3.959</b>	<b>0.564</b>	<b>- 3.395</b>	<b>3.959</b>	<b>5.101</b>	<b>- 1.141</b>	<b>3.959</b>	<b>3.635</b>	<b>- 0.324</b>	<b>3.892</b>	<b>6.639</b>	<b>2.747</b>		
<b>Net position for the year</b>	<b>4.290</b>	<b>5.210</b>															

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

**General update on Q1 Year 2**

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There has been no changes in Qtr1 to the overall deficit position for the full term of the City Deal to 2023/24. This remains at the overall deficit position for the full term of the City Deal to 2023/24. There are no specific issues that have arisen in Qtr. 1 to affect the forecast in the IDP for year 2 - this remains at the overall deficit position for the full term of the City Deal to 2023/24. Whilst the monitoring report above suggests there are variances to the Qtr. 1 modelled position, this is due to In relation to expenditure, whilst there is no specific changes to the timings and works to deliver infrastructure in In relation to income there is a full scale review underway with all partners to update the predicted changes to The newly appointed CIL negotiator (Keppie Massie) has been commissioned to assess commercial viability in NW The current provision in the IDP for education infrastructure £28.495 in Preston and £11.203 in South Ribble may Community Infrastructure and Green Infrastructure is the subject of a separate report and will be subject to

**General update on Q2 Year 2 (3-8 above also apply)**

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retiming of Growth Deal funding requests to city deal schemes with brought on by pass start in 16-17 working with planners in each district and on a site by site basis the level of CIL contributions per site have been Level of business rates retention in Preston paid over is less than anticipated due to slower build of commercial Transport modelling is included here as a separate line as although hit supports all capital road infrastructure it is There are no specific issues that have arisen in Qtr. 2 to significantly affect the forecast in the IDP for year 2 - this There has been no significant changes in Qtr. 2 to the overall deficit position for the full term of the City Deal.

