

CITY DEAL

Finance Monitoring Report

Quarter 2 2016/17

Section A : 10 year Infrastructure Delivery fund (IDF) - current forecasts as at 30th September 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)	2.152	0.292	4.207	5.335 -	13.078 -	9.201 -	27.723 -	23.879	10.860 -	1.800	11.224	18.422	12.089	2.093	2.159	2.138	9.013	
Cumulative Surplus/ (Deficit)		0.292	4.499	9.834 -	3.244 -	12.445 -	40.168 -	64.047 -	53.187 -	54.987 -	43.763 -	25.341	-	13.252 -	11.159 -	9.000 -	6.862	2.151

Position at 30-6-16

Changes in surpluses and deficits since last Quarter

1.761
0.390

Current Surplus / Deficit

2.151

The surplus of £1.761m as at 30 June 2016 has moved by the following key items

1 updated SRBC housing numbers following district returns	0.070
2 Updated PCC housing numbers following district returns	0.232
3 changes to parish contributions following cil changes	-0.061
4 miscellaneous changes to expenditure lines including modelling costs and CI lines	0.149
5 Move £3m from inflation provision to Broughton By pass line	
6 reprofiling of CIL income from the inclusion of instalments polices adopted by each district.	

Total changes in monitoring period

0.390

Monitoring of Position against approvals.

The current surplus as at 30th September 2016 is **£ 2.152m** against a target of **£ nil**

The current maximum cash flow position (**£64.047m** in year 6) is within the agreed maximum cash flow liability (107m) under the terms of the deal , and the current estimated position is within the LCC cabinet approvals although there remains levels of risk around some of the income streams .

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
Delivery Programmes																	
<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 & I	104.500	0.197	0.994	1.749	2.500	4.860	47.100	44.100	3.000								
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	23.342	0.003	0.211	0.409	10.608	12.111											
Fishergate Central Gateway	9.107	1.746	1.744	4.223	1.360	0.034											
<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 & Local Centres- Preston</u>																	
Public Transport Corridors & Local Centres- Preston	12.125	0.250	0.028	0.084	2.626	5.270	0.517	1.600	1.750								
<u>Public Transport Corridors & Local Centres- South Ribble</u>																	
Public Transport Corridors & Local Centres- South Ribble	12.125	0.250	0.068	0.035	3.369	0.512	5.302	2.589	-								
CL Transport Modelling costs	0.198	-	-	0.098	0.050	0.030	0.020										
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					
Communications and Marketing	0.065		-	0.003	0.062	-	-	-	-	-	-	-					
Construction inflation provision	13.188				2.585	0.000	5.093	3.993	0.457	0.822	0.131	0.107					
Cost of capital	6.995	-	-	0.095	0.072	0.317	0.607	1.031	1.079	0.990	0.989	0.734	0.429	0.290	0.249	0.206	0.095
Total Delivery Programmes	395.424	7.408	19.564	21.027	49.313	54.712	95.367	80.478	28.177	24.475	4.438	9.194	0.429	0.290	0.249	0.206	0.095

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
Resources																	
Upper Tier Councils - Lancashire County Council																	
LCC Capital Investment Programme	21.352	4.400	1.500	0.952	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	2.500					
Lostock Hall Land Receipt	0.228					0.057	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	6.995	-	-	0.095	0.072	0.317	0.607	1.031	1.079	0.990	0.989	0.734	0.429	0.290	0.249	0.206	0.095
European Regional Development Funding for Fishergate Central Gateway Delivery Programme	1.601	1.000	0.380	0.221													
LCC reserves	7.000				7.000												
Central Government																	
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											
Developers Contribution																	
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
S106 / S278 Agreements - non housing related	1.040		-	0.040	1.000	-	-	-	-	-	-	-	-	-	-	-	-
S106 / S278 Agreements - sites in Preston City Council area	31.790	1.200	4.985	3.222	2.852	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-																
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	-	-	-	-
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	0.770	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
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
Contribution for Communications & Marketing	0.065		-	0.009	0.056	-	-	-	-	-	-	-					
Community Infrastructure Levy due to Parish Councils in Preston City Council area	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
Community Infrastructure Levy due to Parish Councils in South Ribble Borough Council area	3.739		0.023	0.023	0.125	0.068	1.533	1.717	0.184	0.056	0.056	-	-	-	-	-	-
Total Resources	397.575	7.700	23.771	26.362	36.235	45.511	67.644	56.599	39.037	22.675	15.662	27.617	12.518	2.383	2.408	2.345	9.108

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 .

2 The 6 monthly housing returns to September 2016 have been incorporated within this model. There were only minor changes to the overall figures.

Section B : in year monitoring
Year 3 Quarter 1

	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			
Central Government																		
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				-	3.008	3.008			
Developer Contributions (less Parish Council share)	4.549	7.944	3.396	1.137	0.302	0.835	1.137	0.242	0.895	1.137	1.391	0.254	1.137	6.009	4.872	1		
Lancashire County Council																		
Capital Programme & Grants	12.159	14.647	2.487			-		2.591	2.591			-	12.159	12.056	0.104			
Capital Receipts	-	-	-			-						-						
Revenue Contribution - Capital Financing Cost	0.236	0.072	0.164	0.059	0.018	0.041	0.059	0.018	0.041	0.059	0.056	0.003	0.059	0.020	0.079			
Preston City Council																		
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			
South Ribble Borough Council																		
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	0.000	0.527			
contributions for comms	0.056	-											0.056	-	0.056			
Resources Total	30.813	36.235	5.422	2.197	2.300	0.103	7.603	5.472	2.131	1.196	1.448	0.252	19.818	27.015	7.197	0.00	0.00	

	Total			Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	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	Forecast £m	Variance £m
Preston Transport Programmes															
East-West Link Road	2.216	2.216	-	0.554	0.064	0.490	0.554	0.001	0.553	0.554	0.717	0.163	0.554	1.434	0.880
Preston Western Distributor	1.500	2.500	1.000	0.625	0.882	0.257	0.625	0.307	0.318	0.625	0.539	0.086	0.375	0.772	1.147
Broughton*	15.994	15.994	-	3.999	2.483	1.516	3.999	1.601	2.398	3.999	4.504	0.505	3.999	7.406	3.408
Cottam Parkway	0.300	0.300	-	0.075	0.021	0.054	0.075	0.029	0.046	0.075	0.093	0.018	0.075	0.157	0.082
Preston Bus Station	10.608	10.608	-	2.652	0.296	2.356	2.652	0.208	2.444	2.652	3.437	0.785	2.652	6.667	4.015
Fishergate Central Gateway	1.360	1.360	-	0.340	0.088	0.252	0.340	0.010	0.330	0.340	0.424	0.084	0.340	0.838	0.498
Market Quarter	0.365	0.365	-	0.091	0.091	0.091	0.091	-	0.091	0.091	0.122	0.030	0.091	0.243	0.152
Public Transport & Public Realm Corridors	3.231	2.626	0.605	0.657	0.008	0.649	0.657	-	0.657	0.657	0.873	0.216	1.262	1.745	0.484
community infrastructure	1.513	1.513	-	0.378	0.194	0.184	0.378	0.002	0.376	0.378	0.440	0.061	0.378	0.877	0.499
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	0.134	0.034	0.101	0.269	0.168
South Ribble Transport Programmes															
Pickerings Farm Link Road	0.050	0.050	-	-	-	-	-	-	-	-	0.017	0.017	0.050	0.033	0.017
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	0.333	0.083	0.250	0.667	0.417
Cuerden Strategic Site Road Infrastructure	0.050	0.050	-	-	-	-	-	-	-	-	0.017	0.017	0.050	0.033	0.017
Green Infrastructure	0.643	0.643	-	0.161	0.211	0.050	0.161	0.287	0.126	0.161	0.144	0.017	0.161	0.001	0.160
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	0.371	0.047	0.324	1.325	1.649
Penwortham Bypass	0.750	1.000	0.250	0.250	0.125	0.125	0.250	0.434	0.184	0.250	0.292	0.042	-	0.149	0.149
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	0.242	0.055	0.188	0.466	0.279
Public Transport & Public Realm Corridors	3.319	3.369	0.050	0.830	0.005	0.825	0.830	0.473	0.357	0.830	1.121	0.292	0.830	1.770	0.940
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	0.164	0.041	0.123	0.164	0.287
Construction inflation provision	2.531	2.585	0.053	0.653	-	0.653	0.653	-	0.653	0.653	0.862	0.208	0.571	1.723	1.152
CLTM transport Modelling	0.030	0.050	0.020	-	0.013	0.013	-	0.013	0.013	-	-	-	0.030	0.024	0.006
Revenue costs	0.072	0.072	-	-	-	-	-	-	-	-	-	-	0.072	0.072	-
Capital Financing Cost	0.236	0.072	0.164	-	-	-	-	-	-	-	-	-	0.236	0.072	0.164
Expenditure Total	59.078	49.313	9.764	14.842	4.596	10.246	14.842	5.942	8.900	14.842	14.845	0.004	14.552	23.930	9.378
Net position for the year	-	28.265	-	13.078											

*Includes congestion relief, and M55 and M6 junction improvements

General update on Q1 Year 3

During the initial quarter of 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. This work in ongoing .