

Report to:	Tamar Bridge & Torpoint Ferry Joint Committee	
Date:	18th December 2020	
Title:	2020-2021 Budget Monitoring	
Portfolio Area:	Transport	
Divisions Affected:	All	
Relevant Scrutiny Committee: Economic Growth and Development		
Authors, Roles and Contact Details:	Jamie Wright, Service Accountant 01872 323961 jamie.wright@cornwall.gov.uk Andrew Vallance, Governance and Finance Manager 01752 36157 andrew.vallance@tamarcrossings.org.uk	
Approval and clearance obtained:	Y	
For Cabinet and delegated executive decisions only		
Key decision? (≥£500k in value or significant effect on communities in two or more electoral divisions)	N	
Published in advance on Cabinet Work Programme?	N	
Urgency Procedure(s) used if 'N' to Work Programme?	N	
Date next steps can be taken	N/A	

Recommendations:

1. That the revenue forecast and capital programme for 2020/21 be noted.

1. Executive Summary

This report contains the budget monitoring statement and forecast outturn position based on actual information available at the end of October 2020.

The report is based on a forecast that reflects the revised estimates following the COVID 19 situation, the period of non-tolling and reduced traffic flows.

The statement shows the current forecast outturn for 2020/21 and compares this with the revised budget for the year. It also contains an update on the Capital Programme for the same period.

The revenue position currently shows an overall deficit variance of £1.056m year to date which included a period of non-tolling and reduce traffic flows. Expenditure has also reduced against profiled budget. Within Capital the position shows expenditure to date of £4.216m against the latest forecast for the year of £8.359m.

The forecast reserve position based on our revised estimates is a surplus of £2.129m from a deficit position of £0.404m reported previously. This is due to the forecast grant of £2.657m from Central Government. The grant is calculated using 95% of the approved budgeted income, compared to actual income and the shortfall is paid at £0.75 in the £1.00 (75%).

2. Purpose of Report

The Joint Committee receives a quarterly update on its financial position in order to provide assurance that the finances of the undertaking are being managed appropriately and that any significant issues are high-lighted and necessary action is taken to address them.

Revenue

The statement in Appendix 1 shows the revenue position for the period covering 1 April to 31 October 2020 and the forecast for the full financial year to 31 March 2021.

Within the **Bridge** cost centre, the current variance is £0.285m favourable.

The main areas of variance are within the following areas:

Premises costs there is a favourable variance of £0.140m mainly due to a reduction in the repairs and maintenance expenditure to date.

Bridge Painting and Toll Equipment are both reporting a favourable variance of £0.071m and £0.047m respectively.

Learning Centre expenses are a favourable variance of £0.052m.

The **Ferry** cost centre currently shows a favourable variance of £0.254m

The main area of variance is within Employee related expenses and shows a favourable variance of £0.096m against budget.

Ferry maintenance expenditure is showing a favourable variance of £0.076m and Marine Gas Oil a favourable £0.018m.

Other supplies and services are showing a favourable variance of £0.066m

The net saving on staff costs across the organisation reflects the organisation carrying vacancies amongst the ferry crew establishment and being unable to

recruit due to COVID. The impact of reduced crew resource is reported within the General Manager's Report.

The **Corporate** cost centre currently shows an adverse variance of £0.010m.

This is mainly due to an adverse variance of £0.028m within bank charges, but partly offset by a current underspend in relation to Consultants.

Income compared to profiled budget is reporting an overall adverse variance of £2.515m to date.

Cash tolls and concessionary tolls are showing an adverse variance of £0.732m.

Tag Account fees are showing an adverse variance of £0.066m and Other Income £0.167m.

MHCLG loss of income is showing an adverse variance of £1.550m. The reason for this is the grant for the loss of income for the period 1 April 2020 to 31 July 2020 totalling £1.653m was not received until November and will be reflected within the next report.

The latest income forecasts have been updated within the revised forecast.

Capital

Appendix 2 details the Joint Committee's capital programme for the same period and the current projected forecast.

Capital expenditure to date is £4.216m with the main area of expenditure as follows:

- Bridge Kerb Units and Waterproofing Improvements - £1.495m
- Bridge Protective Coating - £0.662m
- Toll System Upgrade - £0.165m
- Bridge Structural Monitoring - £0.052m
- Ferry Refit (2) - £1.783m
- Bridge Office Development - £0.059m
- Work on Ferry Traffic Control System, Bridge resurfacing and Bridge LED Lighting is due to commence in 2020-21.

Management reviews of capital schemes have been incorporated into the capital forecast figures in the Revenue Estimates and Capital Programme Report .

Reserves

The forecast reserve position reflects the revised estimates following the COVID 19 situation including, the period of non-tolling, reduced traffic levels and receipt of Government grants, and anticipates a surplus reserve balance at 31 March 2021 of £2.129m.

Outturn figures are heavily dependent on post-COVID19 traffic volumes to the end of the financial year. The Joint Committee will continue to be kept updated on traffic levels on a regular basis.

Prudential Indicators

The borrowing indicators are not reported as the standard comparison with income has been significantly distorted by the fall in income associated with the lockdown and suspension of tolling.

3. Benefits for Customers/Residents

Appropriate management of finances and budget monitoring ensures that appropriate resource is available for the operation, maintenance and improvement of crossings which form key elements of the local transport network which is essential to the sustainable economic and social development of the region for the benefit of residents.

4. Relevant Previous Decisions

Approved budget for 2020/21 at Tamar Bridge and Torpoint Ferry Joint Committee of 6th December 2019 (TBTF/25).

<https://democracy.cornwall.gov.uk/ieListDocuments.aspx?CIId=620&MIId=9080&Ver=4>

Approved budget for 2020/21 at Cornwall Council meeting of 25 February 2020 (CC/751)

<https://democracy.cornwall.gov.uk/ieListDocuments.aspx?CIId=584&MIId=8924&Ver=4>

On recommendation of Cabinet meeting of 12 February 2020 (CAB/110)

<https://democracy.cornwall.gov.uk/ieListDocuments.aspx?CIId=577&MIId=8916&Ver=4>

5. Consultation and Engagement

Not applicable.

6. Financial Implications of the proposed course of action/ decision

Financial implications are detailed within Section 2 of this report.

7. Legal/Governance Implications of the proposed course of action/decision

There are no implications associated with this report.

8. Risk Implications of the proposed course of action/decision

There are no implications associated with this report.

9. Comprehensive Impact Assessment Implications

There are no implications associated with this report.

10. Options available

No decision is required, however, by providing regular financial monitoring to the Joint Committee assurance can be provided that the finances of the undertaking are being managed effectively and appropriately. Budget variances are explained, and remedial action can be taken to address if appropriate.

The financial monitoring information results from consultation with the Senior Management at the undertaking and the relevant officers from the joint councils.

11. Supporting Information (Appendices)

Appendix 1: Revenue Budget Monitoring Statement
Appendix 2: Capital Programme Monitoring Statement

12. Background Papers

None

13. Approval and clearance

All reports:

Final report sign offs	This report has been cleared by (or mark not required if appropriate)	Date
Governance/Legal (Required for all reports)	Lia Musto-Shinton, Senior Corporate Governance Lawyer	17.12.20
Finance (Required for all reports)	Geraldine Baker, Senior Business Analyst	17/12/2020
Equality and Diversity (If required)		
Service Director (Required for all reports)	Vicky Fraser, Service Director – Transport (Interim)	17/12/2020
Strategic Director (If required)		

Draft reports process checklist for Cabinet/individual decision reports:

Complete the checklist below while you are drafting your Cabinet or individual decision report. It will be removed before publication.

Process checklist	Completed
Portfolio Holder briefed	Yes/No
Strategic Director briefed	Yes/No
Service Director sign off	Yes/No
Data protection issues considered	Yes/No
If exempt information, public (part 1) report also drafted. (Cabinet/Scrutiny)	Yes/No
If not on Cabinet Work Programme, Scrutiny offered the opportunity to consider the report	Yes/No

Revenue Budget Monitor Report for the Financial Year 2020/21

REVENUE SUMMARY	Year to Date			Full Year			Original Estimate 2020/21 £'000	Variance from Original Estimate £'000
	Actuals plus Accruals to date £'000	Profiled Estimate to date 2020/21	Variance from Profiled Estimate £'000	Revised Forecast £'000	Previous Forecast £'000	Variance from previous Forecast £'000		
As at the end of October 20								
Expenditure								
Tamar Bridge								
Employee Related Expenses	733	744	(11)	1,276	1,279	(3)	1,283	(7)
Premises Related Expenses	340	480	(140)	822	978	(156)	986	(164)
Transport Related Expenses	31	9	22	16	16	0	20	(4)
Bridge Painting	57	128	(71)	220	255	(35)	255	(35)
Toll Collection & Banking	323	370	(47)	634	634	0	700	(66)
Toll Equipment	130	117	13	201	201	0	241	(40)
Breakdown Recovery Service	234	201	33	201	201	0	201	0
Other Supplies & Services	242	272	(30)	467	452	15	492	(25)
Support Services	1	3	(2)	5	5	0	5	0
Learning Centre	1	53	(52)	90	95	(5)	95	(5)
	2,092	2,377	(285)	3,932	4,116	(184)	4,278	(346)
Torpoint Ferry								
Employee Related Expenses	2,020	2,116	(96)	3,628	3,492	136	3,488	140
Premises Related Expenses	141	125	16	214	241	(27)	218	(4)
Transport Related Expenses	4	17	(13)	29	29	0	32	(3)
Ferry & Vehicle Maintenance	258	334	(76)	572	572	0	572	0
Marine Gas Oil	60	78	(18)	134	159	(25)	184	(50)
Other Supplies & Services	299	365	(66)	625	585	40	598	27
Support Services	3	5	(2)	8	8	0	8	0
	2,785	3,039	(254)	5,210	5,086	124	5,100	110
Corporate								
Audit Fees	1	6	(5)	10	11	(1)	20	(10)
Support Services	32	30	2	52	52	0	44	8
Toll Review	0	6	(6)	10	10	0	0	10
Consultants - Other	15	29	(14)	50	50	0	50	0
Bank Charges	133	105	28	180	180	0	155	25
Tags and Accessories	173	160	13	160	160	0	197	(37)
Tag Statement Production	26	34	(8)	58	34	24	9	49
	380	370	10	520	497	23	475	45
Total Revenue Expenditure	5,257	5,787	(530)	9,662	9,699	(37)	9,853	(191)
Income								
Cash Tolls	(2,393)	(2,941)	548	(5,042)	(5,002)	(40)	(7,360)	2,318
Concessionary Tolls	(2,194)	(2,378)	184	(4,076)	(4,279)	203	(6,123)	2,047
Tag Account Fee	(160)	(226)	66	(388)	(388)	0	(466)	78
MHCLG Loss of income	0	(1,550)	1,550	(2,657)	0	(2,657)	0	(2,657)
Other Income	(148)	(315)	167	(540)	(538)	(2)	(527)	(13)
Total Revenue Income	(4,895)	(7,410)	2,515	(12,703)	(10,207)	(2,496)	(14,476)	1,773
Operating (Surplus)/Deficit	362	(1,624)	1,986	(3,041)	(508)	(2,533)	(4,623)	1,582
Other								
Interest on Balances	(2)	(1)	(1)	(1)	(1)	0	(10)	9
Contribution to CC MRP	765	1,264	(499)	2,167	2,167	0	2,296	(129)
CC Funding Repayment (Interest)	552	897	(345)	1,538	1,538	0	1,657	(119)
Total Other	1,315	2,161	(846)	3,704	3,704	0	3,943	(239)
Overall Revenue (Surplus)/Deficit	1,677	537	1,140	663	3,196	(2,533)	(680)	1,343
Capital								
Capital Expenditure funded through borrowing	4,216	4,876	(660)	8,359	12,125	(3,766)	12,125	(3,766)
Capital Expenditure funded from Revenue	0	0	0	0	0	0	0	0
Total Capital	4,216	4,876	(660)	8,359	12,125	(3,766)	12,125	(3,766)
Debt outstanding at 1 April 2020				35,181	35,181	0	31,526	3,655
Debt outstanding at 31 March 2021				41,373	45,139	(3,766)	41,355	18
Reserve balance at 1 April 2020				(2,792)	(2,792)	0	(3,620)	828
Reserve balance at 31 March 2021				(2,129)	404	(2,533)	(4,300)	2,171

Revenue Budget Monitor Report for the Financial Year 2020/21

CAPITAL SUMMARY As at the end of July 20	Current Year					Scheme Overall						Status
	Actuals to date 2020/21 £'000	Latest Forecast £'000	Previous Forecast £'000	Variance from previous Forecast £'000	Original Estimate 2020/21 £'000	Actuals to date £'000	Latest Forecast £'000	Previous Forecast £'000	Variance from previous Forecast £'000	Original Scheme Estimate £'000	Variance from Original Estimate £'000	
Expenditure												
Completed Schemes												
Rendel Park (phase 1)	0	0	0	0	0	205	205	205	0	250	(45)	Complete
Ferry Infrastructure	0	0	0	0	0	3,890	3,890	3,890	0	3,906	(16)	Complete
Electronic Tolling	0	0	0	0	0	5,331	5,331	5,331	0	5,400	(69)	Complete
Advance Signing	0	0	0	0	0	116	116	116	0	120	(4)	Complete
Ferry Marshalling Area	0	0	0	0	0	22	22	22	0	25	(3)	Complete
Bridge Office Feasibility	0	0	0	0	0	9	9	9	0	20	(11)	Complete
Bridge Car Park	0	0	0	0	0	4	4	4	0	50	(46)	Complete
Bridge Anchorage Chambers	0	0	0	0	0	73	73	73	0	100	(27)	Complete
Ferry Car Park Improvements	0	0	0	0	0	21	21	21	0	15	6	Complete
Gantry Chain Tunnel Replacement	0	0	0	0	0	261	261	261	0	225	36	Complete
R Rendel Park (phase 2)	0	0	0	0	0	154	154	154	0	95	59	Complete
Bridge Resurfacing Works (phase 1)	0	0	0	0	0	720	720	720	0	350	370	Complete
Illuminated Road Studs	0	0	0	0	0	600	600	600	0	600	0	Complete
Storage Building Devonport	0	0	0	0	0	54	54	54	0	40	14	Complete
Ferry Sewage Treatment Plant	0	0	0	0	0	250	250	250	0	165	85	Complete
R Footpath 24 Reinstatement	0	0	0	0	0	29	29	29	0	210	(181)	Complete
Bridge Handstrands	0	0	0	0	0	14	14	14	0	500	(486)	Withdrawn
R Plaza Canopy Access Works	0	0	0	0	0	21	21	21	0	40	(19)	Complete
Devonport Traffic Control System	0	0	0	0	0	0	0	0	0	26	(26)	Revenue works
Ferry Works Vehicle	0	0	0	0	0	0	0	0	0	60	(60)	Withdrawn.
Bridge Half Joint Replacement	0	0	0	0	0	0	0	0	0	100	(100)	Works withdrawn
Rendel Park Sea Wall Stabilisation	0	0	0	0	0	32	32	32	0	55	(23)	Complete
Bridge Main Joint Replacement	0	0	0	0	0	250	250	250	0	500	(250)	Complete
Bridge Access Works	0	0	0	0	0	754	770	770	0	691	79	Complete
Bridge Weigh in Motion	0	0	0	0	0	42	42	42	0	150	(108)	Complete
Current Programme												
Bridge Protective Coating	662	1,313	1,083	230	1,083	7,919	8,570	8,570	0	8,000	0	WIP
Bridge Structural Monitoring System	52	0	0	0	0	185	185	170	15	100	85	Works completed
Bridge Office Development	59	0	0	0	0	5,556	5,483	5,440	43	4,690	793	Works completed
Bridge Kerb Units and Waterproofing Improvements	1,495	3,415	0	3,415	0	1,506	4,750	3,850	900	2,000	2,750	Works delayed now due to complete in 20-21
Suspension System Remedial Work	0	0	0	0	0	7,206	6,770	6,960	(190)	6,000	770	Works completed
Ferry Traffic Control Systems	0	0	900	(900)	900	0	900	900	0	600	300	Works now due to commence in 20-21
Bridge LED Lighting	0	0	100	(100)	100	0	250	100	150	100	150	Works due to commence in 20-21
Toll System Upgrade	165	686	127	559	127	989	1,725	1,275	450	1,275	450	Works due to complete in 20-21
Bridge Resurfacing Works (Phase 2)		0	6,000	(6,000)	6,000	0	6,500	6,000	500	4,000	2,500	Works due to commence in 20-22
Ferry Refit (Year 2)	1,783	1,795	1,415	380	1,415	1,436	6,731	4,320	2,411	4,320	2,411	Capitalisation of works taken place in 19-20 & 20-21
Potential Future Schemes (subject to business Case)												
Parapet Works		0	1,500	(1,500)	1,500	0	2,000	2,000	0	6,000	(4,000)	Works due to commence in 20-21
Bridge Access (Phase 4)				0	0	0	500	500	0	250	250	Works due to commence in 21-22
Main Cable Remediation		1,150	1,000	150	1,000	0	2,000	2,000	0	2,000	0	Works due to commence in 20-21
Supplementary Cable Works				0	0	4	2,000	2,000	0	2,000	0	Works due to commence in 21-22
Ferry Gantry Tower Replacement				0	0	0	840	0	840	0	840	Works due to commence in 21-22
Rocker/Pendle Remedia Works				0	0	0	10,000	10,000	0	10,000	0	Works due to commence in 21-22
	4,216	8,359	12,125	(3,766)	12,125	37,653	72,072	66,953	5,119	65,028	6,474	
Funding												
Prudential Borrowing	4,216	8,359	12,125	(3,766)	12,125	35,922	68,941	63,822	5,119	60,499	8,442	
Capital Receipts	0	0	0	0	0	20	20	20	0	60	(40)	
Revenue Contributions	0	0	0	0	0	1,711	3,111	3,111	0	4,469	(1,358)	
	4,216	8,359	12,125	(3,766)	12,125	37,653	72,072	66,953	5,119	65,028	7,044	

Report to:	Tamar Bridge & Torpoint Ferry Joint Committee	
Date:	18th December 2020	
Title:	2021/22 Revenue Estimates & Capital Programme	
Portfolio Area:	Transport	
Divisions Affected:	All	
Local Member(s) briefed:	NA	
Relevant Scrutiny Committee: Economic Growth and Development		
Authors, Roles and Contact Details:	Jamie Wright , Service Accountant 01872 322109 jamie.wright@cornwall.gov.uk Andrew Vallance, Governance and Finance Manager 01752 361577 andrew.vallance@tamarcrossings.org.uk	
Approval and clearance obtained:	Y	
For Cabinet and delegated executive decisions only		
Key decision? (≥£500k in value or significant effect on communities in two or more electoral divisions)	N/A	
Published in advance on Cabinet Work Programme?	N/A	
Urgency Procedure(s) used if 'N' to Work Programme?	N/A	
Date next steps can be taken	See Parent Authorities Meetings Timetable	

Recommendations:

1. That the Cabinets of the Joint Authorities recommend to their Full Councils that the 2021/22 revenue estimates and capital programme be approved; and
2. the longer term forecast to 2024/25 is noted.

1 Executive Summary

- 1.1 This report sets out for consideration and approval, the proposed revenue estimates (budget) for the Joint Committee for 2021/22 and indicative figures for the subsequent three years 2022/23, 2023/24 and 2024/25, together with the proposed capital programme.
- 1.2 The reserve position at 31 March 2021 is forecast to be £2.129m. Indicatively, future years show that the reserve position is below the £2.000m reserve level until 2024/25. For the years 2022/23 onwards, there are no reserve remaining, and by 2024/25, an adverse balance of £9.272m.

2 Purpose of Report and key information

- 2.1 The Tamar Bridge and Torpoint Ferry (TBTF) are operated, maintained and improved jointly by Plymouth City Council and Cornwall Council on a 'user pays' principle, being funded by toll income using powers derived from the Tamar Bridge Act.
- 2.2 In developing the budgets for 2021/22 to 2024/25 set out within appendix 1, the following inflationary and interest assumptions have been used:

Rates	2021/22	2022/23	2023/24	2024/25
Inflation	2.00%	2.00%	2.00%	2.00%
Interest (Receivable)	1.00%	1.00%	1.00%	1.00%
Interest (Payable) existing borrowing	4.68%	4.68%	4.68%	4.68%
Interest (Payable) new borrowing	3.38%	3.38%	3.38%	3.38%

- 2.3 The second interest rate payable line above reflects the revised offer made by Cornwall Council for new loans agreed from April 2019. It should be noted that the rate will only be fixed when loans are taken out and future rates are subject to movement in the general market. Loans that predate April 2019 will continue to be calculated using Cornwall's consolidated rate of interest.
- 2.4 The proposed budget is set out in Appendix 1. The variations between the latest 2020/21 forecast and the proposed 2021/22 budget are listed on page 5 of Appendix 1. The 2022/23 to 2024/25 estimates are only indicative.

2.5 Some of the more significant items included in the proposed budget are as follows:

Corporate

In 2020/21 the income has been adversely affected by COVID-19 including a period of non-tolling and reduced traffic levels, with a forecast 90% on-going traffic levels for 2021/22, there will be an increase in the income budget of £0.357m compared to the 2020/21 revised figure.

The tag statement budget has been decreased by £0.058m, reflecting saving associated with completion of the toll refresh project.

Tag purchases has increased by £0.030m

2.6 **Bridge**

The revenue budget makes provision for the ongoing maintenance and operation of the bridge and its infrastructure in line with current engineering best practice. The main changes from the previous year are;

- £0.072m increase in toll cash handing,
- £0.096m increase in relation to tolling equipment,
- an increase of £0.027m within Bridge & Gantry Inspections following a review of the budget provision required to the end of the financial year

2.7 **Ferry**

The revenue budget also makes provision for the ongoing maintenance and operation of the ferries and their associated infrastructure in line with current engineering best practice. The main changes from the previous year are:

- £0.077m reduction in agency staff, following completion of direct recruitment of multiple maintenance worker vacancies
- £0.035m increase in employee costs following a reduction in agency staff.
- £0.051m increase in R&M building and Grounds Maintenance
- £0.058m increase in R&M Ferries and Infrastructure

2.8 The proposed capital programme is shown in Appendix 2. Work has been undertaken by officers to assess the current capital programme and the revised estimate for 2020/21 is now anticipated at £8.359m, a decrease of £3.765m. The main changes are

- £0.230m additional expenditure for completion of bridge protective coating
- Reprofile of £0.900m for Ferry Traffic Control System into 2021/22
- £3.415m for Bridge Kerb Units and Waterproofing Improvement (reprofiled from 19/20)
- Additional spend of £0.559m for the Toll System Upgrade (reprofiled from 19/20)
- Additional £0.380m for the ferry refit
- Movement of £0.200m for the Parapet Works into 2021/22 as a future scheme

Movement of £6.000m for the Bridge Resurfacing Works into 2021/22.

2.9 Reserves

The reserve position as at the 31 March 2021 (Appendix 3) is forecast to be £2.129m. The forecast for 2021/22 end of year reserve position is £0.515m and the 2022/23 forecast outturn is a reduction to a deficit position of £1.852m. Future years show that the reserve position will increase its deficit position to £9.272m in 2024/25.

The Joint Committee receives a quarterly update on its financial position in order to provide assurance that the finances of the undertaking are being managed appropriately and that any significant issues are highlighted and necessary action is taken to address them. This quarter's update also provides for a fully revised budget position.

3 Benefits for Customers/Residents

- 3.1 Appropriate management of finances and budget monitoring ensures that appropriate resource is available for the operation, maintenance and improvement of crossings which form key elements of the local transport network which is essential to the sustainable economic and social development of the region for the benefit of residents.

4 Relevant Previous Decisions

Approved budget for 2020-21 at Cornwall Council meeting of 25th February 2020 (CC/751) [TBTF Revenue Estimates and Capital Programme 2020/21](#)

5 Consultation and Engagement

5.1 Not applicable.

6 Financial Implications of the proposed course of action/decision

6.1 Financial implications are detailed within Section 2 of this report.

7 Legal/Governance Implications of the proposed course of action/decision

7.1 There are no legal or governance implications associated with this report providing the correct approval route for the budget is followed.

8 Risk Implications of the proposed course of action/decision

8.1 There are no implications associated with this report

9 Comprehensive Impact Assessment Implication

9.1 There are no implications associated with this report

10 Options available

10.1 To approve the proposed revenue budget for 2021-22 and Capital programme as set out in Appendix 1 & 2

10.2 To not approve the proposed revenue budget for 2021-22 and Capital Programme as set out in Appendix 1 & 2

11 Supporting Information (Appendices)

11.1 Appendix 1-3 TBTF Budget 2021-22

12 Background Papers

12.1 None

13 Approval and clearance

All reports:

Final report sign offs	This report has been cleared by (or mark not required if appropriate)	Date
Governance/Legal (Required for all reports)	Lia Musto-Shinton, Senior Corporate Governance Lawyer	17/12/2020
Finance (Required for all reports)	Geraldine Baker, Senior Business Analyst	17/12/2020
Equality and Diversity (If required)		
Service Director (Required for all reports)	Vicky Fraser, Service Director – Transport (Interim)	17/12/2020
Strategic Director (If required)		

**Revenue Budget 2021/22
and Indicative Projections for 2022/23 to 2024/25**

<i>Overall Summary</i>	<i>Page 1</i>
<i>Corporate Estimates</i>	<i>Page 2</i>
<i>Bridge Operation Estimates</i>	<i>Page 3</i>
<i>Ferry Operation Estimates</i>	<i>Page 4</i>
<i>Analysis of Variations</i>	<i>Page 5</i>

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

OVERALL SUMMARY	2020/21 Original Budget £'000	2020/21 Revised Forecast £' 000	2021/22 Budget £' 000	2022/23 Indicative £' 000	2023/24 Indicative £' 000	2024/25 Indicative £' 000
Operational Summary						
Income	(14,478)	(12,704)	(13,061)	(13,028)	(13,038)	(13,191)
Expenditure						
Corporate	475	521	492	491	444	453
Bridge Operations	4,183	3,842	4,140	4,259	4,276	4,314
Ferry Operations	5,084	5,210	5,368	5,425	5,528	5,614
Learning Centre	95	90	91	83	383	91
	9,837	9,663	10,091	10,258	10,631	10,472
Operating (Surplus)/Deficit	(4,641)	(3,041)	(2,970)	(2,770)	(2,407)	(2,719)
Contribution to CC MRP	2,158	2,167	2,860	3,236	3,728	4,431
Interest on CC Financing	1,543	1,538	1,725	1,902	2,239	2,169
Interest on Joint Committee balances	(10)	(1)	(1)	(1)	(1)	(20)
Capital Expenditure financed from Revenue	0	0	0	0	0	0
Overall (Surplus)/Deficit on Undertaking	(950)	663	1,614	2,367	3,559	3,861
Reserve Balance brought forward	(2,928)	(2,792)	(2,129)	(515)	1,852	5,411
Reserve Balance carried forward	(3,878)	(2,129)	(515)	1,852	5,411	9,272

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

CORPORATE	2020/21	2020/21	2021/22	2022/23	2023/24	2024/25
	Budget £' 000	Revised Forecast £' 000	Budget £' 000	Indicative £' 000	Indicative £' 000	Indicative £' 000
INCOME						
Tolls						
Toll income - Bridge	(6,468)	(4,461)	(5,821)	(5,821)	(5,821)	(5,879)
Toll income - Ferry	(892)	(581)	(802)	(802)	(802)	(819)
Concessionary toll income - Bridge	(5,465)	(3,649)	(4,919)	(4,919)	(4,919)	(4,968)
Concessionary toll income - Ferry	(658)	(428)	(593)	(593)	(593)	(604)
	(13,483)	(9,119)	(12,135)	(12,135)	(12,135)	(12,270)
Other						
Tag Account Fee	(466)	(388)	(388)	(388)	(388)	(396)
Saltash Tunnel control	(385)	(392)	(400)	(408)	(416)	(424)
Tag statements	0	0	0	0	0	0
Grant Income	(42)	(42)	(41)	0	0	0
MHG Covid Grant	0	(2,657)				
Other Income	(102)	(106)	(97)	(97)	(99)	(101)
	(995)	(3,585)	(926)	(893)	(903)	(921)
TOTAL INCOME	(14,478)	(12,704)	(13,061)	(13,028)	(13,038)	(13,191)
EXPENDITURE						
Other Expenditure						
Support services	44	52	46	46	47	48
Tag statements	9	58	0	0	0	0
Purchase of tags	197	160	190	194	198	202
Bank charges	155	180	180	184	187	191
Internal Audit fees	19	10	10	10	11	11
External Audit fees	1	1	1	1	1	1
Consultants	50	50	50	51	0	0
Cost of Toll Review	0	10	15	5	0	0
TOTAL EXPENDITURE	475	521	492	491	444	453

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

BRIDGE OPERATIONS	2020/21	2020/21	2021/22	2022/23	2023/24	2024/25
	Budget £' 000	Revised Forecast £' 000	Budget £' 000	Indicative £' 000	Indicative £' 000	Indicative £' 000
Employees						
Salaries and wages	1,214	1,221	1,236	1,277	1,290	1,302
Agency staff	52	45	30	30	31	31
Indirect employee expenses	17	11	22	22	21	22
Premises						
Repair and maintenance - buildings & grounds	65	65	98	98	99	100
Repair and maintenance - bridge & infrastructure	734	575	605	605	605	611
Bridge & gantry inspections	240	205	232	232	232	234
Energy costs, water, rent and rates	156	156	149	151	152	154
Insurances	28	32	32	33	33	33
Other premises costs	18	10	10	10	10	11
Transport Related Expenses						
Staff travel	20	16	20	20	20	21
Supplies & Services						
Operational expenses	355	315	411	422	413	415
Office expenses	352	342	359	391	391	392
Toll collection & banking	700	634	706	734	741	748
Breakdown recovery	201	201	205	210	212	215
Other expenses	26	9	20	19	21	19
Support service charges	5	5	5	5	5	6
Net Expenditure - Bridge Operations	4,183	3,842	4,140	4,259	4,276	4,314

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

FERRY OPERATIONS	2020/21	2020/21	2021/22	2022/23	2023/24	2024/25
	Budget £' 000	Revised Forecast £' 000	Budget £' 000	Indicative £' 000	Indicative £' 000	Indicative £' 000
Employees						
Salaries and wages	3,408	3,468	3,503	3,573	3,644	3,717
Agency staff	18	118	41	42	42	43
Indirect employee expenses	62	42	62	63	65	67
Premises						
Repair and maintenance - buildings & grounds	41	41	92	44	45	46
Energy costs, water, rent and rates	90	90	92	94	96	97
Other premises costs	73	83	84	86	88	89
Transport Related Expenses						
Staff travel	32	30	33	34	34	35
Supplies & Services						
Repair & maintenance - ferries & infrastructure	572	572	630	642	627	638
Annual refit - ferries	0	0	0	0	0	0
Fuel costs (Marine Gas Oil)	184	134	161	164	168	171
Insurances	127	149	153	156	158	162
Operational expenses	154	171	187	181	204	199
Office expenses	306	296	312	328	339	331
Other expenses	10	9	10	10	10	11
Support service charges	7	7	8	8	8	8
Net Expenditure - Ferry Operations	5,084	5,210	5,368	5,425	5,528	5,614

Variations between the Revised 2020/21 and 2021/22 Original Estimates

The variation of £0.951m between the revised budgeted cost for 2020/21 and the original budgeted cost for 2021/22 is accounted for as follows:

	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Corporate			
Additional Income in respect of the proposed toll increase - cash	(1,581)		
Additional Income in respect of the proposed toll increase - concessions	(1,435)		
HMG Covid Grant	2,657		
Other income, mainly HLF grant less in 20/21	2		
Support Services	(6)		
Tag Statements	(58)		
Purchase of Tamar Tags and Accessories	30		
Cost of Toll Review	5		
	<hr/>	(386)	
Bridge			
Employees costs reflecting increase for pay awards, increments NI and Superann	15		
Agency staff budget reduced	(15)		
Indirect employee expenses	11		
R&M building and grounds	33		
R&M Bridge and Infrastructure - painting budget	30		
Bridge & Gantry Inspections budget reviewed and revised for 21-22 requirements	27		
Energy costs, water, rent and rates - small reduction	(7)		
Staff Travel - small inflationary increase	4		
Toll Equipment - additional development	96		
Office expenses - inflationary increases plus additional hardware and software budget provision	17		
Toll Cash Handling - contract inflationary increase and to add back budget reduction due to covid 19	72		
Other Expenses- inflationary increase, catering provisions and additional conference budget	15		
		<hr/>	
		298	
Ferry			
Employees costs reflecting increase for pay awards, increments NI and Superann	35		
Agency staff budget reduced	(77)		
Indirect employee expenses	20		
Energy costs, water, rent and rates - small inflationary increase	2		
Other premises costs, small inflationary increase	1		
R&M Building and grounds maintenance	51		
R&M Ferries and Infrastructure	58		
Travel budgets	3		
Marine Oil	27		
Insurance small inflationary increase	4		
Operational Expenses	16		
Office Expenses - small reduction in budget	18		
		<hr/>	
		158	158
Other			
Learning Centre small inflationary increase	1		
MRP and Interest revisions to reflect new capital programme	880		
		<hr/>	
		881	
			<hr/> <hr/>
			<u>951</u>

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

Capital Programme 2021/22 to 2024/25

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

CAPITAL PROGRAMME	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	Payments to 2019/20 £'000	Payments 2020/21 £'000	Payments 2021/22 £'000	Payments 2022/23 £'000	Payments 2023/24 £'000	Payments 2024/25 £'000	Final Cost Total £'000
Completed Schemes							
Rendel Park	205	0	0	0	0	0	205
Ferry Infrastructure	3,890	0	0	0	0	0	3,890
Electronic Tolling	5,331	0	0	0	0	0	5,331
Advance Signing	116	0	0	0	0	0	116
Ferry Marshalling Area	22	0	0	0	0	0	22
Bridge Office Feasibility Study	9	0	0	0	0	0	9
Bridge Car Park	4	0	0	0	0	0	4
Bridge Anchorage Chambers	73	0	0	0	0	0	73
Ferry Car Park Improvements	21	0	0	0	0	0	21
Gantry Chain Tunnel Replacement	261	0	0	0	0	0	261
Rendel Park - Phase 2	154	0	0	0	0	0	154
Bridge Resurfacing Works - Phase 1	720	0	0	0	0	0	720
Illuminated Road Studs	600	0	0	0	0	0	600
Storage Building Devonport	54	0	0	0	0	0	54
Ferry Sewage Treatment Plant	250	0	0	0	0	0	250
Footpath 24 Reinstatement	29	0	0	0	0	0	29
Bridge Handstrands	14	0	0	0	0	0	14
Plaza Canopy Access Works	21	0	0	0	0	0	21
Rendel Park - Sea Wall Stabilisation	32	0	0	0	0	0	32
Bridge Access Works	770	0	0	0	0	0	770
Bridge WIM	42	0	0	0	0	0	42
Bridge Main Joint Replacement	250	0	0	0	0	0	250
Current Programme							
Bridge Protective Coating	7,256	1,313	0	0	0	0	8,569
Bridge Structural Monitoring System	185	0	0	0	0	0	185
Bridge Office Development	5,483	0	0	0	0	0	5,483
Bridge Kerb Units and Waterproofing	1,335	3,415	0	0	0	0	4,750
Suspension System Remedial Works	6,770	0	0	0	0	0	6,770
Ferry Traffic Control Systems	0	0	900	0	0	0	900
Bridge LED Lighting	0	0	250	0	0	0	250
Main Cable Remedial Works	0	1,150	850	0	0	0	2,000
Toll System Upgrade	989	686	50	0	0	0	1,725
Bridge Resurfacing Works - Phase 2	0	0	6,500	0	0	0	6,500
Ferry Refits	1,436	1,795	0	0	1,750	1,750	6,731
Future Programme (Not approved)							
Bridge Access Improvement - Phase 4	0	0	70	180	250	0	500
Supplementary Cable Works	0	0	0	2,000	0	0	2,000
Parapet Works	0	0	200	1,800	0	0	2,000
Ferry Ganty Tower Replacment	0	0	40	0	400	400	840
Rocker/Pendle Remedial Works	0	0	0	10,000	0	0	10,000
TOTAL CAPITAL PROGRAMME	36,322	8,359	8,860	13,980	2,400	2,150	72,071
FINANCING							
Prudential Borrowing	34,573	8,359	8,860	13,980	2,400	2,150	70,322
Capital Receipts	38	0	0	0	0	0	38
Revenue Financing	1,711	0	0	0	0	0	1,711
TOTAL FINANCING	36,322	8,359	8,860	13,980	2,400	2,150	72,071

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

**Statement of Estimated Reserves
for 2020/2021 to 2024/2025**

TAMAR BRIDGE AND TORPOINT FERRY JOINT COMMITTEE

RESERVES AND PROVISIONS	2020/21 Original Budget £'000	2020/21 Revised Forecast £' 000	2021/22 Budget £' 000	2022/23 Indicative £' 000	2023/24 Indicative £' 000	2024/25 Indicative £' 000
Balance brought forward	(2,928)	(2,792)	(2,129)	(515)	1,852	5,411
Net movement for year	(950)	663	1,614	2,367	3,559	3,861
Balance Carried Forward	(3,878)	(2,129)	(515)	1,852	5,411	9,272