



Final Outturn 2023/24

Highways and Transport Committee

June 2024

This report receives scrutiny and approval from Members of Cheshire East Council. As a public report, the Council welcomes feedback to the information contained here.

Anyone wanting to comment is invited to contact the Council at:

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Highways and Transport Committee

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Highways and Transport Committee

1. 2023/24 Final Outturn and Commentary

2023/24	Revised Budget (NET)	Outturn	Variance	Forecast Variance FR3	Movement from FR3 to Outturn
	£000	£000	£000	£000	£000
Highways & Infrastructure	21,100	19,620	(1,480)	(186)	(1,294)

Outturn Commentary:

Place Outturn 2023/24

Overall the Place Directorate is reporting an underspend of £3.6m at outturn against a £94.1m budget. Pressures from planning income, waste, car park income and energy have been managed through vacancy management and reducing expenditure. This is an improvement of £3.7m since the third financial review mainly as a result of use of reserves and additional income.

Highways & Transport Committee

Highways & Infrastructure are reporting an underspend of £1.5m against a net budget of £21.1m. This is a £1.3m improvement over the forecast reported at the third finance review.

The key reasons for the underspend are:

Car Parking: £0.4m overspend

- Mainly temporary issues relating to: delayed MTFS savings +£1.6m; additional income from existing parking charges exceeding budgets -£653k; vacancy management -£448k (whilst there is a saving due to vacancies being not filled these role are net revenue generating over time); lower fines income +£130k; stopping expenditure -£126k; and other income increases -£46k.

This is an improvement of £0.4m from the third finance review with key differences relating to:

- Car parking income -£247k improvement
- Vacancy management -£29k

- Enforcement income -£41k
- Stopping expenditure -£127k

Strategic Transport: -£0.3m underspend.

- Mainly temporary issues relating to: vacancy management -£294k.

This is an improvement of £0.3m from the third finance review.

Highways: £0.6m underspend

- Mainly temporary issues relating to: operational pressures relating to Street Lighting +£451k and Adverse Weather +£115k; vacancy management -£125k; and increased income -£1,056k.

This is an improvement of £0.2m from the third finance review with key differences relating to vacancy management and over-achievement of income.

HS2: £0.6m underspend

- Mainly temporary issues relating to: release of the HS2 earmarked reserve -£400k; vacancy management -£122k; reduced consultancy spend -£73k; additional income -£21k (contributions and recharges to capital).

This is an improvement of £33k from the third finance review.

Note: There will be a review focussing on the specific areas where there were major variances to see whether they are a one-off variance, or if there is an underlying budget variance that needs to be addressed in 2024/25. Findings will be reported at the next Highways and Transport Committee meeting.

Highways and Transport Committee

2. Corporate Grants Register

- 2.1 Cheshire East Council receives two main types of Government grants; specific purpose grants and general use grants. Specific purpose grants are held within the relevant service with a corresponding expenditure budget. Whereas general use grants are held in central budgets with a corresponding expenditure budget within the allocated service area.
- 2.2 Spending in relation to specific purpose grants must be in line with the purpose for which it is provided.
- 2.3 **Table 1** provides a detailed listing of all Highways and Transport Committee related grants, their movements between the reporting period and the treatment of the grant.
- 2.4 **Table 2** shows additional specific purpose grant allocations that have been received which are £500,000 or less and are for noting only.

Table 1 – CORPORATE GRANTS REGISTER

Grants 2023/24	Original Budget	Revised Forecast FR3	Final Outturn	Change from Revised Forecast FR3	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	Notes 2 - 5
HIGHWAYS & TRANSPORT					
Specific Purpose (Held within Services)					
Bus Service Operators Grant	0	348	0	-348	
Bus Capacity Grant - brought-forward	0	179	179	0	
Bus Capacity Grant - carried-forward	0	0	-159	-159	
Bus Recovery - brought-forward	0	219	0	-219	
Bus Recovery - carried-forward	0	0	-150	-150	
Local Transport Fund - brought-forward	0	0	410	410	
Local Transport Fund	0	390	546	157 SRE	
Local Transport Fund - carried-forward	0	0	-219	-219	
Better Deal for Buses - Supported Bus Services - brought-forward	0	320	320	0	
Better Deal for Buses - Rural Mobility Grant - brought-forward	0	5	5	0	
Bus Support Grant - brought-forward	0	147	147	0	
Bus Support Grant - carried-forward	0	0	-147	-147	
Local Authority Capability Fund - brought-forward	0	154	154	0	
Local Authority Capability Fund	0	0	215	215 SRE	
Local Authority Capability Fund - carried-forward	0	0	-125	-125	
LTA Enhanced Partnership Grant - brought-forward	0	171	171	0	
LTA Enhanced Partnership Grant - carried-forward	0	0	-171	-171	
Local Electric Vehicle Infrastructure (LEVI) - brought-forward	0	0	70	70	
Local Electric Vehicle Infrastructure (LEVI)	0	230	159	-70	
Local Electric Vehicle Infrastructure (LEVI) - carried-forward	0	0	-230	-230	
Bus Service Improvement Plan+ (BSIP+)	0	1,188	1,188	0	
Bus Service Improvement Plan+ (BSIP+) - carried-forward	0	0	-1,007	-1,007	
Bus Fare Cap Grant	0	1	2	1 SRE	
Active Travel Capability Fund	0	72	72	0	
Active Travel Capability Fund - carried-forward	0	0	-72	-72	
PLACE DIRECTORATE - Duty to Consult before felling street trees	0	0	3	3 SRE	
PLACE DIRECTORATE - Duty to Consult before felling street trees	0	0	-3	-3	
Total Highways & Transport - Specific Purpose	0	3,422	1,358	-2,063	

Grants 2023/24	Original Budget	Revised Forecast FR3	Final Outturn	Change from Revised Forecast FR3	Treatment of Grant
	2023/24	2023/24	2023/24	2023/24	
	£000	£000	£000	£000	Notes 2 - 5
HIGHWAYS & TRANSPORT					
Specific Purpose (Held within Services)					
General Use (Held Corporately)					
Pavement Licensing - New Burdens	0	13	13	0	
Total Highways & Transport - General Use	0	13	13	0	
TOTAL HIGHWAYS & TRANSPORT	0	3,434	1,371	-2,063	

Notes

- 1 The Dedicated Schools Grant, Pupil Premium Grant, Sixth Form Grant and Other School Specific Grant from the Education Funding Agency (EFA) figures are based on actual anticipated allocations. Changes are for in-year increases/decreases to allocations by the DfE and conversions to academy status.
- 2 SRE - Supplementary Revenue Estimate requested by relevant service.
- 3 ODR - Officer Decision Record to approve immediate budget change to relevant service.
- 4 Reserves - transfer to reserves at year end.
- 5 Balances - amount will be included as a variance to budget.

Table 2 – DECISION DELEGATED TO OFFICERS

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) £500,000 or less

Committee	Year	Type of Grant	£000	Details
Highways and Transport	2023/24	Local Transport Fund (Specific Purpose)	157	Increase on Financial Review 3 forecast. This is a grant from the Department for Transport (DfT). The Local Transport Fund (LTF) has been extended from 1 April 2023 to 30 June 2023. The LTF is a successor grant scheme to the Bus Recovery Grant paid to local authorities (hereafter LTA BRG). This funding is provided to Local Transport Authorities (LTAs) for the provision of bus services which require local authority support, including tendered bus services.
Highways and Transport	2023/24	Local Authority Capability Fund (Specific Purpose)	215	This is a new grant from the Department for Transport (DfT). To develop walking, cycling and wheeling schemes with a clear focus on building capability and technical skills within the Council, including good quality local community engagement.
Highways and Transport	2023/24	Bus Fare Cap Grant (Specific Purpose)	1	Increase on Financial Review 3 forecast. This is a grant from the Department for Transport DfT). This specifically provides financial support, in the same way as the Bus Service Operators Grant (BSOG), to one local bus operator which is not BSOG registered.

Committee	Year	Type of Grant	£000	Details
Highways and Transport	2023/24	Duty to Consult before felling street trees (Specific Purpose)	3	This is a new grant from the Department for Environment, Food and Rural Affairs (DEFRA). For production of data on or an estimate of the number of street trees in Cheshire East Council.
Total Specific Purpose Allocations less than £500,000			376	

Highways and Transport Committee

3. Debt Management

	Outstanding Debt £000	Over 6 months old £000
Highways and Transport Committee Highways and Infrastructure	1,598	678

As at 31st March 2024, Total Outstanding Debt was £1,598k. This is an increase of £522k from Third Financial Review. This increase is largely due to a small number of invoices in February 2024 to other Local Authorities, some of which have since been paid. Debt over 6 months old has increased from £642k to £678k.

Highways and Transport Committee

4. Capital Strategy

Table 1 Capital Programme

Highways & Transport													CAPITAL
CAPITAL PROGRAMME 2023/24 - 2026/27													
Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding
	Total Approved Budget £000	Prior Years £000	Outturn 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes in progress													
Highways													
A532 Safer Road Fund Scheme	1,223	346	331	546	0	0	876	777	0	0	0	99	876
A536 Safer Road Fund Scheme	2,404	1,817	108	479	0	0	587	493	0	0	0	94	587
A537 Safer Road Fund Scheme	2,733	2,001	154	578	0	0	732	489	0	0	0	243	732
Air Quality Action Plan	473	339	81	52	0	0	134	108	10	0	0	15	134
Alderley Edge Bypass Scheme Implementation	60,611	60,358	2	252	0	0	253	0	0	0	0	253	253
Bridge Maintenance Minor Wks	10,037	7,641	2,395	0	0	0	2,395	1,637	0	0	0	758	2,395
Client Contract and Asset Mgmt	729	393	93	244	0	0	336	176	0	0	0	160	336
Highway Maintenance Minor Works	53,864	36,919	16,697	248	0	0	16,945	12,764	0	0	0	4,181	16,945
Highway Pothole/Challenge Fund	8,353	8,074	24	255	0	0	279	0	0	0	0	279	279
Jack Mills Way Part 1 Claims	300	285	14	1	0	0	15	0	15	0	0	0	15
Local Highway Measures	7,468	6,531	342	594	0	0	937	561	0	0	0	376	937
Programme Management	1,229	967	262	0	0	0	262	262	0	0	0	0	262
Road Safety Schemes Minor Wks	6,073	5,528	416	128	0	0	544	374	0	0	0	170	544
Traffic Signal Maintenance	518	518	-1	1	0	0	0	0	0	0	0	0	0
Traffic Signs and Bollards - LED Replacement	1,250	913	98	239	0	0	337	0	0	0	0	337	337
Winter Service Facility	957	577	97	153	130	0	381	-42	0	0	0	423	381
Infrastructure													
A500 Dualling scheme	89,456	10,415	616	1,000	1,000	76,425	79,041	74,125	4,300	0	0	616	79,041
A50 / A54 Holmes Chapel	603	92	8	503	0	0	511	0	511	0	0	0	511
A54 / A533 Leadsmithy Street, Middlewich	563	152	24	387	0	0	411	0	411	0	0	0	411
A6 MARR CMM Handforth	1,266	505	527	70	164	0	761	214	59	0	0	488	761
A6 MARR Technical Design	473	277	3	194	0	0	196	70	127	0	0	0	196
A556 Knutsford to Bowdon	504	361	6	137	0	0	143	0	143	0	0	0	143
Peacock Roundabout Junction	750	0	2	748	0	0	750	0	750	0	0	0	750
Congleton Link Road	88,443	71,453	810	3,387	4,229	8,565	16,990	316	14,130	0	0	2,545	16,990
Crewe Green Link Road	26,636	26,607	29	0	0	0	29	0	29	0	0	0	29
Crewe Green Roundabout	7,500	7,056	1	245	197	0	444	0	444	0	0	0	444
Flowerpot Phs 1 & Pinchpoint	10,037	1,437	73	6,263	2,265	0	8,601	2,139	726	0	0	5,736	8,601

CAPITAL PROGRAMME 2023/24 - 2026/27

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding
	Total Approved Budget £000	Prior Years £000	Outturn 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes in progress													
Future High Street Funding - Adaptive Signals	509	276	179	54	0	0	233	29	203	0	0	0	233
Future High Street Funding - Earle Street Link	37	36	1	0	0	0	1	0	1	0	0	0	1
Future High Street Funding - Flag Lane Link	1,558	358	891	13	296	0	1,200	1,200	0	0	0	0	1,200
Future High Street Funding - Southern Gateway	5,118	443	875	3,800	0	0	4,674	4,674	0	0	0	0	4,674
Highways & Infrastructure S106 Funded Schemes	2,838	1,236	255	1,257	89	0	1,601	286	1,315	0	0	0	1,601
Infrastructure Scheme Development	325	0	10	215	100	0	325	325	0	0	0	0	325
Middlewich Eastern Bypass	94,357	20,247	5,990	500	18,785	48,834	74,110	46,779	12,816	0	0	14,515	74,110
Mill Street Corridor - Station Link Project	1,534	0	92	1,442	0	0	1,534	950	284	0	0	300	1,534
North-West Crewe Package	51,366	22,374	20,734	5,721	435	2,102	28,992	0	23,345	0	0	5,647	28,992
Old Mill Road / The Hill Junction	1,325	173	15	1,137	0	0	1,152	0	1,152	0	0	0	1,152
Poynton Relief Road	52,617	43,682	2,602	2,351	396	3,587	8,935	2,236	4,647	0	1,000	1,052	8,935
Sydney Road Bridge	10,501	10,105	7	133	198	59	396	0	396	0	0	0	396
Strategic Transport and Parking													
Active Travel Fund	2,187	575	153	1,458	0	0	1,612	1,612	0	0	0	0	1,612
Active Travel (Cycling / Walking Route) Investment	2,985	2,570	195	220	0	0	415	350	0	0	0	65	415
Available Walking Routes	1	0	0	1	0	0	1	1	0	0	0	0	1
On-street Residential Charging	451	41	217	193	0	0	410	310	0	0	0	100	410
Route 55 Middlewood Way on Black Lane	700	116	578	6	0	0	584	584	0	0	0	0	584
Sustainable Travel Access Prog	2,949	1,626	412	911	0	0	1,324	1,324	0	0	0	0	1,324
Sustainable Modes of Travel to Schools Strategy (SMOTSS)	756	625	131	0	0	0	131	131	0	0	0	0	131
Public Transport Infrastructure	1,265	1,006	128	131	0	0	259	259	0	0	0	0	259
Local Access - Crewe Transport Access Studies	400	88	-0	312	0	0	312	312	0	0	0	0	312
Local Access - Macclesfield Transport Access Studies	300	61	-0	239	0	0	239	239	0	0	0	0	239
Middlewich Rail Study	20	0	0	20	0	0	20	20	0	0	0	0	20
Local LTP Strategy Studies	750	430	-0	321	0	0	320	320	0	0	0	0	320
Digital Car Parking Solutions	140	93	1	19	27	0	47	0	0	0	0	47	47
Pay and Display Parking Meters	620	607	0	13	0	0	13	0	0	0	0	13	13
Car Parking Improvements (including residents parking)	322	266	0	13	43	0	56	0	0	10	0	46	56
Total Committed Schemes	620,382	358,595	56,676	37,184	28,355	139,571	261,787	156,403	65,815	10	1,000	38,559	261,787

CAPITAL PROGRAMME 2023/24 - 2026/27

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £000
	Total Approved Budget £000	Prior Years £000	Outturn 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
New Schemes													
Highways													
Footpath Maintenance - Slurry Sealing & Reconstruction Works	619	0	514	105	0	0	619	619	0	0	0	0	619
Managing and Maintaining Highways	9,331	0	0	4,619	4,712	0	9,331	0	0	0	0	9,331	9,331
Network North	3,316	0	0	3,316	0	0	3,316	3,316	0	0	0	0	3,316
Pothole Funding	17,397	0	0	5,799	5,799	5,799	17,397	17,397	0	0	0	0	17,397
Integrated Block - LTP	6,009	0	0	2,003	2,003	2,003	6,009	6,009	0	0	0	0	6,009
Maintenance Block - LTP, plus CE funding for inflationary rise	21,287	0	0	7,609	7,878	5,799	21,287	17,397	0	0	0	3,890	21,287
Incentive Fund - LTP	4,350	0	0	1,450	1,450	1,450	4,350	4,350	0	0	0	0	4,350
		0	0	0	0	0	0	0	0	0	0	0	0
Strategic Transport and Parking		0	0	0	0	0	0	0	0	0	0	0	0
A538 Waters Roundabout Pedestrian and Cyclist Crossing	140	0	87	53	0	0	140	140	0	0	0	0	140
Active Travel Fund Tranche 4E	674	0	0	674	0	0	674	674	0	0	0	0	674
Bollin Valley / Greater Bollin Trail	100	0	89	11	0	0	100	100	0	0	0	0	100
Park Lane – Ayreshire Way, Congleton Walking and Cycling	250	0	14	236	0	0	250	250	0	0	0	0	250
LEVI Capital Fund 23/24	2,172	0	0	2,172	0	0	2,172	2,172	0	0	0	0	2,172
		0	0	0	0	0	0	0	0	0	0	0	0
Infrastructure		0	0	0	0	0	0	0	0	0	0	0	0
A500 Corridor OBC Update	2,435	0	0	1,217	1,218	0	2,435	2,435	0	0	0	0	2,435
Total New Schemes	68,079	0	704	29,264	23,060	15,051	68,079	54,859	0	0	0	13,221	68,079
Total Highways & Transport	688,462	358,595	57,380	66,448	51,415	154,622	329,866	211,262	65,815	10	1,000	51,780	329,866

Table 2 Delegated Decision - Supplementary Capital Estimates (SCEs)

Committee / Capital Scheme	Amount Requested £	Reason and Funding Source
Supplementary Capital Estimates that have been made up to £500,000		
Infrastructure		
Future High Street Funding - Earle Street Link	2,715	The Future High Street Funding element on this project has been exhausted, budget increase to incorporate S106 funds available to fund the additional expenditure to date.
Highways		
West Street, Crewe	501	Project funded by Developer Deposit, additional budget relates to the interest earned and applied to the deposit
Tytherington Lane, Macclesfield S106 - Traffic Calming Measures	5,844	To add additional S106 funding to cover the costs to the project.
Bollin Valley / Greater Bollin Trail	100,000	Schemes with allocations from the UK Shared Prosperity Fund.
A538 Waters Roundabout Pedestrian and Cyclist Crossing	140,000	
Park Lane – Ayrshire Way, Congleton Walking and Cycling	250,000	
Total Supplementary Capital Estimates Requested	499,060	

Service / Capital Scheme	Amount Requested £	Reason and Funding Source
Capital Budget Virements that have been made up to £500,000		
Highways		
West Street, Crewe	4,077	Project funding shortfall to be funded by Department for Transport grant originally allocated to Public Transport Infrastructure.
Sustainable Modes of Travel to Schools Strategy (SMOTSS)	10,751	Project funding shortfall to be funded by Department for Transport grant originally allocated to Active Travel (Cycling / Walking Route) Investment.
Programme Management	17,986	Virements at Outturn to cover overspends.
Bridge Maintenance Minor Wks	167,617	
Crewe Green Link Road	10,323	Virement from "Client Contract and Asset Management" project to cover overspend.
Total Capital Budget Virements Approved	210,754	
Total Supplementary Capital Estimates and Virements	709,814	

Table 3 Requests for Supplementary Capital Estimates (SCEs) and Virements for Committee Approval

Committee / Capital Scheme	Amount Requested £	Reason and Funding Source
Supplementary Capital Estimates above £500,000 up to and including £1,000,000		
Highways & Transport		
Transport		
Active Travel Fund Tranche 4E	673,786	Active Travel Fund payment for the middle section of the Manchester Road scheme between Wilmslow and Handforth.
Total Supplementary Capital Estimates Requested	673,786	
Total Supplementary Capital Estimates and Virements	673,786	

Table 4 Requests for Supplementary Capital Estimates (SCEs) and Virements for Finance Sub Committee Approval

Committee	Amount Requested £	Reason and Funding Source
<p>Finance Sub Committee are to approve the Capital Virements and SCEs</p>		
<p>Supplementary Capital SCEs over £1,000,000</p>		
<p>Highways & Transport</p>		
<p>Highways</p>		
Network North	3,316,000	Additional allocation of funding via the Network North initiative.
<p>Transport</p>		
LEVI Capital Fund 23/24	2,172,000	Grant funding received in respect of the Local Electric Vehicle Infrastructure (LEVI) fund.
<p>Total Supplementary Capital Estimates Requested</p>		<p>5,488,000</p>
<p>Total Supplementary Virements Estimates</p>		<p>5,488,000</p>

Table 5 Capital Budget Reductions

Committee / Capital Scheme	Approved Budget £	Revised Approval £	Reduction £	Reason and Funding Source					
Finance Sub Committee are asked to note the reductions in Approved Budgets									
Highways & Transport									
Transport									
Sustainable Travel Access Programme	3,495,944	2,948,811	(547,133)	Due to the reduced scope of this project, the Cheshire East and S106 funding is no longer required, the remaining forecast cost of the scheme will be covered by grant.					
<table border="0" style="width: 100%;"> <tr> <td style="width: 33%;"></td> <td style="width: 16.5%; text-align: right;">3,495,944</td> <td style="width: 16.5%; text-align: right;">2,948,811</td> <td style="width: 16.5%; text-align: right;">(547,133)</td> <td></td> </tr> </table>						3,495,944	2,948,811	(547,133)	
	3,495,944	2,948,811	(547,133)						

Highways and Transport Committee

5. Reserves Strategy

Highways and Transport Committee

Name of Reserve	Opening Balance 1 April 2023 £000	Forecast Movement in Reserves 2023/24 £000	Forecast Closing Balance 31 March 2024 £000	Notes
<u>Highways and Infrastructure</u>				
HS2	785	(400)	385	To support the Council's ongoing programme in relation to Government's HS2 investment across the borough and Transport for the North's Northern Powerhouse Rail Business Case.
Flood Recovery Works	400	0	400	To be utilised for repairs due to any adverse weather events.
Parking Pay and Display Machines / Parking Studies	178	(178)	0	Reserve to be used to implement the parking savings agreed in the February 2023 MTFS.
Highways Procurement Proj	104	0	104	To finance the development of the next Highway Service Contract. Depot mobilisation costs, split over 7 years from start of contract in 2018.
LEP-Local Transport Body	19	0	19	To fund the business case work for re-opening the Middlewich rail line. The remaining reserve will be fully required in 2023/24.
HIGHWAYS AND TRANSPORT TOTAL	1,486	(578)	908	