

## **APPENDIX B**

### **USAGE AND OF NET SURPLUS BUS LANE ENFORCEMENT INCOME INCLUDING PRUDENTIAL BORROWING**

## APPENDIX B

### Bus Lane Enforcement (BLE) - Operational Income & Expenditure and Use of Surpluses

Operational Income & Expenditure	Actual Values				Estimated Values																				Total £000's
	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	2029/30 £000's	2030/31 £000's	2031/32 £000's	2032/33 £000's	2033/34 £000's	2034/35 £000's	2035/36 £000's		
Bus Lane Enforcement Operational Income																									
Income	3,212	1,770	1,682	1,419	1,750	3,000	1,800	1,800	1,700	1,700	1,500	1,500	1,450	1,450	1,400	1,400	1,350	1,350	1,300	1,300	1,250	1,250	1,200	37,533	
Total Operational Income	3,212	1,770	1,682	1,419	1,750	3,000	1,800	1,800	1,700	1,700	1,500	1,500	1,450	1,450	1,400	1,400	1,350	1,350	1,300	1,300	1,250	1,250	1,200	37,533	
Operational Expenditure																									
Employees (Note 1)	318	310	250	300	321	324	327	331	334	337	341	344	348	351	355	358	362	365	369	373	376	380	384	7,858	
Operational Costs (Note 2)	645	280	390	328	335	341	348	355	362	369	377	384	392	400	408	416	424	433	441	450	459	468	478	9,285	
Total Operational Expenditure	963	590	640	628	656	665	676	686	696	707	718	728	740	751	762	774	786	798	810	823	836	849	862	17,143	
Net Operational Surplus	2,249	1,180	1,042	791	1,094	2,335	1,124	1,114	1,004	993	782	772	710	699	638	626	564	552	490	477	414	401	338	20,390	
Use of Net Operating Surplus																									
General Contribution to Highways Improvements	300																							300	
Contribution to Renewal Fund (Note 6)	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	575	
Prudential Borrowing Costs					0	0	203	486	486	486	486	486	486	486	486	486	486	486	486	486	486	284	0	7,290	
Total Use of Net Operating Surplus	325	25	25	25	25	25	228	511	511	511	511	511	511	511	511	511	511	511	511	511	309	25	8,165		
In-Year Surplus/(Deficit) at Year-End	1,924	1,155	1,017	766	1,069	2,310	897	603	493	482	271	261	199	188	127	115	53	41	(21)	(34)	(97)	93	313		
Accumulated Surplus Brought Forward	0	1,924	3,079	4,096	4,862	3,881	3,201	633	1,236	1,729	2,211	2,483	2,743	2,943	3,131	3,257	3,372	3,425	3,466	3,445	3,411	3,314	3,407	3,407	
Net Surplus/(Deficit)	1,924	3,079	4,096	4,862	5,931	6,191	4,098	1,236	1,729	2,211	2,483	2,743	2,943	3,131	3,257	3,372	3,425	3,466	3,445	3,411	3,314	3,407	3,720		
Less Capital Expenditure																									
Iron Lane Outer Circle Junction Improvement					2,050	1,973	3,015	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Longbridge Connectivity Improvements					0	1,017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Selly Oak New Road Phase 1B							450	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Accumulated Surplus Carried Forward	1,924	3,079	4,096	4,862	3,881	3,201	633	1,236	1,729	2,211	2,483	2,743	2,943	3,131	3,257	3,372	3,425	3,466	3,445	3,411	3,314	3,407	3,720		

Alternatives to prudential borrowing will continue to be sought, and where possible, capital expenditure will be met directly from the BLE surplus. No prudential borrowing commitments will be made if there is insufficient forecast income on a cautious view of income.

#### Notes

- Employees - 17/18 = 7% for inflation & Superannuation; 18/19 onwards +1% inflation p.a.
- Operational Costs - +2% p.a ongoing
- Tranche 2 of BLE becoming operational in Quarter 2 2017/18, with forecast increase in net surplus
- 2018/19 forecast based upon full operation of Tranche 2
- Further Tranche 3 of BLE currently being developed with WMCA/NPIF Funding, but no income assumptions included in forecasts at the present time.
- Assumed funding for the renewal of BLE systems based on proposed renewal every 8 years at a cost of £0.2m
- Prudential borrowing and use of net surplus to be kept under continuous review and updated annually as part of the Transportation and Highways Funding Strategy

## APPENDIX B

### Summary - LGF Projects/Network Rail

#### Prudential Borrowing

#### Term 15 Years

Project	Year	2018/19	2019/20	2020/21	2021/22	2022/23	Total
		£	£	£	£	£	£
Battery Way Extension		2,000,000	-	-	-	-	2,000,000
Iron Lane/Station Road/Flaxley Road		-		-	-	-	-
Longbridge Connectivity (Highways)		500,000	-	-	-	-	500,000
Selly Oak New Road Phase 1 B		-	1,000,000	-	-	-	1,000,000
Wharfdale Road Bridge		-	2,500,000	-	-	-	2,500,000
<b>Total</b>		<b>2,500,000</b>	<b>3,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000,000</b>