



CABINET

Date of Meeting	Tuesday, 19 th September 2023
Report Subject	Capital Programme Monitoring 2023/24 (Month 4)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report summarises changes made to the Capital Programme 2023/24 since it was set in January 2023 to the end of Month 4 (July 2023), along with expenditure incurred to date and the projected outturn at this early stage of the year.

The Capital Programme has seen a net increase in budget of £36.586m during the period which comprises of:-

- Net budget increase in the programme of £18.557m (See Table 2 - Council Fund (CF) £16.066m, Housing Revenue Account (HRA) £2.491m;
- Introduction of Carry Forwards from 2022/23 of £18.029m (All CF)

Actual expenditure was £16.215m (See Table 3).

Capital receipts received in the first quarter of 2023/24 total £0.651m.

This provides a revised projected surplus in the Capital Programme at Month 4 of £1.953m (from an opening funding surplus of £1.302m) for the 2023/24 – 2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

RECOMMENDATIONS

	Cabinet are requested to:
1	Approve the overall report.
2	Approve the carry forward adjustments, as set out at 1.14.
3	Approve the additional allocations, as set out in 1.16.

REPORT DETAILS

1.00	EXPLAINING THE 2023/24 CAPITAL PROGRAMME MONITORING POSITION – MONTH 4
1.01	Background Council approved a Council Fund (CF) Capital Programme of £33.041m and a Housing Revenue Account (HRA) Capital Programme of £29.457m for 2023/24 at its meeting on 24 January 2023.
1.02	For presentational purposes the Capital Programme is shown as a whole, with sub-totals for the Council Fund and HRA. The HRA programme is 'ring fenced' and can only be used for HRA purposes.
1.03	Changes since Budget approval Table 1 below sets out how the programme has changed during 2023/24. More detailed cumulative information relating to each Portfolio is provided in Appendix A:-

Table 1

REVISED PROGRAMME	Original Budget 2023/24	Carry Forward from 2022/23	Changes - This Period	Revised Budget 2023/24
	£m	£m	£m	£m
People & Resources	0.350	0.150	(0.058)	0.442
Governance	0.357	0.294	0.530	1.181
Education & Youth	3.696	8.462	1.087	13.245
Social Services	3.680	0.171	2.210	6.061
Planning, Environment & Economy	0.040	1.018	1.232	2.290
Streetscene & Transportation	1.500	5.756	9.398	16.654
Housing and Communities	1.660	0.186	0.986	2.832
Capital Programme and Assets	21.758	1.992	0.681	24.431
Council Fund Total	33.041	18.029	16.066	67.136
HRA Total	29.457	0.000	2.491	31.948
Programme Total	62.498	18.029	18.557	99.084

1.04

Carry Forward from 2022/23

Carry forward sums from 2022/23 to 2023/24, totalling £18.029m (all CF), were approved as a result of the quarterly monitoring reports presented to Cabinet during 2022/23.

1.05

Changes during this period

Funding changes during this period have resulted in a net increase in the programme total of £18.557m (CF £16.066m, HRA £2.491m). A summary of the changes, detailing major items, is shown in Table 2 below:-

Table 2

CHANGES DURING THIS PERIOD		
	Para	£m
<u>COUNCIL FUND</u>		
Increases		
Local Transport Grant	1.06	8.314
Education & Youth	1.07	1.087
Children's Services	1.08	1.179
Services to Older People	1.09	1.000
Other Aggregate Increases		4.544
		16.124
Decreases		
Other Aggregate Decreases		(0.058)
		(0.058)
Total		16.066
<u>HRA</u>		
Increases		
Energy Schemes	1.10	2.924
Other Aggregate Increases		0.215
		3.139
Decreases		
Other Aggregate Decreases		(0.648)
		(0.648)
Total		2.491

1.06	It is usual in the early part of the financial year to receive notification of funding allocations that were not available at budget setting time. This is the case with the, Active Travel, Road Safety, and Safe Routes grants from Welsh Government (WG). These grants will provide a range of transportation schemes across the County.
1.07	Introduction of WG funding relating to schools Community Focus Grant and Additional Learning Needs along with funding from Sports Council Wales.
1.08	Introduction of WG funding in relation to the Childcare and Early Years Capital Small Grants funding and Early Years Wraparound schemes.
1.09	In addition to the above the Council also received funding for the Housing with Care Fund and the Integration and Rebalancing Capital Fund, both in relation to Croes Atti Newydd Residential Care.
1.10	Award of Optimised RetroFit grant funding from WG has been introduced within the programme.

1.11

Capital Expenditure compared to Budget

Expenditure incurred as at Month 4, across the whole of the Capital Programme was £16.215m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.

This shows that 16.36% of the budget has been spent (CF 16.77%, HRA 15.50%). Corresponding figures for Month 4 2022/23 were 15.51% (CF 10.73%, HRA 29.61%).

1.12

The table also shows a projected underspend (pending carry forward and other adjustments) of £3.129m on the Council Fund and a break-even position on the HRA.

Table 3

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 4	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
People & Resources	0.442	0.000	0.00	0.442	0.000
Governance	1.181	0.530	44.88	1.038	(0.143)
Education & Youth	13.245	1.570	11.85	13.048	(0.197)
Social Services	6.061	0.303	5.00	4.724	(1.337)
Planning, Environment & Economy	2.290	(0.048)	-2.10	1.782	(0.508)
Streetscene & Transportation	16.654	4.162	24.99	16.608	(0.046)
Housing & Communities	2.832	0.587	20.73	2.832	0.000
Capital Programme & Assets	24.431	4.158	17.02	23.533	(0.898)
Council Fund Total	67.136	11.262	16.77	64.007	(3.129)
Disabled Adaptations	1.100	0.178	16.18	1.100	0.000
Energy Schemes	5.235	1.272	24.30	5.235	0.000
Major Works	1.714	0.313	18.26	1.714	0.000
Accelerated Programmes	0.595	0.103	17.31	0.595	0.000
WHQS Improvements	13.436	2.559	19.05	13.436	0.000
Modernisation / Improvements	2.200	0.000	0.00	2.200	0.000
SHARP Programme	7.668	0.528	6.89	7.668	0.000
Housing Revenue Account Total	31.948	4.953	15.50	31.948	0.000
Programme Total	99.084	16.215	16.36	95.955	(3.129)

1.13

Details of the variances for individual programme areas are listed in Appendix B, which includes the reasons, and remedial actions which may be required, where those variances exceed +/- 10% of the revised budget. In addition, where carry forward into 2024/25 has been identified, this is also included in the narrative.

1.14

Carry Forward into 2024/25

During the quarter, carry forward requirements of £3.129m (all CF) have been identified which reflects reviewed spending plans across all programme areas. These amounts can be split into two areas, those

	required to meet the cost of programme works and/or retention payments in 2024/25.																		
1.15	<p>Information relating to each programme area is contained in Appendix B and summarised in Table 4 below:</p> <p><u>Table 4</u></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">CARRY FORWARD INTO 2024/25</th> <th style="text-align: center;">Month 4 £m</th> </tr> </thead> <tbody> <tr> <td>Governance</td> <td style="text-align: right;">0.143</td> </tr> <tr> <td>Education & Youth</td> <td style="text-align: right;">0.197</td> </tr> <tr> <td>Social Services</td> <td style="text-align: right;">1.337</td> </tr> <tr> <td>Planning, Environment & Economy</td> <td style="text-align: right;">0.508</td> </tr> <tr> <td>Streetscene & Transportation</td> <td style="text-align: right;">0.046</td> </tr> <tr> <td>Capital Programme & Assets</td> <td style="text-align: right;">0.898</td> </tr> <tr> <td>Council Fund</td> <td style="text-align: right;">3.129</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">3.129</td> </tr> </tbody> </table>	CARRY FORWARD INTO 2024/25	Month 4 £m	Governance	0.143	Education & Youth	0.197	Social Services	1.337	Planning, Environment & Economy	0.508	Streetscene & Transportation	0.046	Capital Programme & Assets	0.898	Council Fund	3.129	TOTAL	3.129
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1.16	<p>Additional Allocations</p> <p>Additional allocations have been identified in the programme in this quarter as follows:</p> <ul style="list-style-type: none"> Hybrid Meeting Room - £0.055m for the purchase of equipment to be utilised in the Delyn Room in order to facilitate both in-person and remote meeting attendees. <p>This can be funded from within the current 'headroom' provision.</p>																		
1.17	<p>Savings</p> <p>No savings have been identified in the programme in this quarter.</p>																		
1.18	<p>Funding of 2023/24 Approved Schemes</p> <p>The position at Month 4 is summarised in Table 5 below for the three year Capital Programme between 2023/24 – 2025/26:-</p>																		

Table 5

FUNDING OF APPROVED SCHEMES 2023/24 - 2025/26		
	£m	£m
Balance carried forward from 2022/23		(0.937)
Increases		
Surplus in 2023/24 to 2025/26 Budget	(0.365)	
		<u>(0.365)</u>
Decreases		
Actual In year receipts	(0.651)	<u>(0.651)</u>
Funding - (Available)/Shortfall		(1.953)

1.19 Capital receipts received in the first quarter of 2023/24, total £0.651m. This gives a revised projected surplus in the Capital Programme at Month 4 of £1.953m (from an opening funding surplus of £1.302m) for the 2023/24 – 2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

1.20 **Investment in County Towns**
At its meeting on 12th December 2017, the Council approved a Notice of Motion relating to the reporting of investment in county towns. The extent and format of the reporting was agreed at the Corporate Resources Overview and Scrutiny Committee on 14th June 2018.

1.21 Table 6 below shows a summary of the 2022/23 actual expenditure, the 2023/24 revised budget and budgets for future years as approved by Council at its meeting of 24th January, 2023. Further detail can be found in Appendix C, including details of the 2023/24 spend to Month 4.

Table 6

INVESTMENT IN COUNTY TOWNS			
	2022/23	2023/24	2023 -
	Actual	Revised	2025
	£m	Budget	Budget
		£m	£m
Buckley / Penyffordd	0.745	5.739	9.302
Connah's Quay / Shotton	2.225	1.385	0.000
Flint / Bagillt	2.135	3.915	4.800
Holywell / Caerwys / Mostyn	4.195	6.576	0.000
Mold / Treuddyn / Cilcain	5.713	24.413	3.783
Queensferry / Hawarden / Sealand	0.520	3.024	0.000
Saltney / Broughton / Hope	1.250	0.287	25.000
Unallocated / To Be Confirmed	0.980	4.625	9.600
Total	17.763	49.964	52.485

- 1.22 The inclusion of actuals for 2022/23 and approved schemes for future years allows a slightly fuller picture of investment plans. However, expenditure which has occurred in years prior to 2022/23 has not been included, and the expenditure and budgets reported should be considered in that context.
- 1.23 There are two significant factors which increase allocations to areas, which are homes developed under SHARP, and new or remodelled schools. The impact of these can be seen in the detail shown in Appendix C.
- 1.24 Some expenditure cannot yet be allocated to specific towns as schemes are not yet fully developed or are generic in nature and not easily identifiable to one of the seven areas. As such schemes are identified the expenditure will be allocated to the relevant area.
- 1.25 Information on the split between internal and external funding can be found in Appendix C.
- 1.26 In addition to the information contained in Appendix C, there is also considerable capital expenditure on the HRA Welsh Housing Quality Standard (WHQS), which was originally outside the scope of this analysis. A summary is provided in Table 7 below, albeit using a slightly different catchment area basis.

Table 7

WHQS Programme		
	2022/23 Actual £m	2023/24 Budget £m
Holywell	3.380	4.210
Flint	1.450	1.390
Deeside & Saltney	2.250	1.390
Buckley	1.060	1.390
Mold	3.000	3.451
Connah's Quay & Shotton	1.970	1.390
Total	13.110	13.221

1.27 The 2021 Prudential Code introduced a new requirement that monitoring of prudential indicators should be reported quarterly as part of capital monitoring. This update is provided in Appendix D.

2.00 RESOURCE IMPLICATIONS

2.01 Financial implications - As set out in the body of the report.

2.02 Personnel implications - None directly as a result of this report.

3.00 IMPACT ASSESSMENT AND RISK MANAGEMENT

3.01 The legacy impacts of the pandemic along with the supply and demand of materials, leading to cost increases, higher tender prices and project delays will continue to be monitored closely during the year. Due to the re-profiling of schemes from 2022/23 and resources available to manage and deliver schemes, the levels of planned expenditure in 2023/24 may be affected, resulting in a high level of carry forward requests to re-phase budgets into the 2024/25 programme.

Grants received will also to be closely monitored to ensure that expenditure is incurred within the terms and conditions of the grant. The capital team will work with project leads to report potential risks of achieving spend within timescales and assist in liaising with the grant provider.

The Council has a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are received rather than when it is anticipated the receipt will be received, and this position continues to be the case. In line with current policy no allowance has been made for these receipts in reporting the Council's capital funding position.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	No consultation is required as a direct result of this report.

5.00	APPENDICES
5.01	Appendix A: Capital Programme - Changes during 2023/24
5.02	Appendix B: Variances
5.03	Appendix C: Investment in Towns
5.04	Appendix D: Prudential Indicators – Quarter 1 2023/24

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Capital Programme monitoring papers 2023/24.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Budget Re-profiling: Capital schemes are very dynamic and a number of factors can influence their timing and funding. Budget re-profiling assures that the correct resources are available in the correct accounting period to finance the actual level of expenditure.</p> <p>Capital Expenditure: Expenditure on the acquisition of non-current assets or expenditure which extends the useful life of an existing asset</p> <p>Capital Programme: The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p> <p>Capital Receipts: Receipts (in excess of £10,000) realised from the disposal of assets.</p> <p>Carry Forward: Carry forward occurs when schemes due to be completed in a given financial year are delayed until a subsequent year. In this case the relevant funding is carried forward to meet the delayed, contractually committed expenditure.</p>

CERA: Capital Expenditure charged to Revenue Account. The Council is allowed to use its revenue resources to fund capital expenditure. However the opposite is not permissible.

Council Fund (CF): The fund to which all the Council's revenue and capital expenditure is charged.

Housing Revenue Account (HRA): The fund to which all the Council's revenue and capital expenditure relating to its housing stock is charged.

MRA: Major Repairs Allowance. A general capital grant from WG for HRA purposes.

Non-current Asset: A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.

Section 106: Monies are received from developers/contractors pursuant to Section 106 of the Town & Country Planning Act 1990. These sums are available for use once the relevant terms of the individual agreement have been met. The monies are most commonly used for educational enhancement, play areas, highways and affordable housing.

Target Hardening: Measures taken to prevent unauthorised access to Council sites.

Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing - Each year Welsh Government provide Councils with a Supported Borrowing allocation. Councils borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.

Unsupported (Prudential) Borrowing: Borrowing administered under the Prudential Code, whereby Authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows Authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.

APPENDIX A

CAPITAL PROGRAMME - CHANGES DURING 2023/24

	Original Budget 2023/24	Carry Forward from 2022/23	Changes (Current)	Revised Budget 2023/24
	£m	£m	£m	£m
Council Fund :				
People & Resources				
'Headroom'	0.350	0.150	(0.058)	0.442
	0.350	0.150	(0.058)	0.442
Governance				
Information Technology	0.357	0.294	0.530	1.181
	0.357	0.294	0.530	1.181
Education & Youth				
Education - General	0.650	6.999	0.936	8.585
Primary Schools	1.000	0.813	(0.524)	1.289
Schools Modernisation	1.546	0.000	(0.651)	0.895
Secondary Schools	0.000	0.560	1.326	1.886
Special Education	0.500	0.090	0.000	0.590
	3.696	8.462	1.087	13.245
Social Services				
Services to Older People	1.250	0.097	1.000	2.347
Learning Disability	2.430	0.000	0.031	2.461
Children's Services	0.000	0.074	1.179	1.253
	3.680	0.171	2.210	6.061
Planning, Environment & Economy				
Closed Landfill Sites	0.000	0.250	0.000	0.250
Engineering	0.000	0.383	0.000	0.383
Energy Services	0.000	0.000	0.207	0.207
Ranger Services	0.000	0.035	0.105	0.140
Town Centre Regeneration	0.000	0.320	0.858	1.178
Private Sector Renewal/Improv't	0.040	0.030	0.062	0.132
	0.040	1.018	1.232	2.290
Streetscene & Transportation				
Waste Services	0.000	3.805	0.217	4.022
Cemeteries	0.000	0.259	0.000	0.259
Highways	1.500	1.640	0.867	4.007
Local Transport Grant	0.000	0.006	8.314	8.320
Solar Farms	0.000	0.046	0.000	0.046
	1.500	5.756	9.398	16.654

APPENDIX A (Cont.)

	Original Budget 2023/24	Carry Forward from 2022/23	Changes (Current)	Revised Budget 2023/24
	£m	£m	£m	£m
Housing & Communities				
Affordable Housing	0.000	0.000	0.700	0.700
Disabled Facilities Grants	1.660	0.186	0.286	2.132
	1.660	0.186	0.986	2.832
Capital Programme & Assets				
Administrative Buildings	0.663	0.325	0.034	1.022
Community Asset Transfers	0.000	0.597	0.227	0.824
Leisure Centres & Libraries	0.395	0.419	0.259	1.073
Play Areas	0.200	0.376	0.161	0.737
Theatr Clwyd	20.500	0.275	0.000	20.775
	21.758	1.992	0.681	24.431
Housing Revenue Account :				
Disabled Adaptations	1.100	0.000	0.000	1.100
Energy Schemes	2.311	0.000	2.924	5.235
Major Works	1.836	0.000	(0.122)	1.714
Accelerated Programmes	1.121	0.000	(0.526)	0.595
WHQS Improvements	13.221	0.000	0.215	13.436
Modernisation / Improvements	2.200	0.000	0.000	2.200
SHARP Programme	7.668	0.000	0.000	7.668
	29.457	0.000	2.491	31.948
Totals :				
Council Fund	33.041	18.029	16.066	67.136
Housing Revenue Account	29.457	0.000	2.491	31.948
Grand Total	62.498	18.029	18.557	99.084

PEOPLE & RESOURCES

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
'Headroom'	0.442	0.000	0.442	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Total	0.442	0.000	0.442	0.000	0	0.000			

GOVERNANCE

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Information Technology	1.181	0.530	1.038	(0.143)	-12	0.000	£0.088m replacement server technology for remote access solutions have been reviewed, expected to last another 12 months before needing to be replaced. £0.055m environmental monitoring systems replacement delayed until decision on datacentre relocation.	Carry Forward - Request approval to move funding of £0.143m to 2024/25.	
Total	1.181	0.530	1.038	(0.143)	-12	0.000			

Variance = Budget v Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Education - General	8.585	1.056	8.388	(0.197)	-2	0.000	Joint archive scheme unlikely to commence in 2023/24.	Carry Forward - Request approval to move funding of £0.197m into 2024/25.	
Primary Schools	1.289	0.135	1.289	0.000	0	0.000			
Schools Modernisation	0.895	0.083	0.895	0.000	0	0.000			
Secondary Schools	1.886	0.323	1.886	0.000	0	0.000			
Special Education	0.590	(0.027)	0.590	0.000	0	0.000			
Total	13.245	1.570	13.048	(0.197)	-1	0.000			

Variance = Budget v Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Services to Older People	2.347	0.185	1.010	(1.337)	-57	0.000	Grant funding for Croes Atti Care Home to be utilised in 2023/24, with core funding to be carry forward to 2024/25.	Carry Forward - Request approval to move funding of £1.337m to 2024/25.	
Learning Disability Services	2.461	(0.010)	2.461	0.000	0	0.000			
Children's Services	1.253	0.128	1.253	0.000	0	0.000			
Total	6.061	0.303	4.724	(1.337)	-22	0.000			

Variance = Budget v Projected Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Closed Landfill Sites	0.250	0.000	0.000	(0.250)	-100	0.000	Expenditure is incurred as a result of specific remedial work identified from assessments carried out.	Carry Forward - Request approval to move funding of £0.250m to 2024/25.	
Engineering	0.383	0.000	0.125	(0.258)	-67	0.000	The funding will be used to support schemes in 2024/25 that will be identified in the flood management strategy and grant bids.	Carry Forward - Request approval to move funding of £0.258m to 2024/25.	
Energy Services	0.207	(0.285)	0.207	0.000	0	0.000			
Ranger Services	0.140	(0.019)	0.140	0.000	0	0.000			
Townscape Heritage Initiatives	1.178	0.232	1.178	0.000	0	0.000			
Private Sector Renewal/Improvement	0.132	0.024	0.132	0.000	0	0.000			
Total	2.290	(0.048)	1.782	(0.508)	-22	0.000			

Variance = Budget v Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Waste Services	4.022	0.000	4.022	0.000	0	0.000			Redevelopment of the Standard Yard MRF in Buckley is ongoing and currently subject to review following a recent tendering exercise to procure the construction of the facility.
Cemeteries	0.259	0.000	0.259	0.000	0	0.000			
Highways	4.007	0.073	4.007	0.000	0	0.000			
Local Transport Grant	8.320	4.089	8.320	0.000	0	0.000			
Solar Farms	0.046	0.000	0.000	(0.046)	-100	0.000	Works to progress in 2024/25.	Carry Forward - Request approval to move funding of £0.046m to 2024/25.	
Total	16.654	4.162	16.608	(0.046)	-0	0.000			

Variance = Budget v Outturn

HOUSING & COMMUNITIES

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Affordable Housing	0.700	0.000	0.700	0.000	0	0.000			
Disabled Facilities Grants	2.132	0.587	2.132	0.000	0	0.000			DFG spend is customer driven and volatile.
Total	2.832	0.587	2.832	0.000	0	0.000			

Variance = Budget v Outturn

CAPITAL PROGRAMME & ASSETS

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Administrative Buildings	1.022	0.120	0.994	(0.028)	-3	0.000	Expenditure is incurred as and when unauthorised encampments occur which prompt target hardening vulnerable locations.	Carry Forward - Request approval to move funding of £0.028m to 2024/25.	
Community Asset Transfers	0.824	0.276	0.227	(0.597)	-72	0.000	Expenditure is incurred as and when schemes are signed off.	Carry Forward - Request approval to move funding of £0.597m to 2024/25.	
Leisure Centres & Libraries	1.073	0.510	0.828	(0.245)	-23	0.000	£0.195m due to DLC being closed through Covid the AWP's will not require replacing this financial year. HLC replacement MUGA, £0.050m.	Carry Forward - Request approval to move funding of £0.245m to 2024/25.	
Play Areas	0.737	0.091	0.737	0.000	0	0.000			
Theatr Clwyd	20.775	3.161	20.747	(0.028)	-0	0.000	Funding is to be utilised in 2024/25 as part of the fit out of the refurbished building.	Carry Forward - Request approval to move funding of £0.028m to 2024/25.	
Total	24.431	4.158	23.533	(0.898)	-4	0.000			

Variance = Budget v Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Disabled Adaptations	1.100	0.178	1.100	0.000	0	0.000			Client led and volatile. Full spend assumed
Energy Services	5.235	1.272	5.235	0.000	0	0.000			
Major Works	1.714	0.313	1.714	0.000	0	0.000			
Accelerated Programmes	0.595	0.103	0.595	0.000	0	0.000			
WHQS Improvements	13.436	2.559	13.436	0.000	0	0.000			
Modernisation/Improvements	2.200	0.000	2.200	0.000	0	0.000			
SHARP	7.668	0.528	7.668	0.000	0	0.000			Mostyn, Park Lane & Duke Street sites now completed. There are a number of pipeline schemes at feasibility stage.
Total	31.948	4.953	31.948	0.000	0	0.000			

Variance = Budget v Outturn

SUMMARY

Capital Budget Monitoring 2023/24 - Month 4

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
People & Resources	0.442	0.000	0.442	0.000	0	0.000			
Governance	1.181	0.530	1.038	(0.143)	-12	0.000			
Education & Youth	13.245	1.570	13.048	(0.197)	-1	0.000			
Social Services	6.061	0.303	4.724	(1.337)	-22	0.000			
Planning, Environment & Economy	2.290	(0.048)	1.782	(0.508)	-22	0.000			
Streetscene & Transportation	16.654	4.162	16.608	(0.046)	-0	0.000			
Housing & Communities	2.832	0.587	2.832	0.000	0	0.000			
Capital Programme & Assets	24.431	4.158	23.533	(0.898)	-4	0.000			
Sub Total - Council Fund	67.136	11.262	64.007	(3.129)	-5	0.000			
Housing Revenue Account	31.948	4.953	31.948	0.000	0	0.000			
Total	99.084	16.215	95.955	(3.129)	-3	0.000			

Variance = Budget v Outturn

INVESTMENT IN COUNTY TOWNS - 2022/23 ACTUAL SPEND

APPENDIX C

TOWN FUNDING	22/23 ACTUAL £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Total £000																	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	4,278	32		402		255		3,456		10		33				90		4,278	0	4,278	
EDUCATION & YOUTH																					
Ysgol Glanrafon	428									332	96							332	96	428	
Ysgol Croes Atti Flint	431					128	303											128	303	431	
Ysgol Croes Atti, Shotton	556			297	259													297	259	556	
SOCIAL SERVICES																					
Ty Nyth, Children's Residential Care	1,408									812	596							812	596	1,408	
Croes Atti Newydd Residential Care Home, Flint	913					913												913	0	913	
Relocation of Tri-Ffordd Day Service provision	239												239					239	0	239	
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	759			759														759	0	759	
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	249		249															0	249	249	
Highways Maintenance	2,312	331		309				545		595		286		68		179		2,313	0	2,313	
Transport Grant	2,992		133		199	15	521	11	183		75		201	70	873		711	96	2,896	2,992	
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	3,197										3,197							0	3,197	3,197	
	17,762	363	382	1,767	458	1,311	824	4,012	183	1,749	3,964	319	201	377	873	269	711	10,167	7,596	17,763	
AREA TOTAL			745		2,225		2,135		4,195		5,713		520		1,250		980				

INVESTMENT IN COUNTY TOWNS - 2023/24 REVISED BUDGET

APPENDIX C (Cont)

TOWN FUNDING	REVISED BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Total £000																	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	7,668		674				540		6,082				366					6	0	7,668	7,668
EDUCATION & YOUTH																					
Ysgol Croes Atti Flint	738					738													738	0	738
Penyffordd Extension	882	882																	882	0	882
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	2,337					1,337	1,000												1,337	1,000	2,337
Relocation of Tri-Ffordd Day Service provision	2,461									2,461									2,461	0	2,461
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	3,622	3,405	217																3,405	217	3,622
Highways Maintenance	2,489																2,489		2,489	0	2,489
Transport Grant	8,320		561		1,385		300	6	488		505		2,658		287	111	2,019	117	8,203	8,320	
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	20,747									8,747	12,000								8,747	12,000	20,747
HOUSING & COMMUNITIES																					
Affordable Housing	700									700									700	0	700
	49,964	4,287	1,452	0	1,385	2,075	1,840	6	6,570	11,908	12,505	0	3,024	0	287	2,600	2,025	20,876	29,088	49,964	
AREA TOTAL			5,739		1,385		3,915		6,576		24,413		3,024		287		4,625				

INVESTMENT IN COUNTY TOWNS - 2023/24- MONTH 4

APPENDIX C (Cont)

TOWN FUNDING	ACTUAL TO DATE £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS		
		Internal £000	External £000	Total £000																
EXPENDITURE																				
HOUSING - HRA SHARP	528						14		508								6	0	528	528
EDUCATION & YOUTH Ysgol Croes Atti Flint	84					84												84	0	84
SOCIAL SERVICES Croes Atti Newydd Residential Care Home, Flint	185						185											0	185	185
STREETSCENE & TRANSPORTION Transport Grant	4,089				1,326	1		2			258		2,394		99		9	2	4,087	4,089
CAPITAL PROGRAMME & ASSETS Theatr Clwyd - Redevelopment	3,161										3,161							0	3,161	3,161
	8,047	0	0	0	1,326	84	200	2	508	0	3,419	0	2,394	0	99	0	15	86	7,961	8,047

AREA TOTAL 0 1,326 284 510 3,419 2,394 99 15

INVESTMENT IN COUNTY TOWNS - 2024- 2026 BUDGET

APPENDIX C (Cont)

TOWN FUNDING	FUTURE BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS				
		Internal £000	External £000	Total £000																		
EXPENDITURE																						
EDUCATION & YOUTH																						
Joint Archive Facility, FCC and DCC	2,783									2,783										2,783	0	2,783
Drury County Primary	4,814	1,685	3,129																	1,685	3,129	4,814
Elfed High School	4,488	1,571	2,917																	1,571	2,917	4,488
Saltney/Broughton Area	25,000													8,750	16,250					8,750	16,250	25,000
SOCIAL SERVICES																						
Croes Atti Newydd Residential Care Home, Flint	4,800					4,800														4,800	0	4,800
STREETSCENE & TRANSPORTION																						
Highways Asset Management Plan	3,000																3,000			3,000	0	3,000
CAPITAL PROGRAMME & ASSETS																						
Theatr Clwyd - Redevelopment	1,000									1,000										0	1,000	1,000
HOUSING & COMMUNITIES																						
Affordable Housing	6,600																6,600			6,600	0	6,600
	52,485	3,256	6,046	0	0	4,800	0	0	0	2,783	1,000	0	0	8,750	16,250	9,600	0		29,189	23,296	52,485	
AREA TOTAL			9,302	0	0	4,800	0	0	0	3,783	0	0	0	25,000	9,600							

Prudential Indicators Q1 2023/24

The Council measures and manages its capital expenditure, borrowing and commercial and service investments with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Table 1 - Capital Expenditure in £ millions: The Council has undertaken and is planning capital expenditure as summarised below. The increase in forecasted expenditure between 2022/23 to 2023/24, in the main relate to works at Theatr Clwyd and the Band B schools programme.

	2022/23 Actual	2023/24 Forecast	2024/25 Budget *	2025/26 Budget
Council Fund	30.016	64.007	33.924	24.668
Housing Revenue Account	24.997	31.948	30.955	27.235
Total	55.013	95.955	64.879	51.903

* £3.2m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

Table 2 - Capital Financing Requirement in £ millions: The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt.

	2022/23 Actual	2023/24 Forecast	2024/25 Budget *	2025/26 Budget
Council Fund	218.939	240.145	261.660	273.934
Housing Revenue Account	133.623	141.810	153.283	160.493
Total	352.562	381.955	414.943	434.427

* £3.2m of the CFR increase in 2024/25 arises from a change in the accounting for leases.

Table 3 - Gross Debt and the Capital Financing Requirement in £ millions: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Authority has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	2022/23 Actuals	2023/24 Forecast	2024/25 Budget	2025/26 Budget
Debt (Incl Leases)	297.951	309.843	352.379	384.641
Capital Financing Requirement	352.562	381.955	414.943	434.427

Table 4 - Debt and the Authorised Limit and Operational Boundary in £ millions: The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	2023/24 Limit	30.06.23 Actual
Operational Boundary - Total	403	298
Authorised Limit - Total	438	298

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 5 - Net Income from Commercial and Service Investments to Net Revenue Stream in £ millions: The Council’s income from commercial and service investments as a proportion of its net revenue stream has been and is expected to be as indicated below.

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget
Total net income from service and commercial investment	1.672	1.652	1.652	1.652
Proportion of net revenue stream	0.51%	0.47%	0.46%	0.46%

Table 6 - Proportion of Financing Costs to Net Revenue Stream in £ millions: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

	2022/23 Actual	2023/24 Forecast	2024/25 Budget	2025/26 Budget
Council Fund	3.6%	4.0%	4.4%	4.6%
HRA	17.2%	17.7%	18.0%	19.0%