

## CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Thursday 14 <sup>th</sup> June 2018
<b>Report Subject</b>	Capital Investment in County Towns: Reporting Model
<b>Cabinet Member</b>	Leader of the Council and Cabinet Member for Finance
<b>Report Author</b>	Corporate Finance Manager and Chief Executive

### EXECUTIVE SUMMARY

This report re-presents information on planned capital investment in County towns, as requested by the Council resolution passed in December, 2017. A first report was considered at the meeting of this Committee in April, where an improved report format was requested.

The Committee was advised that information on planned investment in the principal County towns would be extended to include planned investment in the wider town catchments, otherwise not all major capital investments would be included in the analysis and members would not see the full picture.

To present the information in this way capital investments have been allocated to the seven areas of the County, which are based on the seven principal towns and their catchments, as approved by the Council for the Wellbeing Assessment undertaken in 2017. Appendix 1 shows a map of the seven areas, and Appendix 2 defines them by lower super output areas (LSOAs) and wards (electoral divisions). Investment in Council housing in support of achieving the Welsh Housing Quality Standard (WHQS) is reported on a different set of boundaries and this cannot be changed to fit this new reporting model on capital investment. Appendix 3 shows the area allocations for WHQS expenditure.

The budgeted investment allocations in the approved Capital Programme for 2018/19 to 2020/21, shown in this new reporting format, is summarised in Appendix 4 with further detail provided in paragraphs 3.01 – 3.07. The quarterly Capital Monitoring report 2018/19 will update on actual spend in these areas on an ongoing basis.

## RECOMMENDATIONS

1	Members review the reporting model as presented.
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## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE NOTICE OF MOTION</b>
1.01	<p>Council approved the following Notice of Motion at its meeting on 12<sup>th</sup> December 2017:-</p> <p>1. That this Council invests fairly, according to need, in each of the towns in Flintshire in respect of the Infrastructural Support of any revenue or capital investment to:</p> <p>a) Build or improve highway and transport networks (road, rail, cycle way or footpaths), including parking</p> <p>b) Redevelop or regenerate towns, streetscapes, or recreation spaces including CCTV</p> <p>c) Build or redevelop housing including community housing such as Extra Care</p> <p>2. That the respective investment levels, showing external and internal funding, are reported as part of the Revenue and Capital Strategy reports to Corporate Resources Overview and Scrutiny Committee on a quarterly basis.</p>
1.02	<p>A first report was considered at the meeting of this Committee in April, where an improved report format was requested.</p>
<b>2.00</b>	<b>DEFINITION OF CATCHMENT AREAS</b>
2.01	<p>The Committee was advised previously that information on planned investment in the principal County towns would be extended to include planned investment in the wider town catchments, otherwise not all major capital investments would be included in the analysis and members would not see the full picture. To present the information in this way capital investments have been allocated to the seven areas of the County, which are based on the seven principal towns and their catchments, as approved by the Council for the Wellbeing Assessment undertaken in 2017. Appendix 1 shows a map of the seven areas and Appendix 2 defines them by lower super output areas (LSOAs) and wards (electoral divisions). Investment in Council housing in support of achieving the Welsh Housing Quality Standard (WHQS) is reported on a different set of boundaries and this cannot be changed to fit this new reporting model on capital investment. Appendix 3 shows the area allocations for WHQS expenditure.</p>

2.02	The budgeted investment allocations in the approved Capital Programme for 2018/19 to 2020/21, shown in this new reporting format, is summarised in Appendix 4 with further detail provided in paragraphs 3.01 – 3.07. The quarterly Capital Monitoring report 2018/19 will update on actual spend in these areas on an ongoing basis.
3.00	<b>INVESTMENT IN TOWN CENTRE CATCHMENT AREAS</b>
3.01	<p><b>Buckley</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £11.038m as detailed below:</p> <ul style="list-style-type: none"> <li>- SHARP Programme, Dobshill, Penymynydd (£2.099m) - funded by prudential borrowing</li> <li>- 21<sup>st</sup> Century Schools, Penyffordd School (£5.076m) - funded by Welsh Government Grant</li> <li>- Resurface of synthetic pitch at Elfed High School (£0.272m) - funded by general capital funding</li> <li>- Extension of Marleyfield Care Home (£3.591m) - funded by general capital funding and by an ICF grant of £1.209m.</li> </ul>
3.02	<p><b>Connah's Quay</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £11.218m as detailed below:</p> <ul style="list-style-type: none"> <li>- SHARP Programme, completion of Melrose, Custom House, Dairy, and Redhall (£1.835m) - funded by prudential borrowing.</li> <li>- 21<sup>st</sup> Century Schools Project, Connah's Quay High School (£9.383m) - funded by prudential borrowing (£7.579m) and by Welsh Government Grant (£1.804m)</li> </ul>
3.03	<p><b>Flint</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £1.299m as detailed below:</p> <ul style="list-style-type: none"> <li>- SHARP Programme, to complete works at The Walks, Flint (£0.245m) - funded by prudential borrowing.</li> <li>- Remodelling of Glan Aber Primary School (£0.924m) - funded by general capital funding</li> <li>- Resurface a synthetic pitch at Flint High School (£0.130m) - funded by general capital funding.</li> </ul>
3.04	<p><b>Mold</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £0.250m as detailed below:</p> <ul style="list-style-type: none"> <li>- SHARP Programme, completion of schemes at Maes y Meillion and Hoel y Goron, Leeswood, and Ysgol Delyn, Mold (£0.250m) - funded by prudential borrowing</li> </ul>

3.05	<p><b>Holywell</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £8.500m as detailed below:</p> <ul style="list-style-type: none"> <li>- SHARP Programme, Llys Dewi, Penyffordd, Holywell £3.644m and Nant y Gro, Gronant, £4.856m - funded by prudential borrowing.</li> </ul>
3.06	<p><b>Queensferry</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £3.680m as detailed below:</p> <ul style="list-style-type: none"> <li>- Completion of Glanrafon Learning Disability Centre £3.680m (including an agreed carry forward from 2017-18 to date of £1.725m)</li> <li>- funded by general capital funding</li> </ul>
3.07	<p><b>Saltney</b></p> <p>Planned investment in this area for the period 2018/19 to 2020/21 totals £4.807m as detailed below:</p> <ul style="list-style-type: none"> <li>- Remodelling of Castell Alun High School (£4.807m) – funded by general capital funding.</li> </ul>
4.00	<p><b>SIGNIFICANT THEMED CAPITAL PROGRAMMES</b></p>
4.01	<p><b>Strategic Housing and Regeneration Programme (SHARP)</b></p> <p>The SHARP programme is significantly increasing Social Housing Provision across the County. So far, it has delivered new homes in Connah’s Quay, Leeswood, Flint and Mold. In 2018-19 new investment will be made in three sites, Dobshell, Penymyndd (24 units), Llys Dewi, Penyffordd (27 units) and Nant Y Gro, Gronant (21 units), and some of the earlier schemes will be completed. Overall, the programme will deliver 500 new homes across Flintshire by 2021.</p>
4.02	<p><b>21<sup>st</sup> Century Schools</b></p> <p>The 21<sup>st</sup> Century Schools programme secures investment through a programme of works designed to ensure that the physical condition of schools is improved. The Community 3-16 Campus at Holywell and the Post-16 Coleg Hub Cambria have been delivered under this programme. In 2018-19 the programme will deliver significant investment in Connah’s Quay High School and Ysgol Penyffordd. Overall the initial investment from the first tranche of the programme, Band A, will be £64m.</p>
4.03	<p><b>Highways Asset Management Plan</b></p> <p>The Capital Programme for 2018/19 to 2020/21 includes £0.600m for the Highways Asset Management Plan, and a further £1.427m has been made available by Welsh Government for road refurbishment schemes. The schemes which will make up this spend are out to tender, so costs have not yet been fully determined. Spend on the schemes will be reported on an</p>

	area basis as actual costs begin to be incurred and will be included in the new reporting model. The surface dressing programme for 2018/19 is available on the Flintshire website, and this gives an indication of the location of the schemes.
4.04	<p><b>Welsh Housing Quality Standard (WHQS)</b></p> <p>This initiative offers significant investment in improving the standard of the houses in Flintshire's ownership, and the Council is in the fourth year of six to deliver the programme. This programme is already monitored on a set but different catchment area basis. It would be resource intensive to reshape the monitoring and reporting process into new areas at this stage and there would be no value.</p>
4.05	<p><b>Routine Capital Maintenance</b></p> <p>Some areas of capital expenditure, for example school repairs and road maintenance are demand led and smaller in scale. Investment will vary year on year depending on priorities and need. It is not practicable to include this type of capital expenditure in the analysis so it is excluded from the summary.</p>
4.06	<p><b>Revenue Funding</b></p> <p>Due to the nature of revenue funding any revenue funding of significance is likely to be derived from specific grant initiatives.</p> <p>If a revenue scheme is identified which is of sufficient breadth and size to warrant inclusion, analysis by area could be included in the regular revenue monitoring reports as an extension of this modelling.</p>

<b>5.00</b>	<b>RESOURCE IMPLICATIONS</b>
5.01	This report is financial in nature and focuses on resource issues.

<b>6.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
6.01	There are no specific consultation requirements.

<b>7.00</b>	<b>RISK MANAGEMENT</b>
7.01	There are no identified risks affecting this report.

<b>8.00</b>	<b>APPENDICES</b>
8.01	<p>Appendix 1 – Wellbeing assessment areas map  Appendix 2 – Wellbeing assessment areas descriptions  Appendix 3 – WHQS expenditure area reporting profile  Appendix 4 – Summary of capital spend by area</p>

<b>9.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
9.01	<p>None</p> <p><b>Contact Officer:</b> Paul Vaughan, Interim Finance Manager - Technical  <b>Telephone:</b> 01352 702219  <b>E-mail:</b> <a href="mailto:paul.vaughan@flintshire.gov.uk">paul.vaughan@flintshire.gov.uk</a></p>

<b>10.00</b>	<b>GLOSSARY OF TERMS</b>
10.01	<p><b>Capital:</b> a term used to describe expenditure on the acquisition of Noncurrent Assets or expenditure that extends the life or value of an existing asset.</p> <p><b>Capital Programme:</b> 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><b>Non-Current Asset:</b> an items of expenditure which brings benefit of more than one year and appears on the Council’s Balance Sheet.</p> <p><b>Prudential Borrowing:</b> A term to describe the funding of capital activity where it is not met by grant or a charge to revenue.</p> <p><b>Revenue:</b> a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p>