



CABINET

Date of Meeting	Tuesday, 21 st November 2023
Report Subject	Capital Programme Monitoring 2023/24 (Month 6)
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 6 (September 2023), along with expenditure incurred to date and the projected outturn.

The Capital Programme has seen a net decrease in budget of (£4.422m) during the period which comprises of:-

- Net budget decrease in the programme of (£1.342m) (See Table 2 - Council Fund (CF) £4.326m, Housing Revenue Account (HRA) (£5.668m);
- Net Carry Forward to 2024/25 approved at Month 4 of (£3.080m)

Actual expenditure was £27.517m (See Table 3).

Capital receipts received in the second quarter of 2023/24 total £0.043m. This provides a revised projected surplus in the Capital Programme at Month 6 of £1.996m (from a Month 4 funding surplus of £1.953m) 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 1.12.
3	Approve the additional allocations, as set out in 1.14.

REPORT DETAILS

1.00	EXPLAINING THE 2023/24 CAPITAL PROGRAMME MONITORING POSITION – MONTH 6
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	2023/24 Previously Reported		Changes - This Period	Revised Budget 2023/24
			Changes	Carry Forward to 2024/25		
			£m	£m		
People & Resources	0.350	0.150	(0.058)	0.000	(0.055)	0.387
Governance	0.357	0.294	0.530	(0.143)	0.055	1.093
Education & Youth	3.696	8.462	1.087	(0.197)	3.715	16.763
Social Services	3.680	0.171	2.210	(1.337)	0.000	4.724
Planning, Environment & Economy	0.040	1.018	1.232	(0.508)	0.299	2.081
Streetscene & Transportation	1.500	5.756	9.398	(0.046)	0.294	16.902
Housing and Communities	1.660	0.186	0.986	0.000	0.001	2.833
Capital Programme and Assets	21.758	1.992	0.681	(0.849)	0.017	23.599
Council Fund Total	33.041	18.029	16.066	(3.080)	4.326	68.382
HRA Total	29.457	0.000	2.491	0.000	(5.668)	26.280
Programme Total	62.498	18.029	18.557	(3.080)	(1.342)	94.662

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 decrease in the programme total of (£1.342m) (CF £4.326m, HRA (£5.668m)). 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		
Schools Modernisation	1.06	2.680
Education - General	1.07	1.035
Other Aggregate Increases		0.858
		4.573
Decreases		
Other Aggregate Decreases		(0.247)
		(0.247)
Total		4.326
<u>HRA</u>		
Decreases		
SHARP Programme	1.08	(5.668)
		(5.668)
Total		(1.342)

1.06	Introduction of grant funding from Welsh Government for Ysgol Croes Atti Flint, to support the new Welsh Medium Primary School as part of the school modernisation programme.
1.07	Introduction of Welsh Government grant funding to support learning environments for those with Additional Learning Needs and increase accessibility to promote inclusive practice, support learning and pupil wellbeing.
1.08	Re-profiling of prudential borrowing for the Strategic Housing and Regeneration Programme (SHARP), due to schemes progressing into 2024/25.
1.09	<p>Capital Expenditure compared to Budget</p> <p>Expenditure incurred as at Month 6, across the whole of the Capital Programme was £27.517m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.</p> <p>This shows that 29.07% of the budget has been spent (CF 25.81%, HRA 37.56%). Corresponding figures for Month 6 2022/23 were 24.43% (CF 17.21%, HRA 41.27%).</p>
1.10	The table also shows a projected underspend (pending carry forward and other adjustments) of £1.213m on the Council Fund and a break-even position on the HRA.

Table 3

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 6	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
People & Resources	0.387	0.000	0.00	0.387	0.000
Governance	1.093	0.611	55.90	1.081	(0.012)
Education & Youth	16.763	3.571	21.30	16.433	(0.330)
Social Services	4.724	0.773	16.36	4.724	0.000
Planning, Environment & Economy	2.081	0.249	11.97	1.864	(0.217)
Streetscene & Transportation	16.902	4.649	27.51	16.402	(0.500)
Housing & Communities	2.833	1.156	40.80	2.833	0.000
Capital Programme & Assets	23.599	6.637	28.12	23.445	(0.154)
Council Fund Total	68.382	17.646	25.81	67.169	(1.213)
Disabled Adaptations	1.100	0.445	40.45	1.100	0.000
Energy Schemes	5.235	2.218	42.37	5.235	0.000
Major Works	1.714	0.682	39.79	1.714	0.000
Accelerated Programmes	0.595	0.146	24.54	0.595	0.000
WHQS Improvements	13.436	5.577	41.51	13.436	0.000
Modernisation / Improvements	2.200	0.000	0.00	2.200	0.000
SHARP Programme	2.000	0.803	40.15	2.000	0.000
Housing Revenue Account Total	26.280	9.871	37.56	26.280	0.000
Programme Total	94.662	27.517	29.07	93.449	(1.213)

1.11 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.

1.12 **Carry Forward into 2024/25**
During the quarter, carry forward requirements of £1.213m (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.

1.13 Information relating to each programme area is contained in Appendix B and summarised in Table 4 below:

Table 4

CARRY FORWARD INTO 2024/25					Total
	Month 4	Reversed	Sub Total	Month 6	
	£m	£m	£m	£m	£m
Governance	0.143	0.000	0.143	0.012	0.155
Education & Youth	0.197	0.000	0.197	0.330	0.527
Social Services	1.337	0.000	1.337	0.000	1.337
Planning, Environment & Economy	0.508	0.000	0.508	0.217	0.725
Streetscene & Transportation	0.046	0.000	0.046	0.500	0.546
Capital Programme & Assets	0.898	(0.049)	0.849	0.154	1.003
Council Fund	3.129	(0.049)	3.080	1.213	4.293
TOTAL	3.129	(0.049)	3.080	1.213	4.293

1.14

Additional Allocations

Additional allocations have been identified in the programme in this quarter as follows:

- Registry Office - £0.023m. Following a recent inspection, new record cabinets are required in order to ensure compliance with statutory and legal standards in order to meet our responsibility for the safe custody of registrations within Flintshire.

This can be funded from within the current 'headroom' provision.

1.15

Savings

No savings have been identified in the programme in this quarter.

1.16

Funding of 2023/24 Approved Schemes

The position at Month 6 is summarised in Table 5 below for the three year Capital Programme between 2023/24 – 2025/26:-

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	(0.694)	<u>(0.694)</u>
Funding - (Available)/Shortfall		(1.996)

1.17 Capital receipts received in the second quarter of 2023/24, total £0.043m. This provides a revised projected surplus in the Capital Programme at Month 6 of £1.996m (from a Month 4 funding surplus of £1.953m) for the 2023/24 – 2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

1.18 **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.

1.19 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 6.

Table 6**INVESTMENT IN COUNTY TOWNS**

	2022/23	2023/24	2023 -
	Actual	Revised	2025
	£m	Budget	Budget
		£m	£m
Buckley / Penyffordd	0.745	5.065	9.288
Connah's Quay / Shotton	2.225	1.428	0.000
Flint / Bagillt	2.135	6.810	16.541
Holywell / Caerwys / Mostyn	4.195	1.246	0.000
Mold / Treuddyn / Cilcain	5.713	24.413	22.079
Queensferry / Hawarden / Sealand	0.520	2.669	0.000
Saltney / Broughton / Hope	1.250	0.298	16.000
Unallocated / To Be Confirmed	0.980	6.443	16.600
Total	17.763	48.372	80.508

1.20 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.

1.21 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.

1.22 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.

1.23 Information on the split between internal and external funding can be found in Appendix C.

1.24 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

1.25 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 2 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.

CAPITAL PROGRAMME - CHANGES DURING 2023/24

	Original Budget 2023/24	Carry Forward from 2022/23	2023/24 Previously Reported		Changes (Current)	Revised Budget 2023/24
			Changes	Carry Forward to 2024/25		
	£m	£m	£m	£m	£m	£m
Council Fund :						
People & Resources						
'Headroom'	0.350	0.150	(0.058)	0.000	(0.055)	0.387
	0.350	0.150	(0.058)	0.000	(0.055)	0.387
Governance						
Information Technology	0.357	0.294	0.530	(0.143)	0.055	1.093
	0.357	0.294	0.530	(0.143)	0.055	1.093
Education & Youth						
Education - General	0.650	6.999	0.936	(0.197)	1.035	9.423
Primary Schools	1.000	0.813	(0.524)	0.000	0.005	1.294
Schools Modernisation	1.546	0.000	(0.651)	0.000	2.680	3.575
Secondary Schools	0.000	0.560	1.326	0.000	(0.005)	1.881
Special Education	0.500	0.090	0.000	0.000	0.000	0.590
	3.696	8.462	1.087	(0.197)	3.715	16.763
Social Services						
Services to Older People	1.250	0.097	1.000	(1.337)	0.000	1.010
Learning Disability	2.430	0.000	0.031	0.000	0.000	2.461
Children's Services	0.000	0.074	1.179	0.000	0.000	1.253
	3.680	0.171	2.210	(1.337)	0.000	4.724
Planning, Environment & Economy						
Closed Landfill Sites	0.000	0.250	0.000	(0.250)	0.000	0.000
Engineering	0.000	0.383	0.000	(0.258)	0.000	0.125
Energy Services	0.000	0.000	0.207	0.000	0.142	0.349
Ranger Services	0.000	0.035	0.105	0.000	0.000	0.140
Town Centre Regeneration	0.000	0.320	0.858	0.000	0.188	1.366
Private Sector Renewal/Improv't	0.040	0.030	0.062	0.000	(0.031)	0.101
	0.040	1.018	1.232	(0.508)	0.299	2.081
Streetscene & Transportation						
Waste Services	0.000	3.805	0.217	0.000	0.000	4.022
Cemeteries	0.000	0.259	0.000	0.000	0.000	0.259
Highways	1.500	1.640	0.867	0.000	(0.156)	3.851
Local Transport Grant	0.000	0.006	8.314	0.000	0.450	8.770
Solar Farms	0.000	0.046	0.000	(0.046)	0.000	0.000
	1.500	5.756	9.398	(0.046)	0.294	16.902

	Original Budget 2023/24	Carry Forward from 2022/23	2023/24 Previously Reported		Changes (Current)	Revised Budget 2023/24
			Changes	Carry Forward to 2024/25		
	£m	£m	£m	£m	£m	£m
Housing & Communities						
Affordable Housing	0.000	0.000	0.700	0.000	0.000	0.700
Disabled Facilities Grants	1.660	0.186	0.286	0.000	0.001	2.133
	1.660	0.186	0.986	0.000	0.001	2.833
Capital Programme & Assets						
Administrative Buildings	0.663	0.325	0.034	(0.028)	0.000	0.994
Community Asset Transfers	0.000	0.597	0.227	(0.548)	0.000	0.276
Leisure Centres & Libraries	0.395	0.419	0.259	(0.245)	0.000	0.828
Play Areas	0.200	0.376	0.161	0.000	0.017	0.754
Theatr Clwyd	20.500	0.275	0.000	(0.028)	0.000	20.747
	21.758	1.992	0.681	(0.849)	0.017	23.599
Housing Revenue Account :						
Disabled Adaptations	1.100	0.000	0.000	0.000	0.000	1.100
Energy Schemes	2.311	0.000	2.924	0.000	0.000	5.235
Major Works	1.836	0.000	(0.122)	0.000	0.000	1.714
Accelerated Programmes	1.121	0.000	(0.526)	0.000	0.000	0.595
WHQS Improvements	13.221	0.000	0.215	0.000	0.000	13.436
Modernisation / Improvements	2.200	0.000	0.000	0.000	0.000	2.200
SHARP Programme	7.668	0.000	0.000	0.000	(5.668)	2.000
	29.457	0.000	2.491	0.000	(5.668)	26.280
Totals :						
Council Fund	33.041	18.029	16.066	(3.080)	4.326	68.382
Housing Revenue Account	29.457	0.000	2.491	0.000	(5.668)	26.280
Grand Total	62.498	18.029	18.557	(3.080)	(1.342)	94.662

PEOPLE & RESOURCES

Capital Budget Monitoring 2023/24 - Month 6

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'	0.387	0.000	0.387	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	0.387	0.000	0.387	0.000	0	0.000			

GOVERNANCE

Capital Budget Monitoring 2023/24 - Month 6

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	1.093	0.611	1.081	(0.012)	-1	(0.143)	Laptop replacement scheme to continue into 2024/25.	Carry Forward - Request approval to move funding of £0.012m to 2024/25.	
Total	1.093	0.611	1.081	(0.012)	-1	(0.143)			

Variance = Budget v Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2023/24 - Month 6

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	9.423	2.510	9.423	0.000	0	(0.197)			
Primary Schools	1.294	0.472	1.294	0.000	0	0.000			
Schools Modernisation	3.575	0.088	3.575	0.000	0	0.000			
Secondary Schools	1.881	0.506	1.881	0.000	0	0.000			
Special Education	0.590	(0.005)	0.260	(0.330)	-56	0.000	DDA expenditure now likely cross over financial years fall into 2024/25.	Carry Forward - Request approval to move funding of £0.330m to 2024/25.	
Total	16.763	3.571	16.433	(0.330)	-2	(0.197)			

Variance = Budget v Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2023/24 - Month 6

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	1.010	0.238	1.010	0.000	0	(1.337)			
Learning Disability Services	2.461	(0.010)	2.461	0.000	0	0.000			
Children's Services	1.253	0.545	1.253	0.000	0	0.000			
Total	4.724	0.773	4.724	0.000	0	(1.337)			

Variance = Budget v Projected Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2023/24 - Month 6

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	0.000	0.000	0.000	0.000	0	(0.250)			
Engineering	0.125	0.000	0.027	(0.098)	-78	(0.258)	Works at Greenfield reservoir are to be determined and scheduled in 2024/25 following an inspection.	Carry Forward - Request approval to move funding of £0.098m to 2024/25.	
Energy Services	0.349	(0.155)	0.349	0.000	0	0.000			
Ranger Services	0.140	0.083	0.140	0.000	0	0.000			
Townscape Heritage Initiatives	1.366	0.288	1.247	(0.119)	-9	0.000	The Historic Building Repair Grant expenditure is incurred as and when suitable grant applications are received, £0.089m. The Shotton Green Infrastructure works are to progress into 2024/25, £0.030m.	Carry Forward - Request approval to move funding of £0.119m to 2024/25.	
Private Sector Renewal/Improvement	0.101	0.033	0.101	0.000	0	0.000			
Total	2.081	0.249	1.864	(0.217)	-10	(0.508)			

Variance = Budget v Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2023/24 - Month 6

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			
Cemeteries	0.259	0.000	0.259	0.000	0	0.000			
Highways	3.851	0.244	3.351	(0.500)	-13	0.000	Decarbonisation of fleet vehicles project to progress into 2024/25.	Carry Forward - Request approval to move funding of £0.500m to 2024/25.	
Local Transport Grant	8.770	4.405	8.770	0.000	0	0.000			
Solar Farms	0.000	0.000	0.000	0.000		(0.046)			
Total	16.902	4.649	16.402	(0.500)	-3	(0.046)			

Variance = Budget v Outturn

HOUSING & COMMUNITIES

Capital Budget Monitoring 2023/24 - Month 6

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	2.133	1.156	2.133	0.000	0	0.000			DFG spend is customer driven and volatile.
Total	2.833	1.156	2.833	0.000	0	0.000			

Variance = Budget v Outturn

CAPITAL PROGRAMME & ASSETS

Capital Budget Monitoring 2023/24 - Month 6

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	0.994	0.160	0.970	(0.024)	-2	(0.028)	Expenditure is incurred as and when unauthorised encampments occur which prompt target hardening vulnerable locations.	Carry Forward - Request approval to move funding of £0.024m to 2024/25.	
Community Asset Transfers	0.276	0.276	0.276	0.000	0	(0.548)			
Leisure Centres & Libraries	0.828	0.517	0.828	0.000	0	(0.245)			
Play Areas	0.754	0.242	0.624	(0.130)	-17	0.000	Works to progress into 2024/25.	Carry Forward - Request approval to move funding of £0.130m into 2024/25.	Playarea spend is volatile and is driven by the replacement rolling programme.
Theatr Clwyd	20.747	5.442	20.747	0.000	0	(0.028)			
Total	23.599	6.637	23.445	(0.154)	-1	(0.849)			

Variance = Budget v Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2023/24 - Month 6

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	0.445	1.100	0.000	0	0.000			
Energy Services	5.235	2.218	5.235	0.000	0	0.000			
Major Works	1.714	0.682	1.714	0.000	0	0.000			
Accelerated Programmes	0.595	0.146	0.595	0.000	0	0.000			
WHQS Improvements	13.436	5.577	13.436	0.000	0	0.000			
Modernisation/Improvements	2.200	0.000	2.200	0.000	0	0.000			
SHARP	2.000	0.803	2.000	0.000	0	0.000			
Total	26.280	9.871	26.280	0.000	0	0.000			

Variance = Budget v Outturn

SUMMARY

Capital Budget Monitoring 2023/24 - Month 6

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	0.387	0.000	0.387	0.000	0	0.000			
Governance	1.093	0.611	1.081	(0.012)	-1	(0.143)			
Education & Youth	16.763	3.571	16.433	(0.330)	-2	(0.197)			
Social Services	4.724	0.773	4.724	0.000	0	(1.337)			
Planning, Environment & Economy	2.081	0.249	1.864	(0.217)	-10	(0.508)			
Streetscene & Transportation	16.902	4.649	16.402	(0.500)	-3	(0.046)			
Housing & Communities	2.833	1.156	2.833	0.000	0	0.000			
Capital Programme & Assets	23.599	6.637	23.445	(0.154)	-1	(0.849)			
Sub Total - Council Fund	68.382	17.646	67.169	(1.213)	-2	(3.080)			
Housing Revenue Account	26.280	9.871	26.280	0.000	0	0.000			
Total	94.662	27.517	93.449	(1.213)	-1	(3.080)			

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	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	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	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	2,000						14		736								1,250		0	2,000	2,000
EDUCATION & YOUTH																					
Ysgol Croes Atti, Flint	5,496							5,496											0	5,496	5,496
Ysgol Penyffordd Extension	882	882																	882	0	882
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	1,000							1,000											0	1,000	1,000
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	2,694				43				16					11			2,613		2,694	0	2,694
Transport Grant	8,770		561		1,385		300	6	488		505		2,658		287	111	2,469	117	8,653	8,770	
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
	48,372	4,287	778	43	1,385	0	6,810	22	1,224	11,908	12,505	11	2,658	11	287	2,724	3,719	19,006	29,366	48,372	
AREA TOTAL			5,065		1,428		6,810		1,246		24,413		2,669		298		6,443				

INVESTMENT IN COUNTY TOWNS - 2023/24- MONTH 6

APPENDIX C (Cont)

TOWN FUNDING	ACTUAL TO DATE £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	804						14		736								54		0	804	804
EDUCATION & YOUTH																					
Ysgol Croes Atti, Flint	84						84												0	84	84
Ysgol Penyffordd Extension	111	111																	111	0	111
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	238						238												0	238	238
STREETSCENE & TRANSPORTION																					
Highways Maintenance	227			43				16				11		11		146			227	0	227
Transport Grant	4,405				1,326		71	2	15		278		2,396		178		139		2	4,403	4,405
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	5,441									5,441									0	5,441	5,441
	11,310	111	0	43	1,326	0	407	18	751	0	5,719	11	2,396	11	178	146	193	340	10,970	11,310	
AREA TOTAL				111	1,369		407		769		5,719		2,407		189		339				

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	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000			
EXPENDITURE																					
EDUCATION & YOUTH																					
Joint Archive Facility, FCC and DCC	3,079									3,079									3,079	0	3,079
Ysgol Croes Atti, Flint	10,404					4,672	5,732												4,672	5,732	10,404
Drury County Primary	4,800	1,680	3,120																1,680	3,120	4,800
Elfed High School	4,488	1,571	2,917																1,571	2,917	4,488
Sallney/Broughton Area	16,000												5,600	10,400					5,600	10,400	16,000
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	6,137					6,137													6,137	0	6,137
STREETSCENE & TRANSPORTION																					
Highways Asset Management Plan	3,000															3,000			3,000	0	3,000
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	19,000									19,000									0	19,000	19,000
HOUSING & COMMUNITIES																					
Affordable Housing	13,600															13,600			13,600	0	13,600
	80,508	3,251	6,037	0	0	10,809	5,732	0	0	3,079	19,000	0	0	5,600	10,400	16,600	0	39,339	41,169	80,508	
AREA TOTAL			9,288		0		16,541		0		22,079		0		16,000		16,600				

Prudential Indicators Q2 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	67.169	28.626	29.737
Housing Revenue Account	24.997	26.280	29.498	24.664
Total	55.013	93.449	58.124	54.401

* £3.3m 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	234.594	322.415	330.272
Housing Revenue Account	133.623	135.942	142.334	148.594
Total	352.562	370.536	464.749	478.866

* £75m 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	314.336	419.803	432.232
Capital Financing Requirement	352.562	370.536	464.749	478.866

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	30.09.23 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%	3.9%	4.2%	4.4%
HRA	17.2%	17.7%	16.2%	16.7%