



Report of:	Meeting	Date
Councillor Lesley MacKay, Resources Portfolio Holder and Clare James, Corporate Director Resources (and S.151 Officer)	Cabinet	18 October 2023

Capital Programme Review and Monitoring Report

Key decision: No

1. Purpose of report

1.1 To consider the review of the 2023/24 Capital Programme and progress of schemes for the five month period covering the period from April 2023 to 31 August 2023, undertaken by spending officers. Noting amendments to the Capital Programme since it was last reported to Cabinet and the financial impact over the term of the Programme, through to the end of 2027/28.

2. Corporate priorities

2.1 The delivery of the Capital Programme and its monitoring will demonstrate good financial management by ensuring that the Programme is soundly based and designed to deliver the Council's strategic priorities.

3. Recommendations

3.1 That the 2023/24 Capital Programme, and its funding, totalling £18,027,390 be noted.

3.2 That re-profiling of multi-year schemes detailed below are approved.

3.3 That additional funds allocated to the capital programme through Portfolio Holder reports be noted.

3.4 That the progress of, and expenditure incurred on, capital schemes for the first five months of the 2023/24 financial year is noted.

4. Background

- 4.1** As part of the council's Performance Management process, spending and financial officers review the progress of capital scheme expenditure against the approved Programme. These reviews are carried out at least three times a year to coincide with key budget planning cycles. The summary results of this first review of the 2023/24 programme, as at 31 August 2023, are contained in Appendix 2.
- 4.2** The Original Capital Budget for 2023/24 was set at £18,419,984 (see Cabinet report 15/02/23). Details of the changes to funding since then can be found in the appropriate Cabinet, Audit Committee and Portfolio Holder reports. Details concerning spend to date, commentary and budget changes can be found in Appendix 2.

5. Key issues and proposals

- 5.1** Appendix 1 shows actual costs and commitments by Portfolio totalling £13,933,280 and variations up to the end of August against the current updated full year budget of £18,027,390, representing an aggregate spend of 77.29%.
- 5.2** The current 2023/24 Capital Programme includes 20 schemes that have been slipped from 2022/23. These schemes were reported to the Audit Committee on 26 September 2023.
- 5.3** Commentary supporting the latest position on individual capital schemes can be found in Appendix 2, highlighting expected completion times for schemes and if expected to complete in year whether completion will be within budget. For delayed projects, which are not completed at the end of the financial year, there is a mechanism in place to carry forward funds into future years.
- 5.4** Appendix 3 shows the in-year capital programme by Portfolio and Directorate, illustrating the proposed sources of funding for each scheme.
- 5.5** Appendix 4 shows the in-year capital programme by Portfolio and Directorate and the forward plan of proposed capital schemes up to 2027/28. Proposed funding of these schemes can be found in Appendix 1 and Appendix 5 summarises the schemes by the recurring/one-off/multi-year nature of the scheme.

5.6 Multi-year scheme re-phasing

Wyre Beach Management

The project experienced delays early in the programme as progress was hinged on the awarding of a licence by the Marine Maritime Organisation. This has now been approved and the expenditure for the scheme has been re-profiled to reflect the re-programming of works.

Our Future Coast

The programme has experienced delays owing to ongoing discussions with third parties and approvals of proposed schemes within the project. It is hoped expenditure will be accelerated during the second half of the year to make up lost ground.

5.7 Additional allocations

Further allocations to the capital programme have been approved after agreement of the original budget 2023/24. These are detailed below:

Wyre Beach Management

Inflationary pressures have increased the overall cost of the scheme by £10,174,557. The Environment Agency have approved this additional funding through Flood Defence Grant in Aid (FDGiA). The scheme now has a reserved allocation of £52,741,491.

Disabled Facilities Grants

In September 2023 the Department of Health and Social Care (DHSC) announced further funding totalling £50m for the Disabled Facilities Grants programme of which Wyre received £181,497.

Fleetwood Market Improvements

£357,000 has been allocated to the capital programme from capital receipts to cover the costs of roof replacements works originally scheduled for 2024/25. The benefit of bringing the works forward being that disruption at the market is contained alongside the ongoing renovation project.

Roofing works at Redmarsh Industrial Estate

£131,488 has been allocated to the capital programme from capital receipts to re-roof the complete block. This will ensure both improved weather tightness and insulation to current standards, improving the unit's internal environment.

Memorial Park Playground Equipment

The Friends of Memorial Park Group have donated £20,050 to acquire and install play equipment at the park.

Pheasants Wood, Thornton Improvement Scheme

£106 monies relating to planning application 17/00469/FULMAJ have been added to the capital programme totalling £14,648 to undertake improvement works at Pheasants Wood.

Rural England Prosperity Fund (REPF)

The council has received £400,000 to be spent over two years, with £100,000 allocated to 2023/24. The planned expenditure is detailed in the Portfolio Holder report of 6 April 2023.

UK Shared Prosperity Fund (UKSPF)

The 2023/24 budget has been amended to bring the budget in line with the submission presented to DLUHC on proposed timing of expenditure. On 7 June 2023, Cabinet approved an upgrade to the council's CCTV town centre network. This is now progressing to the final procurement. The updated budget reflects the financial implications in the Cabinet report.

5.8 Capital grants, contributions and receipts

Since the original capital programme was approved for 2023/24, there have been additional grants and contributions received, or added to the 2023/24 programme as per the table below:

Funding Source	Amount	Capital scheme
Friends of Memorial Park Group	£20,050	Memorial Park Playground equipment
S106	£14,648	Pheasants Wood, Thornton - Improvement Scheme
DLUHC	£181,497	Disabled Facilities Grants
DLUHC	£100,000	Rural England Prosperity Fund
DLUHC	£69,210	UK Shared Prosperity fund
Police and Crime Commissioner	£25,000	Upgrade CCTV Network
Environment Agency	£10,174,557	Wyre Beach Management Scheme

5.9 Section 106

As at the 31 August 2023 the council had on account the following amounts in relation to income received through Section 106 agreements:

Description	Amount
General (includes public open space, flood remediation schemes etc.)	£373,422
Affordable Housing	£1,285,463
Other Entities (held temporarily on behalf of a third party)	£88,660

6. Prudential Indicators

- 6.1 The Prudential Indicators required by the Prudential Code are designed to support and record local decision making. A number of treasury indicators, which previously formed part of the Prudential Code are now contained within the Treasury Management Code and Guidance. Local authorities are required to have regard for these indicators and report them on a quarterly basis. Given the links between these indicators and capital financing they are reported in Appendix 6.

7. Alternative options considered and rejected

7.1 No alternative options considered.

Financial, Legal and Climate Change implications	
Finance	The Capital Programme through to 2027/28 is fully funded utilising external grants and contributions, capital receipts and funding from earmarked reserves. The Capital Programme expenditure, following the review as at the end of August 2023, requires use of Capital Receipts, the Vehicle Replacement Reserve, the Capital Investment Reserve and the Property Investment Reserve.
Legal	None arising directly from this report
Climate Change	None arising directly from this report

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
health and safety	x

risks/implications	✓ / x
asset management	✓
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
Ben Ralphs	01253 887309	Ben.ralphs@wyre.gov.uk	22/09/2023

List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

Appendix 1 – Capital Programme by Portfolio 2023/24 to 2027/28

Appendix 2 – Capital Programme in-year financial position 2023/24

Appendix 3 – Capital Programme funding by scheme 2023/24

Appendix 4 – Capital Programme forward plan 2023/24 to 2027/28

Appendix 5 – Total Scheme Budget as at 2023/24 Update

Appendix 6 – Prudential and Treasury Indicators