

Meeting of:	Healthy Living and Social Care Scrutiny Committee
Date of Meeting:	Tuesday, 10 September 2024
Relevant Scrutiny Committee:	Healthy Living and Social Care
Report Title:	Capital Closure of Accounts 2023/24
Purpose of Report:	The accounts are complete, and this report is to inform Committee of the provisional financial position of the Council’s Capital Programme for the 2023/24 financial year.
Report Owner:	Director of Social Services
Responsible Officer:	Matt Bowmer, Head of Finance/S151 Officer
Elected Member and Officer Consultation:	This report does not require Ward Member consultation.
Policy Framework:	This is a matter for Executive decision by Cabinet. Slippage has been approved via the use of Chief Executive’s Emergency Powers.

Executive Summary:

The report provides detail on the closing of the Capital Programme for the period 1st April 2023 to 31st March 2024. Details by scheme, that are relevant to this Scrutiny Committee are shown in Appendix 1 and a summary table of the overall capital position is included below:

Table 1 – Summary of 2023/24 Capital Programme by Directorate

Directorate	Approved Programme 2023/24	Additions Approved Programme 2023/24	Adjusted Approved Programme 2023/24	Actual Spend 2023/24	Variance at Outturn 2023/24
	£000	£000	£000	£000	£000
Learning & Skills	24,501	73	24,574	21,563	3,011
Social Services	628	15	643	350	293
Housing	44,997	2,589	47,586	40,865	6,721
Environment	18,559	188	18,747	15,307	3,440
Place	3,721	30	3,751	3,150	601
Corporate Resources	5,213	0	5,213	4,628	585
Pipeline Schemes	815	2,500	3,315	2,757	558

Total	98,434	5,395	103,829	88,620	15,209
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Appendix 2 provides a summary of the position of the Capital Programme by directorate from approval at Council on 6th March, 2023 through to 31st March 2024, including any changes requested within this report.

Several schemes totalling £5.395M were required to be added late in the programme and the report notes the current adjusted programme of £103.829M and capital expenditure during the year of £88.620M.

Despite capital schemes facing continued challenges due to a number of issues, including significant cost increases and shortages of resources, it is pleasing to note that the 2023/24 Capital Programme out turned at £88.620M and 85.35% of the programme was spent before the end of the financial year.

Due to the dedication, commitment and hard work across all directorates, the report notes the current adjusted programme of £103.829M and net slippage of £15.013M which required approval by Emergency Powers into the 2024/25 Capital Programme. A summary table detailing slippage is provided below:

Table 2 – Detail of Slippage into 2024/25 Capital Programme by Directorate

Directorate	Adjusted Approved Programme 2023/24	Revised Outturn 2023/24	Variance 2023/24	Net Slippage requested 2023/24	Budget Adjustments /Slippage not requested 2023/24
	£000	£000	£000	£000	£000
Learning & Skills	24,574	21,563	3,011	3,004	7
Social Services	643	350	293	280	13
Housing	47,586	40,865	6,721	6,721	0
Environment	18,747	15,307	3,440	3,171	269
Place	3,751	3,150	601	675	(74)
Corporate Resources	5,213	4,628	585	604	(19)
Pipeline Schemes	3,315	2,757	558	558	0
Total	103,829	88,620	15,209	15,013	196

For this Scrutiny Committee, the position regarding the budget was a variance of £306k against an adjusted programme of £3.817M. Outturn for this Scrutiny Committee was recorded at £3.511M and slippage of £271k has been requested.

Recommendations

1. Committee note the year end capital position for financial year 2023/24.
2. Committee note the additional scheme budgets as set out in Appendix 1.
3. Committee note the summary position of the changes in the Capital Programme by directorate from approval at Council on 6th March, 2023 to 31st March, 2024, as set out in Appendix 2.
4. Committee note the Emergency Power approved in respect of the slippage as set out in Appendix 3.

Reasons for Recommendations

1. To inform Committee of the year end capital position for financial year 2023/24.
2. To inform Committee of the additional schemes added to the approved programme for 2023/24.
3. To inform Committee of the changes to the Approved Capital Programme set on 6th March 2023.
4. To advise Committee of the approved slippage in the Emergency Powers in the 2023/24 Capital Programme.

1. Background

- 1.1 Council on 6th March, 2023 (Minute Reference 777) approved the Capital Programme for 2023/24.
- 1.2 Following the end of the financial year, Cabinet is provided with provisional outturn figures for the Council. It is anticipated that the Statement of Accounts will be approved by Council during November 2024, which will follow the audit by Audit Wales.

2. Key Issues for Consideration

- 2.1 Appendix 1 details the outturn figures on the Capital Programme as at 31st March, 2024. The overall position on the revised 2023/24 Capital Programme was a variance of £15.209M against an adjusted programme of £103.829M. The position regarding this committee budget was a variance of £306k against an adjusted programme of £3.817M
- 2.2 Despite capital schemes facing continued challenges due to significant cost increases, resulting in delays to projects, and major shortage of resources in many areas, it is pleasing to note that the 2023/24 Capital Programme outturn is £88.620M as set out in the summary table below. Outturn for this Scrutiny Committee was recorded at £3.511M

Table 3 – Summary of 2023/24 Capital Programme

Directorate	Approved Programme 2023/24	Additions to Approved Programme 2023/24	Adjusted Approved Programme 2023/24	Actual Spend 2023/24	Variance at Outturn 2023/24
	£000	£000	£000	£000	£000
Learning & Skills	24,501	73	24,574	21,563	3,011
Social Services	628	15	643	350	293
Housing	44,997	2,589	47,586	40,865	6,721
Environment	18,559	188	18,747	15,307	3,440
Place	3,721	30	3,751	3,150	601
Corporate Resources	5,213	0	5,213	4,628	585
Pipeline Schemes	815	2,500	3,315	2,757	558
Total	98,434	5,395	103,829	88,620	15,209

- 2.3** From the approved programme to the revised outturn at the end of March 2024, several schemes have required to be added late in the year to provide an adjusted approved programme. Amongst these additions is revenue expenditure that required capitalisation and several late grants.
- 2.4** The summary position of all changes in the Capital Programme by directorate from approval at Council on 6th March 2023 to 31st March 2024, is set out in Appendix 2.
- 2.5** There was net slippage of £15.013M against programmes of work during the year. The slippage for this committee was £271k and Appendix 3 provides the detail of the slippage and resulting schemes.
- 2.6** The following table shows how the capital programme has been financed in 2023/24:

Table 4 – Summary of the financing of the 2023/24 Capital Programme

Source of Funding	Outturn (£'000)
General Capital Funding	3,047
General Fund Borrowing	3,452
Housing Borrowing	5,485
Capital Receipts – Housing	720
Capital Receipts – General fund including education and vehicles	3,216
WG Grants	29,445
Reserves & Revenue contributions	29,399

Other e.g., Section 106, other grants	13,856
TOTAL	88,620

2.7 General Capital Funding - Capital expenditure in the year was sufficient to cover the full allocation of the supported borrowing allocation from Welsh Government. £1.327M of the 2023/24 General Capital grant has been spent during 2023/24. In some instances where schemes were originally planned to be financed from General Capital Funding the schemes have underspent at outturn, other schemes, planned to be funded from capital receipts, revenue contributions to capital or reserves, have been substituted in their place.

2.8 Capital Receipts - The movement of the capital receipt accounts for 2023/24 are set out in the table below:

Table 5: Capital Receipts

Area	Opening Balance April 2023	Capital Receipt income	Use of Capital receipts	Closing Balance 31 March 2024
	£'000	£'000	£'000	£'000
General Use	7,502	203	(1,400)	6,305
Social Services	1,339	0	0	1,339
Education	1,790	0	(1,790)	0
Vehicles	0	26	(26)	0
Housing	0	720	(7,20)	0
Capital Receipts in Advance	0	55	0	55
Deferred Capital Receipts	11	0	0	11
TOTAL CAPITAL RECEIPTS	10,642	1,004	(3,936)	7,710

Capital Programme 2023/24

2.9 It is important to recognise the work undertaken to deliver the Capital Programme and detailed below are two schemes that have been delivered in the 2023/24 Capital Programme, under the remit of this Scrutiny Committee.

Social Services – Electric Bike Scheme

2.10 A pilot is currently being undertaken and funded though the UK Government Shared Prosperity Fund to provide electric bikes to domiciliary carers throughout the Vale of Glamorgan over a period of 12 months.

- 2.11** A number of bikes has been made available to Eastern and Western Vale carers with the aim for domiciliary carers who would like to, will cycle E-bikes between calls, producing less carbon emissions. New carers who cannot drive would have the option of going into domiciliary care using an E-bike between calls.

St Athan – Outdoor Equipment

- 2.12** The Council was approached by the local community in St Athan with a request for some fitness equipment. £35k of S106 funding was allocated from the development Land at St Johns Well.
- 2.13** Public consultation identified the types of equipment wanted and design and build quotations were obtained from suitable suppliers. The scheme has been positively received by the local community.
- 2.14** Outdoor Fitness Equipment at Lougher Place, St Athan.



3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

The Capital Programme focuses capital investment to deliver the outcomes identified as part of the Corporate Plan. Some examples are:-

- **To work with and for our communities** - Consultations are carried out with the community on capital projects. Participate Vale allows the community to have their say and get involved with Council decisions and local issues in the Vale of Glamorgan.

- **To support learning, employment and sustainable economic growth** - Further investment in schools through the School Investment Programme. Contributing as a partner in the Cardiff Capital Region City Deal will bring economic prosperity to the area.
- **To support people at home and in their community** - Investment in housing through the Housing Improvement Programme will maintain the Welsh Housing Quality Standard, consideration of alternative heating measures and new developments. Other schemes include Disabled Facility Grant, Enable schemes, Investment in leisure centres and playgrounds.
- **To respect, enhance and enjoy our environment** - The Council supports decarbonisation as part the Sustainable Communities for Learning Programme, which has seen the first Net Zero Carbon Primary School in Wales. There is a decarbonisation scheme on the Capital Programme totalling £1.538k from 2024-25 to 2028/29, and this budget has been allocated across 10 schemes for installation of LED lighting, PV Panels, air source heat pumps and interface upgrade.

The setting and the monitoring of the Capital programme follows the Five Ways of Working.

- **Looking to the long term** - The development of the capital programme is a means of planning for the future and takes a strategic approach to ensure services are sustainable and that investments are affordable over the longer term and that future need and demand for services is understood.
- **Taking an integrated approach** – In setting the capital programme, working with partners is encouraged, as it allows the utilisation of funding from various sources, such as Welsh and UK Government and S106 contributions, to deliver schemes.
- **Involving the population in decisions** – As part of the annual budget setting process there is engagement with residents, customers and partners. Prior to the implementation of certain capital schemes, consultation may also take place with the public which may in some cases be statutory.
- **Working in a collaborative way** – It is recognised that more can be achieved, and better services can be provided by collaboration, and it encourages this as a way of working in the future which includes providing funding to work with local communities.
- **Understanding the root cause of issues and preventing them** – The process for setting and monitoring the capital programme is proactive and allows an understanding of the financial and operational issues to be considered together so that issues can be tackled at the source.

4. Climate Change and Nature Implications

- The Council understands the importance of decarbonisation to help protect and sustain the environment over the long term and in line with its Climate emergency declaration is working and investing in measures to reduce its CO2 emissions. Several projects were included in the 2023/24 Capital Programme which will assist the work the Council is undertaking as part of Project Zero and commitments in the Council's Climate Challenge Plan. More detail can be found in the Section 6 of the Capital Strategy. All schemes progressed as part of the Capital Programme proposals set out the decarbonisation considerations that will be considered as part of progressing the bids.

5. Resources and Legal Considerations

Financial

- 5.1 As detailed in the body of the report.

Employment

- 5.2 Some of the work included in the capital programme will be undertaken by Council staff and the relevant costs will be recharged to the capital scheme.

Legal (Including Equalities)

- 5.3 The provisional outturn figures for the Council have been used in the preparation of the Statements of Accounts. Regulation 10(1) of the Accounts and Audit (Wales) Regulations 2014 (as amended) requires the Responsible Financial Officer to sign and date the Statement of Accounts and certify that they present a true and fair view of the financial position at the end of the year. This means that for 2023/24 the Statement of Accounts should be certified by the Section 151 Officer by 31st May 2024.
- 5.4 If it is not possible to meet this deadline the Council must advertise that this has not happened and the reason why. As it was not possible to produce the Statement of Accounts by 31st May 2024, the appropriate advert was placed outlining the reason that in line with the agreed timescales for the previous year, as agreed with Governance & Audit Committee, for preparing the accounts and recognising changes in ongoing processes and risks still in place because of the Covid-19 pandemic. The Statement of Accounts was signed by the S151 Officer by 30th June 2024.

6. Background Papers

- None.

	Approved Programme 2023/24	Additions to Approved Programme 2023/24	Adjusted Approved Programme 2023/24	Actual Spend 2023/24	Variance at Outturn 2023/24		
	£'000	£'000	£'000	£'000	£'000		
Social Services							
<u>Asset Renewal</u>							
Rondel House Fire Alarm Improvements	16	0	16	16	0	J Bennett	Scheme complete.
Flying Start - Family Centre - Electrical Upgrade	8	0	8	0	8	R Evans	Emergency powers approved to request slippage of £8k for progression of this scheme.
Newlands Street - Electrical Upgrade	40	0	40	0	40	J Bennett	Emergency powers approved to request slippage of £40k for this scheme.
Newlands Street Fire Escape	10	0	10	0	10	J Bennett	Emergency powers approved to request slippage of £10k to undertake this scheme in the 2024/25 Capital Programme.
Social Services Electric Bikes	60	0	60	60	0	G Jones	Scheme complete.
3 Cross Common	130	0	130	39	91	R Evans	Emergency powers approved for £91k to continue this scheme in the 2024/25 Capital programme.
Alterations to 6-8 Castle Avenue, Penarth	0	15	15	15	0		Spend required capitalisation on review of revenue budgets
Housing Care Fund Objective 3 Tech Enabled Care	34	0	34	34	0		Grant scheme completed.
<u>Decarbonisation Scheme</u>							
Ty Dewi Sant Residential Home PV	41	0	41	0	41	I McMillan	Emergency Powers approved to request slippage of £41k for progression of this scheme in the 2024/25 Capital Programme.
<u>Capital Bids 2023/24</u>							
Cartref Porthceri Residential Home – Drainage Repairs & Underpinning of Building	20	0	20	0	20	I McMillan	Emergency powers approved to request slippage of £20k to this scheme budget in the 2024/25 Capital Programme.
Social Services Invest to Save Schemes	100	0	100	0	100	L Carver	Emergency powers approved to request slippage of £100k to progress this scheme in the 2024/25 Capital Programme.
<u>Slippage</u>							
Rondel House Day Service Improvements	5	0	5	0	5	J Bennett	Emergency powers approved to request slippage of £5k.
Residential Home Fire Doors	48	0	48	37	11	I McMillan	Scheme in the 2024/25 Capital Programme.
Ty Dewi Sant Plant Room Renewal	127	0	127	124	3	I McMillan	Scheme complete, emergency powers approved to request slippage of £3k for account finalisation.
Ty Dyfan Boiler Replacement	10	0	10	7	3	I McMillan	Scheme complete, emergency powers approved to request slippage of £3k for account finalisation.
Social Services Radon	2	0	2	3	-1	I McMillan	Scheme complete. Requested within the emergency powers to fund the overspend from a contribution from revenue.
Rondell House Day Centre Electrical Upgrade	1	0	1	2	-1	J Bennett	Scheme complete. Requested within the emergency powers to fund the overspend from a contribution from revenue.
ICF - 4 Carys Close Refurbishment Project	0	0	0	-1	1	I McMillan	Scheme complete.
ICF - Dementia friendly passenger lifts & Lobby scheme at Cartref and Southway residential homes	17	0	17	14	3	I McMillan	Scheme complete.
Neighbourhood Services and Transport							
Community and Leisure Centre	27	0	27	25	2	E Reed	Scheme complete.
Wenvoe Pavilion Roof Repairs	0	24	24	24	0	E Reed	Spend required capitalisation on review of revenue budgets

	Approved Programme 2023/24	Additions to Approved Programme 2023/24	Adjusted Approved Programme 2023/24	Actual Spend 2023/24	Variance at Outturn 2023/24		
	£'000	£'000	£'000	£'000	£'000		
Asset Collaboration	258	0	258	258	0	L Cross	Scheme complete.
Parks	82	0	82	56	26	E Reed	Emergency powers approved to request slippage of £26k to the Parks budget in the 2024/25 Capital Programme.
<u>S106</u>							
Celtic Way park and play area, Rhoose	35	0	35	27	8	L Butler	Slippage requested of £8k via Emergency powers for continuation of this scheme.
Llantwit Major Leisure Centre - improvements to toilets and changing rooms	150	0	150	55	95	L Butler	Scheme in the 2024/25 Capital Programme. Slippage requested of £95k via Emergency Powers
St Athan Community Centre -windows and doors	8	0	8	0	8	L Butler	Scheme complete.
Play Area in Stanwell (St Davids)	2	0	2	0	2	L Butler	Scheme complete.
St Athan Outdoor Fitness Equipment	34	0	34	32	2	L Butler	Slippage requested of £1k for finalisation of the scheme.
The Grange Community Hub	75	0	75	69	6	L Butler	Scheme complete. Slippage of £1k required for finalisation of the scheme. Slippage requested of £67k to this scheme budget in the 2024/25 Capital Programme
Murchfield Community Sports Facilities	92	0	92	25	67	M Goldsworthy	
Public Open Space Tree Planting	3	0	3	0	3	M Goldsworthy	Scheme complete.
<u>Leisure & Tourism</u>							
Penarth Leisure Centre, High Level Glazing	1200	0	1,200	1,500	-300	E Reed	£300k has been requested to be brought forward from the 2024/25 budget via Emergency Powers.
Knap Skate Park	449	0	449	414	35	D Knevett	Slippage requested via Emergency powers of £35k for finalisation of this scheme.
Cowbridge Leisure Centre - Boiler Renewal	203	0	203	201	2	D Knevett	Requested overspend on Llantwit Major Leisure Centre of £2k to be funded from underspend via Emergency Powers.
Llantwit Major Leisure Centre - Boiler Renewal	145	0	145	147	-2	D Knevett	Requested overspend on this scheme budget of £2k to be funded from underspend on Cowbridge Leisure Centre - boiler Renewal via Emergency Powers.
Barry Leisure Centre Boiler Renewal	1	0	1	1	0	D Knevett	Scheme complete.
Penarth Leisure Centre Water Heaters Renewal	9	0	9	4	5	D Knevett	Requested slippage and virement via Emergency powers of £5k to the Community Centre and Leisure centres budget in the 2024/25 Capital Programme.
Air Handling Unit, Llantwit Major Leisure Centre	5	0	5	8	-3	D Knevett	£3k has been requested to be brought forward from the 2024/25 budget via Emergency Powers.
Colcot Sports Hall Flooring & net posts	86	0	86	76	10	D Knevett	Scheme complete. Slippage of £9k has been requested via Emergency Powers to be utilised in line with grant terms and conditions.
Cowbridge Leisure Centre – Lift Refurbishment	52	0	52	52	0	D Knevett	Scheme complete.
Llantwit Major Leisure Centre Roof Repairs	15	0	15	17	-2	D Knevett	Scheme complete. Scheme funded through a contribution from revenue.
<u>Parks and Grounds Maintenance Slippage</u>							
Green Flag Parks	19	0	19	18	1	C Smith	Emergency Powers approved slippage and virement to the Parks infrastructure budget in the 2024/25 Capital Programme
Gladstone Park Interpretation Scheme	28	0	28	23	5	L Butler	Emergency powers requested slippage requested of £5k for finalisation of this scheme.
Tennis Court Refurbishment	35	0	35	35	0	D Knevett	Scheme complete.
Cwrt Y Vil MUGA	96	0	96	94	2	C Smith	Scheme complete.
Total Committee	3,778	39	3,817	3,511	306		

CAPITAL MONITORING
FOR THE PERIOD ENDED 31st MARCH 2024

APPROVED PROGRAMME AS AT FINAL PROPOSALS £'000	SLIPPAGE APPROVED FROM 22/23 TO 2023/24 £'000		ADDITIONS PRIOR TO YEAR END 2023/24 £'000	SLIPPAGE APPROVED * 2023/24 £'000	APPROVED PROGRAMME 2023/24 £,000	ADDITIONS TO APPROVED PROGRAMME 2023/24 £'000	ADJUSTED APPROVED PROGRAMME 2023/24 £,000	REVISED OUTTURN 2023/24 £'000	VARIANCE 2023/24 £'000	NET SLIPPAGE REQUESTED 2023/24 £'000	BUDGET ADJUSTMENTS & SLIPPAGE NOT REQUESTED 2023/24 £'000	COMMENTS
SUMMARY												
36,697	(1,864)	Directorate of Learning and Skills	497	(10,829)	24,501	73	24,574	21,563	3,011	3,004	7	
595	342	Directorate of Social Services	125	(434)	628	15	643	350	293	280	13	
45,019	1,992	Housing	6716	(8,730)	44,997	2,589	47,586	40,865	6,721	6,721	0	
12,830	6,046	Environment	6,942	(7,259)	18,559	188	18,747	15,307	3,440	3,171	269	
4,039	1,329	Directorate of Place	(209)	(1,438)	3,721	30	3,751	3,150	601	675	(74)	
1,130	895	Directorate of Corporate Resources	3,516	(328)	5,213	0	5,213	4,628	585	604	(19)	
2,506	0	City Deal	0	(2,506)	0	0	0	0	0	0	0	
1,152	(7)	Pipeline Schemes	60	(390)	815	2,500	3,315	2,757	558	558	0	
103,968	8,733	TOTAL	17,647	(31,914)	98,434	5,395	103,829	88,620	15,209	15,013	196	

* Slippage approved in current programme

FINAL CAPITAL PROGRAMME - 2024/25

Schemes	Total Budget	Change of	Revised
		Budget	Budget
	£'000	£'000	£000
<u>Social Services</u>			
Asset Renewal			
Rondell House - Roof Repairs	15	0.00	15.00
Regional Integration Fund – Western Vale Wellbeing Hub for older adults and people living with dementia	29		29.00
		0.00	
Capital Bids 2023/24 and 2024/25			
Ty Dyfan Residential Home – Roof Renewal	290	0.00	290.00
Ty Dyfan Residential Home PV Panels	52	0.00	52.00
Social Services Invest to Save Schemes	775	100.00	875.00
Ty Dyfan Residential Home - Boiler Renewal Works	140	0.00	140.00
Residential Homes Fire Doors	135	0.00	135.00
<u>Decarbonisation Schemes</u>			
Ty Dewi Sant Residential Home PV	0	41.00	41.00
Slippage			
Newlands Street - Electrical Upgrade	0	40.00	40.00
Newlands Street Fire Escape	0	10.00	10.00
3 Cross Common (social Services Property) – Supported living W	0	91.00	91.00
Rondel House Day Service Improvements	0	5.00	5.00
Ty Dewi Sant Plant Room Renewal	0	3.00	3.00
Ty Dyfan Boiler Replacement	0	3.00	3.00
Flying Start - Family Centre - Electrical Upgrade	88	8.00	96.00
Cartref Porthceri Residential Home – Drainage Repairs & Underpinning of Building	236	20.00	256.00
<u>Neighbourhood Services and Transport</u>			
Community Centre and Leisure centres	100	5.00	105.00
Parks infrastructure	50	27.00	77.00
Knap Skate Park		35.00	35.00
Gladstone Park Interpretation Scheme	0	5.00	5.00
<u>Leisure & Tourism</u>			
Penarth Leisure Centre, High Level Glazing	1,266	-300.00	966.00
<u>Decarbonisation Schemes</u>			
Penarth Leisure Centre PV Panels	80	0.00	80.00
Barry Leisure Centre PV Panels	17	0.00	17.00
<u>Pipeline Schemes</u>			
Changing Rooms, Ancillary facilities and replacement boxing club at the Buttrills playing field	1,500	0.00	1,500.00
<u>Slippage</u>			
Air Handling Unit, Llantwit Major Leisure Centre	85	-3.00	82.00
Sports Wales Sports Hall Flooring	0	9.00	9.00
<u>S106</u>			
Celtic Way park and play area, Rhoose	146	8.00	154.00
Llantwit Major Leisure Centre - improvements to toilets and changing rooms	88	95.00	183.00
St Athan Outdoor Fitness Equipment	0	1.00	1.00
The Grange Community Hub	0	1.00	1.00
Murchfield Community Sports Facilities	100	67.00	167.00
Total Committee	5,192	271	5,463