

Town Deal Programme Financial Position Background – October 2024

- The attached spreadsheet shows.
 - The Overall Town Deal Fund Project Budgets agreed and issued to MHCLG (excludes Project Match Funding)
 - The Town Deal 2023/24 financial position to date
- Board Members may recall, part of the assurance processes in place by DLUHC, for finances is
 - Six Monthly Performance returns are reviewed.
 - Threshold of 75% of Budget Spend – if this is not reached, this can result in triggering a ‘deep dive’ review, to ensure Regularity, Propriety and Value for Money and as such possible withholding of payment.
- The 2023/24 Spend of **£1,529,486 was 50.24%** of the Budget of £3,044,485
- Currently in **2024/25** the levels of activity and procurement has resulted in an impact on the financial position. At this stage, financially the **Town Deal is £952,267 behind the minimum target,**
- Delays and changes to our profiled spending, as anticipated, the upcoming build stage will naturally involve the most significant expenditure - projects will be spending more on materials and contractors as the projects come to life.
- Consequently, the Town Deal budgets have been reprofiled into future years.
- **£11.462m** budget is planned for 2025/26, which poses a risk if not achieved.
- However, most of the projects are currently at RIBA Stage 4, means we are reaching cost certainty. This crucial milestone that indicates we are on track to finalise our budgets effectively.
- Town Deal Grant received to date **£19.233m (77% of Total)**

Financial Position as at end of October 2024

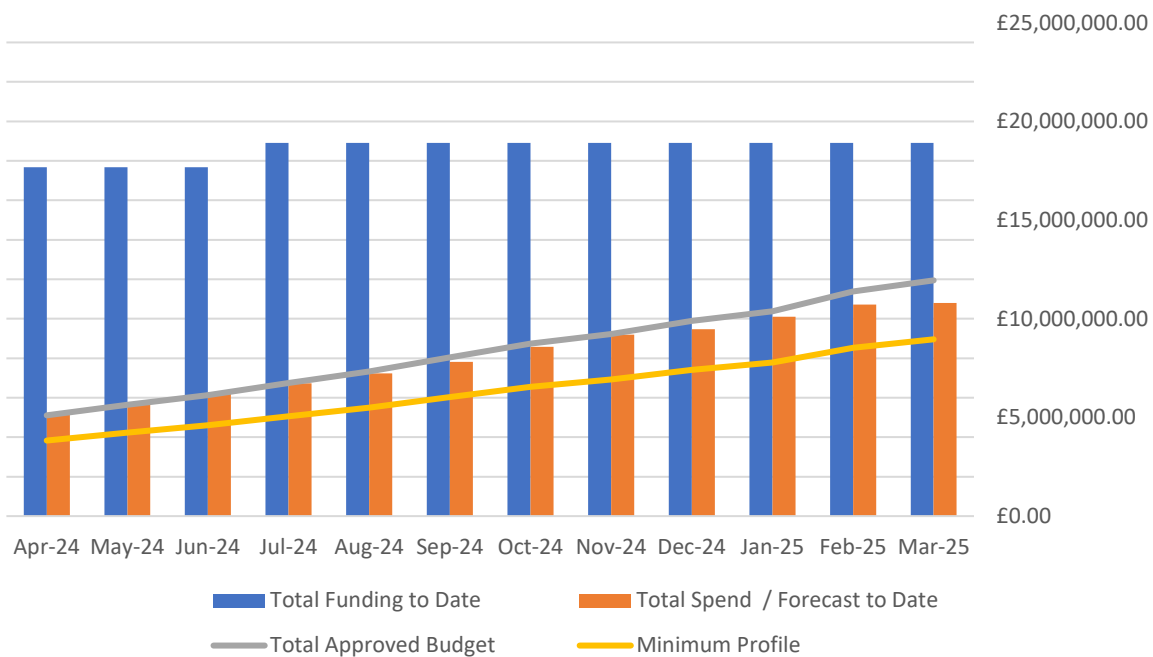
2024-25 year

- | | |
|---|-------------------|
| • Actual spend to date was | £2,256,630 |
| • Minimum target spend to date was | £3,608,897 |
| • Variance actual vs minimum target | (£952,267) |

Decision required

- The Board is asked to note the current financial position and considering only spending **just over 50% of the Budget in 2023/24**. Currently, as of September 2024 is **significantly behind the minimum target level by £952,267** there is concern that projects won't be delivered within the agreed timeframe.
- Consequently, the budget should be reprofiled as part of the exercise for MHCLG (Ministry of Housing, Communities and Local Government) to ensure that the committed spend to the end of the financial position will start to align with the Budget.
- Furthermore, several Project Adjust Requests (PAR), may also be needed within the financial year.

Town Deal Projects - April 2024 to March 2025



Town Deal Projects - to 2026

