

Town Deal Programme Financial Position – 31st December 2024

Background

- The attached spreadsheet shows.
 - The Overall Town Deal Fund Project Budgets agreed and issued to MHCLG (excludes Project Match Funding)
 - The Town Deal 2024/25 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.
- 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 £851,627 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.
- The point remains that most of the projects are at RIBA Stage 4, which means we are reaching cost certainty. This is a crucial milestone that indicates we are on track to finalise our budgets effectively.
- Town Deal Grant received to date **£18.684m (75% of Total)**

Financial Position as at end of December 2024

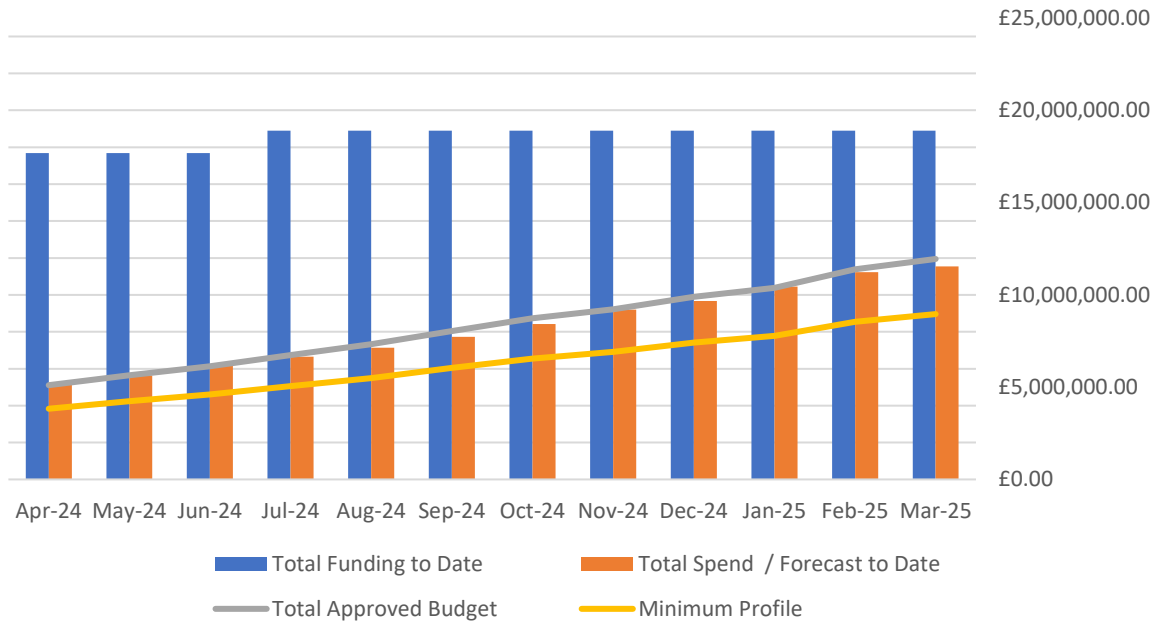
2024-25 year

- | | |
|---|-------------------|
| • Actual spend / Commitment (Dec 2024) | £3,788,383 |
| • Minimum targeted spend to date | £4,640,010 |
| • Variance actual vs minimum target | (£851,627) |

Decision required / to Note:

- Currently, as of December 2024 is **significantly behind the minimum target level by £851,627** there is concern that projects won’t be delivered within the agreed timeframe.
- Consequently, as the budgets have now been reprofiled as part of the exercise for MHCLG (Ministry of Housing, Communities and Local Government) this will ensure that the committed spend to the end of the financial position will start to align with the Budgets.
- Furthermore, 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

