

Town Deal Programme Financial Position – 31st January 2025

Background

- The attached spreadsheet shows.
 - The Overall Town Deal Fund Project Budgets agreed and issued to the Ministry of Housing, Communities and Local Government (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 MHCLG, 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 £731,733 behind the minimum target**,
- As anticipated and previously outlined, the upcoming build stage for many of the projects 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 January 2025

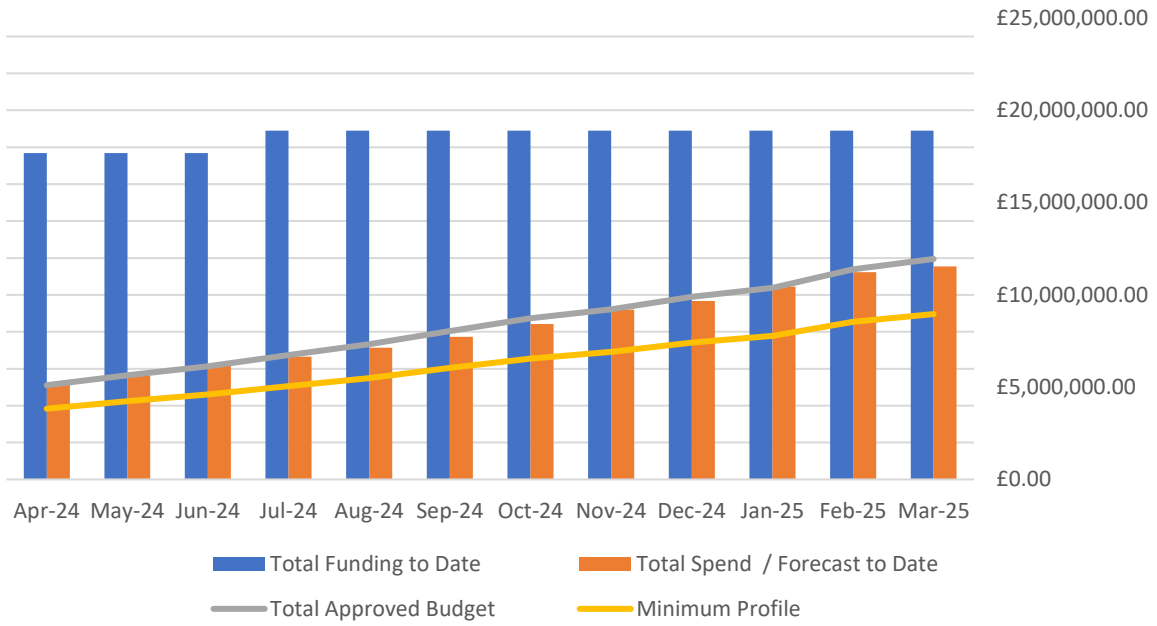
2024-25 year

- | | |
|---|-------------------|
| • Actual spend / Commitment (Jan 2025) | £4,423,834 |
| • Minimum targeted spend to date | £5,155,517 |
| • Variance actual vs minimum target | (£731,733) |

Decision required / to Note:

- Currently, as of January 2025 the programme is **significantly behind the minimum target level by £731,733**. There is concern that projects won't be delivered within the agreed timeframe.
- During the month, budgets have been reprofiled as part of an exercise for MHCLG; this should 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

