

## Appendix 5 – General Fund Capital Schemes Update

In February 2023 the Council approved a new General Fund Capital Programme of £129.526 million for 2023/24 and an indicative programme to 2027/28. The budget for the General Fund has since been adjusted to £239.352 million to include actual slippage reported at outturn, incorporation of new grant approvals and confirmation of actual grant awards.

### Economic Development

1. The Directorate Programme for 2023/24 is £37.790 million with projected expenditure of £23.261 million. The variance of £14.529 million is largely attributable to changes in timescales for the Indoor Arena project and the Core Office strategy.

### **Business and Investment**

2. The Council has drawn down repayable loan funding of £6.015 million from Welsh Government for the implementation of town centre regeneration schemes to bring back vacant, underutilised or redundant buildings into beneficial use. As at 31 March 2023, loans provided total £4.878 million with applications currently being reviewed for 2023/24 as part of a due diligence process and any new loans approved will be reported later in the financial year. A loan to the value of £950,000 has been agreed in principle, subject to terms and conditions. It should be noted that all risk in respect to repayable loans remains with the Council so robust security for loans is sought.
3. Following a robust due diligence exercise, an in year approval has resulted in a budget of £120,000 being made available for Business Grants to external small and medium sized businesses (SMEs). Funded by earmarked capital receipts, a grant of £72,000 and loan of £48,000 has been provided to Jajems Technology Limited as a contribution towards equipment required to establish a new research and development facility. The facility, which creates modified wood products, will create new jobs and attract inward investment to the city whilst also contributing significantly to the Council's sustainability targets in the One Planet Strategy.
4. A final business case for the delivery of an Indoor Arena was approved by Cabinet in September 2021. In July 2023, Cabinet approved the final terms of the Development Fund Agreement (DFA) and agreed an extension and variation of the Pre-Contract Service Agreement (PCSA). The signing of DFA documents remain subject to approval of the funding strategy at a future meeting of Cabinet, expected to be in Winter 2023, with enabling works on site due to commence in early 2024. As at month 4, the budget of £9.807 million is projected to be utilised in full. This total includes £5 million to start the multistorey car park, £3 million for enabling works expected in year and £1.800 million for land assembly and project costs.
5. There is also a budget of £8.850 million in 2023/24 to fund main construction works of the Indoor Arena. This expenditure is funded on an invest to save basis with costs recovered from annual lease income receivable from the

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 1 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	-----------------------

Arena operator over the term of the lease. Enabling works are due to commence on site in early 2024, with main construction works expected to begin circa six months later once the Development and Funding Agreement is signed and has become unconditional. Accordingly, no expenditure on main construction works is therefore anticipated in 2023/24 with full slippage projected into 2024/25.

6. In respect to the International Sports Village (ISV), land acquisition and associated costs of £19.312m have been incurred between 2021/22 and 2022/23. Expenditure on land acquisition is assumed to be recovered from sales of land, with a land disposal strategy considered by Cabinet in July 2023. There is a budget of £1.840 million for phase 2 of the ISV for the development of leisure attractions such as the Velodrome and Closed Loop Circuit, however an update was provided to Cabinet in July 2023 outlining that due to the current financial challenges relating to rising interest rates and construction inflation, the business case for investment in the leisure attractions has not been concluded. Presentation of the full business case is therefore delayed whilst the Council continues to review the proposals to ensure they are affordable. A decision is expected from Cabinet this Winter, and pending this, expenditure of £1 million is assumed with slippage of £0.840 million.
7. A sum of £342,000 is payable in the year towards the completion of paving works by Welsh Government at Central Square, which was best deemed undertaken as part of the development of the Interchange.
8. The Shared Prosperity Fund (SPF) forms part of the UK Government's Levelling Up agenda and is a framework to provide £2.600 billion of both capital and revenue funding for local investment by March 2025. Cardiff Council, together with other Southeast Wales local authorities, submitted a regional investment plan to the UK Government and was awarded just under £42 million to invest over three years, £34.500 million of which was allocated to Cardiff. The investment programme covers three priorities: community and place, and supporting local businesses, people and skills. Funding of up to £1.321 million in total is available for capital schemes in 2023/24 and of this, £530,000 has been allocated to deliver specific projects, providing the outcomes meet the criteria of SPF conditions, including expenditure incurred by the end of the year and that the schemes are delivering additionality to planned Council expenditure. Of those confirmed, £150,000 has been approved to be used towards business capital grants this financial year. Applications are currently being received for the business grants to be scored and awarded accordingly in August. A further £150,000 has been earmarked for major projects, to be identified for projects that deliver SPF outcomes as the year progresses. Of the total, £791,000 is yet to be allocated for specific projects but will be monitored throughout the year and spent in its entirety to ensure that the Council meet their obligation towards the SPF.
9. A new statue has been erected in Cardiff Bay celebrating the Rugby Codebreakers, with grant support from Welsh Government, private and public donations and funds raised through fundraising events, as well as a £50,000 contribution from the Council. Total expenditure for 2023/24 is

£138,000 including installation of the statue and plinth as well as steel panels with lettering and the unveiling ceremony took place on 19<sup>th</sup> July 2023.

## **Parks & Green Spaces**

10. The Parks Asset Renewal Infrastructure budget for 2023/24 including slippage is £214,000 and is to be used for footpath reconstruction at Grange Gardens, Waterloo Gardens, Crystal Glen and entrance improvements at Brachdy Lane. In addition, a bridge replacement at Hendre Lake is to be undertaken with funding identified from Council earmarked reserves towards this purpose with an estimated cost of £201,000.
11. As well as completion of several projects started in the previous year, design and upgrade works for several play area sites will be undertaken using developer's obligations, where available and eligible for use, as well as Council budgets as part of a replacement programme. This includes sites such as Heol Llanishen Fach and Drovers Way. Any schemes undertaken need to be managed and prioritised within existing allocated budgets.
12. A budget of £529,000 including slippage of £329,000 carried forward has been allocated to improve the condition of multi-use games areas, fitness equipment, BMX tracks and skate parks across the city. All expenditure proposed in the year is towards a destination skate park proposed in Llanrumney, with a tender exercise currently being prepared in order to complete construction this year.
13. Tennis Wales has approached the Council seeking to invest in 6 Council owned park tennis court sites across the city to improve the quality of the courts and to introduce their Club Spark management system. As highlighted in a Cabinet report in June 2023, a stage one application was submitted to the Lawn Tennis Association (LTA) to secure an "in principle" agreement for a funding package. Subject to due diligence and confirmation of sites as well as management and operating agreements, it is anticipated that the total level of investment will be in the region of £750,000. As at month 4, the Council has successfully obtained funding of £379,000 to be used towards renovation of three confirmed tennis court sites subject to terms and conditions of the grant agreement.
14. The Green Flag Infrastructure Renewal budget is £167,000 including slippage and is allocated to support the replacement of signage and infrastructure in existing Green Flag parks. A detailed list of priorities is still to be determined.
15. Expenditure of £480,000 is forecast during 2023/24 in relation to Roath Park Dam, requiring budget of £185,000 to be brought forward from future years. Investigatory modelling works continue, focusing on the detailed design of the scheme to obtain a clearer understanding of cost implications to support a Cabinet report and a recommendation as to a way forward, subject to affordability. The risk of abortive costs will need to be considered as part of the approach.

16. In June 2021, the Flat Holm Partnership comprising Cardiff Council, Royal Society for Protection of Birds, Flat Holm Society and other partners secured a £1.2 million project with £645,200 National Lottery Heritage Fund (NHLF) grant, £200k Cardiff Council investment and additional in kind value, over a three year period ending in July 2024. Following an initial review of costs, capital works estimates are projected to be significantly in excess of initial advice. The next steps are to include reviewing the scope of the project and exploring other funding sources, the impact of this meaning delay in the project pending confirmation of an updated business case.

## **Leisure**

17. The Leisure Asset Renewal Works budget totals £216,000. This is being used to complete significant roof works and remedial works, such as the replacement of the mechanical ventilation system at Cardiff International White Water Centre. These costs will be updated as the year progresses.
18. The redevelopment of Pentwyn Leisure Centre is subject to confirmation of scope and then completion of final design works to inform a tender exercise in respect to the building works and external pitches. Subject to this and approval of the business case proposed to be self-financing from existing budgets and additional revenue income, expenditure for the year is projected to be circa £200,000 meaning budget will need to be brought forward from 2024/25.

## **Venues and Cultural Facilities**

19. Property Asset Renewal works (£70,000) for St David's Hall include garage roller shutter doors, legionella works and the completion of the fire alarm installation. Costings are also being determined for any works to be undertaken by the Council prior to transfer. Subject to a feasibility report, the Council is also working with the New Theatre operator to address boiler upgrades and the programme will be updated with any agreed costs in future monitoring reports.

## **Property & Asset Management**

20. Property Asset Renewal works for non-school buildings will continue to be developed over the year and works to date and in progress include, Norwegian Church, CCTV and lift shaft works at Cardiff Castle and Central Market alarm upgrade. Slippage of £825,000 has been assumed into 2024/25 primarily due to work on the school's estate being prioritised.
21. The Community Asset Transfer budget provides up to £25,000 for improvement works to buildings being taken on by third party organisations. No schemes are currently planned for 2023/24, so the unspent budget will continue to be reprofiled into future years for review as part of the 2024/25 budget process.
22. In line with the investment property strategy approved by Cabinet in 2016, a number of additional sites where the Council is the original freeholder and

has provided a lease will be considered for acquisition with a view to onward disposal or to benefit from regearing of sites. These will be subject to completion terms, but an estimate of £430,000 is assumed as this stage for the year towards the acquisition of the long leasehold investment of Unit 10 Ipswich Road and a simultaneously negotiated new lease of the acquired site to a new occupier.

23. In respect of Central Market, subject to successful grant funding, the Council has allocated funding over four years to invest in the fabric of the building; improving the appearance, tackling structural issues and enhancing the commercial attractiveness. The estimated expenditure in year of £102,000 is primarily professional fees, with these assumed to be paid for by the National Heritage Lottery Fund (NHLF) development grant in part. The balance will be funded from a Council contribution. A final grant submission was submitted to NHLF in May 2023 and an application for both a grant and loan was submitted to Welsh Government in July 2023. Cabinet in Autumn 2023 will consider the latest position in respect to the scheme including financial impacts, next steps and obligations arising on the Council from any approved external funding.

24. The Core Office Strategy has an overall allocation of £9.750 million towards smarter working, digital infrastructure and building adaptations to allow consolidation into alternative council buildings. An amount of £4.054 million spent by 31 March 2023, with a further estimate of £2.147 million in 2023/24. Oak House was purchased in 2020/21 initially for the relocation of the Alarm Receiving Centre (ARC). However, the cost of refurbishment of Oak House to the required standard escalated following the pandemic due to inflationary pressures and rising material and specialist equipment costs. Delivery of the project significantly exceeded the assigned budget and consequently the ARC and Telecare Services have moved to County Hall in August 2023, permitting relinquishment of the lease for Willcox House. Subject to an appropriate business case, Oak House is currently being reviewed by Education and Estates as a potential provision for additional learning needs (ALN) accommodation. Drawdown of this allocation is subject to any expenditure being repaid on an invest to save basis and slippage of £2.049 million into 2024/25 is anticipated.

25. Phase one of the City Hall mechanical and electrical components refurbishment, is subject to a tender process, works to replace heating systems are expected to start next financial year, with initial costs being surveys and design costs. Projected expenditure during the year subject to receipt of a final cashflow is £300,000 of the £4.200 million budget made available from Earmarked Reserves. No funding is available for future phases which will be subject to consideration of all options as part of final business case development.

### **Harbour Authority**

26. The Harbour Asset Renewal budget approved for 2023/24 is £457,000, to be spent on installation of the graving docks boardwalk, sails decking and

completing the installation of the Senedd boardwalk scheme and water quality monitoring equipment.

### **Recycling Waste Management Services**

27. The Capital programme for 2020/21 included an allocation of £815,000 to roll out a separate glass collection scheme. The Council's recycling strategy 2021- 2025 was the subject of consultation with feedback and a phased programme of change to improve recycling performance to be considered for approval by Cabinet. Subject to the implementation costs of the strategy over the period and availability of grant funding, this budget has been carried into 2023/24 and £290,000 is forecast to be spent as part of the new recycling strategy segregation roll out planned for October/November this year.
28. The Waste Recycling and Depot Site Infrastructure budget of £128,000 is to be used for a range of infrastructure improvements at depot and recycling sites and specifically for changes to accommodate additional vehicle parking, essential to facilitate the Recycling Strategy Segregation roll out.
29. The Materials Recycling Facility (MRF) budget of £38,000 will be used for enhancements to equipment to keep the facility operational.
30. A sum of £100,000 Council match funding was requested and approved in previous to help secure a range of Welsh Government grants such as from the Circular Economy Fund to be bid for during the year. Pending confirmation as to whether external grant funding may be available, the budget continues to be carried over into future years, to be reviewed when setting the 2024/25 capital investment programme.
31. A budget of £800,000 was set for the year for the Circular Economy Fund on the basis that the grant funding source would be available and subject to a bid process. As at month 4 however, the grant has not been confirmed and therefore the budget has been removed on this basis.
32. The Welsh Government Ultra Low Emission Vehicle (ULEV) Transformation grant approval is £255,000, which will promote Electric Vehicle (EV) charging infrastructure projects in alignment with the Welsh Government's EV Charging Strategy. Of this award, £94,000 has been allocated to deliver charge points for public use and the balance of £161,000 will be used for charge points for Council owned vehicles at Lamby Way. A further allocation of £408,000 for continued roll out of electric charge points is expected in future years.

### **Education and Lifelong Learning**

33. The Directorate Programme for 2023/24 is £99.790 million, with a projected outturn of £117.492 million. Consequently, £7.987 million has been brought forward from future years and the Directorate has an overspend of £9.715 million.

## Schools - General

### *Asset Renewal - Buildings*

34. The Council's asset renewal allocation of £7.471 million in 2023/24 was budgeted for works across the estate, including roof and boiler replacements, fire precaution works and safeguarding of lobbies. However, projected expenditure for the year is £14.004 million and £6.533 million is projected to be brought forward from future years to address the condition of the estate.

### *Asset Renewal – Suitability and Sufficiency*

35. The projected expenditure for suitability and sufficiency is £31.630 million against a budget allocation for 2023/24 of £8.028 million. This has necessitated bringing forward budgets from future years in their entirety, of £13.887 million, and recognising a projected overspend of £9.175 million. A significant increase in Additional Learning Need (ALN) provision and distributing it more evenly across the County to meet demand, is the primary driver for these works. Other works undertaken include security and safeguarding works on boundaries and receptions across the schools' estate, as well as priority Disability Discrimination Act (DDA) adaptations. Current mitigations are being explored such as the possibility of acquiring match funding for schemes that align with Welsh Government priorities.

36. Slippage of £926,000 has been brought forward from 2022/23 to enable kitchen improvements to facilitate the introduction of universal free school meals across Cardiff.

### **Schools Organisation Plan – 21<sup>st</sup> Century Schools**

37. Band B of the 21<sup>st</sup> Century Schools Programme is underway with a funding envelope of £298 million. This is to be funded by a Welsh Government grant award with match funding from Cardiff Council at a rate determined by the type of school.

38. The Fitzalan High School scheme has a Welsh Government approved overall budget of £64.300 million. Expenditure on the project in 2023/24 is estimated to be £11.140 million and the scheme is estimated to be completed at a total cost of £67.443 million.

39. The Fairwater Campus scheme includes three schools (Cantonian, Riverbank and Woodlands) relocated onto one shared campus. A full business case is due to be submitted to Welsh Government in September, and expenditure to date includes surveys, professional fees and enabling works. On the proviso of a full business case being accepted, in-year costs are projected to be £27million with an overall project cost of £134 million.

40. Linked to Band B expenditure is the projected cost connected to enabling works, linked to a site in North Cardiff, to prepare the site for future schemes linked to education at a cost of £14 million.

## **People & Communities**

41. The Directorate Programme for 2023/24 is £25.307 million and projected expenditure for the year is £21.148 million with a variance of £4.159 million identified.

## **Communities & Housing**

### **Neighbourhood Regeneration**

42. The Neighbourhood Renewal Schemes budget is £822,000 which includes a £200,000 financial resilience mechanism as well as a Shared Prosperity Fund (SPF) grant allocation of £100,000. Projected expenditure at this early stage of the year is £402,000. This will allow completion of environmental improvements at Louisa Place and Llanishen Park. Planned expenditure on a new programme will be dependent on design and consultation processes and these schemes include, Llanrumney play area, Splott Park, Clare Gardens, Maria Street and Insole Court shops. Slippage of £420,000 is assumed as at month 4.

43. A budget allocation was requested and approved in 2021/22 towards District and Local Centres. Due to availability of grant funding, budgets continue to be carried forward, with £233,000 slipped into the current financial year together with an approved allocation in the year of £40,000 from Social Prosperity Fund grant. Due to the need to design future priorities, only the grant element of the budget is expected to be utilised during the financial year.

44. During 2022/23, expenditure exceeded the budget allocated for alleygating in that year due to increased contractor prices within the framework. When setting the 2023/24 budget, the forecast for expenditure on this scheme was limited due to delays in previous years in respect to legal and consultation requirements. However, a programme of locations has now been approved, with forecast expenditure of £127,000. This requires budget to be brought forward from future years, with any expenditure across the programme to be managed within the overall budget made available. As a result, there will be a need to review the number of alleygating schemes that can realistically be completed within approved budget frameworks and/or additional funding may need to be obtained from external sources. It should also be noted that once the gates are installed, any ongoing management and maintenance costs will need to be funded from the revenue budgets.

45. There is budget of £435,000 for Transforming Towns (Placemaking) whereby priorities are identified across the city as part of the placemaking plans for priority areas. Expenditure for the year is projected to be £120,000 with £40,000 to be spent on the former Transport Club and £3,000 to be spent on Tudor Street artwork. Additional projects are currently being scoped and designed.



46. Rhiwbina Hub refurbishment was completed in 2022/23 and a balance of £20,000 was carried forward into 2023/24 for the final retention payment on the construction contract.
47. Following the land appropriation of the Canton Community Centre and car park site to the Housing Revenue Account (HRA) agreed by Cabinet in March 2023, £1.100 million, deemed to be the value of the site, is to be re-invested in a new community facility as part of the new housing development. This will be spread over the term of the development, with costs estimated to be £350,000 during 2023/24.
48. The Council budget remaining to develop a Multi-Agency City Centre Youth Hub totals £2.019 million over a number of years. Further design and survey costs are being undertaken to support a review of alternative options and sites by Cabinet to deliver a viable project. Expenditure of £92,000 is assumed to take place in the year and subject to the agreed approach, there remains a risk of abortive costs.
49. Shared Prosperity Funding (SPF) of £20,000 is to be used towards refurbishment of historic, complex buildings for community use. Full expenditure is expected in year for feasibility work on a grade II listed building at the Parade to potentially be used as a city centre youth hub.
50. An allocation of £70,000 SPF is also to be used to support a community small capital scheme grant. The successful applicants have been determined following an application and assessment process. Grant awards will be limited to amounts available to the Council and paid only after confirmation of any match funding committed. Post grant assessment will be undertaken as part of the grant terms and conditions to ensure that the benefits, as outlined in bidding for such funds, are crystallised including impact on the existing and new users benefiting from the investment.
51. A vacant site on Cowbridge Road West, enjoys a prominent road frontage and is considered an important gateway site into the city and two neighbouring wards. The Council aims to secure land to determine regeneration opportunities via a youth community-based facility. This is subject to a business case, working with external partners and a future business case to Cabinet having considered all options. There is no projected spend for 2023/24 and therefore slippage of £76,000 is carried forward into 2024/25.

### **Housing (General Fund)**

52. The Disabled Facilities Service budget for mandatory and discretionary grants to housing owner-occupiers as well as for administration costs for the grants is £4.725 million. Based on current approved grant awards, full expenditure is forecast for the year, with a review to take place at the end of the calendar year as to the level of commitments and risk to exceeding budget allocated for the year because of additional pressures in demand, changes in regulations and costs.

53. As well as the above, an Enable Grant totalling £654,535 has been awarded by Welsh Government and will be utilised to deliver additional adaptations to help older, disabled, and vulnerable people by, accelerating discharge from hospital to a safe and comfortable home, reducing delayed transfers of care and improving the individual's ability to maintain independence at home.
54. The Council approved a budget of £5 million on a self-financing basis, to develop an independent wellbeing hub. At the end of 2021/22, a grant was received from Welsh Government of £1.101 million to support independent living solutions and allocated for this purpose as well. Following an options appraisal exercise, the preferred option is to build a bespoke equipment store, wellbeing hub and associated facilities such as a smart house. However, this is subject to review of costing, due diligence, and approval of external partners in line with their own processes and the Joint Agreement, as well as agreed contributions towards costs. Opportunities for external funding are also being sought with recommendations for a way forward then to be considered by Cabinet as part of the affordability and outcomes of the scheme.
55. A cabinet report of 23 March 2023 considered the approach to deliver a mixed tenure energy efficiency retrofit scheme to unimproved British Iron and Steel Federation (BISF) properties in Llandaff North and Rumney. This was following notification of a capital grant award of £4.650 million to be used towards owner occupier properties and to be spent by 31 March 2025. The approach and outcome of tender exercises are to be discussed with Welsh Government prior to proceeding with any project and managing costs within funding available and at this stage, expenditure of £400,000 is assumed during 2023/24.
56. The Council has received confirmation of two successful grant applications from Welsh Government for the prevention of Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV) totalling £602,000 to be utilised by the end of March 2024. Expenditure will include an update of community alarms to ensure contact with the emergency control room as well as the acquisition and refurbishment of two additional properties.
57. Following initial design, ground condition and design works, the extent of any expansion to the Shirenewton Traveller site has been reviewed with further design works in progress. Additional costs of £62,000 are expected during this year with risk of abortive costs, prior to any confirmation of costs and Welsh Government grant approval towards the costs of the project.
58. A budget of £323,000 is in place for owner occupier costs towards housing estate improvement schemes and as at month 4, expenditure is projected to be £163,000, including works at Trowbridge Green and Caerwent Road subject to their progress on site, specification and affordability within overall budgets. Slippage of £160,000 into 2024/25 is assumed.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 10 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------

## **Flying Start**

59. The budget for Flying Start Capital schemes for the year totals £2.570 million. This comprises of ongoing projects from previous years in relation to allocations for furniture and ICT at five nursery sites across Cardiff, alongside schemes to fund ventilation upgrades, canopies, replacement boilers and refurbishment across 19 sites. Work is ongoing at Moorland Primary School, and grant allocation of £5.729 million will be utilised in funding the project to increase sufficiency of placements in the primary school.

## **Childcare Capital Grant**

60. Expenditure of £850,000 relates to grants provided to nurseries as part of additional funding awarded by Welsh Government.

## **Social Services**

### **Children's Services**

61. The Young Persons Gateway Accommodation scheme aims to convert properties to include an office/sleep in accommodation on site, to provide supported accommodation for young people (16-18 years) to help them live independently whilst still providing intensive 24-hour support. A framework agreement is currently in progress allowing the Council to access additional properties and the budget for 2023/24 is £148,000 with projected expenditure of £120,000 which will be repaid on an invest to save basis. As at month 4, four housing association properties have been sourced with refurbishment costs shared between the association and the Council.

62. Feasibility studies for the expansion of lower-level short break provision and improvements to respite accommodation at Ty Storrie for Children and Young People with learning disabilities and behaviour challenges are currently being undertaken, to inform a business case and potentially external grant funding applications. The Council has allocated £2.885 million over a number of years to support a viable project, with £65,000 Intermediate Care Fund (ICF) grant also available towards the scheme. Slippage in the year is assumed to be £465,000.

63. As part of the Right Home, Right Support Children Looked After Commissioning Strategy (2019-2022) and the Children's Services Accommodation Strategy, a number of properties were proposed to be acquired refurbished where necessary. Options to be considered included open market purchase, new build as well as re-purposing and upgrading existing Council assets and a sum of £750,000 was allocated by the Council in year as match funding towards grant bids and repayable from service and financial efficiency gains. At month 4, slippage of £720,000 is assumed, subject to legal completion and success or otherwise of grant applications.

64. A number of properties to cover mainstream residential provision, emergency provision and emotional wellbeing services are to be acquired. Based on

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 11 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

current forecasts, the value of current commitments is circa £3.664 million, with numerous funding sources identified including Welsh Government Housing with Care Fund (HCF) grant, Intermediate Care Fund grant displacement in previous years and a Council match funding budget allocation over multiple years, which is repayable on an invest to save basis. Subject to the timing of legal completions of property and the grant bidding process, further updates will be included in future monitoring reports. As part of the commissioning strategy, it remains essential that post project appraisal of the positive financial and service outcomes are monitored to input into future schemes and an assessment of the impact of the strategy.

**Planning, Transport & Environment**

65. The Directorate Programme for 2023/24 is £55.903 million with projected expenditure of £46.835 million and a variance of £9.068 million identified.

**Energy Projects & Sustainability**

66. In May 2019, the Council entered into an agreement to obtain grant funding of £6.628 million for phase one of the Cardiff Heat Network project from the Department of Business, Energy and Industrial Strategy (BEIS) and this was awarded in March 2021. A further £8.634 million interest free Salix loan has also been agreed between the Council and Welsh Government and this will be passed on to Cardiff Heat Network (CHN) Limited, a special purpose vehicle created with the Council as sole shareholder. In any event that CHN is unable to repay the loan, the risks remain with the Council and therefore it is essential that check points are in place to ensure continued affordability as any loan is given. As at month 4, £4 million has been spent with a further projected £4 million expenditure in November for groundworks and infrastructure ready for the installation of the heat network to primary customers.

67. The One Planet Cardiff Strategy is a strategic response to the climate emergency and includes a range of actions which together, form the basis of a delivery plan to achieve carbon neutrality across the city. The allocation for 2023/24 is £1.097 million including slippage of £597,000 and as at month 4, full expenditure is projected. Projects approved include installation of recycling infrastructure, carbon zero carriageway surfacing, Bute Park Nursery rainwater collection and a healthy playground programme across Cardiff schools.

**Bereavement & Registration Services**

68. The segregated capital asset renewal allocation for bereavement services totals £157,000 for 2023/24, including £22,000 of slippage from 2022/23. Expenditure in year is forecast to be £223,000 meaning that funds will have to be brought forward from future years. Included within the expenditure is a dumper truck (£19,000) and electric ride on mower (£25,000) as well as £95,000 for tarmac and paving block works at both Cathays and Thornhill cemeteries. There is also work scheduled for the two chapels at Thornhill

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 12 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------

Crematorium including works to the cremators and works to the exits to improve the flow for people leaving services.

69. A budget of £99,000 has also been created to replace the current Burial and Cremation Administration System (BACAS), a specialist IT package managing bookings and records in relation to cremations, burial and grave ownerships. The current system is built on outdated server software which will become unsupported by October 2023 and therefore a new system is urgently required to ensure that legal and operational requirements can be met by the Service Area. The budget includes a £15,000 contribution from the overall ICT Refresh budget and expenditure will be funded on an invest to save basis and repaid over 7 years.

## Highway Maintenance

70. The approach to carriageway and footway maintenance adopts numerous repair and improvement treatments including localised patching, preventative and preservation treatments, resurfacing and reconstruction. In combination and when applied at the correct time they can minimise the whole life cost of maintenance whilst maximising the benefit of available budgets across the highway network. The budget available for treatments in 2023/24 is £7.169 million. Of this budget, £338,000 has segregated for works primarily within the city centre and a prioritised listing of capital works to be undertaken is to be determined. Where this is done, any works should have regard to the overall asset management plan. In March 2023, Cabinet considered the status of the Highway Asset Management Plan. It noted that the report will inform Cabinet's recommendations to Council for the Revenue and Capital 2024/25 and Medium-Term budget setting process and approved the release of £2 million identified in the 2023/24 budget for carriageway works. Slippage of £600,000 is assumed in respect of safety fencing to ensure alignment with electrical upgrade works on the A48 carriageway.
71. The bridges and structures budget for the year is £1.136 million and includes slippage from previous years. Works planned over multiple years include River Rhymney bridge, Fairwater and Llandennis Road culverts, North Road flyover and Cathedral Bridge refurbishment. A significant spend for the strengthening of a retaining wall at 599 Newport Road has been delayed due to buildability issues raised by the appointed contractor. Although works are ongoing to reach a solution, delays to expenditure have been unavoidable. Projects identified are primarily at design stage and subject to a construction tender exercise, slippage of £600,000 is assumed. Capacity and the programme will be reviewed to ensure effective use of budgets made available so that any required capital works to enhance structures are undertaken.
72. The street lighting renewals budget is used for new and replacement columns, however in the short term, enhanced budget allocations have been made available to address electrical works on Eastern Avenue. Implementation continues to be delayed with the design still in progress with a view to combining any works with upgrading the central reservation to

ensure better value. A tender exercise remains to be undertaken and pending this, slippage of £900,000 into 2024/25 is currently assumed.

73. Cabinet approved in May 2019, a £5.200 million invest to save business case for all remaining residential columns to be converted to LED. The project has been delayed due to internal capacity as well as restricted supply of lanterns resulting from shortages of semi-conductor components, however it is to be completed by December 2023, with projected expenditure of £727,000.
74. As part of the Welsh Government Flood and Coastal Risk Management Programme (CRMP), a scheme has been developed to improve the flood defences at the foreshore along Rover Way. The scheme was subject to a further Cabinet report setting out scope, risks, mitigations and procurement process to be undertaken. A construction contract has been awarded and is due to commence on site in quarter three of 2023/24. The estimated total cost of the scheme is £35.937 million including professional fees and a risk allowance. It should be noted that this excludes works in respect to the Lamby Way Landfill Site. The funding approach to the Coastal Risk Management Programme is that 85% of the total cost is to be funded by Welsh Government (WG), with 15% to be identified by the Council. The Welsh Government funding approach is not a cash grant towards the expenditure, but to reimburse the Council for the costs of servicing borrowing that would need to be taken by the Council, over a period of twenty-five years. In 2023/24 this will be a specific revenue grant, but from 2024/25 as part of the annual Revenue Support Grant (RSG). The WG will provide no additional funding in the event of costs exceeding the above, so robust contract management will need to be in place to manage the outcomes and costs of the scheme. Although works will commence on site, much of this will be enabling works, including investigations and set-up. It is a multiple year construction scheme with more significant spend forecast in future years. Subject to this, slippage of £2 million is currently assumed.
75. A sum of £458,000 Council match funding has been allocated towards the implementation of flood prevention measures together with Welsh Government grant funding of £1.188 million approved to date in the year. This is for small scale and post storm schemes with only £30,000 match funding likely to be utilised this year.

## **Traffic & Transportation**

76. The asset renewal telematics budget, including slippage, is £1,036 million and will be used for the replacement of obsolete analogue CCTV cameras at various locations with high-definition digital cameras. It will also be used to complete the replacement of the electronic signage/control system for the North Road tidal flow lane, the Bute Tunnel entrance and overall electronic signage for lane control across the city.
77. The total Council budget for cycling development in 2023/24, including slippage from the prior year, is £1.970 million. This will be used as well as Welsh Government grant funded schemes for primary cycleways and slippage of £1 million is assumed at this stage.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 14 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------

78. The Council Road Safety Schemes budget of £529,000 together with a sum of £841,000 Council match funding, will secure a range of grants where match funding is required. This includes schemes for local transport, safe routes in communities and road safety as described below. Slippage of £341,000 is currently projected in year, however this may increase where there is a requirement to ensure that grant funding is utilised first.
79. The Welsh Government revised allocation to Cardiff for the Local Transport Fund is £1.904 million and supports development of integrated, accessible, and sustainable transport systems. Schemes bid for and approved include £1.006 million towards improving sustainable transport and active travel measures in the city centre, and £606,000 towards the A4119 strategic bus corridor scheme phase 2D with the balance to be used for bus stop enhancements, including real time information display.
80. The Welsh Government allocation to Cardiff for Safe Routes in Communities Grant of £75,000 aims to improve accessibility and encourage walking and cycling in communities. The allocation is for the School Streets scheme, part of a wider programme working with schools to increase the use of active modes of travel for school journeys, through targeted interventions and behaviour change support to improve safety outside school gates.
81. The Welsh Government allocation to Cardiff for Active Travel is £3.386 million. The purpose of the fund is to increase levels of active travel, improve health and well-being, improve air quality, reduce carbon emissions, and connect communities. Funding will support Cycleway 2 - Newport Road Transport Corridor Link A (£408,000), active travel to schools (£711,000), Roath Park Cycleway (£787,000) and various improvements to the integrated cycle network plan (£1.480 million).
82. A new Welsh Government grant allocation of £2.041 million has been awarded to continue the roll out of a 20mph default speed limit on restricted roads across Wales coming into force in September 2023. Following any tender process, the level of funding in place will need to be reviewed to ensure that all costs are covered by external grant funding.
83. The Welsh Government Ultra Low Emission Vehicle Transformation (ULEVT) grant approval is £255,000, which will promote electric vehicle (EV) charging infrastructure projects in alignment with the Welsh Government's EV Charging Strategy. Of this, £94,000 has been allocated to deliver charge points for public use and the balance of £161,000 will be used for charge points for Council owned vehicles at Lamby Way. There is expected to be further provision of £408,000 for electric charge points available in future years.
84. The slippage of £1.508 million was carried into 2023/24 in respect of a Welsh Government Grant to undertake bus stop infrastructure improvements including real time information systems. Delays with a new Transport for Wales (TfW) framework resulted in very little expenditure last financial year, however, the contract was awarded in March 2023, with works to be implemented in 2023/24.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 15 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

85. The Council Bus Corridor enhancements budget of £502,0000 will be used for match funding towards the Welsh Government Local Transport improvement scheme (A4119 Corridor Phase 2D) and to partially fund Eastern Corridor (CW2 Newport Road).
86. Budget of £201,000 is carried forward from 2022/23 towards development of the bus transport interchange on the site of the former recycling site at Waungron Road, which is proposed to be delivered in parallel with a housing scheme. The start on site, subject to tender is anticipated in the new calendar year. and pending this, slippage of £100,000 is assumed.
87. Following approval of the Levelling Up Fund Cardiff Crossrail Phase One bid, further discussions have taken place with the UK Government to progress the scheme. As outlined in the Cabinet report of March 2023, a Full Business Case is required to unlock the full £50 million funding of the scheme in addition to the £50 million to be provided by Welsh Government towards the scheme. Up to 10% of the Levelling up allocation can be used to develop the scheme and in 2023/24 costs of circa £2.500 million are anticipated. This includes an update of the outline business case and confirmation of final business case, which is being informed by highway and rail design and survey work, the latter being undertaken on behalf of the Council by Transport for Wales as part of established governance arrangements.
88. The next stage of the Northern Bus Corridor will focus on completing the outline business case WeITAG 2 for the scheme. This work will involve surveys, modelling, concept design for schemes and further work on the installation of technological survey and bus priority measures following engagement work with key stakeholders and bus operators.
89. In April 2023, the Cabinet considered a report on delivering a permanent improvement in air quality on Castle Street in the context of citywide sustainable transport proposals. Any detailed design and implementation will be subject to Welsh Government confirmation of grant funding to meet estimated costs of the scheme. Accordingly, no budget is included in the current capital programme, but will be subject to further updates as the year progresses.
90. Following completion of works at Wood Street and Central Square, the first phase of the Canal Quarter regeneration scheme and road traffic infrastructure works scheme remains on site. The former is expected to open on a phased basis from the Autumn of 2023, with the Transport elements to be completed in the last quarter of the financial year. Following finalisation of all design packages and other unforeseen costs, the overall construction contract is estimated to cost approximately £11 million, with the overall total cost including professional fees being approximately £13 million. The balance of Council capital funding allocated towards the canal element of the scheme of £1.767 million will be used to pay towards costs in the year, with the balance assumed from external grant funding applications to Welsh Government Capital Cardiff City Deal. The ongoing risks of cost variations and resources available for the project will need to be managed closely as the project continues to ensure this can be managed within the overall

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 16 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	------------------------



funding available to the directorate. This may impact adversely on other planned projects, where this may be the case.

91. To mitigate against the impact of the City Centre works in neighbouring areas, the Council has allocated a sum of £4 million and including slippage, the amount allocated in 2023/24 is £1.176 million. This will support the completion projects such as Tudor Street transport and green infrastructure and improvements and mitigations at Pendyris Street and Clare Road junction.

## **Resources**

92. The Directorate Programme for 2023/24 is £20.562 million with a projected outturn of £14.538 million and a variance of £6.024 million identified.

## **Technology**

93. The Modernising ICT budget aims to support digitisation of business processes. The estimated costs of £130,000 during the year relate to projects to secure robotic process automation.
94. A total of £920,000 is available for ICT Refresh schemes this year, including £635,000 of slippage from 2022/23 and a virement of £15,000 to Bereavement as a contribution towards a replacing a dated system to manage bookings, burial and cremation records. Subject to delivery of equipment, expenditure of £750,000 is projected in year with projects including switch replacements (£370,000) and updates to the servers (£290,000). This budget also covers a range of projects to support ICT resilience, capacity and capability including direct access and hardware replacement. Slippage of £170,000 is projected into 2024/25.
95. Following a successful application process, funding of £7.700 million has been awarded to the Council under the Welsh Government's Local Broadband Fund in relation to Cardiff – Y Rhai Olaf – The Last Ones. The funding, which spans three financial years from 2022/23 until 2024/25, is to be used to improve broadband connectivity across the city. Expenditure of £13,000 took place on scheme development in 2022/23, with planned expenditure of £616,000 during 2023/24. Whilst slippage is significant for this financial year, WG have confirmed that funding will be awarded in stages throughout 2024/25, once works have been completed, in order to mitigate against the risk of contractors falling into administration or being unable to undertake the work due to unforeseen circumstances.

## **Central Transport Services**

96. Cabinet on 13 July 2023, approved the procurement of replacement waste collection fleet between 2023 and 2025. The value of vehicles totals circa £9.700 million, with payment on delivery. Subject to lead in times, this is likely to be in the spring of 2024, accordingly no payments are currently forecast to be made this year in respect to this procurement.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 17 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

97. The acquisition of vehicles using this budget will be via additional Council borrowing, with the directorate commitment to repay any acquisition costs over a 7-year period from existing revenue budgets held. To ensure the financial sustainability of this policy approach to acquisition of vehicles, any variations to this should be made in exceptional circumstances only, with the reasons and rationale for this reported by the S151 as part of budget monitoring reports to Cabinet.
98. Planned Expenditure during the year includes two segregated trade waste collection vehicles and two replacement co-mingled refuse collection vehicles, the latter to be paid for from earmarked reserves. Based on projected expenditure, slippage of the invest to save budget of £2 million allocated in year is £1.728 million. Further opportunities for grant funding will be considered during the year to support infrastructure and to increase the number of ultra-low emission vehicles.

### **Corporate**

99. In respect of the contingency budget of £200,000, given that it is early in the financial year, this is projected to be fully required, although as the year progresses, any under spend will be used to reduce the level of borrowing assumed in the Capital Programme.
100. The £500,000 Invest to Save budget is in place for small schemes capital identified during the year that would pay for themselves. Of this, £84,000 has been used towards the instalment of the new Bereavement ICT system. The budget will be reviewed and adjusted in future monitoring reports if schemes are approved during the year.
101. The Council's total commitment of £28.400 million over a number of years is based on its share of £120 million to the Wider Investment Fund. The budgeted drawdown for Cardiff's contribution is £4 million and full expenditure is currently projected for the year although this change subject to progress on City Deal Projects and timing of HM Treasury Grant awards as part of the financial model. City Deal expenditure is forecast on projects including the Housing Viability Gap Fund, Premises Fund, Innovation and Investment Fund, Metro Plus transport projects and Aberthaw Powerstation.
102. As part of the budget process, an allocation was made to support grant funded expenditure where there was a gap arising following completion of a business case or following the outcome of tender exercises. A number of projects are still being developed and so this funding is assumed to be carried forward into 2024/25 at this stage.
103. Following an assessment process, a total grant of £8 million has been awarded to expand electric bus fleet use in the city. Grant of £2.470 million has been paid to date as a deposit for new vehicles, with the balance payable by the end of the financial year, subject to completion and delivery of the vehicles and charging infrastructure.

4.C.213	Issue 5	Aug 2013	Process Owner: Cabinet Support Office	Authorised: Joanne Watkins	Page 18 of 19 Final
---------	---------	----------	---------------------------------------	----------------------------	---------------------------

## Section 106 Schemes and Other Contributions

The table below shows the Section 106 and other contributions forecast to be spent at the time of setting the budget. This has been reviewed by Directorates and is reflected in a revised projection as at month 4:

	Budget	Projection at Month 4	Variance
	£000	£000	£000
Parks & Green Spaces	1,655	1,087	(568)
Traffic & Transportation	680	537	(143)
Strategic Planning & Regulatory	2,388	476	(1,912)
Neighbourhood Regeneration	750	367	(383)
Economic Development	118	91	(27)
Education & Lifelong Learning	2,101	4,741	2,640
Public Housing (HRA)	3,525	2,687	(838)
<b>Total</b>	<b>11,217</b>	<b>9,986</b>	<b>(1,231)</b>

Some of the schemes included in the profile above are:

- Parks and Green Spaces – Schemes are proposed to be undertaken in a number of areas and include Adamsdown open space, Craiglee Drive and Blackweir woodland footpath improvements, Cogan Gardens, Tatham Road public open space, University Lawn - Cathays Park, and cycle improvements along the Roath Park Corridor. Capacity to deliver schemes continues to be reviewed.
- Traffic & Transportation – Public transport improvements, junction improvements, bus stops and bus borders; installation of CCTV and real time information, telematics and transportation schemes including the provision of bus routes in the city and strategic transport initiatives.
- Strategic Planning & Regulatory – Further enhancements in respect of Central Square public realm assumed to be completed in 2024/25.
- Neighborhood Regeneration – Improvements and grants towards various community facilities, subject to consultation.
- Economic Development – Support for small to medium size enterprises in Llanishen and development works at the International Sports Village.
- Education & Lifelong Learning – Additional use of contributions in year towards various school projects where in accordance with the agreements.
- Public Housing – Development of new Council housing.