

Budget Summary Report 2023 to 2024

Budget Summary 2023-24

Table of Contents

Introduction and Summary	3
Welsh Government (WG) Settlement 2023/24	3
Revenue Budget 2023/2024	4
Denbighshire Revenue Funding 2023 / 2024	7
Budget areas and their financial allocations	8
Balances	8
Council Tax	8
Capital Plan 2023/24	9
Housing Stock	10
Conclusion	11
Appendix 1: Departmental Budget Summaries	13
Housing & Communities	13
Education & Children Services	14
Schools	15
Corporate Support: Performance, Digital & Assets	15
Corporate Support: People	16
Finance and Audit	17
Highways & Environment	17
Planning, Public Protection & Countryside	19
Community Support Services	20
ADM - Leisure Residual Budgets	21
Corporate & Miscellaneous	21
Appendix 2: Denbighshire county council capital plan 2022/23 – 2025/26	23
General Capital Plan	23
Capital plan services	25
Appendix 3: Housing Revenue Account & Housing Capital Plan	33
Introduction	33
Housing Revenue Budget	33
Welsh Government Rent Policy	33
Housing Capital Plan	34
Housing Revenue Account - Budget 2022/23	35
Summary	36

Budget Summary 2023-24

Introduction and Summary

The purpose of this Budget Book is to highlight to Members, Officers and other interested parties, how Denbighshire County Council proposes to spend its Revenue and Capital budgets. It will also give details of the Housing Revenue Account and the Housing Capital Budget for 2023/24.

The information presented in this booklet provides details of the direct costs of services which are under the control of budget holders. As the Senior Leadership Team of the Council was restructured with effect from 1 April 2023 the information is for one year only. The 2023/24 budgets include items that have yet to be apportioned to services such as some inflationary contingencies and budgets to cover repairs and maintenance spend.

The Council's financial strategy is laid out in the Medium Term Financial Plan (MTFP). This is a rolling three-year financial strategy and helps provide the context for the current year's activity.

Welsh Government (WG) Settlement 2023/24

The Provisional Local Government Settlement for 2023/24 was received by the Council on 14 December 2022 and resulted in a positive settlement of +8.2%, compared to the Welsh average position of +7.9%. The Final Settlement received on 28 February 2023 confirmed this position. Within the announced figure Welsh Government have advised that there are a number of new responsibilities, not all of which have clear funding consequential within the data. Those expectations that we are required to fund include the following:

- All pay increases for both teaching and non-teaching posts are included within the RSG.
- The responsibility to pay both our own Social Care and the private sector Social Care sector the Real Living Wage.

Budget Summary 2023-24

The draft settlement includes a slightly increased indicative average settlement increases of 3.0% for 2024/25. Although this is very welcome from a planning perspective, it does represent a real terms decrease in funding when inflationary pressures are taken into account. It is clear that difficult decisions will continue to be required over the coming years.

The Final Settlement showed an increase in capital funding of £1.026m to £6.129m.

Revenue Budget 2023/2024

At the Council meeting on the 31 January 2023 members considered and approved Cabinet's budget proposals and resulting impact on Council Tax for next financial year.

The main features of the proposal included:

- A positive settlement of +8.2% in the Council's Local Government revenue settlement from Welsh Government.
- There were no 'transfers in' included in the draft settlement.
- Pay pressures (including net impact of decrease in National Insurance) of £3.269m
- Price and energy inflation of £2.897m – this includes the latest energy increase estimates received on the 22nd December (increase of £2.6m)
- Fire Service Charge of £535k
- Allowance for increase in Council Tax Reduction Scheme of £350k
- Schools inflationary pressures are recognised amounting to £3.936m
- Schools demographic pressure of £310k
- £8.187m to recognise demand pressures and forecasts in Community Support Services as part of the Council's long term strategy to manage care budgets as well as recognising the agenda to ensure all care staff are paid the Real Living Wage
- £2.7m to recognise existing pressures in Education and Children's Services relating to Out of County Placements and Recoupment.

Budget Summary 2023-24

- £1m pressure to meet the increased costs within School Transport which is becoming evident in the monthly monitoring
- Increase in insurance costs relating to impact of inflation of £150k
- Investment in priorities amounting to £500k:
 - Further investment in Carbon Zero Project of £134k for additional staff to undertake the necessary work. The programme proposes to use the existing allocation of prudential borrowing to fund capital spend in 2023/24 due to underspends over the last two years.
 - Increased Investment in Highways Capital Programme as proposed by Council (£4m capital) – requires an estimated £235k in Capital Finance Budget
 - This leaves £131k which it is proposed will be used in year to continue to fund capital projects in year (e.g. those that were brought forward by the Horizon Scanning exercise or that come out of the new Capital Plan) - £131k would equate to capital investment of c.£2.2m.
- Service non-strategic pressures of £1.282m – pressures and requirements for investments identified by services themselves.

The pressures identified above amount to £25.116m. A draft settlement of around 14.5% would have been required in order to fund all these pressures. The net +8.2% settlement generates £14.231m additional revenue leaving a funding gap of £10.885m. The following items are included in the proposals in order to bridge that gap:

- There are savings in the Capital Financing Budget amounting to £1.067m – these do not reflect reductions in the capital programme but an increase use of cash and delays to some projects.
- Corporate contingencies relating to the unused element of the Covid Contingency put aside as part of last year's budget process amounting to £1.2m.
- The impact of the triennial actuarial review of the Clwyd Pension Fund means that the Council now finds itself in a position of a small surplus instead of a significant

Budget Summary 2023-24

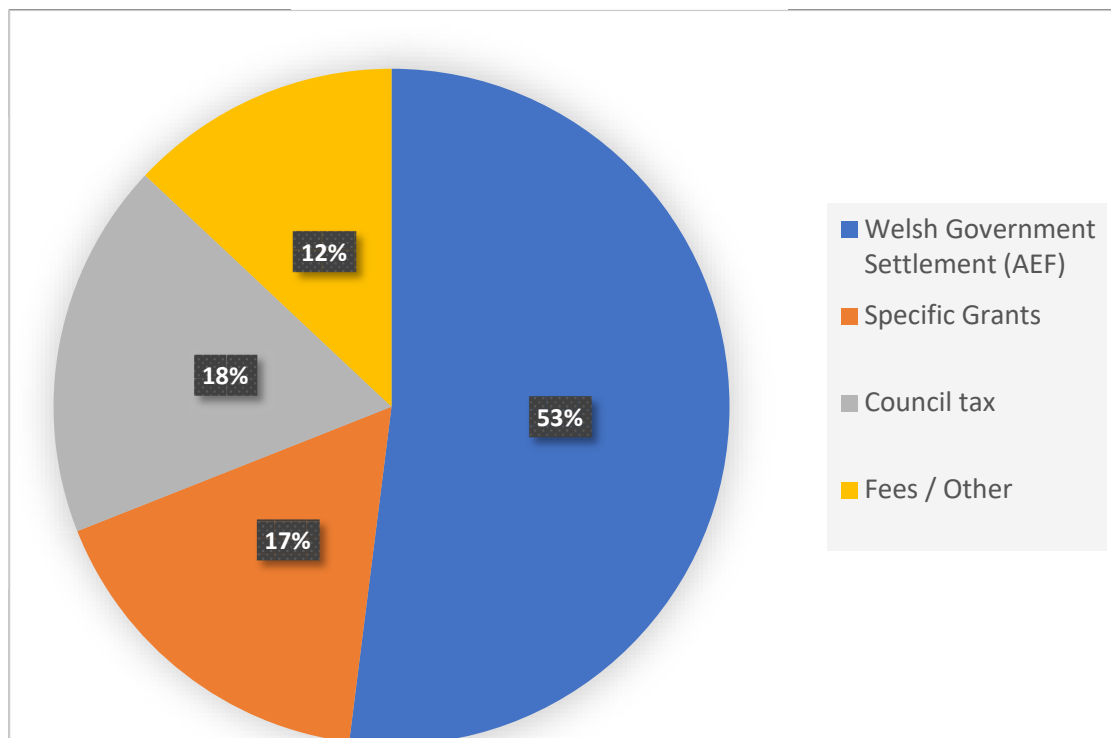
deficit that required repaying. This results in a saving of £3.828m.

- The savings from bringing the Revenues and Benefits Service back in house are now confirmed and a further £300k can be released.
- Services were asked to identify 1% savings/efficiencies and were able to identify £961k of savings as summarised below:
 - Fees and Charges Income Budgets have been inflated in line with agreed Fees and Charges policy which increases external income by £423k
 - Savings involving some element of service change amount to £371k
 - Technical budget reductions which have no impact on service delivery amount to £167k
- Schools were also asked to plan for 1% efficiencies which amount to £816k.
- It is recommended that the Council Tax increases by 3.8% which, along with minor changes to the Council Tax Base, will generate £2.713m additional revenue. This level is at the lower end of indicative increases across Wales. It is also lower than the average of 4.35% over the last four years.

The gross revenue budget for 2023/24 is £354.119m. The Council will generate or receive £44.065m in fees and charges and other income and receive £59.261m in specific grants, leaving a net revenue budget of £250.793m to be met from the Welsh Government and Council Tax payers. The Revenue Support Grant (RSG) for 2023/24 is £156.587m and the Council's allocation from the National Non Domestic Rating (NNDR) pool is £31.437m, giving a total Aggregate External Finance figure of £188.024m. The expected yield from Council Tax is £62.769m. The budget of £250.793m is £2.631m above the Standard Spending Assessment of £248.162m – the Welsh Government's estimate of what is needed to provide a 'standard level of service'.

Budget Summary 2023-24

Denbighshire Revenue Funding 2023 / 2024



The build-up for the budget is as follows:

Area of revenue	Percentage
Welsh Government Settlement (AEF)	53%
Specific Grants	17%
Council tax	18%
Fees / Other	12%

Budget Summary 2023-24

Budget areas and their financial allocations

Budget area	Financial allocation
2022 / 2023 Base Budget	233,696,000
Protection and Inflation	7,206,000
Service Pressures	10,687,000
Schools Budget Increase	5,246,000
Grants now included within or transferred out of the settlement	148,000
Investment in priorities and contingencies	1,782,000
Contingency	-1,000,000
Service-specific savings and efficiencies	-6,972,000
Net Revenue Budget 2023 / 24	250,793,000

Appendix 1 shows the summary revenue budget by service for 2023/24 with the following pages giving a more detailed breakdown of each service.

Balances

The Council has built up general balances of £5.5m at 31st March 2023, as well as a prudent level of specific reserves. The 2023/24 budget has been set without using cash reserves. This will be reviewed as part of the ongoing annual budget process. The use of cash would have to be recovered over future years but can and has been used to smooth the impact of funding reductions in a planned way.

Council Tax

This year elected members agreed a Council Tax increase of 3.80%. Council Tax payable for each property band for services provided by Denbighshire County Council is detailed below:

Budget Summary 2023-24

Tax Band	2023/24	2022/23
A	£1,023.57	986.11
B	£1,194.16	1,150.46
C	£1,364.76	1,314.81
D	£1,535.35	1,479.16
E	£1,876.54	1,807.86
F	£2,217.73	2,136.56
G	£2,558.92	2,465.27
H	£3,070.70	2,958.32
I	£3,582.48	3,451.37

Capital Plan 2023/24

The Council has to account for its investment in its fixed assets separately from the day to day running of the organisation. Capital projects will buy, repair, refurbish and develop assets so they can continue to be used in the future.

The final Capital Settlement for 2023/24 showed an increase in capital funding of £1.026m to £6.129m. This increase in specific Grant Funding needs to be seen in the context of year-on-year reductions in capital investment in previous years from the Welsh Government meaning that the Council still has to continue to rely on its own resources to invest in key projects and local priorities. This means earmarking resources to generate cash, using prudential borrowing or even selling assets to generate receipts.

Each year the Council produces a 3-year capital plan that details where it is likely to spend its funds. Every bid for capital resources is reviewed by the Capital Scrutiny Group (a group made up of elected members and senior officers) before being considered for inclusion in the Capital Plan. The Capital Plan for 2022/23 to 2025/26 was agreed by Council at its meeting on 28 February 2023. The Capital Plan summary is shown on Appendix 2.

Budget Summary 2023-24

Housing Stock

The Council has two roles in housing. The first is a statutory role to address homelessness in the County. The second is as the landlord of the Council's housing stock of approximately 3,306 dwellings. While the homelessness budget is included in the Council's general revenue budget, the housing stock has to be accounted for separately.

The budget for the housing stock is held in the Housing Revenue Account (HRA). By law this must be kept completely separate from other services. Council Tax cannot be used to fund any HRA expenditure nor can housing rents be used for anything other than housing services. The 2023/24 HRA Budget was approved by Cabinet on 13 December 2022. It is estimated it will spend £19.302m, funded by housing rents of £17.659m other income of £721k and the use of general balances of £992k. The housing capital plan for 2023/24 totals £19.537m to be spent on improving the housing stock, investment in acquisitions and new builds and other improvements.

The current Housing Stock Business Plan assumes a balance of £750k is maintained over the mid-term to mitigate against any future risks. This level of retained balance equates to 4% of the annual revenue turnover and is deemed prudent and sensible in the current economic climate, allowing some scope in the event of any unforeseen circumstance arising over the short to mid-term of the Plan. Maintaining the balance at a manageable level reduces the need to extend the current level of borrowing with the resultant savings in annual capital financing costs. This strategy also allows for further scope in future years of the Plan to extend the borrowing requirement if needed.

The Council achieved the Welsh Housing Quality Standard to all the Housing Stock in September 2014. Capital spend has been included in the HSBP which ensures sufficient resources are available to continue to maintain this standard over the 30-year plan. The stock condition survey has identified repairs, maintenance and improvement costs for the next 30 years which have subsequently been built into the business plan. However, we are anticipating a significant increase in required standards as we aim for Net Zero. No budget has been allocated for this yet and longer term funding levels remain unknown.

Budget Summary 2023-24

A summary of the Housing Revenue Account is included in this Budget Book.

Conclusion

The aim of the budget process is to ensure that the Council delivers a balanced budget. The uncertainty over the level of financial settlements in recent years has made financial planning in already difficult circumstances even more challenging.

Although recent increases in the funding received from Welsh Government is welcome, the settlement fail to keep pace with the pressures facing local authorities in Wales and therefore are effectively a reduction in funding in real terms. Schools and social care represent the most significant elements of the Council's budget and the cost of these is growing beyond the resources available. Pressures are also growing in other areas. While the Council will always endeavour to be more efficient to save money it is no longer possible to address the funding gap through efficiency savings alone and a careful balance between service savings and local taxation has to be struck. At the time of setting the budget the Medium Term Financial Plan shows a saving requirement of £6.4m in 2024 and £7.5m the following year. This will have a significant impact on the future shape of the Council and the services it delivers.

It is likely that future local government funding settlements will fail to keep pace with inflationary pressures which results in a real terms reduction in funding. Whilst there is uncertainty about the precise levels of reduction each year, it is inevitable that some hard decisions will have to be taken to ensure the Council lives within its means and continues to deliver its priorities. However, the Council's record of delivery in identifying and achieving savings while managing reserves and balances carefully results in a high degree of confidence that the Council will continue to deliver effective services while providing some investment in Council Priorities during this challenging period.

The Council has a 3/5 Year Budget Process and Medium Term Financial Plan to ensure that the Council is in the best shape possible to meet the challenge. The process is

Budget Summary 2023-24

reviewed and refined on an annual basis and the key aspects and aims of the Budget Process for 2024/25 and beyond include:

- Capture service based budget pressures (under £100k)
- Identify key strategic budget pressures (over £100k)
- Identification of Service Efficiency Targets
- 5-year Savings Plan – concentration on key projects identified during the budget process last year
- Invest to Save Fund to help pump prime efficiency projects
- Communications and Engagement Plan

The co-operation and hard work of officers and members in preparing the budget is gratefully acknowledged.

Steve Gadd

Head of Finance and Audit (Section 151 Officer)

Budget Summary 2023-24

Appendix 1: Departmental Budget Summaries

2023/24

Department	
Housing & Communities	2,708,946
Education and Children's Services	21,466,264
Schools	84,439,972
Corporate Support: Performance, Digital & Assets	7,682,286
Corporate Support: People	4,080,714
Finance and Audit	2,969,760
Highways & Environmental Services	17,359,276
Planning, Public Protection & Countryside	11,759,580
Community Support Services	51,522,717
ADM - Leisure Residual Budgets	3,401,887
Total services	207,391,402
Corporate & miscellaneous	22,094,545
Precepts & levies	6,064,034
Capital financing	15,242,556
Total Council budget	250,792,537

Housing & Communities

Service Area	2023/24
Management and support	90,582
Working Denbighshire	21,135
Community Resilience Team	98,399
Archives Service	218,610
Libraries & One Stop Shops	
Libraries	1,194,751
Home Library Service	26,055
Bibliography	21,145
Y Capel	36,659
One stop shops	398,739
Total Libraries & One Stop Shops	1,677,349

Budget Summary 2023-24

Youth Service	602,871
Total Housing & Communities	2,708,946

Education & Children Services

Service Area	2023/24
Education	
Management & support	355,188
Core Staffing Team	269,854
Asset Management	166,032
Business Support	236,415
Modernising Education	75,301
Governor Support	2,383
School Reorganisation Costs	144,146
Education Support Management	35,752
ALN & Inclusion	2,856,497
Recoupment & OCC	513,595
SI & I Grants	386,626
School Improvement	1,550,296
Total Education	6,592,085
Children's Services	
Family Support Services	1,004,903
Looked after Children Services	9,431,663
Other Children's Services	464,330
Safeguarding & Reviewing	421,381
Service Strategy	3,257,874
Youth Offending	294,028
Total Children's Services	14,874,179
Total Education and Children's Services	21,466,264

Budget Summary 2023-24

Schools

Service Area	2023/24
Schools - Delegated	89,100,450
Schools – Non delegated	
Primary	-1,673,215
Secondary	-2,991,655
Special schools	4,392
Total Schools – Non delegated	-4,660,478
Total Schools	84,439,972

Corporate Support: Performance, Digital & Assets

Service Area	2023/24
Asset Management	
Management	181,971
Building Compliance	109,193
Development & Investments	45,561
Community Buildings	-29,449
Office Accommodation	1,093,049
School Facilities Management Section	5,831
Reception Facilities Management	36,510
Valuation & Estates	-401,701
Total Asset Management	1,040,965
Business Improvement and Modernisation	
BIM Management Team	195,335
Strategic Planning	254,232
Corporate Programme Office	36,603
Community Safety	32,701
Climate and Ecological Change	971,644
Total Business Improvement and Modernisation	1,490,515

ICT

Budget Summary 2023-24

Business Transformation and ICT management	2,478,052
Service Delivery Support	684,113
ICT Projects	20,000
Digital Records Bureau	47,726
Total ICT	3,299,891

Property

Strategic Assets	5,150
Facilities & Maintenance	1,482,856
Design & Construction	21,433
Health & Safety	170,928
Principal Property Manager	240,548
Total Property	1,920,915

Total Corporate Support: Performance, Digital & Assets	7,682,286
---	------------------

Corporate Support: People

Service Area	2023/24
---------------------	----------------

Destination Marketing & Communication

Corporate Communication	443,958
Llangollen International Eisteddfod	1,000
Tourism	240,576
Public Engagement	168
Total Destination Marketing & Communication	685,702

Corporate Health & Safety	197,853
--------------------------------------	----------------

One Stop Shops	436,223
-----------------------	----------------

Legal and Democratic

Management & Support	145,730
Administration	493,066
County Solicitors	685,319
Civics	4,950
Translation	150,000
Procurement	238,740
Registrar – births/deaths/mar	-31,607
Registration of electors	166,617
Total legal & democratic services	1,852,815

Strategic Human Resources

Budget Summary 2023-24

Service Area	2023/24
Management & Support	-125,189
Training	46,093
Occupational Health	-22,710
Employee Resources & Relations	930,442
Total strategic human resources	828,636
Access to Information	79,485
Total Corporate Support: People	4,080,714

Finance and Audit

Service Area	2023/24
Audit	281,883
Corporate Finance	
Treasurer & support	141,383
Accounts	972,481
Exchequer	374,092
Total Corporate Finance	1,487,956
Revenues & Benefits	
Revenues	1,368,805
Systems Support	308,753
Cost of Collection	-477,637
Total Revenues & Benefits	1,199,921
Total Finance and Audit	2,969,790

Highways & Environment

Service Area	2023/24
Service Management	
Management	195,923
Stores	61,756
Depots	277,556
Total Service Management	535,235
Strategic Highways	
Coast	250,277
Bridges and Structures	351,972

Budget Summary 2023-24

Emergency Planning	87,791
Flood Risk Management	37,191
Highways Asset Management	1,927,550
Rights of Way	261,353
Street Works	-176,908
Total Strategic Highways	2,739,226
Streetscene	
Management & Administration	757,524
Streetscene North	1,616,628
Streetscene South	927,486
Winter Maintenance	681,081
Total Streetscene	3,982,719
Service Improvement and Fleet	
Fleet	-66,297
Quality and Performance	238,234
Total waste & fleet	171,937
Works Unit	
Major Projects Group	-76,565
Street Lighting	1,157,254
Total Works Unit	1,080,689
Catering, Cleaning and Public Conveniences	
Building Cleaning	406,007
Catering	1,208,296
Public Conveniences	272,500
Total Facilities	1,886,803
Waste Services	
Refuse Collection	1,105,272
Waste Disposal	1,925,479
Recycling	2,250,089
Transfer Stations	-96,349
Trade Waste	-80,127
Garden Waste Service	3,984
Waste Management and Administration	810,325
Food Waste	1,128,171
Trade Recycling	-55,122
Bulkies and Deliveries	-29,055
Total Waste Services	6,962,667

Budget Summary 2023-24

Total Highways and Environmental Services	17,359,276
--	-------------------

Planning, Public Protection & Countryside

Service Area	2023/24
Countryside, Culture and Heritage	
Countryside	1,200,863
Heritage	325,422
Total Countryside, Culture and Heritage	1,526,285
Traffic & Parking	
Traffic & Parking Management	116,313
Parking Services	-805,255
Highways Development Control	51,600
Road Safety	323,516
Traffic Management	187,126
Total Traffic & Parking	-126,700
Transport	
Public Transport	528,326
School Transport	7,355,749
Total Transport	7,884,075
Economic & Business Development	344,717
Planning	
Housing Strategy	63,125
Housing Renewals	10,585
Management & Support	270,580
Development Plan & Policy	252,613
Conservation & Implementation	70,086
Development Control	86,285
Building Control	64,224
Land Charges	-76,512
Total Planning	740,986
Public Protection	
Management and Support	238,987
Food Safety	274,159
Community Enforcement	-4,232
Health & Safety – Enforcement	103,387
Public Health	214,829
Licensing	7,925

Budget Summary 2023-24

Service Area	2023/24
Trading Standards	253,292
Housing Enforcement	275,126
Parking Enforcement	-5,249
Culture	31,993
Total Public Protection	1,390,217
Total Planning, Public Protection & Countryside	11,759,580

Community Support Services

Service Area	2023/24
Business Support and Communities	
WD & administration	803,795
Court of Protection	5,118
Customer Connections	112,648
Homelessness Prevention	4,316,147
Telecare Stores	249,221
Total Community and Business Support	5,486,929

Client Services

Contract and Commissioning	923,641
Work Opportunities	661,604
Provider	1,481,857
Voluntary Organisations and Grants	383,919
2 In House CLS	229,650
Reablement	1,266,936
Supported Independent Living	14,926
Carers	400,292
Total Client Services	5,362,825

Localities

Edge or Care	3,650
Locality North	12,527,529
Locality South	8,627,688
Single Point Of Access	112,335
Step Down and Reviewing	247,945
Talking Point	2,369
Total Localities	21,521,516

Specialist Services

Budget Summary 2023-24

Service Area	2023/24
Mental health	3,500,819
Complex Disabilities	16,464,660
Safeguard, Substance Misuse	958,251
Total specialist services	20,923,730
Cefndy healthcare	79,000
Adult Central Services	-1,851,283
Total Community Support Services	51,522,717

ADM - Leisure Residual Budgets

Service Area	2023/24
Premises	26,174
Management Fee	1,522,583
Service Level Agreements	418,218
Prudential Borrowing	1,434,912
Total ADM - Leisure Residual Budgets	3,401,887

Corporate & Miscellaneous

Service Area	2023/24
Council Tax Benefits	11,161,200
Corporate Budgets	
Contingency	236,167
Economic Development and Regeneration	488,205
Chief Executive – Secretariat	184,229
Unison	25,542
Coroners	181,243
Corporate Directors	436,828
Members	1,184,574
Elections	26,660
Corporate Emergency Planning	1,500
Corporate Subscriptions and Audit Fees	559,888
Corporate Investment and Inflation (e.g. NNDR, Energy, Pay)	6,402,285
Centrally held budgets - (e.g. historic pension costs)	1,206,224

Budget Summary 2023-24

Service Area	2023/24
Total Corporate Budgets	10,933,345
Total Corporate & Miscellaneous	22,094,545

Appendix 2: Denbighshire County Council Capital Plan 2022/23 – 2025/26

General Capital Plan

Budget	2022/23 Original Estimate	2023/24 Latest Estimate	2023/24 Latest Estimate	2024/25 Latest Estimate	2025/26 Latest Estimate
Capital expenditure					
Total est. payments – other	25,658	22,464	47,078	618	239
Total est. payments – major projects					
Housing improving grants	1,303	1,500	1,872	0	0
Highways Maintenance	4,713	4,713	5,209	0	0
Central Prestatyn Coastal Defence Scheme	496	16,420	9,952	7,618	8,028
Central Rhyl Coastal Defence Scheme	626	35,052	29,799	22,864	12,737
Rhyl Queens Market Redevelopment	3,662	2,848	2,709	175	0
Waste Service Remodelling	4,372	8,847	10,046	0	0
Contingency	0	500	578	0	0
Total	40,829	92,344	107,241	31,275	21,004
Capital financing					
External funding	26,922	21,253	37,224	693	139
Receipts & reserves	2,330	3,980	7,406	0	0

Budget Summary 2023-24

Budget	2022/23 Original Estimate	2023/24 Latest Estimate	2023/24 Latest Estimate	2024/25 Latest Estimate	2025/26 Latest Estimate
Prudential borrowing	11,579	67,111	62,611	30,582	20,865
Unallocated funding	0	0	0	0	0
Total capital financing	40,831	92,344	107,241	31,275	21,004

Budget Summary 2023-24

Capital plan services

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
<u>Capital programme summary</u>				
Legal, HR and democratic services	28	0	0	0
Finance and Property	10,373	3,961	0	0
Planning and Public Protection	4,594	3,327	0	0
Business Improvement and Modernisation	244	200	350	0
Community Support Services	1,498	240	0	0
Highways and Environmental Services	23,290	64,170	27,038	13,420
Education and Children Services	14,261	7,078	0	0
Contingency	764	0	0	0
Total Service Summary	55,052	78,976	27,388	13,420

Legal, HR and Democratic Services

Relocation of Coroners Accommodation, County Hall, Ruthin 2

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Relocation of Registration Service to County Hall, Ruthin	26			
Total Legal, HR and Democratic Services	28	0	0	0
<u>Finance and Property</u>				
Agricultural Estates	135	50		
Property, Capital Maintenance Works - Block Allocation	1,705	10		
Fire Risk Assessment Works - Public Buildings	137	331		
Asbestos	188	427		
Equalities	103			
Reduction in Carbon Emissions from Council Assets	390	257		
Electric Vehicle Infrastructure - Public Charging Points	213			
Energy Efficiency/Reduction at Ysgol Dinas Bran	52			
Energy Efficiency/Reduction at Pavilion Theatre, Rhyl	616			
Energy Efficiency/Reduction at County Hall, Ruthin	209			
Corporate Fleet Electric Vehicle Charging Infrastructure Phase 1	770			
Corporate Fleet Electric Vehicle Charging Infrastructure Phase 2	759			
County Hall Improved Utilisation - Upgraded Building Management System	10			

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
County Hall Improved Utilisation - Relocation of Y Bont	2			
Corwen Pavilion Development		18		
Gypsy and Traveller Site Accommodation - feasibility		20		
Rhyl, Queen's Building Redevelopment	4,041	2,848		
West Rhyl Regeneration Area Ph.2 (3-23 Edward Henry Street)	932			
Rhyl former Post Office - Car Park				
Land acquisition at Glan Elwy	111			
Total Finance and Property	10,373	3,961	0	0
Planning, Public Protection and Countryside Services				
Housing Improvement Grants	1,564			
Enable 2022-23	200			
Town Centres Covid Response - Grant Assistance	38			
Rhyl Town Centre Gateway Ph. 1 - Acquisition of 123-131 High Street	126			
Crown Hotel, Denbigh	42			
Traffic and Car Parks	504			
Local Transport Fund	239			

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Active Travel Fund	500			
Woodland Creation on land owned by the Council phases 1 & 2	594			
Allotment Support Grant	56			
Clwyd South UK Gov Levelling Up Fund	731	3,327		
Total Planning, Public Protection and Countryside Services	4,594	3,327	0	0
Business Improvement and Modernisation				
ICT Strategy Phase 2	244	200	350	
Total Business Improvement and Modernisation	244	200	350	0
Community Support Services				
Minor Adaptations, Community Equipment and Telecare	210	240		
Sub - Regional Children's Residential Assessment Centre. (Meadow Lodge)	1,288			
Total Community Support Services	1,498	240	0	0
Highways, Facilities and Environmental Services				
Highways Maintenance	5,603			
Highways Maintenance - Capital Displacement	5	500		

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Bridges	1,216	403		
Rights of Way	171			
Access Improvement Grant	64	78	78	
Rhyl Harbour/Marine Lake - Works to revetments	40			
Recovery from February 2020 Flooding	40			
Street Lighting	15			
Coastal Defence - Inspections and Essential Maintenance	188	200		
Prestatyn Coastal Defence - Outline Business Case	395			
Prestatyn Coastal Defence - Repairs to Open Stone Asphalt Revetment 2	4			
Prestatyn Coastal Defence - Construction Phase	267	16,420	4,773	4,633
Rhyl Central Coastal Defence - Outline Business Case	928			
Rhyl Central Coastal Defence - Construction Phase		35,052	22,187	8,787
East Rhyl Coastal Defence Scheme	2,333			
Flood Prevention Scheme - General	63	200		
Natural Flood Management in Denbighshire	947			
Vehicles, Plant & Equipment	1,000			

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Electric Taxis Green Fleet Pilot/Ultra Low Emissions Vehicles Transformation Fund	595			
Botanical Gardens, Rhyl - New Accommodation and Health & Safety Improvement Works	799	1,360		
Lon Parcwr Depot - Improvements to security and Depot Welfare	175			
Play Area Improvements - Year 1	166			
New Central Waste Depot, Denbigh	911			
Remodelling Waste Service	6,040	8,847		
Beach rake	58			
All Wales Play Accessibility	25			
Installation of Salt Barns at Corwen Depot	469	460		
Installation of Salt Barns at Lon Parcwr Depot	652	650		
Rhyl Green Infrastructure - Transforming Towns Funding	101			
Chewing gum removal machine	20			
Total Highways, Facilities and Environmental Services	23,290	64,170	27,038	13,420
Education and Children's Services				
Schools Capital Maintenance Block Allocation	5,648	2,327		
Universal Primary Free School Meals Phases 1 and 2	1,359	703		

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
School Workplace Transport	190	956		
Equalities	53	100		
Ysgol Emmanuel - Entrance Improvements	11	172		
Oaktree Centre - Expansion of 'Little Acorns' - WG Childcare Grant	978			
Ysgol Twm o'r Nant - Relocate Cylch Bodawen to Ysgol Twm o'r Nant - WG Childcare Grant	727	243		
Ysgol Dewi Sant - Relocation of 2 cylch groups - WG Childcare Grant	2	1,123		
Childcare Grants Small Grants Scheme	396			
Ysgol Penmorfa, Extension to Flying Start Accommodation	493			
21c Schools Band A - Ysgol Bro Dyfrdwy - New Area School (Final Retention)	33			
21c Schools Band A - Rhos Street and Ysgol Penbarras - Additional school yard	42			
21c Schools Band A - Ysgol Llanfair - New School (Final Retention)	31			
21c Schools Band A - Ysgol Carreg Emlyn - New School (Final Retention)	9			
21c Schools Band A - Rhyl, Christ the Word - New School	339			
21c Schools Band B - Ysgol Bryn Collen/Gwernant	197			
21c Schools Band B - Ysgol Pendref	126			
21c Schools Band B - Denbigh High School	156			
21c Schools Band B - Ysgol Plas Brondyffryn	1,704	536		

Budget Summary 2023-24

Budget	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Rhyl Youth Centre - Refurbishment Works	226			
Ysgol y Castell, Rhyl - Classroom Extension	2	479		
Community Focused Schools Grant	688			
Brookhouse s106 funding allocation	75			
Learners with Additional Learning Needs	522			
Hydrotherapy pool, Ysgol Tir Morfa	165	439		
Prestatyn High School Prudential Borrowing schemes	89			
Total Education and Children's Services	14,261	7,078	0	0
Contingency	764			
Total Capital Plan Services	55,052	78,976	27,388	13,420

Appendix 3: Housing Revenue Account & Housing Capital Plan

Introduction

At its meeting on 13 December 2022, Cabinet adopted the revenue budget and capital plan for the Housing Revenue Account. By adopting the budget, rent increases for dwellings and garages were agreed in accordance with rent setting policy with effect from Monday 3 April 2023.

Housing Revenue Budget

The 2023/24 HRA budget adopted by Cabinet is shown in the next page. The budget has been calculated to ensure we can deliver our revenue services, the capital investment programme to maintain the quality standard of our homes and develop our new build programme.

We are anticipating significant additional costs in future years due to expected new decarbonisation standards for our existing stock. All social landlords in Wales are anticipating additional funding from WG to support this.

Welsh Government Rent Policy

Welsh Government developed a policy for social housing rents that will be applied consistently by all social landlords and reflect the type; size; location and quality of the Landlord's properties. Given the significant rise in UK inflation (CPI) to 10.1%, for 2023/24, the Minister has agreed to a maximum rent increase of 6.5% in conjunction with some additional commitments being agreed with the housing sector. These include no evictions due to financial hardship and providing targeted support for households, these are matters which we can commit to. The Minister's decision is a maximum and for Denbighshire we are proposing to increase our weekly rents by 5%. Therefore, in summary –

- The overall total increase across all stock is 5%.
- The average weekly rent will be £102.31.
- The average weekly rent increase will be £4.87.

Budget Summary 2023-24

As part of the WG rent policy the Council will be required to ensure that any rent increase considers affordability for tenants, value for money and an assessment of cost efficiencies. Information on this can be seen below.

Housing Capital Plan

As part of the budget process it is necessary to review the Housing Stock Business Plan and this is achieved through a due diligence exercise on an ongoing basis to review the assumptions used and to validate the robustness of the financial model. In addition, the review undertakes a sensitivity analysis.

The current Housing Stock Business Plan assumes a minimum balance of £750k is maintained over the mid-term to mitigate against any future risks.

The HSBP maintains borrowing to fund capital works such as the new build and improvement programmes. The level of borrowing is closely monitored as this is related to annual capital financing costs. All Council's in Wales have reached agreement with Welsh Government to remove the borrowing cap from HRA's as per the Deed of Termination of HRA Subsidy Voluntary Agreement 20th March 2019. This repealed the previously agreed cap introduced by the Housing Act 2014 settlement payment.

Local Authorities in Wales are still required by Regulation to have regard to the

Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003. Therefore, any borrowing undertaken by LHAs following the abolition of the borrowing cap will continue to be "unsupported" and any increase is for Local Authorities to manage within their existing resources.

Housing Revenue Account - Budget 2023/24

Budget	2022/23 Original Budget	2022/23 Projected Outturn (M9)	2023/24 Proposed Budget
Expenditure:			
Supervision & Management – General	2,734,769	2,832,990	3,080,891
Supervision & Management – Service Charges	580,003	586,009	637,109
Repairs and Maintenance	5,327,541	5,540,000	6,023,000
Total Housing Management	8,642,313	8,959,000	9,741,000
Item 8 capital charges	6,631,000	6,327,000	7,471,000
Capital funded from revenue	1,831,000	1,701,102	1,808,102
Capital Funded from Revenue - AHG	135,000	134,898	135,000
Provision for bad debts	345,000	145,000	147,000
Total Expenditure	17,584,313	17,267,000	19,302,102
Income:			
Rents (net of voids)	16,862,000	16,677,000	17,659,000
Service charges	397,000	362,000	383,000
Garages	182,000	184,408	195,000
Affordable Housing Grant	135,000	134,898	135,000
Interest on balances & other income	5,000	10,000	7,750
Total income	17,581,000	17,368,306	18,379,750
Surplus / Deficit (-) for the Year:			
General Balances	1,827,687	1,802,409	885,750
Balance as at start of year ~ General	2,056,536	2,056,536	2,157,843
Earmarked Balances	-1,831,000	-1,701,102	-1,808,102
Balance as at end of year ~ General	2,053,223	2,157,843	1,235,491

Summary

Area	2022/23	2023/24	2024/25	2025/26	2026/27
Capital Expenditure					
Planned improvements	14,139,000	9,249,000	9,572,000	9,908,000	10,156,000
New build construction	10,625,000	10,288,000	4,408,000	5,501,000	243,000
Acquisition of Properties	750,000	0	0	0	0
Other improvements	0	0	0	0	0
Total	25,514,000	19,537,000	13,980,000	15,409,000	10,399,000
Capital Funding					
Major Repairs Allowance	2,373,000	2,373,000	2,373,000	2,373,000	2,373,000
Usable Capital Receipts	70,000	895,000	0	0	0
Borrowing	15,000,000	12,000,000	10,500,000	5,000,000	5,000,000
Other Funding Sources	6,235,000	2,325,000	0	1,200,000	0
Capital Exp. funded by HRA	1,836,000	1,944,000	1,107,000	0	0
Total	25,514,000	19,537,000	13,980,000	8,573,000	7,373,000
Revenue expenditure					
Management	3,419,000	3,718,000	3,910,000	4,096,000	4,249,000
Repairs & Maintenance	5,540,000	6,023,000	6,336,000	6,639,000	6,889,000
Interest	3,070,000	3,465,000	3,743,000	3,858,000	3,848,000
Capital Financing Charge	3,257,000	4,006,000	4,604,000	5,128,000	5,377,000
Total	15,286,000	17,212,000	18,593,000	19,721,000	20,363,000
Revenue Income					
Gross Rental Income	17,056,000	18,057,000	19,168,000	19,531,000	20,287,000
Garages	184,000	195,000	201,000	207,000	211,000
Service Charges	362,000	383,000	395,000	407,000	415,000
Voids	-379,000	-398,000	-420,000	-426,000	-441,000
Bad Debts	-145,000	-147,000	-149,000	-150,000	-152,000
Interest on Balances	135,000	135,000	135,000	135,000	135,000
Total	17,213,000	18,225,000	19,330,000	19,704,000	20,455,000
Balances					
Surplus / Deficit (-) For Year	1,937,000	1,021,000	742,000	-13,000	95,000
Cap Exp funded by HRA	1,836,000	1,944,000	1,107,000	0	0
Balance Brought Forward	2,057,000	2,158,000	1,235,000	870,000	857,000
Surplus / - Deficit after CERA	101,000	-923,000	-365,000	-13,000	95,000
Balance carried forward	2,158,000	1,235,000	870,000	857,000	952,000