

Report to	Cabinet
Date of meeting	24 th June 2025
Lead Member / Officer	Cllr Barry Mellor: Lead Member for Environment and Transport / Paul Jackson: Head of Highways and Environmental Services
Report author	Tony Ward: Corporate Director: Environment and Economy
Title	WG Local Government Borrowing Initiative (LGBI)

1. What is the report about?

- 1.1. This report is about an urgent decision made by the Corporate Director: Environment and Economy on 12th June 2025. The record of the decision can be found at Appendix I.

2. What is the reason for making this report?

- 2.1. To fulfil the requirement to report such urgent delegated decisions to the next available meeting of the Cabinet.

3. What are the Recommendations?

- 3.1. That Cabinet note the decision and the reasons why the decision was urgent and needed to be made prior to the next available meeting of the Cabinet.

4. Report details

- 4.1. As stated in the record of decision, it was important to make an urgent decision to accept the LGBI funding so that the team in Highways & Environmental Services could start to deliver what is a significant programme of important highways improvements. It will be a challenge to deliver all this work within the necessary timescales, so it was important to give the service the very best opportunity to succeed and to avoid having to return the funding to WG.

Mae'r ddogfen hon ar gael yn Gymraeg. This document is available in Welsh.

5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?

- 5.1 The decision contributes directly to the Prosperous Denbighshire theme in the Corporate Plan theme which aims to support access to education, employment, services, goods, and activities by maintaining a safe road network throughout the county.

6. What will it cost and how will it affect other services?

- 6.1 The LGBI will provide DCC with £4,780,699 of funding in support of maintenance and renewal schemes that deliver asset condition improvements to roads, bridges or footways during the two-year period of 2025-27.
- 6.2 The scheme works by WG providing revenue funding to support borrowing over 20 years to fund capital spend on highways maintenance. In theory at least, this makes it budget neutral for DCC.

7. What are the main conclusions of the Well-being Impact Assessment?

- 7.1. No specific Well-being Impact Assessment has been carried out in relation to this report.

8. What consultations have been carried out with Scrutiny and others?

- 8.1. A presentation has been provided to all MAGs detailing the funding provided and the proposed two-year resurfacing programme produced. The programme was very well received and warmly welcomed by all MAGs.
- 8.2. A report detailing the funding has been presented to Capital Scrutiny Group and has been approved by this Group. Approval to make this emergency decision has been received from the Leader and Deputy Leader.

9. Chief Finance Officer Statement

- 9.1. The Capital Scrutiny Group reviewed and supported the Welsh Government scheme which works by WG providing revenue funding to support borrowing over 20 years to fund capital spend on highways maintenance. The allocations from WG are based on an interest rate of 5.49% to support the borrowing costs of capital expenditure of £4.78m over two years. The actual cost of borrowing may differ and will be monitored with the Council's overall capital financing budget. The funding will be allocated to the Council by means of an in-year grant in 2025-26, and in 2026-27, reverting to the Revenue Support Grant (RSG) thereafter, in both cases using the Standard Spending Assessment (SSA) Formula. This will be reflected in the Medium Term Financial Plan.

10. What risks are there and is there anything we can do to reduce them?

- 10.1. As this funding is being provided by WG, there is minimal risk to DCC as this is grant allocated and WG are actively urging councils to move forward with delivery of schemes.
- 10.2. The main risk is the risk of failing to deliver the programme with the required timescales. The way to reduce this risk was to make an urgent delegated decision.

11. Power to make the decision

- 11.1. This report is for information, and no decision is being sought via this report. However, The Chief Executive and Directors are authorised to take or authorise in consultation with the Chair and Vice-Chair of the Cabinet, any action on any matter within the Terms of Reference of the Cabinet which they consider to be of such urgency that it cannot await a meeting of the Cabinet provided that such action shall be reported for information to the next available meeting of the Cabinet.