

DENBIGHSHIRE COUNTY COUNCIL

RECORD OF DECISION BY CABINET MEMBER / CHIEF OFFICER

Decision taken by: Corporate Director: Environment and Economy

Date of decision: 12 June 2025

Decision: To approve the acceptance of the WG Local Government Borrowing Initiative (LGBI) funding as reported to Capital Scrutiny Group at its meeting on 28th May 2025. This decision will allow DCC Highways to commence work on the programme straight away which will greatly assist with being able to deliver this extensive programme of works during the optimum time for carriageway surfacing works. The works will be procured and delivered via the NMWTRA surfacing framework, as is the normal case with resurfacing works. DCC have engaged early with contractors and are ahead of other neighbouring authorities in this LGBI process, therefore an early decision on this matter will allow DCC to commence delivery of schemes ahead of other LA's who also utilise this framework.

What is the decision about?

With the objectives of improving the local highway asset, Welsh Ministers have made a commitment to assist local authorities meet mounting financial pressures, allowing them to free up resources for self-financing or prudential borrowing up to an expected aggregate total of £120 million, exclusively for capital highway improvement investment during the 2 financial-year period 2025-27. Revenue funding will be made available over a twenty-year period.

The funding will be allocated to local authorities 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.

The scheme works by WG providing revenue funding to support borrowing over 20 years to fund capital spend on highways maintenance. The allocations for Denbighshire, together with an indicative borrowing the allocation is intended to support (based on an interest rate of 5.49%) are as below:

- 2025/26 to 2044/45 – funding allocation to support borrowing £239,828 per year - Indicative borrowing / capital £2,868,419 in 2025/26
- 2026/27 to 2045/46 – funding allocation to support borrowing £159,886 per year – Indicative borrowing / capital £1,913,279 in 2026/27.

Investment wise for DCC Highways the business justification case to WG was produced in order to seek approval for £4,780,699 of LGBI funding in support of maintenance and renewal schemes that deliver asset condition improvements to

roads, bridges or footways, comprising schemes during the two-year period of 2025-27.

The submission included a two-year programme identifying the schemes and locations where this funding would be spent. This programme identified schemes for both 2025/26 (£2,865,699) and 2026/27 (£1,915,000) based on the total allocation of £4,780,699 for the two-year period.

We have produced a mass programme of full resurfacing of carriageways for this funding as it has been determined that this is the asset type in the most need of this further investment with this invention type providing being the most resilient measure and method.

What is the reason for making this decision?

Due to the tight timescales of delivery of the LGBI funding and programme works are required to commence at the earliest opportunity. The resurfacing of roads is very much weather and seasonal dependant and officers are mindful that to await further approvals would further delay the capability to deliver these schemes on site, having already missed a window of good weather whilst awaiting approvals from both WG and DCC. 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.

Interests declared:

No interest to declare

What consultations have been carried out?

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.

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.

Power to make the Decision:

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.

Authority for delegation of the decision to the Cabinet Member / Chief Officer:

The decision was taken by the Corporate Director: Environment and Economy (following engagement with the Leader and Deputy Leader) in accordance with the Scheme of Delegation.