



Cabinet

Date:	Thursday, 18 October 2012
Time:	6.15 pm
Venue:	Committee Room 1 - Wallasey Town Hall

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SUPPLEMENTARY AGENDA 2

9. **CAPITAL MONITORING 2012/2013 MONTH 5 (AUGUST 2012)**
(Pages 1 - 20)

Please note this report replaces the one previously circulated with the original agenda

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WIRRAL COUNCIL

CABINET

18 OCTOBER 2012

SUBJECT	CAPITAL MONITORING 2012/13– PERIOD 5 (AUGUST)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1. EXECUTIVE SUMMARY

1.1 This purpose of this report is to inform Members of the current position regarding the Council's 2012-13 to 2014-15 capital programme. The report reflects:

- The re-profiled 2012-13 capital programme budget;
- The expenditure to date, which continues to be less than it should be;
- The projected outturn figures for 2012-13, which suggest slippage of at least £11m and,
- The current funding of the programme and its future affordability, which in the light of the Revenue monitor requires review.

2. BACKGROUND AND KEY ISSUES

2.1 Cabinet on 6 September 2012, when considering the Month 3 monitors instituted a spending freeze, in the light of the projected £17 million revenue overspend (now £15.3 million) and acknowledgement that unsupported capital financing contributes to revenue costs. The first two weeks of the capital freeze are now reported, with the recommended outcomes set out in Appendix 2.

2.2 The Council's capital programme will be subject to monthly review by a senior group of officers which has been established. Under a banner of the Capital Programme Group, each project will be scrutinised as follows:

- Project approvals for financing, delivering corporate outcomes and delivery timetable;
- Financial appraisals for funding and ongoing revenue costs
- Spend profiles against delivery timetable;
- End of project reviews;
- Delivery of Asset Management Plans and overall strategy.

2.4 Original and latest proposed capital programme for 2012-13

2.4.1 The capital budget for 2012-13 is subject to change. The Period 4 monitor detailed slippage of £34 million carried forward from 2011/12 plus an additional overall in year reduction of £2.2 million reflecting changes to slippage and revised programme approvals. Table 1 summarises the overall movement, between that already approved, and changes to Period 5 that require approval – there was an increase of just under £0.7 million.

Table 1: Revised Capital Programme 2012-13 Period 5 (August) £000's

	Capital Strategy	Changes Approved by Cabinet	Budget changes to be approved By Cabinet	Revised 2012-13 Capital Programme
Adult Social Care	2,750	0	0	2,750
Children's & Young People	21,481	6,516	0	27,997
Finance	0	3,507	0	3,507
Law, HR & Asst Management	4,000	5,703	0	9,703
Regeneration, Housing & Planning	6,079	10,564	0	16,643
Technical Services	7,668	5,529	676	13,873
Grand Total Expenditure	41,978	31,819	676	74,473

2.5 A summary of the significant changes to be approved by Cabinet for Period 5 are provided below:

- Technical Services - Changes to the programme in period 5 include the proposed addition of £676,000 from a successful funding bid made by the Merseyside Transport Partnership (MTP) to the Department for Transport (DfT) to deliver a programme of sustainable transport measures. In total Wirral will receive funding of £2.027 million of capital monies over three years, with a further £1.149 million of supporting revenue funding over the same period. The monies will be used for a variety of schemes aimed at improving the walking and cycling links and the Highways network, mainly, in East Wirral. A separate report on this Agenda contains further detail and request Cabinet approval for these schemes.

2.6 Actual Expenditure to Date – is the programme being delivered to plan?

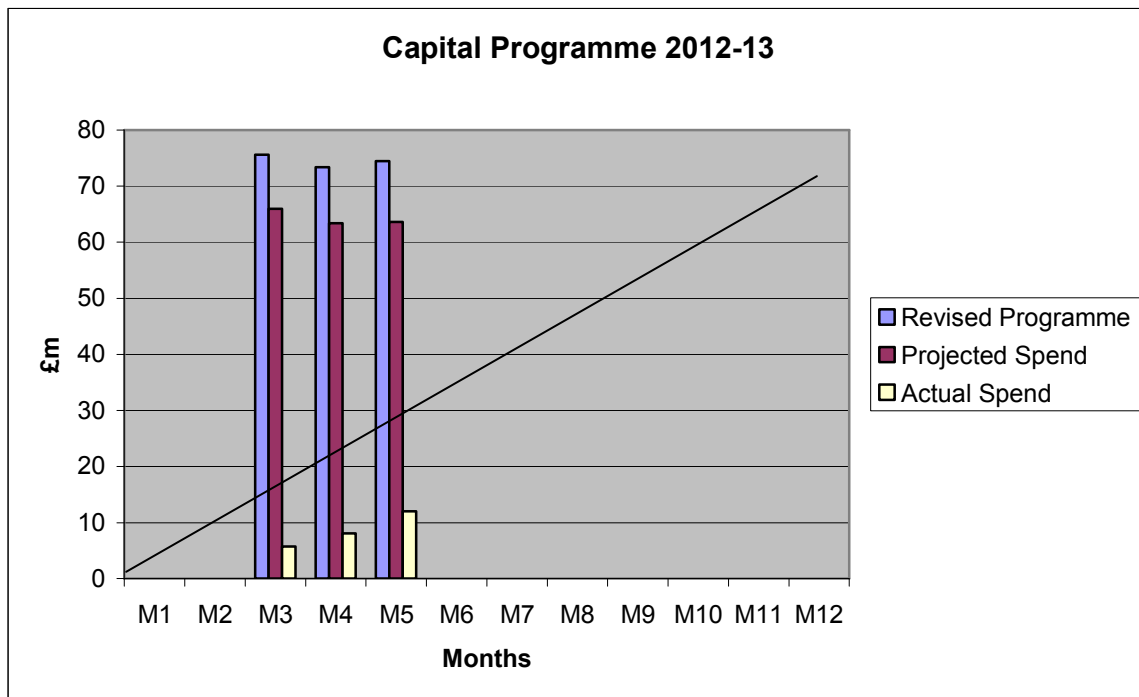
2.6.1 The actual Capital expenditure at Period 5 is £12m, which represents 16.1% of the revised capital budget, with 42% of the financial year having elapsed.

Table 2: Spend to date April to August (5/12 = 42%)

	Spend to date	
	£,000's	Per cent
Adult Social Care	0	0.0
Children's & Young People	5,689	20.3
Finance	20	0.6
Law, HR & Asset Management	948	9.8
Regeneration, Housing & Planning	3,027	18.2
Technical Services	2,341	16.9
Grand Total Expenditure	12,025	16.1

2.7 The Period 5 figures include an additional £4 million of expenditure incurred during the month. This comprises an additional £2 million of expenditure within CYP and a further £1 million each incurred on RHP and Technical Services schemes. The level of expenditure however continues to be less than anticipated with only 16% of the programme expended after 5 months. An element of this can be explained by the time lag between work being completed and invoices then being raised by contractors and then paid by the authority. However there is likely to be a substantial underspend within the 2012/13 capital programme. Future delivery programmes will be subject to a detailed review, so that 2012-13 forecasts are more robust in delivery and timescales.

Chart 1: Capital Programme spend below line of best fit



- 2.8 There is a financial risk regarding costs and delays with the Pensby/Stanley School build within the Children and Young People’s capital programme. Regular meetings are taking place with the contractor to discuss the financial issues. A future report to Cabinet will provide further detail regarding any financial implications once these are quantified.
- 2.9 Unless spend performance improves the likely outturn would be in the region of £63.6m, not the £74.5m planned. Table 3 sets out the variations; these are derived from returns submitted from Departments. A revision to the planned programme will be considered as part of a future monitor.

Table 3: Projected Outturn compared to Revised Budget £000’s

	Revised Budget	Projected Outturn	Variation
Adult Social Care	2,750	2,125	-625
Children’s & Young People	27,997	27,997	0
Finance	3,507	3,507	0
Law, HR & Asst Management	9,703	5,663	-4,040
Regeneration, Housing & Planning	16,643	10,956	-5,687
Technical Services	13,873	13,361	-512
Grand Total Expenditure	74,473	63,609	-10,864

2.10 Financing of the capital programme

2.10.1 Table 4 summarises the financing sources and changes made to Period 5. The major changes since the capital programme was approved in March are slippages of funding following closure of the 2011-12 programme, changes in grant funding as reported in previous Cabinet reports, and re-profiling of financing to 2012/13. The amendment to grant in period 4 reflects adjustments to reflect that grant from 2011/12 will fund part of the 2012/13 programme.

Table 4: Revised Capital Programme Financing 2012-13 £000's

Capital Programme Financing	Capital Strategy	Changes approved by Cabinet	Budget changes To be approved by Cabinet	Revised 2012-13 Capital Programme
Supported Borrowing				
Grant – Education	20,181	5,200	0	25,381
Grant – Transport Integrated	1,155	5	0	1,160
Grant – Transport Local	2,958	0	0	2,958
Grant – Local Sustainable Transport Fund	0	0	676	676
Grants – Other	5,349	5,038	0	10,387
Private Contributions	0	0	0	0
Capital Receipts brought forward	3,000	0	0	3,000
Revenue Contributions	300	1,360	0	1,660
Unsupported Borrowing	9,035	20,216	0	29,251
Total Financing	41,978	31,819	676	74,473

2.10.2 Where there is a “cocktail” of funding to a scheme, the Council maximises the use of grant and other external resources before using its own receipts and borrowing. Capital receipts are used to minimise the impact on the revenue budget by being applied to schemes which would require a relatively significant minimum revenue provision to be made.

2.11 Projected Longer Term Capital Programme

2.11.1 The current forecast capital programme for 2012/13 to 2014-15 is shown in Table 5 below by year and means of financing. It should be noted that this has been updated since the completion of the 2012/13 to 2014-15 Capital Programme Report to Council to reflect the further slippage and approval of additional grant resources. The table below includes £676,000 per year in 2012/13 to 2014/15 relating to Local Sustainable Transport schemes. These are to be funded from a Department of Transport grant following a successful bid made by the Merseyside Transport Partnership. Inclusion of these schemes within the capital programme is subject to this Cabinet’s approval.

Table 5: Capital Programme Financing 2012-13 to 2014-15 £000's

Capital Programme Financing	2012/13	2013/14	2014/15	Total
	R Estimate	Estimate	Estimate	
Grant – Education	25,381	0	0	25,381
Grant – Transport Integrated	1,160	1,155	1,155	3,470
Grant – Transport Local	2,958	2,864	2,699	8,521
Grant – Local Sustainable Transport Fund	676	676	676	2,028
Grants – Other	10,387	4,844	2,165	17,396
Private Contributions				
Capital Receipts brought forward	3,000	3,000	3,000	9,000
Revenue Contributions	1,660	300	0	1,960
Unsupported Borrowing	29,251	16,110	3,405	48,766
Total Financing	74,473	28,273	12,424	114,494

2.11.2 The Capital Strategy needs to be made more affordable by delivering the planned capital receipts and reducing the element of unsupported borrowing and the associated ongoing revenue costs.

2.12 Supported and unsupported borrowing and the revenue consequences of Unsupported Borrowing

2.12.1 The cost of £1m of Prudential Borrowing would result in additional revenue financing costs of £100,000 per annum. As part of the Capital Strategy 2012-13 to 2014/15 the Council has included an element of prudential borrowing. At Period 5, there is a sum of £48.8m of new unsupported borrowing included over the next three years, which will result in approximately £4.9m of additional revenue costs detailed at Table 6, if there is no change in strategy.

Table 6: Revised Unsupported Borrowing Forecasts & Revenue costs £000's

	2012-13	2013/14	2014/15	2015-16	Total
	Estimate				
New Unsupported borrowing	29,251	16,110	3,405		48,766
Cumulative Revenue repayment costs over 25 years		2,925	1,611	341	4,877

2.12.2 Given the predicted revenue overspend previously reported, it is important to reduce the revenue costs of capital. A pause of two months in the start to new unsupported capital schemes was agreed by Cabinet on September 6.

2.13 Capital Receipts Position

2.13.1 The current capital programme is reliant on the Council generating a limited amount of capital receipts to finance the capital programme. Table 7 below, summarises the current allocated and projected capital receipted position across 2012-13 to 2014/15. The schedule of supporting sites that are to be sold is to be worked up for a future report.

Table 7: Projected capital receipts position – funding requirement £000's

	2012-13	2013/14	2014/15	Total
Funding assumption	3,000	3,000	3,000	9,000

2.13.2 These receipts are being reviewed in future periods, along with other strategic site availability, to maximise the offset of unsupported borrowing, and so reduce future revenue growth.

2.13.3 There is a high level of risk in these projections as they are subject to changes in legislation, property and land values, the actions of potential buyers and being granted planning permission on sites.

FREEZE PROCESS AND OUTCOMES

2.14 The Freeze process has developed since it was agreed on September 6th. The list of items that were agreed to be 'passported through' is on the Council's intranet; it will shortly appear on the Council's internet. One of the reasons for this approach is that the list will most likely be updated, and all parties should have instant access to the latest guidance. All other items are frozen, with the 'escape valve' of a weekly appeal as an exception.

2.15 The process for agreeing exceptions has developed, and follows the following path:

1. Service officers submit 'exception' requests by a Monday, that are collated, and presented to Executive Team, with recommendations, for that Thursday. Some of the items require further information, and re-submission.

2. The revised officer recommendations are presented to the Leader on Friday - see Appendix 2 - for his consideration on Monday. That review is available to officers on Tuesday.
3. Officers implement the proposals.
4. The proposals are included in the next available Revenue (or Capital) monitor, with a recommendation to agree the **rejected** items.
5. This is so that the budget attached to those rejected items can be 'captured' to reduce the projected cost of unsupported borrowing.

2.16 The whole point of the exercise is to reduce the projected overspend, which by Section 28 of the Local Government Act 2003, is the duty of the Council, that is, all its Members. The outcome of the recommendations for rejection, for the first two weeks of the exercise are set out below (and in Appendix 2). The savings of £326,100 and the impact on revenue financing would feed into next year's forecasts:

	Capital £	Revenue 2013-14
Week 1	76,500	7,650
Week 2	249,600	24,960
Total saving	326,100	32,610

3.0 RELEVANT RISKS

3.1 The possible failure to deliver the Capital Programme will be mitigated by the monthly review by a senior group of officers, charged with improving performance. They will also be able to improve the affordability of the programme.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 No consultation has been carried out in relation to this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 As yet, here are no implications for voluntary, community or faith groups.

7.0 RESOURCE IMPLICATIONS

7.1 The whole report is about significant resource implications.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications.

9.0 EQUALITIES IMPLICATIONS

9.1 An Equality impact assessment is attached at Appendix 3 to this report. This covers issues relating to the Sustainable Transport scheme proposals. The remainder of this report provides monitoring information relating to previously approved capital schemes. The impact of delays to the programme will be considered in a future report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None.

12.0 RECOMMENDATIONS

12.1 That Cabinet is asked to:

- a) Agree the Period 4 net decrease of £1.789 million to the latest 2012-13 Capital Programme (Appendix 1),
- b) Agree the revised Capital Programme of £74.473m;
- c) Note the spend to date at month 5 of £12m, which represents 16.1% of the revised capital budget, with 42% of the financial year having elapsed;
- d) Note the £48.8m of new unsupported borrowing included over the next three years, which will result in approximately a £4.9m additional revenue costs;
- e) Note the work to detail the schedule of sites to validate the estimate of capital receipts.
- f) Note that a future report will include proposals to cease or reduce schemes arising from a review of the current capital programme

12.2 Cabinet is also asked to agree

- a) the rejected freeze items set out in Appendix 2 in the columns 'rejected' totalling £1,449,600 as evidenced in paragraph 2.16.

13.0 REASONS FOR RECOMMENDATIONS

13.1 Regular monitoring and reporting of the capital programme will enable decisions to be taken quicker which may produce revenue benefits and will improve financial control of the programme.

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APPENDIX: Appendix 1 Capital Monitor Period 4
Appendix 2 Freeze outcomes weeks 1 and 2

REFERENCE MATERIAL

SUBJECT HISTORY

Council Meeting	Date
Capital monitoring reports have previously been submitted as part of the Performance & Financial Review presented to Cabinet on a quarterly basis and from September 2012 are being submitted monthly	

WIRRAL COUNCIL

CABINET

18 OCTOBER 2012

SUBJECT	CAPITAL MONITORING 2012/13– PERIOD 4 (JULY)
WARD/S AFFECTED	ALL
REPORT OF	INTERIM DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1. EXECUTIVE SUMMARY

1.2 This purpose of this report is to inform Members of the current position regarding the Council's 2012-13 to 2014-15 capital programme taking into account the latest monitoring information on the progress of the schemes, any budget increases/decreases and the re-profiling of budgets between 2012-13 and future years. The report reflects:

- The re-profiled 2012-13 capital programme budget;
- The expenditure to date, which continues to be less than it should be;
- The projected outturn figures for 2012-13, which suggest increased slippage to £10m; and
- The current funding of the programme and its future affordability, which in the light of the Revenue monitor requires review.

2. BACKGROUND AND KEY ISSUES

2.1 To improve transparency and the completeness of information the capital programme monitor will be produced each month of the financial year. This will enable decisions to be taken quickly to lessen delays which cause slippage. A capital programme outturn report will be produced in June 2013.

2.2 The 'Capital Strategy 2012-13 to 2014-15' report was approved by Council March 1st 2012. This included indicative allocations of capital grants for 2012-13 to 2014-15.

2.3 The Council's capital programme will be subject to monthly review by a senior group of officers. Under a banner of the Capital Programme Group, each project will be scrutinised as follows:

- Project approvals for financing, delivering corporate outcomes and delivery timetable;
- Financial appraisals for funding and ongoing revenue costs
- Spend profiles against delivery timetable;
- End of project reviews;
- Delivery of Asset Management Plans and overall strategy.

2.4 Original and latest proposed capital programme for 2012-13

2.4.1 The capital budget for 2012-13 is subject to change. The period 3 monitor detailed slippage of £34 million carried forward from 2011/12 plus an additional overall in year reduction of £400,000 reflecting changes to slippage and revised programme approvals. Table 1 summarises the overall movement, between that already approved, and changes to Period 4 that require approval – there was a reduction of just under £1.8 million.

Table 1: Revised Capital Programme 2012-13 Period 4 (July) £000's

	Capital Strategy	Changes Approved by Cabinet	Budget changes to be approved By Cabinet	Revised 2012-13 Capital Programme
Adult Social Care	2,750	2,015	-2,015	2,750
Children's & Young People	21,481	6,516	0	27,997
Finance	0	3,507	0	3,507
Law, HR & Asst Management	4,000	5,703	0	9,703
Regeneration, Housing & Planning	6,079	10,564	0	16,643
Technical Services	7,668	5,303	226	13,197
Grand Total Expenditure	41,978	33,608	-1,789	73,797

2.5 A summary of the significant changes to be approved by Cabinet for Period 4 are provided below:

- Adult Social Services - This is an amendment to the slippage report, (Cabinet 21/6/12). The slippage carried forward from 2011/12 is to fund the 2012/13 capital strategy approved amount. This meant less slippage was required than had been identified.
- Technical Services -. Changes to the Technical Services capital programme in period 4 included, a £75,000 contribution from Asda towards improved signage around their new Birkenhead development and £151,000 towards junction improvements at Greasby Road funded from existing revenue reserves.

2.6 Actual Expenditure to Date – is the programme being delivered to plan?

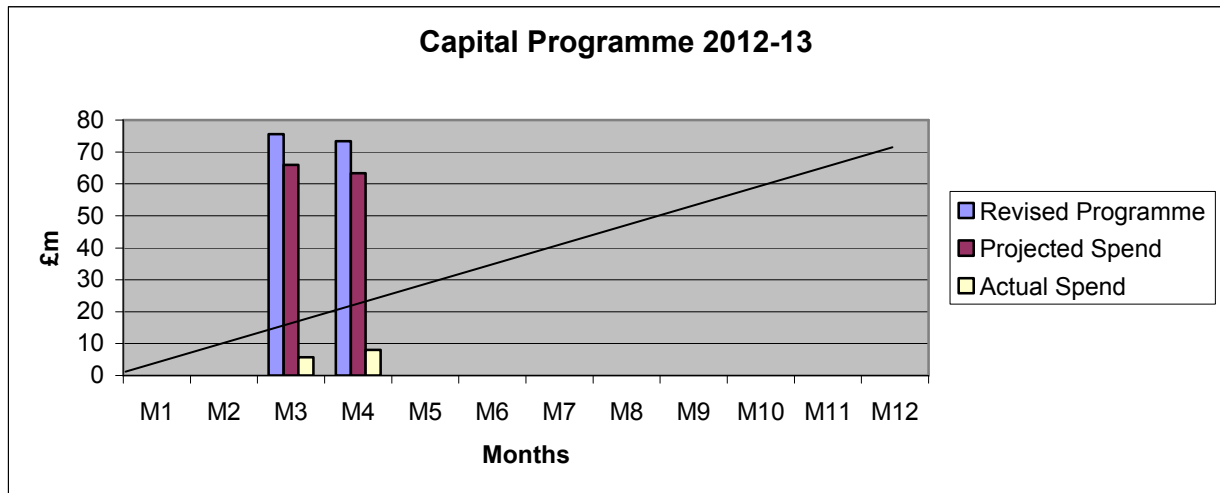
2.6.1 The actual Capital expenditure at Period 4 is £8.1m, which represents 10.9% of the revised capital budget, with 33% of the financial year having elapsed.

Table 2: Spend to date April to July 33%

	Spend to date	
	£,000's	Per cent
Adult Social Care	0	0.0
Children's & Young People	3,572	12.8
Finance	9	0.3
Law, HR & Asst Management	948	9.8
Regeneration, Housing & Planning	2,212	13.3
Technical Services	1,324	10.0
Grand Total Expenditure	8,065	10.9

2.7 The level of expenditure is less than anticipated. Future delivery programmes will be subject to a detailed review, so that 2012-13 forecasts are more robust in delivery and timescales.

Chart 1: Capital Programme spend below line of best fit



- 2.8 There is a financial risk regarding costs and delays with the Pensby/Stanley School build within the Children and Young People’s capital programme. Regular meetings are taking place with the contractor to discuss the financial issues. A future report to Cabinet will provide further detail regarding any financial implications once these are quantified.
- 2.9 Unless spend performance improves the likely outturn would be in the region of £60.4m, not the £73.4m planned. Table 3 sets out the variations; these are derived from returns submitted from Departments. A revision to the planned programme will be considered as part of a future monitor.

Table 3: Projected Outturn compared to Revised Budget £000’s

	Revised Budget	Projected Outturn	Variation
Adult Social Care	2,750	2,125	-625
Children’s & Young People	27,997	27,997	0
Finance	3,507	3,507	0
Law, HR & Asst Management	9,703	5,663	-4,040
Regeneration, Housing & Planning	16,643	10,956	-5,687
Technical Services	13,197	13,134	-63
Grand Total Expenditure	73,797	63,382	-10,415

2.10 Financing of the capital programme

2.10.1 Table 4 summarises the financing sources and changes made to Period 4. The major changes since the capital programme was approved in March are slippages of funding following closure of the 2011-12 programme, changes in grant funding as reported in previous Cabinet reports, and re-profiling of financing to 2012/13. The amendment to grant in period 4 reflects adjustments to reflect that grant from 2011/12 will fund part of the 2012/13 programme.

Table 4: Revised Capital Programme Financing 2012-13 £000's

Capital Programme Financing	Capital Strategy	Changes approved by Cabinet	Budget changes To be approved by Cabinet	Revised 2012-13 Capital Programme
Supported Borrowing				
Grant - Education	20,181	5,200	0	25,381
Grant – Transport Integrated	1,155	5	0	1,160
Grant – Transport Local	2,958	0	0	2,958
Grants - Other	5,349	7,053	-2,015	10,387
Private Contributions	0	0	0	0
Capital Receipts brought forward	3,000	0	0	3,000
Revenue Contributions	300	1,134	226	1,660
Unsupported Borrowing	9,035	20,216	0	29,251
Total Financing	41,978	33,608	-1,789	73,797

2.10.2 Where there is a “cocktail” of funding to a scheme, the Council maximises the use of grant and other external resources before using its own receipts and borrowing. Capital receipts are used to minimise the impact on the revenue budget by being applied to schemes which would require a relatively significant minimum revenue provision to be made.

2.11 Projected Longer Term Capital Programme

2.11.1 The current forecast capital programme for 2012/13 to 2014-15 is shown in Table 5 below by year and means of financing. It should be noted that this has been updated since the completion of the 2012/13 to 2014-15 Capital Programme Report to Council to reflect the further slippage and approval of additional grant resources.

Table 5: Capital Programme Financing 2012-13 to 2014-15 £000's

Capital Programme Financing	2012/13 R Estimate	2013/14 Estimate	2014/15 Estimate	Total
Grant - Education	25,381	0	0	25,381
Grant – Transport Integrated	1,160	1,155	1,155	3,470
Grant – Transport Local	2,958	2,864	2,699	8,521
Grants - Other	10,387	4,844	2,165	17,396
Private Contributions				
Capital Receipts brought forward	3,000	3,000	3,000	9,000
Revenue Contributions	1,660	300	0	1,960
Unsupported Borrowing	29,251	16,110	3,405	48,766
Total Financing	73,797	28,273	12,424	114,494

2.11.2 The Capital Strategy needs to be made more affordable by delivering the planned capital receipts and reducing the element of unsupported borrowing and the associated ongoing revenue costs.

2.12 Supported and unsupported borrowing and the revenue consequences of Unsupported Borrowing

2.12.1 The cost of £1m of Prudential Borrowing would result in additional revenue financing costs of £100,000 per annum. As part of the Capital Strategy 2012-13 to 2014/15 the Council has included an element of prudential borrowing. At Period 3, there was a sum of £48.8m of new unsupported borrowing included over the next three years, which will result in

approximately £3.5m of additional revenue costs detailed at Table 6, if there is no change in strategy.

Table 6: Revised Unsupported Borrowing Forecasts & Revenue costs £000's

	2012-13	2013/14	2014/15	2015-16	Total
	Estimate				
New Unsupported borrowing	29,251	16,110	3,405		48,766
Cumulative Revenue repayment costs over 25 years		2,925	1,611	341	4,877

2.12.2 Given the predicted revenue overspend previously reported, it is important to reduce the revenue costs of capital. A pause of two months in the start to new unsupported capital schemes is recommended, until there is a clear view on revenue.

2.13 Capital Receipts Position

2.13.1 The current capital programme is reliant on the Council generating a limited amount of capital receipts to finance the capital programme. Table 7 below, summarises the current allocated and projected capital receipted position across 2012-13 to 2014/15. The schedule of supporting sites that are to be sold is to be worked up for the next report.

Table 7: Projected capital receipts position – funding requirement £000's

	2012-13	2013/14	2014/15	Total
Funding assumption	3,000	3,000	3,000	9,000

2.13.2 These receipts are being reviewed in future periods, along with other strategic site availability, to maximise the offset of unsupported borrowing, and so reduce future revenue growth.

2.13.3 There is a high level of risk in these projections as they are subject to changes in legislation, property and land values, the actions of potential buyers and being granted planning permission on sites.

3.0 RELEVANT RISKS

3.1 The possible failure to deliver the Capital Programme will be mitigated by the monthly review by a senior group of officers, charged with improving performance. They will also be able to improve the affordability of the programme.

4.0 OTHER OPTIONS CONSIDERED

4.1 None.

5.0 CONSULTATION

5.1 No consultation has been carried out in relation to this report.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 As yet, here are no implications for voluntary, community or faith groups.

7.0 RESOURCE IMPLICATIONS

7.1 The whole report is about significant resource implications.

8.0 LEGAL IMPLICATIONS

8.1 There are no legal implications.

9.0 EQUALITIES IMPLICATIONS

9.1 The impact of delays will be considered in the next report.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None.

12.0 RECOMMENDATIONS

12.1 That Cabinet:

- g) Agree the Period 4 net decrease of £1.789 million to the latest 2012-13 Capital Programme, to produce a revised Capital Programme of £73.797m;
- h) Note the spend to date of £8.1m, which represents 10.9% of the revised capital budget, with 33% of the financial year having elapsed;
- i) Note the £48.8m of new unsupported borrowing included over the next three years, which will result in approximately a £4.9m additional revenue costs;
- j) Note the work to detail the schedule of sites to validate the estimate of capital receipts.
- k) Note that a future report will include proposals to cease or reduce schemes arising from a review of the current capital programme

13.0 REASONS FOR RECOMMENDATIONS

13.1 Regular monitoring and reporting of the capital programme will enable decisions to be taken quicker which may produce revenue benefits and will improve financial control of the programme.

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APPENDIX:

REFERENCE MATERIAL

SUBJECT HISTORY

Council Meeting	Date

Appendix 2									
Capital Freeze Executive Team - Decisions									
Dept	Ref	Project Title	Requested £	Agreed £	Delay - further information required £	Reject £	Annual cost of unsupported borrowing for agreed schemes	Reason for decision	Date considered by Execu tive Team
Week 1 - September 20, 2012									
LHR	1	CCTV / UTC Project	528,000		528,000			Further info required on existing line rental costs, their contract status and other uses.	20/09/12
LHR	2	Moreton Library and One Stop Shop Remodelling **NEW SCHEME**	300,000		300,000			Delay until December budget decision on 2013-14, which might change plans. Note - not in 2012-13 programme!	20/09/12
LHR	3	Rock Ferry Centre Re-modelling	630,000		630,000			Delay - Dec budget decision might change plans	20/09/12
RHP	4	Cosy Homes Heating	135,000	135,000			13,500	Agreed - but require report on scheme criteria and other LA comparisons. Decision, committed	20/09/12
RHP	5	Housing Renewal (net of commitment)	327,000	327,000			32,700	Agreed - require clarity on the three separate schemes and their funding sources; suggests supported funding for one stream. Decision, committed	20/09/12
RHP	6	Property standards of private dwellings (Empty Property Grant)	94,954		94,954			Delay require report on payback and other LA comparisons	20/09/12
RHP	7	Private Sector Housing, Wirral Healthy Homes Repairs & Assistance	89,357		89,357			Delay - review criteria - if it is a loan, should it be a debtor rather than a cost?	20/09/12
RHP	8	Birkenhead Park Restoration - tennis works	97,000		97,000			Delay further info - source of match funding - how much	20/09/12
RHP	9	Hoylake Station	1,200,000		1,200,000			Delay – further information required on cost/benefits	20/09/12

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RHP	10	New Brighton - up to	1,200,000	1,200,000				Remove Health & Safety hazards (Planning boxes) and make good, whilst minimising cost to H&S works.	20/09/12
TEC	11	Landican Cemetery Landscape works	84,000		84,000			Delay - further report on loss of income	20/09/12
TEC	12	Tennis Courts and other parks infrastructure - general repairs	76,500			76,500		<i>Ignore, in Revenue submission</i>	20/09/12
TEC	13	Parks Modernisation Programme	2,317,000		2,317,000			Delay - require phasing proposals and funding source.	20/09/12
		Total	7,078,811	1,662,000	5,340,311	76,500	46,200		
		Percentage	100.0	23.5	75.4	1.1			

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Week 2 New applications for consideration by Executive Team September 27, 2012								Date for consideration	
TEC	14	Highway Asset Mgt: Element 1 Transport Asset Management Grant Funding	84,400	84,400			0	Grant funded	27/09/12
TEC	15	Bridges Capital Programme – Multiple Projects	249,600			249,600	0	Uncommitted sum to be slipped to next year; remainder of £2.063m budget committed	27/09/12
TEC	16	Coast Protection - aids to navigation	289,000		289,000			Withdrawn by Chief Officer	27/09/12
TEC	17	Highway Structural Maintenance Programme 2012/13. – Multiple Schemes	3,885,000	3,885,000				All of it is already committed.	27/09/12
TEC	18	LTP funded Capital Programme	200,000	200,000			0	Only if LTP funded	27/09/12
CYP	19	Leasowe Adventure Playground - purchase equipment to enable inclusive and accessible play	4,600	4,600			0	Capital Grant	27/09/12
TOTALS			4,712,600	4,174,000	289,000	249,600	0		
Percentage			100.0	88.6	6.1	5.3			

Equality Impact Assessment Toolkit (from May 2012)

Section 1: Your details: Peter Molyneux

EIA lead Officer: Peter Molyneux

Email address: petemolyneux@wirral.gov.uk

Head of Section: Tom Sault

Chief Officer: Peter Timmins

Department: Finance

Date: 9 October 2012

Section 2: What Council proposal is being assessed?
Capital Monitoring (including freeze proposals)

Section 2b: Will this EIA be submitted to a Cabinet or Overview & Scrutiny Committee?

Yes

If 'yes' please state which meeting and what date
Cabinet 18 October 2012

Please add hyperlink to where your EIA is/will be published on the Council's website <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

Section 3: Does the proposal have the potential to affect..... (please tick relevant boxes)

- ✓ **Services**
- ✓ **The workforce**
- ✓ **Communities**
- ✓ **Other** (please state eg: Partners, Private Sector, Voluntary & Community Sector)

If you have ticked one or more of above, please go to section 4.

- None** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 4: Does the proposal have the potential to maintain or enhance the way the Council (please tick relevant boxes)

- Eliminates unlawful discrimination, harassment and victimisation
- Advances equality of opportunity
- ✓ Fosters good relations between groups of people

If you have ticked one or more of above, please go to section 5.

- No** (please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 5: Could the proposal have a positive or negative impact on any of the protected groups (race, gender, disability, gender reassignment, age, pregnancy and maternity, religion and belief, sexual orientation, marriage and civil partnership)?

You may also want to consider socio-economic status of individuals.
Please list in the table below and include actions required to mitigate any potential negative impact.

Which group(s) of people could be affected	Potential positive or negative impact	Action required to mitigate any potential negative impact	Lead person	Timescale	Resource implications
All groups Page 18	Budgetary overspends will result in requirement to reduce expenditure in year with consequences on communities and staff. Rational decision making to tackle issues will enhance good relations and minimise negative impacts	Budgetary control including regular monitoring, freeze procedures and budgetary reviews will assist in limiting impact	Peter Timmins	On Going	Budgetary overspends would require funding from resources
All groups	Reduction in expenditure from freeze proposals could impact on services delivered to communities	Freeze process includes exemptions for critical service areas. Process allows for business case to be submitted to exempt expenditure from freeze	Peter Timmins	On Going	Freeze proposals will assist enabling control of expenditure

Section 5a: Where and how will the above actions be monitored?

Monthly monitoring report to Cabinet. This will include recommendations for approval of spending freeze decisions

Section 5b: If you think there is no negative impact, what is your reasoning behind this?

Section 6: What research / data / information have you used in support of this process?

Budgetary forecast information

Section 7: Are you intending to carry out any consultation with regard to this Council proposal?

Yes / No – (please delete as appropriate) No

If 'yes' please continue to section 8.

If 'no' please state your reason(s) why: Urgent decisions required to tackle budgetary position. Freeze proposals undergo review process and involve officers and members

(please stop here and email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for publishing)

Section 8: How will consultation take place and by when?

Before you complete your consultation, please email your preliminary EIA to equalitywatch@wirral.gov.uk via your Chief Officer in order for the Council to ensure it is meeting it's legal requirements. The EIA will be published with a note saying we are awaiting outcomes from a consultation exercise.

Once you have completed your consultation, please review your actions in section 5. Then email this form to your Chief Officer who needs to email it to equalitywatch@wirral.gov.uk for re-publishing.

Section 9: Have you remembered to:

- a) Add appropriate departmental hyperlink to where your EIA is/will be published (section 2b)
- b) Include any potential positive impacts as well as negative impacts? (section 5)
- c) Send this EIA to equalitywatch@wirral.gov.uk via your Chief Officer?
- d) Review section 5 once consultation has taken place and sent your completed EIA to equalitywatch@wirral.gov.uk via your Chief Officer for re-publishing?