



COUNCILLOR PHIL DAVIES

CABINET

18 FEBRUARY 2019

CAPITAL PROGRAMME

AND FINANCING 2019/23

Councillor Phil Davies (Leader of the Council) said:

“The Capital Programme is a key document that sets out the Council’s medium to long term ambition. As the Medium Term Financial Strategy sets out the plans for revenue, the capital programme describes the strategic plan for economic growth, digitalisation and the use of assets and how these will support the Council to achieve its objectives.

An extensive and long term capital programme is the key to prevention, better run services and a reduced revenue commitment over time. Significant investment in assets will enable those assets to be used more efficiently and effectively and where there is a need, to generate a revenue return to support the revenue budget and replace the grant funding we have lost.

Our Capital Programme is about investing in Wirral’s future – it will help us meet our financial challenge by generating additional income through seeking investment opportunities and realising major savings by supporting transformation projects to redesign how services are delivered.”

REPORT SUMMARY

This report provides Cabinet with the draft Capital Programme 2019/23 for consideration and referral to Council for approval. It also includes information regarding the revenue implications of this Programme and an update on the latest forecast for capital receipts.

The 2019/23 Capital Programme represents a combination of schemes originally approved as part of the 2018/21 Programme, updated through the Capital Monitoring reports in 2018/19 and new bids for inclusion as detailed in this report.

This matter affects all Wards within the Borough.

The decisions in this report are key decisions.

RECOMMENDATIONS

1. That the new bids as detailed in Appendix 2 requiring £30.4 million borrowing be approved for inclusion in the Capital Programme.
2. That the bids referred to in paragraphs 6.4.1 to 6.4.5 are included in the programme but where specified, are deferred to a later commencement date, on an individual basis, in recognition of an ongoing review.
3. That any new bids supported by grant funding do not commence until written confirmation has been received from the granting authority.
4. That Cabinet recommend to Council for approval the Capital Programme 2019/23 (as detailed in Appendix 3).
5. That progress on delivering the Capital Programme is presented in accordance with the agreed Capital Monitoring arrangements.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The purpose of the Capital Programme is to transform the way it operates in the medium to long term by taking opportunities from investment in digitalisation, assistive technology and a modern and efficient asset portfolio. This will enable the Council to prioritise and effectively deliver capital investment that contributes to the achievement of Council objectives.
- 1.2 Links to the revenue budget ensure that revenue funding is provided to meet the financing costs, and any running costs, as a result of the Capital Programme investment.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 For a scheme to be included in the Capital Programme it must be supported by a Business Case which includes consideration of alternative options and has been reviewed by the Assets and Capital Group (ACG) and in some circumstances, the Investment & Change Board (ICB)

3.0 BACKGROUND INFORMATION

CAPITAL PROGRAMME

- 3.1 The Capital Programme is a key document that sets out the Council's medium to long term ambition. As the Medium Term Financial Strategy sets out the plans for revenue, the capital programme describes the strategic plan for economic growth, digitalisation and the use of assets and how these will support the Council to achieve its objectives.
- 3.2 An extensive and long term capital programme is the key to prevention, better run services and a reduced revenue commitment over time. Significant investment in assets will enable those assets to be used more efficiently and effectively and where there is a need, to generate a revenue return to support the revenue budget.
- 3.3 The way the council transacts with staff, residents and business has changed and will continue to do so at pace over the next 5 years. Worksmart presents an opportunity for staff to work in different ways and from anywhere to be able to reach-out to customers when it is convenient for them. Not all our customers are able to transact with the Council during normal business hours but investing in technology to enable them to do this whenever suits them provides for a more enhanced customer journey and to transact with the Council only once, to a satisfactory conclusion. The windows 10 rollout has been accelerated in 2019/20 to support this.
- 3.4 We are currently in the process of compiling our digital strategy. This will map the digital interaction within and outside the Council and provide a roadmap as to the Council's digital ambition over the medium to long term. The strategy will

provide a tool for the removal of human intervention as much as possible to ensure our systems and processes are fit for purpose into the future. A significant element of this is our critical business systems replacement which will see our internal systems for finance, HR, Procurement, Payroll etc replaced with a smarter integrated Enterprise Resource Planning (ERP) system

- 3.5 Capital planning is one of the main drivers in future cost avoidance. With a population with more complex needs we have an opportunity to explore how we can support people to remain independent at an earlier stage and for longer with smart technology. By using insight and intelligence we can predict with more certainty where capital funding can be targeted to support those to support themselves. By investing early on in things like smart homes this will not only see a reduction in reactive revenue costs in future years but will provide an opportunity for people to remain independent for longer.
- 3.6 Over the term of the last Capital Programme there has been significant investment in regeneration to support economic growth. The strategic acquisitions programme has enabled the Council to acquire key sites in the Borough to support the longer term ambition for economic growth and housing. Capital funding is a key deliverable to regenerating the borough over the next decade. The Council's partnership with Wirral Growth Company will see significant investment right across the borough that will enable revenue income to be received that will replace lost grant funding and enable vital services to continue to be provided. As developments start to take shape, further income will be realised from new homes and new businesses in council tax and business rates which in turn will be re-invested to grow the local economy. Capital funding is the catalyst to making this happen.
- 3.7 The capital programme does not stand alone. It is intrinsically linked to a suite of other documents which together will enable the achievement of the Council's long term strategic ambition. These are:
 - 3.8 The Strategic Asset Management Plan which sets out how the council and its partners will make the best use of its buildings and land in the future;
 - 3.9 The Economic Growth Strategy which sets out the ambition for the regeneration and redevelopment of the Borough in conjunction with support from the Liverpool City Region;
 - 3.10 Wirral Together which is the way we engage with communities and neighbourhoods to enable them to help themselves through activities such as community wealth building, community asset transfer, volunteering and financial support;
 - 3.11 Healthy Wirral Partnership to ensure we can support communities to stay independent and take care of themselves earlier.

- 3.12 The Treasury Management Strategy which is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved;
- 3.13 The Commercial Strategy where ensuring that everything we do inside and outside the Council is done with a commercial mindset that will ensure we either generate a financial return or can demonstrate value for money in all activities;
- 3.14 The Medium Term Financial Strategy in supporting the council to remain financial sustainable by investing in cost saving and income generating projects to avoid high cost reactive activity in future years.

4.0 ASSETS AND CAPITAL GROUP (ACG)

- 4.1 The role of the ACG is to improve the co-ordination and management of the Capital Programme with its remit extended to include the Council's asset portfolio. The Group includes representatives from all Directorates and the Terms of Reference include:
- Develop, monitor and keep under review the Council's capital investment appraisal system;
 - To assess, approve or reject capital bids in accordance with the above appraisal system;
 - Ensure that all bids for capital funding are aligned to Wirral Council strategies and the Wirral 2020 Plan.

5.0 INVESTMENT AND CHANGE BOARD (ICB)

- 5.1 The role of the ICB is to ensure alignment of investments against corporate priorities giving due consideration to risk. Amongst its responsibilities is the development, monitoring and review of the capital investment appraisal system, providing guidance when annual bids are submitted.

6.0 CAPITAL PROGRAMME FUNDING

- 6.1 The Capital Programme details the schemes being undertaken over the medium term which help the Council achieve its objectives. It is aligned to the Wirral Plan and Medium Term Financial Strategy. It is reviewed, updated and considered by Council each year as part of the annual budget setting process.
- 6.2 Government announcements may include grant support for specific themes but other investment is based upon affordability. The Autumn Statement 2015 introduced an additional flexibility as receipts generated between 1 April 2016 and 31 March 2019 can be used to fund Transformation Programmes. This was extended until March 2022. For now it has been assumed that any new bids will be funded from borrowing which would enable any capital receipts to be used in funding further transformation projects should the need arise.

NEW SUBMISSIONS

- 6.3 Each scheme is supported by a business case which enables an assessment to be undertaken to ensure that it is either targeted to Council priority areas or fulfils statutory obligations. Individual bids have been scrutinised by a sub group of the ACG, a number of specific bids were reviewed by the ICB and on its behalf Business Management reviewed the leisure, libraries, parks and Floral pavilion bids.
- 6.4 The new capital submissions are included within Appendix 1. As part of these submission, some bids were deferred. These are:
 - 6.4.1 New Brighton Gym Development - deferred until the operation of New Brighton marine lake has been determined;
 - 6.4.2 Leasowe Castle Works Depot - ICB has requested a further review;
 - 6.4.3 Central Park Compound Wallasey - defer until outcome of the feasibility study into a Super Site depot is known but any immediate health and safety issues to be funded from the Planned Preventative Maintenance budget.
 - 6.4.4 Parks equipment and vehicles - a comparison between the cost of leasing and borrowing has been undertaken which indicates that borrowing would be the preferred option, heavily influenced by the low interest rates that are available to Councils at present. The purchase of items relating to golf courses will be deferred until their future is decided.
 - 6.4.5 Floral Pavilion - funding will not be accessed until the theatre has been marketed for 6 months without interest.
- 6.5 The deferred schemes above are included in the programme and the respective financing costs have been calculated and included in the Treasury Management budgets.

2019/23 CAPITAL PROGRAMME

- 6.6 The 2019/23 Capital Programme represents a combination of:-
 - a) Schemes approved as part of the 2018/19 Programme and updated through the Capital Monitoring reports in 2018/19. The table below reflects the Quarter 3 position 2018/19.

Table 1: Capital Programme (per Quarter 3, December 2018 monitoring report)

Analysis of Capital Programme	2018/19	2019/20	2020/21
	£000	£000	£000
Adult Care & Health	1,204	6,747	0
Business Management	6,239	1,475	300
Children's Services	17,164	6,255	2,500
Delivery Services	17,600	34,495	5,792
Economic & Housing Growth	11,370	22,712	12,659
Total Expenditure	53,577	71,684	21,251
Financing			
Unsupported borrowing	25,466	35,084	3,648
Capital receipts	14,076	0	0
Grants/loans	14,035	30,600	7,948
Business Rates (Ring fenced)	0	6,000	9,655
Total Financing	53,577	71,684	21,251

- b) New bids for consideration at this meeting. The emphasis has been to ensure that the bids support the delivery of the Wirral Plan and the 20 Pledges. Appendix 1 provides a brief description of each scheme. Appendix 2 provides details of the borrowing requirement and revenue implications of funding each scheme.

Table 2: New bids for inclusion in the Programme

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Adult Care & Health	185	0	0	0
Business Management	5,198	2,900	2,860	0
Delivery Services	8,016	3,166	1,360	1,811
Economic & Housing Growth	5,000	0	0	0
Total	18,339	6,066	4,220	1,811

The overall total for the new bid includes grant funding of £40,000, hence the difference between these figures and those in Appendix 2.

- 6.7 The proposed Capital Programme combines Tables 1 and 2 together with an estimate for grant to be received for Schools Modernisation of £2.5 million in 2021/22. The detail can be found in Appendix 3.

Table 3: Proposed Capital Programme 2019/23

Proposed Capital Programme	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Adult Care & Health	6,932	0	0	0
Business Management	6,673	3,200	2,860	0
Children's Services	6,255	2,500	2,500	0
Delivery Services	42,511	8,958	1,360	1,811
Economic & Housing Growth	27,712	12,659	0	0
Total Expenditure	90,083	27,317	6,720	1,811
Financing				
Unsupported Borrowing	53,443	9,714	4,220	1,811
Capital Receipts	0	0	0	0
Grants/loans	30,640	7,948	2,500	0
Business Rates (Ring-fenced)	6,000	9,655	0	0
Total Funding	90,083	27,317	6,720	1,811

6.8 In forecasting a 3 year Programme it is recognised that there are many variables and factors that will impact on future requirements. The Programme will be subject to regular review to ensure the most effective use of resources whilst providing the opportunity to update agreed schemes, bring forward deferred schemes as necessary and add any new schemes which will arise as new funding is identified and delivery plans are developed along with Council partners.

CAPITAL RECEIPTS

6.9 Available receipts at 1 April 2018 were £1.67 million with £0.97 million available to fund the Transformation Programme and £0.7 million to fund the ongoing Capital Programme. Table 4 assumes the proposed spend in Table 3 is agreed. Longer term projections can be updated as and when more information becomes available e.g. the interaction with the Property Company.

6.10 Additional flexibilities regarding the use of receipts were confirmed following the Chancellor's Autumn Statement 2015. Receipts generated between 1 April 2016 and 31 March 2019 can be used to fund agreed Transformation Programmes setting out the projects, costs and deliverable benefits/savings.

6.11 The Council's asset portfolio is constantly under review in order to highlight those assets that Members may wish to consider for disposal, a critical decision given that funding for any Transformation Programmes are reliant upon the generation of capital receipts.

Table 4: Projected Capital Receipts position

	2018/19	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000	£000
Capital Receipts Reserve	1,672	1,201	4,878	4,878	4,878
Cash receipts received to date	1,419	-	-	-	-
Anticipated receipts	12,186	5,177	-	-	-
Required to fund Children's improvement programme	(11,100)	-	-	-	-
Required to fund Transformation schemes	0	(1,500)	-	-	-
Required to fund EVR/VS scheme	(2,500)	-	-	-	-
Required to fund capital programme	(476)	-	-	-	-
Closing Balance	1,201	4,878	4,878	4,878	4,878

Receipts, and their utilisation, for 2020/23 onward are still to be determined.

7.0 FINANCIAL IMPLICATIONS

- 7.1 The proposed 2019/23 Capital Programme is a combination of the currently approved Capital Programme, new bids and estimated Children's grant. As the Programme stands this will require £69.2 million unsupported borrowing from 2019/20 to 2021/23.
- 7.2 The revenue borrowing costs associated with any re-profiled schemes had already been included in the 2018/19 and subsequent revenue budgets and therefore do not represent an additional requirement.
- 7.3 The expenditure and funding of the Capital Programme are linked to Treasury Management. With the low interest available for investments the policy of temporary borrowing from positive internal cash flows has been continued. This policy, and the re-profiling of the Programme, defers the need for external borrowing delivering in-year savings but is not sustainable in the medium term. Where advantageous short term borrowing will be used to fund the programme.
- 7.4 The revenue impact of the additional borrowing required to fund all the new bids, including those that it is proposed to defer, is:

Table 6: Additional financing costs to fund new bids

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Additional revenue cost	124	1,430	2,072	2,575

- 7.5 It is estimated that these costs will peak in 2024/15 at £2.8 million reflecting the fact that the principal repayment associated with debt (the Minimum

Revenue Provision) increases over the expected life of the asset funded from borrowing.

7.6 These projections might change during the year and the Programme and related Prudential Indicators will be updated accordingly.

8.0 LEGAL IMPLICATIONS

8.1 There are none arising directly from this report as they will be identified as each scheme is progressed.

9.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

9.1 The Programme is about investment into the Council assets so does include schemes relating to IT and assets.

10.0 RELEVANT RISKS

10.1 The Programme will not be delivered as projected. This could see individual schemes progressing ahead of, or being behind, the projected timetable. The regular monitoring and reporting of the Programme allows actions to be taken to manage the financial position.

10.2 Capital receipts are below the level estimated. Regular reporting to ACG on progress of asset disposals allows the Capital Programme to be reviewed should this eventuality arise.

10.3 Interest rates increase to a level greater than budgeted for. Regular monitoring of economic forecasts should assist in determining the best time to borrow to fund the Programme.

11.0 ENGAGEMENT/CONSULTATION

11.1 There has been no specific consultation with regards to this report. In terms of the delivery of schemes consultation will take place as part of the scheme development and implementation.

12.0 EQUALITY IMPLICATIONS

12.1 There are none arising directly from this report as they will be identified as each scheme is progressed. Individual schemes within the Programme will have a direct impact upon groups for example the Aids and Adaptations investment within Regeneration.

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APPENDICES

Appendix 1 – Capital Bids for the 2019/20 to 2021/23 Capital Programme

Appendix 2 – Financial Summary of Capital Bids

Appendix 3 – Proposed Capital Programme 2019/20 to 2021/23.

SUBJECT HISTORY

Council Meeting	Date
Cabinet - Capital Programme 2017/20	20 February 2017
Council – Capital Programme 2017/20	6 March 2017
Cabinet / Council - Capital Monitoring 2017/18	Quarterly reports

Capital Bids for the 2019/20 to 2022/23 Capital Programme

65 The Village (Capital bid £175,000)

The Joseph Mayer Trust, who operate Mayer Hall, have plans to expand their operation and community involvement and would welcome the opportunity to manage 65 The Village, they do not however have the funds required to refurbish the building up to a fit for purpose condition. The council would look to run a joint venture with the JMT whereby the council funds the refurbishment which would include a cafeteria and food outlet and would over a period pay back the initial capital cost of refurbishment.

Adult Social Care and Health Systems (Capital bid £185,000)

The Council has already agreed to the purchase of Power BI, (a business analytics service). This funding represents a continuation of the project. It is crucial in the delivery of the demands for integrated reporting and effective analysis of data, allowing improved decisions to be made, through predictive modelling and population health analysis. Crucially this approach will eliminate existing deficiencies in partnership working which exist around consistency and timeliness of reporting. This will enable an integrated approach to vital analysis work which will vastly reduce the risk of missed opportunities for intervention around these crucial Adult Care and Health work streams.

Library Refurbishment

Vision for Wirral Libraries is that we: "Provide first rate digital, creative and cultural opportunities for our residents, creating vibrant community hubs to enhance community belonging and wellbeing"

A number of schemes are proposed to make the buildings more accessible, improve and modernise facilities, modernise IT facilities, improve the digital offer, improve the learning environment, ensure the buildings are fit for purpose (including compliance with DDA) and increase the number of activities and events provided and offered. These improvements might encourage stakeholders/partners to deliver activities and events for all residents.

Bebington Library (£253,000)

Eastham Library (Capital bid £40,000)

Moreton Library (Capital bid £71,000)

Seacombe Library (Capital bid £66,000)

Wallasey Library (Capital bid £196,000)

Aids to Navigation replacement (Capital bid £800,000 of which £217,000 is already included in the 2019/20 programme)

Three Aids to Navigation have reached the end of their serviceable life and are at risk of failure. Failure of these increases the risk to life of mariners in the Mersey Estuary, puts Wirral Council in breach of its duties under the Merchant Shipping Act 1995 and liable to prosecution for its failure to provide safe navigation.

Bebington Oval Facility Upgrade (Capital bid £775,000)

Additional capital funding is required to further enhance the facility to match the quality that was delivered in the gym, studio and café areas resulting from previous capital funding. It will also resolve health and safety concerns around the wet change area. The following work is required:

Reception upgrade; redecoration; wet change floor and drainage; sports hall re-vamp. The overall aim is to create a 'stand out' site that is multi-functional and can compete with the ever increasing number of private facilities and is affordable.

Central Park Compound and Storage (Capital bid £180,000)

The Park Rangers are now in need of storage and workshop space. 2 of the tractor units are over 40 years old. The roofs are in a dangerous condition cannot be repaired. Walls are in a similarly poor state, which has encouraged vandalism and attempted break-ins which might lead to the theft of valuable machinery. The workshops and storage units are in similar state of disrepair.

Community Bank (Capital Bid £5,000,000)

Investment will assist in re-invigorating the local economy.

Enterprise Resource Planning System (Capital bid £10,000,000)

Wirral Council operates an Oracle ERP (Enterprise Resource Planning) system to support its core financial services as well as its Customer Relationship Management (CRM). A recent internal audit report concluded that the system is not fit for purpose. In addition, system functionalities do not comply with General Data Protection Regulation (GDPR). If the Council were to be penalised due to a GDPR breach, then it could be fined up to either 4% net expenditure or £20 million. Procurement of a new ERP system could be done in 3 phases concentrating on financial systems in phase 1, followed by payroll and HR with phase 3 to be confirmed. At this stage the bid is very much an estimate, to determine the cost of an ERP solution would require a formal procurement exercise.

Fitness Equipment Upgrade (Capital bid £340,000)

This is an opportunity to reduce the overall deficit within the service by increasing membership and income. It will also improve facilities, and improve our competitive advantage over the ever increasing number of stand-alone/private operators on the Wirral. The focus is on the following areas:

Leasowe

Ageing equipment needs updating and replacement to ensure business growth and membership retention. There are opportunities for new services and facilities to appeal to different user groups.

West Kirby

Modernisation of the equipment and upgrade to take on board improvements in technology and customer communication through fitness tracking.

Guinea Gap

Replace underutilised equipment and upgrade requirement to take on board improvements in technology and improve retention levels following a re-build in 2015.

Floral Pavilion (Capital bid £190,000)

With recent proposals being moved forward it is important that remedial works are undertaken to ensure the venue looks as attractive as possible to potential alternative operators. It is proposed to undertake work to the flooring on the lower ground floor, toilet water supply, box office service (including a print on site web site for tickets ordered) and modernise external lighting.

Highway Maintenance Unclassified Roads (Capital bid £500,000)

The provision of a maintained and safe highway network is a statutory duty. The annual United Kingdom Pavement Management System (2018/19) condition survey, and the Councils own Serviceability Inspection regime, have identified sections, totalling 9%, of the Wirral Unclassified and Residential Road Network as being in need of significant repair to prevent further deterioration. This represents a 50% increase in the level of deterioration since 2017/18. This project will also reduce the risk of and number of road traffic accidents, slip trip and fall claims made within these areas, measurable as a reduction in successful Insurance Claims made against the Council.

Leasowe Castle Works Depot (Capital bid £40,000)

The roof of the larger shed is rotted and in need of full replacement. Various assessments of the roof have previously been undertaken without being able to suggest how it could be repaired.

Leasowe Leisure Centre/Wirral Evolutions (Capital bid £2,000,000)

This is a joint venture between Leisure Services and Wirral Evolutions, involving the re-provision and relocation of day care facilities for people with learning and physical disabilities who currently access the provision at Cambridge Road Day Centre. The project proposal is to build a bespoke multi-purpose facility at the rear of Leasowe leisure centre for use by the day care customers during the day (Monday to Friday) and leisure centre customers at all other times. This project would maximise both economic and social impact. Firstly, a number of revenue streams for the service based around increased use, membership sales, growth and income generation through secondary spend and catering. Secondly, widening the horizons for people with learning and physical disabilities in Wirral.

Legislative Compliance (Capital bid £350,000)

The Health and Safety Executive (HSE) has stepped up a programme of inspections across a number of Legislative Compliance areas, specifically linked to Fire Safety in buildings, control of Legionella and management of Asbestos. The penalties for breaches of regulations range from prohibition notices through to being jailed for serious breaches and corporate manslaughter charges. In order to avoid this our work needs to be more proactive and eliminate risks rather than just managing these. It should involve asset replacement as opposed to simply repair e.g. install a new water tank as opposed to cleaning and chlorinating.

Levers Sports Pavilion (Capital bid £80,000)

The pavilion is approximately 25 years old. Heavy use and a lack of maintenance over the years are having a detrimental effect on its functionality and appearance. Usage likely to suffer with a reduction in income generated. This can be prevented by investing in the changing facilities and toilet blocks.

Monks Ferry Slipway (Capital bid £40,000)

Members of the Mersey Charter-boat owners and other users of the Monks Ferry Slipway have applied to have this dedicated as a public footpath. Although the Council contests this application it has agreed to work with the users possibly through a licensing process for to sanction authorised use of the slipway for certain recreational purposes. Consequently to allow this to happen the surface of the slipway requires replacing.

Moreton Sandbrook Estate Drainage Improvements (Capital bid £500,000)

Since 2012 numerous complaints have been received regarding footway flooding. Residents are unable to access the front of their properties because the footway is impassable at many times. Freezing of the flood water occurs creating an additional health and safety issue for residents. There is no formal active system of footway drainage on the estate. The Council has a statutory duty under the Highways Act 1980 to maintain the public highway and also the highway drainage system. The scheme is to design a solution to alleviate footway flooding and construct / install the designed drainage solutions.

New Brighton Gym Development (Capital bid £162,000)

Purchase new equipment for a 'pop up' style gym. Refurbish the existing building for which a rental of £20,000 p.a. is paid. An independent latent demand exercise indicates that there is a potential for 966 members at this facility. Develop a seasonal outdoor pursuit centre from the ground floor of the facility. If successful could generate a surplus of £50,000 p.a. as opposed to the current cost of £20,000.

North Wirral Coastal Park (Capital bid £240,000)

The road that runs alongside Leasowe Common from Pasture Road to Leasowe lighthouse is in a very poor condition. There are lots of very worn areas and ruts along the road. In areas the base course tarmac has been exposed. If the road is not resurfaced soon then it will become a lot more costly as the base tarmac will also need renewing. Gunsite car park improvements - due to the nature of having a loose surface in the car park the surface is often full of potholes. Both areas represent a tripping hazard and risk causing damage to cars which in turn increases the risk of insurance claims against the Council.

Parks Countryside DDA (Capital bid £480,000)

The Council is failing to comply with DDA requirements and at risk of being challenged because of this. This project will remedy a number of identified sites and will also incorporate related works which will control existing health and safety hazards that pose a risk to employees and public at these sites. Some examples of work that needs to be done:

North Wirral Coastal Park - DDA compliant graded ramp; construction of a new energy efficient building to house machinery as opposed to it being stored in old and

unsafe shipping containers; Royden Park - renovate toilet block including ramped access to be DDA compliant; Victoria Park - improve access to cricket pavilion; Coronation Park - renovate toilet block and improve lighting.

Parks Machinery (Capital bid £4,309,000)

Aging fleet leads to high maintenance costs and as manufacturers no longer produce spare parts it is becoming harder to undertake repairs. Operator safety is also now a major concern as the risks of hand arm vibration and whole of body vibration along with noise levels have been highlighted by several reports by the Health and Safety executive and we now have a legal obligation to reduce risks wherever possible. Operators are only able to use many machines for a very limited amount of time due to vibration levels. The old designs also waste fuel and are not environmentally friendly compared to modern equipment. The intention is to replace a tranche of tractors, mowers and ancillary equipment over a three year period which will improve productivity, operator safety and lower emissions.

Parks Vehicles (Capital bid £1,071,000)

Age ranges from 4 to 13 years. Renewal of the fleet is required to keep up with latest technology in vehicles and reduce harmful emissions in line with Council and Government policy. Generally, the fleet is becoming more expensive to maintain and repair is often an uneconomical option once they pass 5 years old. Replacing the fleet would therefore minimise the current associated hire costs for temporary vehicles, increase productivity and provide a safer working environment for parks and countryside staff.

Play Area Improvements (Capital bid £925,000 of which £40,000 from grants)

Enhance existing assets, improving their play value extending their lifecycle and relieve pressure on maintenance budgets and workloads and reduce the likelihood of public liability claims. It provides better more attractive places for children to play, be active and socially interact. Improvements have been undertaken at 10 sites in the first year (2018/19) of the funding programme and this bid is to enable its continuation for a further 3 years, as part of an overall 7 year programme.

Solar Campus Phase 2 – Club and community pitch facilities (Capital bid £375,000)

This is a continuation of the project devised to relocate Tranmere FC's training facilities from Ingleborough Road to the Council's Solar Campus facility and will be matched by the same amount of funding from Tranmere. Phase 2 is an all-weather 3G pitch to be jointly used by club and community and is part of The Tranmere Campus Project and the Wirral Local Football Facility Plan as produced by the Football Foundation and the FA.

Town Link Viaduct Carriageway reconstruction (Capital Bid £332,000)

A bid for funding through the Combined Authority, Local Growth Fund (Key Route Network) was previously submitted. Since the submission the rate and level of deterioration to the viaduct surfacing and underlying waterproofing has increased and the estimated cost of the repair works can no longer be borne by that scheme. Although the re-development proposals for this part of Birkenhead include its demolition until that decision is made the viaduct will continue to be an important part of the Council's classified road network and should be maintained accordingly.

Treasury and Hamilton Data Centre migration (Capital bid £500,000)

There is still a second (Disaster Recovery) datacentre located within the Treasury building and a third datacentre located in the Hamilton Building which provides services to schools. Both buildings are currently within the Wirral Growth Company plans for redevelopment which will require these datacentres to be migrated to another datacentre.

Woodchurch Road Highway Drainage Improvements (Capital bid £80,000)

There is a requirement for the Council, as Highway Authority, to comply with its statutory obligations by investigating and developing measures to resolve ongoing highway flooding issues at Woodchurch Road. Since 2010, 24 instances of reactive call-outs to remove flood water to allow safe flow of traffic have been recorded. Recent significant flood events (July 2017 and September 2015) have resulted into investigation into cause, type and extent of flooding. The Action Plan to the investigation report for July 2017 identified the following recommendation:
Woodchurch Road – Wirral Council to develop and submit a capital funding bid to investigate and resolve ongoing highway flooding issues. The Report and Action Plan were approved by the Cabinet Member for Environment on 26/03/2018.

Worksmart Information Technology. (Capital bid £458,000)

Monitors & USC-B Adaptors will support the standardisation of office workstations to ensure that desk sharing is maximised;
Headsets and SoftPhones will enable the workforce to effectively engage in virtual communications and meetings and will support a reduction in travel and reduce the requirements for office and meeting spaces.
Room Booking Solution will provide an online corporate booking system that can be used by Council staff, partners and members of the public to directly book and pay for meeting and event space.

APPENDIX 2

Financial Summary of Capital Bids

Description	Borrowing Required £000	Revenue Cost 2019/20 £000	Revenue Cost 2020/21 £000	Revenue Cost 2021/22 £000	Revenue Cost 2022/23 £000
65 The Village	175	1.2	6.0	6.1	6.2
Adult Social Care and Health Systems	185	1.2	37.9	38.7	39.5
Bebington Library	253	1.7	13.0	13.3	13.6
Eastham Library	40	0.3	2.0	2.1	2.1
Moreton Library	71	0.5	3.7	3.7	3.8
Seacombe Library	66	0.5	3.4	3.5	3.5
Wallasey Library	196	1.3	10.0	10.3	10.5
Aids to Navigation replacement	583	3.9	12.5	12.7	12.8
Bebington Oval Facility Upgrade	775	3.4	27.6	40.4	41.2
Central Park Compound and Storage	180	-	1.2	6.2	6.3
Community Bank	5,000	33.7	171.3	174.5	177.8
Enterprise Resource Planning System	10,000	29.3	467.0	772.9	1,071.5
Fitness Equipment Upgrade	340	2.3	69.7	71.1	72.6
Floral Pavilion	190	1.3	9.8	10.0	10.2
Highway Maintenance Unclassified Roads	500	3.4	25.7	26.3	26.8
Leasowe Castle Works Depot	40	0.3	1.4	1.4	1.4
Leasowe Leisure Centre/Wirral Evolutions	2,000	6.8	41.0	69.2	70.5
Legislative Compliance	350	1.4	14.8	21.7	22.2
Levers Sports Pavilion	80	0.5	5.5	5.6	5.7
Monks Ferry Slipway	40	0.3	2.1	2.1	2.1
Moreton Sandbrook Estate Drainage Improvements	500	0.5	3.5	9.6	14.4
New Brighton Gym Development	162	-	1.1	16.7	17.1

Description	Borrowing Required £000	Revenue Cost 2019/20 £000	Revenue Cost 2020/21 £000	Revenue Cost 2021/22 £000	Revenue Cost 2022/23 £000
North Wirral Coastal Park	240	1.6	12.3	12.6	12.9
Parks and Countryside DDA	480	3.2	33.0	33.7	34.4
Parks Machinery	4,309	8.9	173.4	238.0	388.1
Parks Vehicles	1,071	3.7	116.7	221.9	226.4
Planning System					
Play Area Improvements	700	1.6	32.5	64.5	94.9
Solar Campus 3G	375	2.5	51.0	51.6	52.1
Town Link Viaduct	332	2.2	7.2	7.3	7.4
Treasury and Hamilton Data Centre migration	500	3.4	51.6	52.7	53.8
Woodchurch Rd Drainage	80	0.5	4.1	4.2	4.3
Worksmart Information Technology	458	2.4	18.9	67.7	69.0
	30,456	123.8	1,430.9	2,072.3	2,575.1

PROPOSED CAPITAL PROGRAMME 2019/20 TO 2021/23

APPENDIX 3

	2019/20	2020/21	2021/22	2022/23
SUMMARY	£000	£000	£000	£000
Overall Programme				
Adult Care and Health	6,932	-	-	-
Business Management	6,673	3,200	2,860	-
Childrens Services	6,255	2,500	2,500	-
Delivery Services	42,511	8,958	1,360	1,811
Economic and Housing Growth	27,712	12,659	-	-
Total Programme	90,083	27,317	6,720	1,811
Funding				
Unsupported borrowing	53,443	9,714	4,220	1,811
Capital Receipts	-	-	-	-
Grants/loans	30,640	7,948	2,500	-
Business Rates (Wirral Waters only - ringfenced)	6,000	9,655	-	-
Total Resources	90,083	27,317	6,720	1,811

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Adult Care and Health				
Adult Social Care and Health Systems	185	-	-	-
Assistive Technology	125	-	-	-
Community Intermediate Care	500	-	-	-
Citizen & Provider Portal/Integrated I.T.	302	-	-	-
Extra Care Housing	2,560	-	-	-
Heswall Day Centre	260	-	-	-
LD Extra care Housing	3,000	-	-	-
Total Programme	6,932	-	-	-
Business Management				
Digital Corporate Storage	1,225	300	-	-
Enterprise Resource Planning	4,340	2,800	2,860	-
Treasury and Hamilton Data Centres	500	-	-	-
Windows 10 Rollout	250	-	-	-
Worksmart I.T.	358	100	-	-
Total Programme	6,673	3,200	2,860	-

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Childrens Services				
Basic Needs	577	-	-	-
Condition/modernisation	3,443	2,500	2,500	-
CYPD Systems Improvements to Support Partnership Working	51	-	-	-
Family Support	157	-	-	-
Primary Places	1,942	-	-	-
PFI	85	-	-	-
Total Programme	6,255	2,500	2,500	-
Delivery Services				
Highway Maintenance	3,200	-	-	-
Highway Maintenance Unclassified Roads	1,965	-	-	-
Transport for Growth	557	-	-	-
Cleveland St Transport Depot	310	-	-	-
Bridges	551	-	-	-
Dock Bridges Replacement	552	-	-	-
Key Route Network (LGF3) - operate key roads efficiently	2,649	361	-	-
Key Route Network - structural maintenance	315	-	-	-
LED Street Lighting Replacement/Column Replacement/Repair	7,102	3,897	-	-
Illuminated Lighting/Street Signage	250	250	-	-
Major infrastructure Development & Strategic Transport Traffic Management	360	200	-	-
Tower Rd National Productivity Investment Fund	2,700	-	-	-
Sustainable Transport Enhancement Package (STEP)	393	1,045	-	-
West Kirby Flood Alleviation	2,854	-	-	-
Surface Water Management Scheme	100	-	-	-
Highways Asset Management System	84	-	-	-

	2019/20	2020/21	2021/22	2022/23
Delivery Services (continued)	£000	£000	£000	£000
Aids to Navigation	800	-	-	-
Soft Play Areas Leisure Centres	410	-	-	-
Leasowe Leisure Outdoor 3G	1,118	-	-	-
Arrowe Country Park - New Machine Shed & Washbay	200	-	-	-
Arrowe Country Park - Re-surfacing, Material bays & Electronic Entrance Barrier	50	-	-	-
Beechwood Recreation Centre	280	-	-	-
Birkenhead Park Depot Re-surfacing	41	-	-	-
Hoylake Golf Works Depot - Demolish & Replace	110	-	-	-
West Kirby Concourse/Guinea Gap Reception				-
Upgrade/Improvements	360	-	-	-
Wirral Tennis Centre Facility Upgrade	780	-		-
Williamson Art Gallery Catalogue	55	-	-	-
Pool Covers	145	-	-	-
Play Area Improvements	340	240	220	185
Aids, Adaptations & DFGs	5,834	-	-	-
Restore Empty Homes	242	-	-	-
New House Building Programme	231	-	-	-
Clearance	350	-	-	-
Home Improvements	570	-	-	-
65 The Village	175	-	-	-
Bebington Library	253	-	-	-
Bebington Oval Facility Upgrade	500	275	-	-
Eastham Library	40	-	-	-
Fitness Equipment	340	-	-	-
Floral Pavilion	190	-	-	-
Leasowe Castle Depot	40	-	-	-
Leasowe Leisure Centre/Wirral Evolutions	1,000	1,000	-	-
Legislative Compliance	200	150	-	-

	2019/20	2020/21	2021/22	2022/23
Delivery Services (continued)	£000	£000	£000	£000
Levers Sports Pavilion	80	-	-	-
Monks Ferry Slipway	40	-	-	-
Moreton Library	71	-	-	-
Moreton Sandbrook Estate Drainage	80	210	210	-
New Brighton Gym Equipment	-	162	-	-
North West Coastal Park	240	-	-	-
Parks and Countryside DDA	480	-	-	-
Parks Machinery	1,323	430	930	1,626
Parks Vehicles	552	519	-	-
Central Park Compound	-	180	-	-
Seacombe Library	66	-	-	-
Solar Campus 3G	375	-	-	-
Town Link Viaduct	332	-	-	-
Wallasey Library	196	-	-	-
Woodchurch Rd Drainage	80	-	-	-
Total Programme	42,511	8,958	1,360	1,811

	2019/20	2020/21	2021/22	2022/23
Economic and Housing Growth	£000	£000	£000	£000
Business Investment Fund	1,306	-	-	-
Community Bank	5,000	-	-	-
Housing Infrastructure Fund	1,000	-	-	-
Housing Infrastructure Marginal Viability Fund	3,000	3,004	-	-
Investment in Properties	11,406	-	-	-
Wirral Waters Investment Fund	6,000	9,655	-	-
Total Programme	27,712	12,659	-	-