



POLICY AND RESOURCES COMMITTEE

Wednesday, 8 June 2022

REPORT TITLE:	CAPITAL OUTTURN REPORT 2021-22
REPORT OF:	DIRECTOR OF RESOURCES (S151 OFFICER)

REPORT SUMMARY

This Report details the Capital Outturn for 2021/22, the resources used to fund the Programme and provides a review of the progress of the delivery of the agreed Capital Programme.

This matter is a key decision due to the level of expenditure involved and as the capital programme affects all Wards within the Borough.

RECOMMENDATION/S

The Policy and Resources Committee is requested to recommend to Council:

- 1 that the additional year-end re-profiling of £30.4m from 2021/22 to 2022/23 be noted;
- 2 that the financing of the Programme for 2021/22 be noted and
- 3 the approval of the virements referred to in Appendix 3 in this report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The Council is required to make a number of formal determinations in respect of its capital expenditure and financing and this report includes those for the 2021/22 financial year.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options were considered for this particular report. There is a legal requirement to publish the capital expenditure and financing at the end of the financial year.

3.0 BACKGROUND INFORMATION

MONITORING 2021/22

- 3.1 The Capital Programme 2021/22 was considered by Policy and Resources Committee on 17 February 2021 and approved by Council on 1 March 2021. The Programme is based on the refreshed Wirral Plan 2021-2026 priorities, Government grant announcements and scheme affordability. It was highlighted that the Council's revenue budget position limited the scope for unsupported capital expenditure.
- 3.2 Policy and Resources Committee received regular updates in respect of capital monitoring throughout the year. The last monitoring report, for Quarter 3, was considered by Policy and Resources Committee on 17 February 2021. Since then, work has been on-going in order to conclude the accounts for the financial year.
- 3.3 During the year the Programme was regularly reviewed which resulted in schemes being deferred to 2022/23 along with the supporting funding. This resulted in reduced Treasury Management costs through a reduced need to borrow in 2021/22.

CAPITAL OUTTURN

- 3.4 The capital expenditure for the year was £45.6m compared to the Revised Programme of £71.9m which was reported in February 2022 (Quarter 3). This is summarised in Table 1.
- 3.5 The outturn also includes the Formula Capital schemes delegated to schools.
- 3.6 As a result of the £23.286m borrowed to finance the capital programme in 2021/22, the General Fund will be charged with its first repayment via the Minimum Revenue Provision (MRP) in 2022/23 of £0.941m. This will bring the total MRP charge for 2022/23 to £5.665m for borrowing associated with delivering the Capital programme.

Table 1: Capital Programme 2021/22 – Position by Directorate

Programme	Original Budget £m	Q3 Forecast £m	Actual £m	Actual V Original Budget %
Adult Care & Health	5.715	1.085	0.788	14%
Children, Families & Education	8.091	5.965	4.760	59%
Corporate Schemes	10.680	9.126	5.846	55%
Neighbourhoods	7.755	19.685	12.683	164%
Regeneration & Place	47.006	33.59	18.934	40%
Resources	4.6	2.473	2.542	55%
Total	83.847	71.924	45.553	54%

Table 2: Capital Programme 2021/22 – Position by Committee

Programme	Original Budget £m	Q3 Forecast £m	21 -22 Actual £m	Actual V Budget %
Adult Social Care & Health	5.715	1.085	0.788	14%
Children, Young People & Education	9.291	5.995	4.770	51%
Economy, Regeneration & Development	22.478	23.718	11.808	53%
Environment, Climate				
Emergency & Transport	10.509	19.744	12.753	121%
Housing	6.432	7.669	5.684	88%
Policy & Resources	24.749	12.160	8.877	36%
Tourism, Communities, Culture & Leisure	4.673	1.553	0.872	19%
Total	83.847	71.924	45.553	54%

- 3.7 Council has previously approved amendments totalling £11.92m to the originally approved programme budget, as reflected in the position for Quarter 3. A number of significant variations have arisen since the programme was agreed in March 2021. These include the re-profiling of expenditure into and out of the 2021/22 financial year, inclusion of additional grant funded schemes, variations to spend forecasts and the inclusion of potential new capital schemes that are seeking funding via this report. Further detail is provided below.
- 3.8 Given the budgetary pressures that the Council faces a review of the programme continues to try and identify schemes that may no longer be financially viable, essential or deliverable. This review has resulted in scheme reductions totalling

£8.32m and the reprofiling of budget into future years of £98.33m. It is anticipated that further reductions and/or deferrals of budget will be made as the review continues. Such deferrals reduced the borrowing costs incurred during 2021/22 (the effects of which are included within the revenue outturn) and also delays the resultant Minimum Revenue Provision (MRP) charges into future years.

- 3.9 Appendix 1 of this report categorises the movement in the programme through to 2021/22 outturn.
- 3.10 A review of the Capital Programme is under way to identify which schemes can either be delayed, deferred or even withdrawn to reduce the ongoing financial commitments that result from the programme. Those schemes that have encountered significant delays for operational reasons are included with the items of significant variations, summarised in Appendix 1 of this report. Appendix 2 of this report lists the schemes that have resulted in the re-profiling of expenditure at the end of the 2021/22 financial year.
- 3.11 A summary of progress in the year within the Programme, including any significant year end reprofiling is as follows: -

3.11.1 Adult Social Care & Health

A total of £0.788m was spent in this area in 2021/22. The main areas of expenditure was:

- **Telecare & Telehealth Ecosystem** £0.610m - which are schemes centred around using technology to assist care clients in their home environment.
- Total reprofiling in this area of £5.851m relating to
 - £2.764m regarding **Extra Care Housing**. The Housing 21 Upton scheme is not expected to begin on site until planning permission is granted. This is now not expected to commence until 2022/23 therefore the budget has been reprofiled accordingly.
 - £2.917m in relation to the **Telecare & Telehealth Ecosystem** scheme. Spending plans regarding this project are subject to change in response to wider care planning in Wirral, with contributions from partner also being secured. A total of £0.610m borrowing has been replaced by grant funding in relation to the **Telecare & Telehealth Ecosystem**.

3.11.2 Children, Families & Education

During 2021/22, £4.760m was spent on schemes relating to this area.

Government Grants funded almost 92% of the investment in schools in 2021/22 and is funding subject to future annual announcements. Works undertaken with schools are mindful of the impact upon the service and are therefore largely arranged for outside of term-times.

- **‘School Condition & Modernisation’** works attracted a total spend of £1.640m across many sites across the Borough.
- **‘Basic Need’** costs that focus on ensuring that there are sufficient school places for children within the local area totalled £0.934m, with a further £0.354m being reprofiled into 2022/23.
- Total reprofiling of funding in this area into future years totalled £7.774m. The main source of the reprofiling is the **‘School Condition & Modernisation’** scheme (£5.822m) which has encountered delays due to internal resource capacity, availability of contractors and problems with the building supply chain.

3.11.3 Corporate Schemes

A total of £6.493m was spent on **Corporate Schemes**, with £0.647m of budget allocated to the **Capitalisation of Staff Salaries** (allocated and reported against appropriate Directorate schemes) and £5.846m of spend attributable to the **Capitalisation Directive** permitted by the Department for Levelling Up, Housing & Communities (DLUHC). The directive allows the Council to capitalise the financial impact of the Covid-19 pandemic. This figure is yet to be audited by the DLUHC and any revisions to this amount will be reported in due course.

3.11.4 Neighbourhoods Services

During 2021/22 a total of £12.683m was spent in this area, with the main programme schemes being as follows:

- **‘Highway maintenance’** – a total of £3.831m was spent with the most significant areas of expenditure being in respect of micro asphaltting - (£0.832m) and hot rolled asphaltting (£1.200m) which includes pothole repairs.
- **‘Street Lighting Column – Replacement or Upgrade’** – a total of £4.133m was spent, with interest free loans SALIX (funded by the Department for Business, Energy & Industrial Strategy) contributing towards the financing of this spend. SALIX loans are used towards schemes that reduce Carbon emissions, lower energy bills and provide well-lit environments for the community.
- **‘Combined Authority Transport Plan’** - £1.036m was spent in 2021/22 to address the priorities of the Liverpool City Region Combined Authority Transport Plan, the Wirral 2025 Plan and Climate Emergency Declaration.
- Schemes that require reprofiling of funding, include those that span across financial years such as
 - **‘West Kirby Flood Alleviation’** (£8.802m). The conditions set by Natural England only allow for the majority of the construction works to

take place between April and October to minimise noise and disturbance within the Dee Estuary, hence the profiling of budget in 2022/23.

- **'Parks Machinery'** (£1.335m), due to long lead times in the procurement of equipment and the changes in policy, e.g., grass cutting, a review of the machinery requirement is under way.

3.11.5 Regeneration & Place

A total of £18.934m was spent in this area during the financial year 2021/22.

- £5.479m of grant aid has been provided for the provision of essential **'Aids and Adaptations'** giving disabled people better freedom of movement in and around their homes.
- **'Strategic Acquisition Fund'** costing £4.098m, including the purchase of Hind Street and associated works. This scheme is closely linked to the progressing of regeneration initiatives with use intended to fund potential acquisitions.
- **'Housing Infrastructure Fund Marginal Viability (Northbank)'** works attracted a total spend of £3.789m. Part of a 'Homes England' grant of £6m for infrastructure, land remediation, public realm works and utilities provision at 'Northbank' site at Wirral Waters.
- **'Town Deal Fund - Birkenhead'** £0.807m of grant funded expenditure to transform the town centre as part of the wider regeneration plan for Birkenhead.
- Schemes that require reprofiling of funding, include those that span across financial years such as
 - **'Future High Streets (Birkenhead)'** (£12.023m), currently negotiating a project adjustment and revised spend profile with Government.
 - **'Wirral Waters Investment Fund'** (£3.700m), there are several projects within this scheme which are now estimated to begin on site within 2022/23 therefore the budget has been reprofiled accordingly.
 - **'Strategic Acquisition Fund'** (£3.474m), budget is carried forward until suitable assets or sites become available for the Council to acquire as part of the Regeneration Strategy and the Local Plan and Birkenhead 2040 Framework.
 - **'Health & Safety Condition Surveys'** (£2.487m), due to new ways of working, the original remit for this budget is to be reassessed by Asset Management.

3.11.6 Resources

By the end of March 2022 £2.542m had been spent on Resources schemes in total.

- £0.761m was spent on the '**Customer Experience Improvements Project**' that will improve not only the I.T system experience for internal users but also the functionality and capability for customers.
- £1.498m was spent during 2021/22 on the development of the '**Enterprise Resource Planning (ERP)**' system. The project will deliver a system that will increase efficiency, functionality and security for the Council and Wirral residents.
- Total reprofiling relating to Resource schemes was £4.726m in 21/22:
 - £3.163m regarding the '**ERP**' system, budget has been profiled into 2022/23 to cover 'Smartbusiness' costs and contingency. A capital bid to enable Phase 2 of the implementation will be submitted as part of the 2022/23 Capital Programme report.
 - £1.304m associated with the '**Customer Experience Improvements Project**', the project is currently in the delivery phase and rated 'green' for budget, schedule and risk and budget has been realigned into 2022/23.

3.12 Grant Funded Schemes

The Authority has been successful in its application for grant funding to either enable the following schemes to take place, or to further the funding available for existing schemes within the programme. There is no request for new Council funding to be considered as part of these schemes. In the event of any notable grant awards being achieved in the future, the relevant schemes will be introduced into the capital programme via the regular monitoring reports.

- **Wallasey Embankment Toe Reinforcement - £1.358m** development of a scheme to arrest erosion at the base of Wallasey Embankment to reduce the risk of flooding to 800 properties in the Leasowe and Moreton areas.
- **Liscard Town Centre Delivery - £0.080m** aims to support the viability and vitality of the town centre through a range of interventions.
- **Birkenhead Regeneration Delivery - £1.461m** to facilitate the implementation of essential pre-development works specifically in relation to the Birkenhead Gateway transport and public realm works.
- **Birkenhead Land Assembly - £0.120m** for predevelopment in relation to assembly of land, required to deliver the Birkenhead 2040 frameworks ambition.
- **Town Deal Fund - Birkenhead (£25.000m)** grant funding, to support a number of interventions that will help the regeneration of Birkenhead, which was approved in March 2022 as part of Original 22-27 Programme. £1.000m of grant received earlier than anticipated in 2021/2022 and spend incurred therefore budget brought forward into 2021/2022.

- **Birkenhead Regeneration Delivery - £0.100m** towards the preparation of the Hind Street delivery framework.
- **Birkenhead Regeneration Delivery - £0.182m** for the development of the Hind Street region.
- **Birkenhead Regeneration Delivery - £19.600m** to deliver the regeneration of Woodside and surrounding area over a number of years.

3.13 Virements

Appendix 3 of this report lists the budget virements that have been proposed where schemes have been identified as not requiring the full budget allocation as originally expected. It is proposed that this resource be reallocated to schemes that require additional resource to fully complete the works.

CAPITAL FINANCING

3.14 Table 3 details the resources used to finance the Capital Programme.

Table 3: Capital Financing 2021/22

Source of Financing	Original Budget £m	Q3 Forecast £m	21-22 Actual £m
Borrowing	55.841	39.699	23.287
Grants/Contributions	27.985	30.101	22.108
Capital Receipts	-	2.124	-
Revenue/Reserves	0.021	-	0.158
Total	83.847	71.924	45.553

3.15 The re-profiling referred to earlier has seen the schemes and associated funding deferred until 2022/23.

3.16 A revised programme, including the final reprofiling from 2021/22 is included in Appendix 4.

CAPITAL RECEIPTS

3.17 Table 4 shows the movements in the Capital Receipts Reserve during 2021/22. Receipts for the year totalled £1.634m (excluding receipts relating to debt repayments and earmarked receipts) with £2.824m available at 31 March 2022.

3.18 In accordance with the Capital Receipts flexibilities introduced by the Government capital receipts generated between 1 April 2016 and 31 March 2025 can be used to support transformation of services that results in efficiencies. This has been reflected in the Capital Programme for 2021/22 onwards.

Table 4: Capital Receipts Reserve

	£000
Balance as at 1 April 2021	1,190
Add: Receipts during the year (Excluding loan repayments and earmarked receipts)	1,634
Less: Flexible use of receipts to fund transformation schemes	-
Balance as at 31 March 2022	2,824

- 3.19 The Capital Receipts Reserve contains the proceeds of fixed asset sales that are available to meet future capital investment. Not all receipts can be applied to fund any Transformational activity however, as some may be ringfenced to apply for example to educational schemes.

COMPLIANCE WITH PRUDENTIAL INDICATORS

- 3.20 The Authority confirms that it has complied with its Prudential Indicators for 2021/22, which were originally approved on 17 February 2021 as part of the Capital Strategy 2021/22 and revised on 15 February 2022 as part of the Capital Strategy 2022/23. Details can be found in the Appendix A.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The capital expenditure for the year amounted to £45.553m. This was funded from borrowing of £23.287m, Capital Grants of £22.108m and other revenue/reserve contributions of £0.158m.
- 4.2 As a result of the £23.287m borrowed to finance the capital programme in 2021/22, the General Fund will be charged with its first repayment via the Minimum Revenue Provision (MRP) in 2022/23 of £0.941m. This will bring the total MRP charge for 2022/23 to £5.665m for borrowing associated with delivering the Capital programme.
- 4.3 The re-profiling of schemes from 2021/22 to 2022/23 has seen the funding similarly re-profiled. This includes the planned borrowing which has been deferred and has contributed towards the cost reductions in Treasury Management activities within the revenue budget. A permanent saving only occurs if schemes cease, otherwise the full budget will be required in 2022/23 when the re-profiled expenditure is incurred.
- 4.4 Chief Officers involved in procurement activity must comply with the Council's Contract Procedure Rules, Financial Regulations, and the Council's Employees Code of Conduct. They must also have due regard to any guidance provided by Corporate Procurement.

5.0 LEGAL IMPLICATIONS

- 5.1 The Council must set the budget (of which the Capital Programme is part of) in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly

monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.

- 5.2 Members must bear in mind their fiduciary duty to the council taxpayers of Wirral. Members must have adequate evidence on which to base their decisions on the level of quality at which services should be provided.
- 5.3 Where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as to how it is to be discharged, that discretion should be exercised reasonably.
- 5.4 The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality and level of services which they consider should be provided, against the costs of providing such services.
- 5.5 There is a particular requirement to take into consideration the Council's fiduciary duty and the public sector equality duty in coming to its decision.
- 5.6 The public sector equality duty is that a public authority must, in the exercise of its functions, have due regard to the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.7 Any decision made in the exercise of any function is potentially open to challenge if the duty has been disregarded. The duty applies both to Full Council when setting the budget and to Committees when considering particular decisions.
- 5.8 Once a budget is in place, Council has delegated responsibility to the Policy and Services Committees to implement it. The Committees may not act contrary to the Budget without consent of Council other than in accordance with the Procedure Rules set out at Part 4(3) of the Constitution.
- 5.9 It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered, and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no staffing, IT or asset implications arising directly from this report.

7.0 RELEVANT RISKS

- 7.1 The possibility of failure to deliver the Capital Programme was mitigated by the monthly review by a senior group of officers, charged with improving performance. The Capital & Assets Group has been disbanded; however, the Investment & Change Board receive a monthly report on the Capital programme and associated issues for review.
- 7.2 The possible failure to deliver the Revenue Budget is being mitigated by:
- (i) Senior Leadership / Directorate Teams regularly reviewing the financial position.
 - (ii) Availability of General Fund Balances.
 - (iii) Where possible, reprofiling of projected Capital expenditure
- 7.3 In terms of individual scheme specific risks, these are identified as part of the original business case application and any potential risks to deliverability should be flagged as part of the ongoing scheme review process.
- 7.4 A risk register for Capital activity has been completed and reviewed by Internal Audit & Risk.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 This is an end of year report. Consultation takes places as part of considering the capital programme and over the planning and implementation of the specific schemes within the Programme.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it conducts its work, do not discriminate against anyone. This report provides a summary of activity during the 2021/22 financial year. Equality impacts will be considered at scheme design stage and as projects are considered for approval. There are no direct equality implications arising from this report

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 Capital bids are welcomed that support the Council's Climate Emergency Action Plan that was compiled following the declaration of a Climate Emergency by the Council in July 2019. Within the existing capital programme there are a series of projects that positively contribute to environmental issues

11.0 COMMUNITY WEALTH IMPLICATIONS

- 11.1 The Community Wealth Building Strategy is a key part of how the Authority will tackle economic, social and health inequalities across the borough and make a major contribution to improving the economic, social and health outcomes on the Wirral. Schemes contained within the Capital programme include several regeneration projects that look to improve the economic outlook for the borough, including job creation, training facilities and enhanced transport links. The Community Wealth

Building implications are reported for each scheme separately to the relevant policy and service committee

- 11.2 The programme also includes projects that focus on environmental initiatives such as energy efficient buildings, sustainable and green travel infrastructure, energy efficient street lighting, urban tree planting etc.

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APPENDICES

- Appendix 1 – Movement between original capital budget and actual position
- Appendix 2 – Significant variations – additional reprofiling at March 2022
- Appendix 3 – Proposed virements
- Appendix 4 – Revised 2022/23 Capital Programme
- Appendix 5 – Prudential Indicators 2021/22

BACKGROUND PAPERS

- Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the UK 2020/21.
- Local Government Act 2003 and subsequent amendments.
- Local Government (Capital Finance and Accounting) Regulations 2008.
- Accounts and Audit (England) Regulations 2015.

SUBJECT HISTORY

Council Meeting	Date
Budget Council – 2021/22 Capital Programme	Council - 17 th February 2021
2021/22 Quarter 1 Capital Financial Monitoring	Council - 1 st September 2021
2021/22 Quarter 2 Capital Financial Monitoring	Council - 10 th November 2021
2021/22 Quarter 3 Capital Financial Monitoring	Council - 15 February 2022

Appendix 1

Movement between Original Capital Budget and Actual Position

Programme	Approved Budget 01.03.21 £m	Net Q4 20/21 Adjustments £m	EOY Reprofiling from 20-21 £m	Additional Grant £m	Funding Adjustments £m	New Bids £m	Scheme Reduction £m	Reprofiling to Future Yrs £m	21-22 Actual £m
Adult Care & Health	5.715	0.000	0.846	0.000	3.527	0.125	-3.575	-5.850	0.788
Children, Families & Education	8.091	-1.485	2.698	3.237	-0.007	0.000	0.000	-7.774	4.760
Corporate Schemes	10.680	0.000	0.647	0.000	1.477	0.000	-4.834	-2.124	5.846
Neighbourhoods	7.755	7.132	7.087	10.520	0.652	1.895	0.000	-23.358	11.683
Regeneration & Place	47.006	-0.365	14.303	11.055	-4.271	7.076	-0.335	-54.535	19.934
Resources	4.600	0.000	1.859	0.000	0.647	0.201	-0.081	-4.684	2.542
Total	83.847	5.282	27.440	24.812	2.025	9.297	-8.316	-98.325	45.553

Appendix 2

Significant variations – Additional Re-profiling at 31 March 2022

Scheme	Year End Slippage to 22/23
Adult Care and Health	
Citizen and Provider Portal/Integrated I.T.	-76
Extra Care Housing	-264
Liquidlogic - Early Intervention & Prevention	-94
Telecare & Telehealth Ecosystem	-1
	-435
Children, Families & Education	
Children's System Development	-11
Transforming Care - Therapeutic Short Breaks	-598
School Place Planning	-74
School Condition/Modernisation	-802
	-1485
Corporate Schemes	
Transformational Capitalisation	-2124
	-2124
Neighbourhoods	
Aids to Navigation	-40
Allotment Sites Expansion	-125
Arrowe Park Sports Village Redevelopment Feasibility Study	-1
Bridges excluding Dock Bridge	-437
Cemetery Extension & Improvements (Frankby)	-42
Coastal Defence - Meols Feasibility Study	-30
Combined Authority Transport Plan	-529
Coronation Park Sustainable Drainage	-32
Defibrillators	-67
Dock Bridges replacement	-300
Future Golf - Project 1.1	-80
Highway Maintenance	-482
Highways Asset Management System	-1
Key Route Network (LGF3) - Operate Key Roads / Routes Efficiently	-166
Lyndale Ave Parking & Safety Measures	-125
Modernisation of CCTV System	-120
Moreton Sandbrook Drainage	-18

Scheme	Year End Slippage to 22/23
Neighbourhoods (Continued)	
New Brighton Gym Equipment	-59
Northbank West Cycle Scheme	-1
Play Area Improvements	-94
Quick Win Levy	-45
Removal of remaining analogue CCTV circuits-21-22	-79
Solar Campus 3G	-30
Sustainable Transport Enhancement Programme	-16
Street Lighting Column - Replacement or Upgrade	-1,070
Street Lighting -Illuminated Lighting and Signage	-112
Studio refurbishment Les Mills classes	-138
Studio refurbishment Les Mills classes - stage 2	-30
Surface Water Management Scheme	-83
Tower Road National Productivity Investment Fund	-393
Town Link Viaduct	-332
Tree Strategy	-64
Urban Tree Challenge Fund	-198
Wallasey Embankment Toe Reinforcement	-100
West Kirby Flood alleviation	-1,628
Williamson Art Gallery Catalogue	-35
Williamson Art Gallery Ventilation 21-22	-288
Wirral Country Park Car Park Surfacing	-23
Wirral Way Widening	-180
	-7,593
Regeneration & Place	
65 The Village	-19
Active Travel Tranche 1	-1
Active Travel Tranche 2	-97
Aids, Adaptations and Disabled Facility Grants	-1,900
Birkenhead Park Depot Resurfacing	-30
Birkenhead Regeneration Delivery Fund	-3,377
Birkenhead Regeneration Framework	-385
Business Investment Fund	-685
Capitalisation of Regen Salaries	-1,384
Castleway & Leasowe Early Years	-28
Clearance	-8

Scheme	Year End Slippage to 22/23
Regeneration (Continued)	
Concerto Asset Management System	-26
Connecting Wirral Waters: Detailed Design	-60
Depot Welfare Improvements	-2
Empty Property Grant Scheme	-58
Future High Streets Fund - New Ferry 21-22	-504
Future High Streets - Birkenhead	-3,319
Health & Safety - Condition Surveys	-1
Hind Street Movement Strategy Project 21-22	-69
Housing Infrastructure Fund (Enabling Infrastructure)	-1
Hoylake Golf works depot demolish and replace	-29
Landican Chapels	-119
Legislative Compliance	-44
Leisure Capital Improvement Programme	-55
Liscard Town Centre Delivery	-72
Major Infrastructure Development & Strategic Transport Forward Planning	-71
Maritime Knowledge Hub	-1,701
Moreton Youth Club & Library	-20
New Brighton Masterplan for Marine Promenade	-65
New Ferry Regeneration Strategic Acquisitions	-616
Office Quarter Building Fit-Out	-148
Onstreet Residential Chargepoint Scheme	-102
Parks and Countryside - Equality Act	-17
Strategic Acquisition Fund	-740
Transport Advisory Group -A41 Corridor North	-1
Transport Advisory Group -Wirral Waters outline	-179
Town Centre scheme - Liscard	-18
Town Centre scheme - New Ferry	-11
Town Fund Birkenhead	-53
West Kirby Marine Lake/Sailing Centre	-197
Wirral Waters Investment Fund	-1,605
	<u>-17,817</u>

Scheme	Year End Slippage to 22/23
Resources	
Customer Experience Improvements Project	-692
Digital Corporate Storage - Upgrade & Refresh technologies	-1
Enterprise Resource Project	-10
Legal Case Management System	-60
Replacement of I.T Service Management System	-61
Upgrade of WIFI Network	-80
	-945
Total Additional Reprofileing as at 31 March 2022	-30,358

Appendix 3

Proposed Virements

Area	Scheme	Proposed Virement £m	Proposed Reallocation
Neighbourhoods	Combined Authority Transport Plan (CATP)	0.094	North West Bank Cycle Scheme
Neighbourhoods	Key Route Network (LGF3)	0.009	Key Route Network
Neighbourhoods	Key Route Network (LGF3)	0.186	Key Route Network 21-22
Regeneration & Place	Floral Pavilion	0.020	Catering Provision
Regeneration & Place	Health & Safety - Condition Surveys	0.300	Williamson Art Gallery ventilation
Regeneration & Place	Arrowe Country Park New Machine Shed and Washbay	0.065	Wirral Way Widening
Regeneration & Place	Leasowe Leisure Evolutions	0.040	Leasowe 3G Pitches
Regeneration & Place	Empty Property Grant Scheme	0.120	Aids, Adaptions and Disabled Facilities Grant
Regeneration & Place	Birkenhead Regeneration Delivery Fund	0.157	Housing Infrastructure Fund (enabling infrastructure)
Children, Families & Education	Condition/Modernisation (SCA)	0.007	Eastham Youth Hub
Children, Families & Education	Healthy Pupil Capital Fund	0.018	Condition/Modernisation (SCA)
Children, Families & Education	Condition/Modernisation (SCA)	0.133	High Needs Provision Capital

Appendix 4 - Revised 2022/23 Capital Programme

	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
2022-23 PROGRAMME						
Adult Care and Health						
Better Care Fund (Disabled Facilities Grant)	433			433		433
Citizen and Provider Portal/Integrated I.T.	76	52		24		76
Extra Care Housing	5,231	3,586		1,645		5,231
Liquidlogic - Early Intervention & Prevention	219	219				219
Telecare & Telehealth Ecosystem	1,364			1,364		1,364
Total Adult Care and Health	7,323	3,857	-	3,466	-	7,323
Children, Families & Education						
Basic Needs	354			354		354
Children's System Development	1,107	1,107				1,107
Family support	157	157				157
High Needs Provision Capital	2,871			2,871		2,871
PFI	52	52				52
School Condition/Modernisation	9,929			9,929		9,929
School Place Planning	511	511				511
Special Educational Needs and Disabilities	799			799		799
Transforming Care - Therapeutic Short Breaks	864			864		864
Total Children, Families & Education	16,644	1,827	-	14,817	-	16,644
Corporate Schemes						
Capitalisation of Legal Salaries	200	200				200
Transformational Capitalisation	5,704		5,704			5,704
Total Corporate Schemes	5,904	200	5,704	-	-	5,904

2022-23 PROGRAMME	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
Neighbourhoods						
Aids to Navigation	40	40				40
Allotment Sites Expansion	125	125				125
Arrowe Park Sports Village Redevelopment Feasibility Study	1	1				1
Ashton Park Lake	147	147				147
Beach Cleaning - Replacement of equipment	94	94				94
Birkenhead Park World Heritage Project Team	85	85				85
Bridges excluding Dock Bridge	580	580				580
Cemetery Extension & Improvements (Frankby)	142	142				142
Coastal Defence - Meols Feasibility Study	100			100		100
Combined Authority Transport Plan	1,529	529		1,000		1,529
Coronation Park Sustainable Drainage	222	40		182		222
Defibrillators	67	67				67
Dock Bridges replacement	500	500				500
Essential H&S Access Improvements - Wirral Country Park	64	64				64
Fitness Equipment	4	4				4
Future Golf - Project 1.1	420	420				420
Highway Maintenance	482	429		53		482
Highways Asset Management System	49	49				49
Key Route Network (LGF3) - Operate Key Roads / Routes	166	36		130		166
Lyndale Ave Parking & Safety Measures	125	125				125
Modernisation of CCTV System	120	120				120
Moreton Sandbrook Drainage	433	433				433
New Brighton Gym Equipment	59	59				59

2022-23 PROGRAMME	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
Neighbourhoods (Continued)						
New Ferry Rangers Community Clubhouse	1,042	792		250		1,042
Northbank West Cycle Scheme	1	1				1
Parks Machinery	2,635	2,635				2,635
Parks Vehicles	1,071	1,071				1,071
Play Area Improvements	327	327				327
Plymyard Cemetery Roadways	75	75				75
Plymyard Playing Field	147				147	147
Quick Win Levy	45			45		45
Removal of remaining analogue CCTV circuits-21-22	79	79				79
Solar Campus 3G	30	30				30
Street Lighting Column - Replacement or Upgrade	1,070	1,070				1,070
Street Lighting -Illuminated Lighting and Signage	294	294				294
Studio refurbishment Les Mills classes	138	138				138
Studio refurbishment Les Mills classes Stage 2	30	30				30
Surface Water Management Scheme	83			83		83
Sustainable Transport Enhancement Programme	16	6		10		16
Tower Road National Productivity Investment Fund	393	393				393
Town Link Viaduct	332	332				332
Tree Strategy	121	121				121
Urban Tree Challenge Fund	409	198		211		409
Wallasey Embankment Toe Reinforcement	100			100		100
West Kirby Flood alleviation	8,802	2,397		6,405		8,802
Williamson Art Gallery Catalogue	73	73				73

	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
2022-23 PROGRAMME						
Neighbourhoods (Continued)						
Williamson Art Gallery Ventilation 21-22	288	288				288
Wirral Country Park Car Park Surfacing	63	63				63
Wirral Tennis Centre - 3G Pitch	1,000	240		760		1,000
Wirral Way Widening	180	180				180
Woodchurch Rd Drainage	80	80				80
Woodchurch Sports Pavillion	1,600	600		1,000		1,600
Total Neighbourhoods	26,078	15,602	-	10,329	147	26,078
Regeneration & Place						
65 The Village	19	19				19
Active Travel Tranche 1	86			86		86
Active Travel Tranche 2	1,597			1,597		1,597
Aids, Adaptations and Disabled Facility Grants	3,500			3,500		3,500
Arrowe Country Park - New Machine Shed & Wash Bay	121	121				121
Arrowe Country Park Depot: Re-Surfacing, Material Bays	38	38				38
Bebington Oval Facility Upgrade	690	690				690
Birkenhead Park Depot Resurfacing	30	30				30
Birkenhead Park Event Infrastructure	164	164				164
Birkenhead Regeneration Delivery Fund	10,128	3,309		6,819		10,128
Birkenhead Regeneration Framework	470	470				470
Birkenhead Town Centre Masterplanning & Housing Delivery	135	135				135
Business Investment Fund	685	685				685
Capitalisation of Regeneration Salaries	2,984	2,984				2,984

2022-23 PROGRAMME	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
Regeneration (Continued)						
Castleway & Leasowe Early Years	1,198	1,198				1,198
Changing Places Toilets	100			100		100
Clearance	388	200		188		388
Concerto Asset Management System	26	26				26
Connecting Wirral Waters: Detailed Design	610	610				610
Consolidated Library Works Fund	279	279				279
Depot Welfare Improvements	232	232				232
Empty Property Grant Scheme	318	318				318
Energy efficient buildings	900	900				900
Future High Streets Fund New Ferry 21-22	3,189			3,189		3,189
Floral Pavilion	155	155				155
Future High Streets - Birkenhead	10,452			10,452		10,452
Health & Safety - Condition Surveys	2,804	2,804				2,804
Heswall Day Centre (part only)	127	127				127
Hind Street Movement Strategy Project 21-22	69			69		69
Housing Infrastructure Fund (Enabling Infrastructure)	1	1				1
Hoylake Golf works depot demolish and replace	83	83				83
Landican Chapels	119	119				119
Leasowe Leisure Centre/Evolutions	1,679	1,679				1,679
Legislative Compliance	44	44				44
Leisure Capital Improvement Programme	715	715				715
Lever Sports Pavilion	80	80				80
Liscard Town Centre Delivery	172	100		72		172

	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
2022-23 PROGRAMME						
Regeneration (Continued)						
Major Infrastructure Development & Strategic Transport Planni	333	333				333
Maritime Knowledge Hub	12,351	7,926		4,425		12,351
Moreton Youth Club & Library	1,000	1,000				1,000
New Brighton Masterplan for Marine Promenade	65	65				65
New Ferry Regeneration Strategic Acquisitions	1,054	1,054				1,054
Office Quarter Building Fit-Out	808	808				808
Onstreet Residential Chargepoint Scheme	102	25		77		102
Parks and Countryside - Equality Act	447	447				447
People's Pool Feasibility Study	52	52				52
Pool Covers	72	72				72
Property Pooled Plus I.T System	70	70				70
Soft Play Areas Leisure Centres	410	410				410
Strategic Acquisition Fund	3,359	3,359				3,359
SUD - Leasowe to Seacombe Corridor	931			931		931
Transport Advisory Group -A41 Corridor North	192			192		192
Transport Advisory Group -Wirral Waters outline	179			179		179
Town Centre scheme - Liscard	18			18		18
Town Centre scheme - New Ferry	11			11		11
Town Deal Fund - Birkenhead	16,277			16,277		16,277
Town Fund Birkenhead	53			53		53
West Kirby Concourse/Guinea Gap Reception upgrade	351	351				351
West Kirby Marine Lake/Sailing Centre	197	197				197
West Kirby Masterplan	70	70				70

	Revised 22/23 Programme £'000	Borrowing £'000	Capital Receipts £'000	Grants £'000	Other £'000	Total Funding £'000
2022-23 PROGRAMME						
Regeneration (Continued)						
Wirral Tennis & Sports Centre	1,364	1,364				1,364
Wirral Tennis Centre - Facility Upgrade	765	765				765
Wirral Waters Investment Fund	3,250	3,250				3,250
Total Regeneration & Place	88,168	39,933	-	48,235	-	88,168
Resources						
Creative & Digital Team - specialist software and hardware	15	15				15
Customer Experience Improvements Project	1,304	1,304				1,304
Digital Corporate Storage - upgrade & refresh technologies	1	1				1
Enterprise Resource Planning	5,664	5,664				5,664
Legal Case Management System	60	60				60
Local Digital Cyber Fund	175			175		175
Replacement of IT Service Management System	392	392				392
Upgrade of WIFI Network	202	202				202
Total Resources	7,813	7,638	-	175	-	7,854
Total Programme	151,930	69,057	5,704	77,022	147	151,930

APPENDIX 5

PRUDENTIAL INDICATORS 2021/22

(a) Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the Authority adopted the principles of best practice.

The Council has previously approved the adoption of the revised CIPFA Treasury Management Code 2017 Edition.

(b) Capital Expenditure

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and in particular, to consider the impact on Council Tax.

Expenditure	31/03/2022	31/03/2023	31/03/2024
	Actual	Estimate	Estimate
	£'000	£'000	£'000
General Fund	45,553	151,971	73,284
Capital expenditure has or will be funded as follows:			
Capital Financing	31/03/2022	31/03/2023	31/03/2024
	Actual	Estimate	Estimate
	£'000	£'000	£'000
Capital receipts	-	5,704	-
Grants and Contributions	22,096	77,022	46,504
Revenue and Reserves	158	147	-
Borrowing	23,299	69,098	26,780
Total Funding	45,553	151,971	73,284

(c) Capital Financing Requirement (CFR)

Estimates of the Authority's cumulative maximum external borrowing requirement for 2020/21 to 2022/23 are shown in the table below:

Capital Financing Requirement	31/03/2022	31/03/2023	31/03/2024
	Actual	Estimate	Estimate
	£m	£m	£m
General Fund	374.0	437.2	447.7

(d) Gross Debt and the Capital Financing Requirement:

In order to ensure that over the medium-term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of Capital Financing Requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

This is a key indicator of prudence.

Debt	31/03/2022	31/03/2023	31/03/2023
	Actual	Estimate	Estimate
	£m	£m	£m
Borrowing	221.6	293.1	319.0
PFI liabilities	34.5	31.3	28.0
Total Debt	256.0	324.4	347.0
Borrowing in excess of CFR?	No	No	No

Total debt is expected to remain below the CFR during this period.

(e) Authorised Limit and Operational Boundary for External Debt

The Operational Boundary for External Debt is based on the Authority's estimate of most likely, i.e. prudent, but not worst case scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements and is a key management tool for in-year monitoring. Other long-term liabilities relate to the Private Finance Initiative that are not borrowing but form part of the Authority's debt.

The Authorised Limit for External Debt is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

There were no breaches to the Authorised Limit and the Operational Boundary during 2020/21.

	Operational Boundary (Approved) 31/03/2022	Authorised Limit (Approved) 31/03/2022	Actual External Debt 31/03/2022
	£m	£m	£m
Borrowing	471.0	481.0	221.5
Other Long-term Liabilities	55.0	60.0	34.5
Total	526.0	541.0	256.0

(f) Ratio of financing costs to net revenue stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The ratio is based on costs net of investment income.

Ratio of Finance Costs to Net Revenue Stream	2021/22	2022/23	2023/24
	Actual	Estimate	Estimate
	%	%	%
Ratio	5.240	6.10	7.00