



POLICY AND RESOURCES COMMITTEE

Wednesday, 17 July 2024

REPORT TITLE:	2023-24 CAPITAL OUTTURN REPORT
REPORT OF:	DIRECTOR OF FINANCE

REPORT SUMMARY

This report details the Capital Outturn for 2023/24 and the resources used to fund the Programme. It recommends that this Committee agree the virements of budget identified since the Capital Programme was formally agreed on 26th February 2024.

The report supports the delivery of the Council Plan: Wirral Working Together 2023-27 specifically in terms of the Efficient, Effective and Accessible Council theme. The Capital Programme also contributes towards projects that support all five Council Plan delivery themes.

This matter is a key decision which affects all Wards within the Borough.

RECOMMENDATIONS

The Policy and Resources Committee is requested to:

- 1 note the financing of the Programme for 2023/24.
- 2 note the additional year-end net re-profiling of £24.9m from 2023/24 to 2024/25.
- 3 note the changes to the outturn attributable to movement in the Programme that occurred after the previous monitoring report to P&R on 26 February 2024.
- 4 note the funding of capital expenditure in 2023/24 including the use of £38.4m Grants and Contributions, £5.4m capital receipts and £34.3m of borrowing.
- 5 recommend to Council the approval of the virements of budget referred to in Appendix 6 of this report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 To inform the committee of the capital position for 2023/24 against the approved budget, revisions, including income and expenditure. To assure the committee funding available has been best allocated in accordance with the Council Plan,
- 1.2 To present to the committee the final outturn position for 2023/24
- 1.3 Regular monitoring and reporting of the Capital Programme enable decisions to be taken faster, which may produce revenue benefits and will improve financial control in Wirral Council.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other reporting frequencies could be considered, but quarterly reporting is a standard practice.

3.0 BACKGROUND INFORMATION

- 3.1 The Capital Programme 2023/24 was considered by Policy and Resources Committee on 15th February 2023 and approved by Council on 27th February 2023. The Programme contributes towards projects that supports the delivery of the Council Plan: Wirral Working Together 2023-27 specifically in terms of the Efficient, Effective and Accessible Council theme. The Capital Programme also contributes towards projects that support all five Council Plan delivery themes. It was highlighted that the Council's revenue budget position limited 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 three, was considered by Policy and Resources Committee on 26 February 2024. 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 future years along with the supporting funding. This resulted in reduced Treasury Management costs through a reduced need to borrow in 2023/24.

Capital Outturn

- 3.4 The capital expenditure for the year was £78.316m of spend over 99 active schemes during the year, compared to the revised programme of £97.103m which was reported in February 2024 (Quarter 3).. This is summarised in Table 1.
- 3.5 The outturn also includes the Devolved Formula Capital of £0.546m. This is direct funding delegated to schools to maintain their buildings and fund other small scale capital projects. Please see Appendix 1 Table 1.2.
- 3.6 As a result of the £34.269m borrowed to finance the Capital Programme in 2023/24, the General Fund will be charged with its first repayment via the Minimum Revenue

Provision (MRP) in 2024/25 of £0.754m. This will bring the total MRP charge for 2024/25 to £6.966m for unsupported borrowing associated with delivering the Capital Programme.

3.7 Capital Programme 2023/24 Position by Directorate

Table 1: Capital Outturn 2023/24 Position by Directorate

Programme	Q3		Outturn Q4 £m	Variance £m	Variance %
	Approved 2023/24 Budget £m	Revised Budget £m			
Adult Care & Health	3.285	1.560	0.435	-1.125	-72%
Children, Families & Education	14.293	10.561	9.221	-1.340	-13%
Corporate Schemes	0	0.000	2.900	2.900	-
Neighbourhoods	11.874	24.369	21.166	-3.203	-13%
Regeneration & Place Resources	93.125	55.307	38.900	-16.407	-30%
	9.662	5.306	5.694	0.388	7%
Total	132.239	97.103	78.316	-18.787	-19%

Capital Programme 2023/24 Position by Committee

Table 2: Capital Outturn 2023/24 Position by Committee

Programme	Approved	Q3		Variance £m	Variance %
	2023/24 Budget £m	Revised Budget £m	Q4 Outturn £m		
Adult Social Care & Health	3.285	1.560	0.435	-1.125	-72%
Children, Young People & Education	14.293	10.561	9.221	-1.340	-13%
Economy, Regeneration & Housing	86.171	49.556	35.898	-13.658	-28%
Environment, Climate Emergency & Transport	9.923	21.658	17.697	-3.961	-18%
Policy & Resources	13.326	9.210	10.045	0.835	9%
Tourism, Communities, Culture & Leisure	5.241	4.558	5.020	0.462	10%
Total	132.239	97.103	78.316	-18.787	-19%

3.8 Tables 1 and 2 show the 2023/24 outturn position on the Capital Programme analysed on a Directorate and then Committee basis. A number of variations have arisen since the original Programme was agreed at the end of February 2023 and subsequently revised in quarterly reporting. These include variations to spend forecasts and inclusion of additional grant funding and external contributions. Appendix 1 of this report provides further analysis of the movement in the Programme through to 2023/24 outturn.

3.9 The main movements in the Programme are in respect of deferrals of funding into future years (£146.087m) due to revised delivery of the Capital Programme. Deferrals reduce the borrowing costs incurred during 2023/24 and also delay the resultant Minimum Revenue Provision (MRP) charges into future years. Schemes that have seen significant budget deferral activity specifically within Quarter 4 are detailed within Appendix 3 of this report.

Scheme Updates

- 3.10 Given the budgetary pressures that the Council faces, a review of the Programme continues and identifies schemes with the directorates, which may no longer be financially viable, essential, or deliverable.
- 3.11 Schemes are subject to an ongoing review to ensure that a deliverable Programme is in place, that they are compatible with the Council Plan 2023/2027 priorities and to try and identify any savings. Current progress on the more significant schemes is provided in Appendix 5 of this report. The report supports the delivery of the Council Plan: Wirral Working Together 2023-27 specifically in terms of the Efficient, Effective and Accessible Council theme. The Capital Programme also contributes towards projects that support all five Council Plan delivery themes.
- 3.12 Scheme costs are constantly monitored by project officers. Due to record high inflationary pressures within the economy, financial monitoring of schemes is of upmost importance to identify any potential budgetary issues that may arise such as an increase in the cost of building materials. Any such pressures that are identified that may jeopardise the delivery of a scheme will be reported. It will then be determined as to whether the scheme must apply for additional funding to complete the project, or whether the scheme becomes no longer viable from a financial perspective. Similarly, should a contractor become insolvent in the current financial climate, a decision will need to be taken regarding the future of the scheme.

Grant Funded Schemes

3.13 Since the Capital budget was approved, the following grants have been awarded to either enable new / budgeted 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. The Section 151 Officer has the power to accept grant funding subject to reporting to the relevant committee. Full details available in Appendix 2.

Table 3: Grant Funded Schemes

Directorate	Grant	Awarding Body	£m	Existing Scheme
Children, Families & Education	Connect the Classroom	Department for Education (DfE)	0.768	No
Children, Families & Education	Devolved Formula Capital	Department for Education (DfE)	0.546	Yes
Children, Families & Education	High Needs Provision Capital Allocation	Department for Education (DfE)	2.975	Yes

Directorate	Grant	Awarding Body	£m	Existing Scheme
Neighbourhoods	Further Pothole Fund	Department for Transport (DfT)	0.547	Yes
Regeneration & Place	Dig Once	Liverpool City Region Combined Authority (LCRCA)	0.065	Yes
Neighbourhoods	Kingsmead School Playing Field	Section 106	0.451	Yes
Regeneration & Place	Local Authority Housing Fund (LAHF)	Local Authority Housing Fund (LAHF)	1.056	Yes
Regeneration & Place	SUD Leasowe to Seacombe Corridor - Funding Reduction	Liverpool City Region Combined Authority (LCRCA)	- 2.587	Yes
		Total	3.821	

3.14 Virements

Appendix 6 of this report lists the budget virements that have been identified where schemes have been reviewed and deemed as not requiring the full budget allocation as originally expected. This resource is to be reallocated to schemes that require additional resource to fully complete the works.

3.15 Capital Funding Requirements

Table 4 Financing the Capital Programme 2023/24

Source of Financing	Programme at Q3 £m	Programme 31 March 2024 £m	Variance £m
Borrowing	38.398	34.269	-4.129
Grants/Contributions	53.761	38.354	-15.407
Capital Receipts	2.289	5.400	3.111
Revenue/Reserves	2.655	0.293	-2.362
Total	97.103	78.316	-18.787

3.16 Any re-profiling that reduces borrowing will produce one-off revenue savings. A permanent saving only occurs if schemes cease, otherwise the full budget will be required in 2024/25 when the re-profiled expenditure is incurred.

3.17 Any unused grant, subject to conditions, has been carried forward into 2024/25 and will be matched against future spend. The Programme was managed to ensure that any grant with a risk of claw back due to time constraints or other factors was fully utilised in 2023/24. Similarly, any external contributions that have not been used will be carried forward into 2024/25.

Capital Receipts

- 3.18 The Capital Receipts Reserve contains the proceeds of fixed assets sales that are available to meet the future capital investment. Table 4 shows the movements in the Capital Receipts Reserve during 2023/24. Receipts for the year totalled £10.983m (including receipts relating to debt repayments and earmarked receipts) with a balance of £4.093m available at 31 March 2024. Not all receipts can be applied to fund any Transformational activity however, as some may be ringfenced to apply for example to educational schemes of £1.733m.
- 3.19 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 flexibility was utilised within 2023/24 as shown below.

Table 5: Capital Receipts Reserve

	£m
Balance as at 1 April 2023	2.979
Total Receipts Received	10.983
Receipts Applied to Debt Repayment	-4.469
Receipts Used for Capital Financing	-2.500
Flexible Use of Capital Receipts	<u>-2.900</u>
Balance as at 31 March 2023	<u>4.093</u>

Note: the figures in the table above are subject to the external audit of the Statement of Accounts.

Compliance with Prudential Indicators

- 3.20 The Authority confirms that it has complied with its Prudential Indicators for 2023/24 originally approved on 27 February 2023 as part of the Capital Strategy 2023/24. Details can be found in Appendix 7.

3.21 Capital Programme Risks

The Capital Budget is prepared on the best estimate of the start date and spend profile for each scheme which is likely to change as the scheme develops. The project cash flow will be variable throughout the life of a project, and therefore the forecast expenditure in each financial year will also vary. This report therefore considers the total life and cost of schemes and the risks associated with their development. All projects carry risk such as delivery risk, third party risk and market risk, including build cost and inflation.

- 3.22 Where funding sources for the Programme are time-limited, officers will continue to monitor progress against these schemes to seek to maximise the level of grant funding used.

Future Capital Programme Matters

3.23 The Hythe, Tower Road South

Members at the Cabinet Meeting of 30th September 2019 agreed to the Council entering into a PUT/CALL option with Peel L&P to enable them to nullify the risk of them constructing, The Hythe, a speculative 3,116sq.m Grade 'A' office on Tower Road. There is potential for Peel to exercise its PUT option within this financial year which will commit the Council to purchase a controlling interest in the Hythe via a 250-year leasehold interest from them. The Regeneration and Place directorate will follow due governance process for the provision of capital funding to be added to the Capital Programme via the quarterly capital monitoring reports during 2024/25.

4.0 FINANCIAL IMPLICATIONS

- 4.1 This report sets out the 2023/24 Capital outturn position. The Council has systems for reporting and forecasting budgets in place and alongside formal quarterly reporting to Committee. The financial position is regularly reviewed at each Directorate Management Team and corporately at the Investment & Change Board (ICB).
- 4.2 The Capital Programme is funded via a number of sources including Council borrowing, capital receipts, grants and revenue contributions. Where the Authority finances capital expenditure by borrowing, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP). The Council required borrowing of £34.269m this year to finance the capital schemes covered by this report. This level of borrowing has decreased from the forecast £38.398m in the Q3 Capital Monitoring Report. This debt will be repaid via charges to the revenue budget over the lives of the assets created or enhanced. The revenue impact repaying the £34.269m of borrowing required to finance works in 2023/24 is as follows:

Table 4: MRP Charges to Revenue Relating to 2023/24 Debt Funded Capital

	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Additional MRP costs to revenue	0.754	0.792	0.832	0.874

Notes

- MRP repayments from revenue only start the year after the capital expenditure has taken place i.e., for spend incurred in 2023/24, the first MRP repayments will be charged in the 2024/25 revenue accounts.
- The additional MRP costs to revenue in Table 4 are not cumulative, rather an annual comparison to the current MRP charges to be incurred.

- 4.3 It is estimated that these costs will peak in 2073/74 at £1.166 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. This repayment profile is due to the Council adopting the “Annuity Method” of repayment which was agreed by Council (on 19 December 2016). The “Annuity Method” produces a profile of principal repayments which starts low and increases each year reflecting the time value of money i.e., £1 in year one will have more purchasing power than £1 in year ten.
- 4.4 Any reprofiling or ‘slippage’ of debt funded capital spend will delay the associated MRP being charged to the revenue budget. Future years MRP is included within the rolling Medium Term Financial Plan (MTFP).

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 Once a budget is in place, Council has delegated responsibility to the Policy and Services Committee to implement it. The Committee 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.
- 5.6 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 will be mitigated by regular Programme review by a senior group of officers, charged with improving performance. The Investment and Change Board (ICB) is supported by the Change Advisory Board (CAB), which will provide enhanced Capital Programme review.

7.2 The possible failure to deliver the Revenue Budget is being mitigated by:

- Senior Leadership / Directorate Teams regularly reviewing the financial position.
- Availability of General Fund Balances.
- 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 Within the reviews undertaken by the CAB, schemes which encounter difficulties or additional delivery risk will be subject to additional scrutiny and where necessary escalation to ICB.

8.0 ENGAGEMENT/CONSULTATION

8.1 This is an in-year report. Consultation takes place 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 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.

9.2 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.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 Capital bids are welcomed that support the Council's Environment and 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 projects that positively contribute to environmental issues, such as the capital bid listed in the report, associated with the PSDS fund bid. The environmental and climate implications, both positive and negative, are reported for each scheme separately to the relevant policy and service committee.

- 10.2 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 and flood alleviation works.
- 10.3 Within the Medium-Term Financial Strategy (MTFS) 2022-27, capital requests are considered to include those that support the Council's Climate Emergency Action Plan following the declaration of a Climate Emergency by the Council in May 2019.

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.

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APPENDICES

- Appendix 1 Movement Between Opening Budget and Outturn Position
- Appendix 2 New Grant Funded Schemes
- Appendix 3 Significant Variances
- Appendix 4 Directorate Schemes with Highest Spend
- Appendix 5 Scheme Updates
- Appendix 6 Virements Within Quarter 4
- Appendix 7 Prudential Indicators 2024/25

BACKGROUND PAPERS

Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the UK 2021/22.
Local Government Act 2003 and subsequent amendments.
Local Government (Capital Finance and Accounting) Regulations 2008.
Accounts and Audit (England) Regulations 2015.

TERMS OF REFERENCE

This report is being considered by the Policy and Resources Committee in accordance with 1.2(a)(i) of the Policy and Resources Committee Terms of Reference:

formulate, co-ordinate and implement corporate policies and strategies and the medium-term financial plan (budget), which includes responsibility for any decision:
(i) that relates to such matters to the extent that they are not reserved to full Council.

Policy and Resources Committee is recommended to refer the decision to Council in accordance with 2(a)(i)(1) of the Functions Reserved to Council:

The Council reserves to itself the following functions (in accordance with the rules and procedures contained in this Constitution):

(i) The Budget – The approval or adoption of a plan or strategy for the control of the local authority’s borrowing, investments, or capital expenditure or for determining the authority’s minimum revenue provision, which includes the overarching annual: -

- (1) Capital Programme
- (2) Capital Financing Strategy

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Budget Council – 2021/26 Capital Programme	1 March 2021
Budget Council - 2021/22 Capital Financing Strategy	1 March 2021
Council – 2021/22 Capital Monitoring Q1	18 October 2021
Council – 2021/22 Capital Monitoring Q2	6 December 2021
Council – 2021/22 Capital Monitoring Q3	28 February 2022
Council – 2021/22 Capital Outturn Report	11 July 2022
Council – 2022/27 Capital Programme	28 February 2022
Council – 2022/27 Capital Financing Strategy	28 February 2022
Council – 2022/23 Capital Monitoring Q1	10 October 2022
Council – 2022/23 Capital Monitoring Q2	5 December 2022
Council – 2022/23 Capital Monitoring Q3	27 February 2023
Council – 2022/23 Capital Outturn Report	10 July 2023
Council – 2023/28 Capital Programme	27 February 2023
Council – 2023/28 Capital Financing Strategy	27 February 2023
Council – 2023/24 Capital Monitoring Q1	09 October 2023
Council – 2023/24 Capital Monitoring Q2	13 December 2023
Council – 2023/24 Capital Monitoring Q3	26 February 2024

Appendix 1

Table 1.1 Movement of Capital Programme between Q3 Revised Budget and Outturn Position at 31st March 2024

Programme	Revised Budget Q3 £m	Additional Grant £m	Funding Adjustments (inc Virements) £m	New Bids £m	Scheme Reduction £m	Reprofiling to Future Yrs £m	Actual Spend 31 Mar 24 £m
Adult Care & Health	1.560	-	-	-	-	-1.125	0.435
Children, Families & Education	10.561	4.289	0.230	-	-	-5.859	9.221
Corporate Schemes	-	-	2.900	-	-	-	2.900
Neighbourhoods	24.369	0.998	0.313	-	-	-4.514	21.166
Regeneration & Place	55.307	0.065	-0.013	-	-2.587	-13.872	38.900
Resources	5.306	-	-	-	-	0.388	5.694
Total	97.103	5.352	3.430	0.000	-2.587	-24.982	78.316

Table 1.2 Movement of Capital Programme Q1 through to Outturn Position at 31st March 2024

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Adult Care and Health						
Better Care Fund (Disabled Facilities Grant)	-	433	-	-	-	-
Citizen and Provider Portal/Integrated I.T.	-	63	63	63	10	53
Extra Care Housing	1,645	1,057	-	-	-	-
Liquidlogic - Early Intervention & Prevention	-	214	214	45	-	45
Telecare & Telehealth Ecosystem	1,640	1,019	1,452	1,452	425	1,027
Total Adult Social Care and Health	3,285	2,786	1,729	1,560	435	1,125
Children, Families & Education						
Basic Needs	527	100	100	424	43	381
Children's System Development	794	807	807	807	549	1,027
Condition/modernisation (SCA)	8,157	5,000	5,000	5,000	5,048	48
Connect the Classroom	-	-	-	-	767	-
Devolved Formula Capital	-	-	-	-	546	-
Childrens, Families & Education						

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Family Hub Transformation Fund	-	-	-	167	82	- 85
Family support	157	137	137	-	-	-
High Needs Provision Capital	4,010	2,000	2,000	3,468	1,612	1,856
PFI	49	52	52	-	-	-
School remodelling and additional classrooms (School Place Planning)	-	1	1	-	27	27
School Works - Department for Education Ringfenced Receipts	-	-	-	-	1	1
SEN and disabilities (new grant)	599	350	350	-	-	-
Transforming Care - Therapeutic Short Breaks	-	863	863	695	546	149
						-
Total Children, Families & Education	14,293	9,310	9,310	10,561	9,222	1,339
Corporate Schemes						
Transformational Capitalisation	-	-	-	-	2,900	2,900
Total Corporate Schemes	-	-	-	-	2,900	2,900

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Neighbourhoods						
Air Quality Control DEFRA	-	80	80	80	85	5
Allotment Sites Expansion	64	48	48	48	22	26
Arts Council Capital LIF	-	14	14	14	-	14
Ashton Park Lake	147	96	96	126	174	48
Birkenhead Park World Heritage Project Team	85	57	57	-	-	-
Bridges excluding Dock Bridge	260	596	287	287	160	127
Catering Units	160	107	107	107	-	107
Cemetery Extension & Improvements (Frankby)	142	95	95	95	2	93
Churchyard Boundary & Landican Cememetry Structural	56	37	37	37	-	37
Climate Emergency Budget	-	35	35	35	29	6
Coastal Defence - Meols Feasibility Study	70	67	67	-	-	-
Combined Authority Transport Plan (CATP)	1,354	2,475	2,435	2,435	1,236	1,199
Coronation Park Sustainable Drainage	-	148	148	-	-	-
Neighbourhoods cont.	-					-

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Defibrillators		9	9	9	1	8
DfT Funding Highways Maintenance and Improvements	-	-	765	765	-	765
Dock Bridges replacement	-	140	140	140	-	140
Environmental Improvements	-	75	75	75	-	75
Essential H&S Access Improvements @ Wirral Country Park	-	1	1	1	-	1
Essential H&S Infrastructure Improvements @ Wirral Country Park	-	-	206	206	14	192
Fitness Equipment	-	2	2	2	-	2
Flaybrick Cemetery Pathway	200	193	200	200	-	200
Future Golf – Project 1.1	187	125	125	125	58	67
Grange Cemetery	45	30	45	45	-	45
Highway Maintenance	563	4,642	4,642	4,642	5,588	946
Key Route Network (LGF3) – Operate Key Roads / Routes Efficiently	-	111	111	111	-	111
Key Route Network CRSTS	500	1,171	1,171	1,171	303	868
Kingsmead School – Playing Field S106	-	-	-	-	54	
Neighbourhoods cont.	-	25	25	25	26	1

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Levelling Up Parks Fund-Woodchurch						
Library Radio Frequency Identification Kiosks	80	80	80	80	80	0
Moreton Sandbrook Drainage	180	135	135	-	-	-
New Brighton Gym Equipment	-	2	2	2	-	2
New Ferry Rangers Community Clubhouse	500	562	662	662	956	294
Parks Machinery	2,136	1,424	2,090	2,090	1,330	760
Parks Vehicles	580	387	580	580	127	453
Parks Workshop & various machinery	135	90	135	135	2	133
Play Area Improvements	127	118	118	118	74	44
Plymyard Cemetery Roadways	20	50	50	50	67	17
Plymyard Playing Field	127	89	89	89	18	71
Quick Win Levy	-	10	10	25	-	25
Removal of remaining analogue CCTV circuits	-	-	-	-	3	3
Street Lighting -Column Replacement & Signage	200	322	322	340	536	196
Neighbourhoods cont.						
Street Lighting -Illuminated Lighting and Signage	-	18	18	-	-	-
Studio refurbishment Les Mills classes	-					-

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
		10	10	10	-	10
Surface Water Management Scheme	-	38	38	-	-	-
Tower Road National Productivity Investment Fund (NPIF)	-	105	5	5	9	4
Traffic Signal LED Upgrade	655	777	1,432	777	703	74
Tree Strategy	34	43	43	43	92	49
Urban Tree Challenge Fund	-	98	98	98	78	20
Wallasey Embankment Toe Reinforcement	608	-	-	-	21	21
West Kirby Flood alleviation	-	5,755	4,959	4,959	4,950	9
Williamson Art Gallery Catalogue	-	37	37	37	-	37
Williamson Art Gallery Ventilation	-	192	192	192	-	192
Wirral Tennis Centre - 3G Pitch	900	710	710	710	1,064	354
Wirral Tennis Centre - Facility Upgrade	-	343	343	1,345	1,345	0
Wirral Way Widening	9	70	70	70	41	29
Neighbourhoods cont.						
Woodchurch Sports Pavilion	1,750	1,171	1,171	1,171	1,920	749
Total Neighbourhoods	11,874	23,015	24,422	24,369	21,166	3,203

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Regeneration & Place						
Active Travel Tranche 2	-	1,011	740	740	214	526
Aids, Adaptations and Disabled Facility Grants	2,889	4,830	5,242	5,500	6,492	992
Arrove Country Park - New Machine Shed & Wash Bay	108	73	13	-	4	4
Arrove Country Park Depot: Re-Surfacing, Material Bays & Electronic Entrance Barrier	26	18	18	-	-	-
Bebington Oval Facility Upgrade	685	351	151	-	-	-
Birkenhead Market Construction	13,300	1,500	1,500	1,909	1,017	892
Birkenhead Regeneration Delivery Fund	15,024	1,034	1,034	1,034	1,997	963
Birkenhead Regeneration Framework	-	210	210	200	89	111
Birkenhead Town Centre Masterplanning & Housing Delivery	265	193	193	193	248	55
Birkenhead Town Centre Sub-Station	-	-	4,500	-	10	10
Regeneration & Place cont.						
Birkenhead Waterfront Programme	-	1,030	1,030	1,030	227	803
Business Investment Fund	585	50	50	-	-	-
Capitalisation of Regen Salaries	1,000	971	971	971	0	971
Changing Places Toilets	20	91	91	91	96	5

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Clearance	191	127	127	160	7	153
Concerto Asset Management System	-	17	17	17	-	17
Connecting Wirral Waters: Detailed Design	-	28	42	42	17	25
Consolidated Library Works Fund	279	186	186	50	66	16
Demolitions	1,380	897	367	2,522	491	2,031
Depot Welfare Improvements	-	30	30	30	32	2
Empty Property Grant Scheme	419	210	210	265	267	2
Emslie Morgan (Solar Campus)	-	298	298	797	209	588
Energy efficient buildings	370	247	247	44	55	11
FHSF New Ferry	2,685	1,000	1,000	1,000	134	866
Regeneration & Place cont.						
Floral Pavilion	75	67	67	67	72	5
Future High Streets - Birkenhead	9,579	4,000	9,125	8,716	340	8,376
Health & Safety - Condition Surveys	1,614	1,143	837	337	295	42
Heswall Day Centre (part only)	50	33	33	33	-	33
Hind Street Programme	-	1,499	1,499	1,499	1,790	291

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Landican Chapels	40	27	27	-	-	-
Leisure Capital Improvement Programme	600	-	-	-	154	154
Liscard Town Centre Delivery	-	7	7	7	15	8
Local Authority Housing Fund 2	-	-	4,225	4,225	973	3,252
Major Infrastructure Development & Strategic Transport Forward Planning - Traffic Management	200	140	210	210	157	53
Maritime Knowledge hub	12,351	100	100	-	19	19
Moreton Youth Club & Library	500	662	662	-	-	-
New Brighton Masterplan for Marine Promenade Regeneration & Place cont.	40	30	30	40	62	22
New Ferry Regeneration Strategic Acquisitions	118	500	500	500	429	71
Office Quarter Building Fit-Out	4,613	9,248	9,387	9,387	6,150	3,237
Parks and Countryside DDA	420	281	281	2	2	0
Pool Covers	-	168	168	242	207	35
Property Pooled Plus I.T System	11	13	13	10	7	3
Soft Play Areas Leisure Centres Strategic Acquisition Fund	- 3,600	273	273	-	-	-

2023/24

	Original Programme (Approved by P&R) £'000	2023/24			23/24 Actual £'000	Variance £m
		Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000		
		10,500	10,500	10,500	12,409	1,909
Strategic Acquisitions - Capital Enhancements	-	333	333	333	474	141
SUD - Leasowe to Seacombe Corridor	-	-	140	140	611	471
TAG Bus Case-A41 Corridor North	-	128	75	75	-	75
TAG Bus Case-Wirral Waters outline	-	26	26	26	4	22
Town Centre scheme - New Ferry	-	3	3	3	9	6
Town Centre - New Ferry	-	-	-	-	15	
Town Deal Fund - Birkenhead	12,491	2,000	2,000	2,000	2,655	655
Regeneration & Place cont.						-
Town Fund Birkenhead	-	35	35	35	-	35
UK Shared Prosperity Fund (UKSPF)	109	117	117	117	90	27
Vale Park Toilets	-	67	67	107	207	100
West Kirby Concourse/Guinea Gap Reception upgrade	351	234	34	-	-	-
West Kirby Marine Lake/Sailing Centre – accommodation	127	62	62	62	20	42
West Kirby Masterplan	10	39	39	39	62	23
Wirral Waters Investment Fund	7,000	-	-	-	-	-

2023/24

	Original Programme (Approved by P&R) £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q3 Forecast £'000	23/24 Actual £'000	Variance £m
Total Regeneration & Place	93,125	46,137	59,142	55,307	38,900	16,407
Resources						
Creative & Digital Team - specialist software and hardware	5	6	6	6	2	4
Customer Experience Improvements Project	572	738	738	450	483	33
Digital Foundations Programme	900	1,302	1,302	1,000	996	4
ERP	5,500	1,500	1,500	1,500	1,599	99
Legal Case Management System	-	8	8	8	-	8
Local Digital Cyber Fund	-	109	109	-	0	0
Replacement of ITSM	-	173	173	173	-	173
Upgrade of WIFI Network	-	-	-	-	21	21
Worksmart I.T.	-	77	77	77	303	226
IT Client Refreshment, Laptops, Desktops & Tablets	2,685	1,790	1,790	2,092	2,290	198
Total Resources	9,662	5,703	5,703	5,306	5,694	388
TOTAL PROGRAMME	132,239	86,951	100,306	97,103	78,316	18,787

Appendix 2

New Grant Funded Schemes

Connect the Classroom – (Department for Education DfE) - £0.768m

Connect the classroom is a £200m government-funded programme to improve internet speed in schools, first published on 7th June 2023. This is done by upgrading Wi-Fi access points and network switches. The programme will run until 2025 and is applied for directly by the schools.

Devolved Formula Capital – (DfE) - £0.546m

This is direct funding delegated to schools to maintain their buildings and fund other small scale capital projects.

High Needs Provision Capital Allocation (DfE) - £2.975m

This grant is paid to Local Authorities to support the creation of new High Needs places or the improvement of existing provision (for pupils with Special Educational Needs and Disabilities (SEND) or requiring Alternative Provision (AP)

Department for Transport (DfT) Further Pothole Fund - £0.547m

Funding to repair potholes and maintain and otherwise improve any road for which the council has maintenance responsibilities.

Liverpool City Region Combined Authority (LCRCA) Dig Once - £0.065m

Contribution towards the Sustainable Urban Development (SUD) Leasowe to Secombe Corridor works.

Kingsmead School Playing Field (Section106) - £0.451m

Kingsmead School was a private school, now closed. When it closed it sold its playing fields to a developer for housing. As this represented a 'loss' of playing fields the developer was required to pay a S106 contribution for the re-creation of the lost playing fields. Within the S106 agreement, legally binding between the developer and the Council, it was agreed that the local authority use the contribution to finance these works on land off Sandringham Avenue.

Local Authority Housing Fund - £1.056m

This is an increase in existing funding to secure 5 more properties to support those who have been resettled. Included is £0.483m Grant and match funding of £0.573m from funding already received and S106 monies.

Grant reduction – SUD Leasowe to Seacombe Corridor - £2.587m

Adjustment to the Regeneration Strategic Transport Capital Programme due to the WP7 schemes not going ahead. As a result, the Combined Authority have made amendments to the grant funding agreement.

Appendix 3

Significant Variations in Quarter 4

Table 3.1 – Schemes with Significant Budget Deferral Adjustments in Quarter 4

Directorate	Scheme	Q4 Budget Deferral £m
Children, Families & Education	High Needs Provision Capital	4.831
Neighbourhoods	Combined Authority Transport Plan (CATP)	1.199
	DfT Funding Highways Maintenance and Improvements	1.312
Regeneration & Place	Demolitions	2.031
	Future High Streets - Birkenhead	8.347
	Local Authority Housing Fund 2	3.252
	Office Quarter Building Fit-Out	3.248
Various	Other Adjustments	0.762
	Total Budget Deferral in Q4	24.982

Table 3.2 – Summary of Significant Programme Variations in Quarter 4

Directorate	Scheme	Q4 Budget Deferral £m	Departmental Comments
Children, Families & Education	High Needs Provision Capital	4.831	£2.9m was deferred due to a change in allocation which was received and announced late in the financial year for High Needs Provision Allocation grant therefore, this will be utilised in 2024-25 and £1.4m was allocated to schemes for which the work will start in future years.
Neighbourhoods	Combined Authority Transport Plan (CATP)	1.199	Continuation of project into 2024/25 programme.
	DfT Funding Highways Maintenance and Improvements	1.312	There was no expenditure in 2023/24 due to a delay in commencing preparation work. This work will commence into 2024/25 Quarter 1, and it is expected that this scheme will be completed during the 2024/25 financial year.
Regeneration & Place	Demolitions	2.031	Currently 1 site is complete (Eastham Youth Club), 2 sites are in progress (Liscard Municipal & Wallasey Town Hall Annexes) and 2 still to begin in 2024/25 (Clare Mount School & Woodchurch Leisure Centre). The Brownfield grant which makes up most of the £2.031m deferral relates specifically to works at Wallasey Town Hall - Annexes but expands beyond the demolition and should lead to a Grant Fund Agreement between Wirral Council and developers.
	Future High Streets - Birkenhead	8.347	The FHSF grant budget was profiled to 2023/24, however on 13 September 2023 P&R Committee approved an invitation from DLUHC for the Council to participate in a Pathfinder

Simplification Pilot which streamlines Future High Streets Fund, Town Deal and the Council's Levelling Up Round 1 allocation into a single programme with a revised spend deadline of 31st March 2026. On 4 October Policy and Resources Committee delegated the Director of Regeneration and Place, in consultation with Group Leaders, to develop and submit the Pathfinder Investment Plan to DLUCH for approval. An Officer Decision Notice was published on 27 October 2023 providing details of the submitted Investment Plan (IP) and a decision from DLUCH was reached in late December 2023 approving this IP. We are awaiting the signed MoU from DLUHC which is expected imminently. There are also plans to onboard Levelling Up Fund Round 3 for Liscard to the Pilot in which approval for this process was given at P&R Committee in March 2024.

	Local Authority Housing Fund 2	3.252	Funding committed for housing acquisitions that have been identified and are currently in conveyancing. Target date for completions is on or before 31st August 2024.
	Office Quarter Building Fit-Out	3.248	Ongoing costs of the fit-out for the Birkenhead Commercial office buildings as approved at P&R on the 4 th of October 2023.
Various	Total of Other Deferrals Across the Programme	0.762	
	Total Budget Deferral in Q4	24.982	

Appendix 4

Capital Programme – Directorate Schemes with Highest Spend in 2023/24

4.1 Adult Social Care & Health

- **Telecare & Telehealth Ecosystem (£0.425m)** –The Telecare and Telehealth Ecosystem element of the funding has been spent on equipment designed to enable people to remain safely in their own homes. The equipment “packages” typically consist of a series of sensors that work together to establish the routines and habits of the resident and report changes that provide an early indication of illness or deterioration of a long-term condition. Alarm buttons are also supplied in the event of an emergency. The equipment links to a base unit that collects the information and relays it to an alarm receiving centre. The analogue to digital transition of the Telecare Service by the end of 2024 remains on course. As of 1 May 2024, 82% of Telecare Service customers are now supported with digital systems. Wirral Council will have completed its transition one year ahead of the national deadline, minimising risk to residents and offering improved and more flexible services to customers.

4.2 Children, Families & Education

- **School Condition Allocation (SCA) (£5.048m)** – £2.4m of spend on Kingsway Academy adaptations/ Claremount move phase 1 and Castleway & Leasowe Early Years schemes. £0.83m of spend on roof replacements for various schools. Still experiencing effects of the historic backlog in jobs and increased financial costs due to inflation rises and construction supply chain issues.
- **High Needs Provision Capital (£1.612m)**– To deliver additional classroom provision for Special Educational Needs (SEN) pupils across several Special schools. Current programme includes number of high-cost construction projects.

4.3 Neighbourhoods

- **Combined Authority Transport Plan (CATP) (£1.236m)** - The spend in year relates to delivery of schemes which meet the priorities of the Road Safety Working Group including implementation of the borough wide 20mph speed limit project and other key projects relating to local safety, traffic signal, pedestrian access and public rights of way improvements.
- **Highway Maintenance (£5.588m)** – In the financial year of 2023/24 we completed, some 25 HRA surfacing schemes, 22 footway refurbishments schemes, 54 footway surface treatments, 96 surface treatments to unclassified roads, 15 surface dressing sites, along with 6 concrete re-engineered roads, this was in addition to many roads being patched. The planned programme was fully completed, as set out in the annual plan.

- **Parks Machinery (£1.330m)** – There has been significant spend in 2023/24 with the remainder being carried forward to next year. There was a delay of spend this financial year due to items that it was not possible to procure through the initial procurement (e.g., Skips, Compact Flail's, Pedestrian Sweepers, and Gators). It is expected that all allocated funds will be spent in this financial year.
- **Wirral Tennis Centre 3G Pitch (£1.064m)** - The project involved the construction of a community size artificial football pitch (3G) with associated car parking on the vacant site adjacent to Bidston Sports and Leisure Centre and also included upgrades to the existing changing rooms. The project was made possible, due to the Council successfully securing investment of £893,680 (81%) from the Football Foundation, towards total project costs of £1,100,997. The pitch was formally handed over following practical completion on 23rd March 2024. The facilities were delivered within the overall budget and are now fully operational, generating revenues for the authority.
- **Wirral Tennis Centre Facility Upgrade (£1.345m)** - This included Refurbishment of Bidston Sport and Activity Centre with a renewed reception, café / servery area, gym, interactive spin studio, soft play and adventure play area as well as improvements to the outside car park. The main refurbishment works were project managed and designed by Alliance Leisure. This project was completed in June 2023.
- **Woodchurch Sports Pavilion (£1.920m)** – The project involved the construction of an all-weather supersize 3G football pitch alongside the construction of a new changing pavilion, incorporating a café and community space, on redundant land at the rear of the former Woodchurch Leisure Centre site. The project was made possible, due in no small part to the Council successfully securing investment of £1,168,898 (57%) from the Football Foundation, towards total project costs of £2,049,143.

The pitch was built by Lano Sport PV appointed via Football Foundation's own procurement framework, with local contractors Lyjon appointed to undertake the pavilion build, through Council's own procurement processes.

The facilities were delivered within budget and are now fully operational, generating revenues for the authority.

- **West Kirby Flood Alleviation (£4.950m)** – Piling work, construction of the flood wall and promenade construction were the main costs in the 2022/23 financial year, with adverse ground conditions causing the need for more steel reinforcement to concrete slabs. All of the precast concrete units are now in place with the majority of the promenade resurfaced. Foundation work is currently underway for the floodgates with installation to follow.

4.4 Regeneration & Place

- **Aids, Adaptations and Disabled Facility Grant (£6.492m)** – This is a ring-fenced grant received for the provision of aids and adaptations which is operated on a rolling basis where works can be committed in one year and expenditure incurred the next or across financial years.
- **Birkenhead Market Construction (£1.016m)** - This is the ongoing costs for the development of the new market offer in line with the Economic Regeneration and Housing Committee approval on the 27th of March 2024.
- **Birkenhead Regeneration Delivery Fund (£1.997m)** - The scheme incorporates a variety of projects all of which are at different stages of completion and or awaiting commencement of works. Funding allocated to enable the delivery of the 'Brownfield First' development strategy in support of The Local Plan. Spend has commenced against individual programmes which are as follows:
 - Hamilton Park Enabling Works
 - Town Centre – Wirral Growth Company
 - Dock Branch Park
 - Waterfront
 - Hind Street.
- **Hind Street Programme (£1.789m)** – Consulting works to deliver a hybrid planning application, business case production towards a £26m Homes England grant application, land assembly and acquisition and a regeneration framework towards a planned housing development in the Hind Street programme. The full business case was submitted in January 2024 and a planning application is being sought for June 2024.
- **Office Quarter Building Fit-Out (£6.150m)** – This relates to the fit-out costs for the Birkenhead Commercial District office buildings as approved at P&R Committee on 4th October 2023.
- **Strategic Acquisition Fund (£12.409m)** - Purchase of sites with strategic regeneration benefits, including The Grange / Pyramids, as well as land in Northside (as per P&R Committee on the 15th of February 2023).
- **Town Deal Fund Birkenhead (£1.720m)** – This £25m fund is to enable access to capital grants to support the regeneration of Birkenhead. It encompasses a number of projects to be delivered both internally and by external organisations. A Treasury compliant 'Green Book' business case has been prepared and approved for each of the projects. Grants will be paid out to the organisations delivering the external projects via Grant Funding Agreements. All projects funded by this Grant are on track to be delivered by March 2026. Robust monitoring and evaluation arrangements are in place.

4.5 Resources

- **Customer Experience Improvements Project (£0.566m)** – The project is close to delivery of the replacement CRM solution. The expenditure to date is salary recharges for the project team and is lower than forecasted.
- **Digital Foundations Programme (0.608m)** – 2023/24 spend is for the milestones that have been delivered as part of the Microsoft engagement which is modernising our IT Service and improving our Cyber Security
- **Enterprise Resource Planning (ERP) (£2.034m)** – The in year spend is milestone payments to Insight Direct UK Ltd and NAMOS Solutions Ltd for the ERP implementation. It also contains capitalised salary costs and Oracle Licenses.

Appendix 5

Capital Programme – Scheme Updates

5.1 Adult Social Care & Health

- **Extra Care Housing** - Adult Social Care Commissioning Leads are working closely with strategic housing colleagues on new site opportunities which are either at planning or pre-planning stage. (One site is approaching progression for planning). There are several sites under current consideration across Wirral. Due to current schemes securing alternative funding the current programme has been slipped into 2024/25. One new scheme opened March 2024 in Liscard (53 new apartments), a new LD scheme is due to open in June (12 apartments) and a further Older Peoples scheme is due for delivery in Rock Ferry in July (102 apartments).
- **Telecare & Telehealth Ecosystem** – The analogue to digital transition of the Telecare Service by the end of 2024 remains on course. As of 1 May 2024, 82% of Telecare Service customers are now supported with digital systems. Wirral Council will have completed its transition one year ahead of the national deadline, minimising risk to residents and offering improved and more flexible services to customers.

5.2 Children, Families & Education

- **School Condition Allocation (SCA)** – to be used to keep school buildings safe and in good working order by addressing poor building condition, building compliance, energy efficiency, and health and safety issues. The spend includes expenditure on boiler installation works and £0.83m roofing works at various schools.
- **Special Educational Needs and Disabilities (SEND) / High Needs Provision Capital** – To deliver additional classroom provision for SEND pupils across several Special schools. The planned schemes cover Leasowe Early Years Centre, The Observatory School, and Pensby/Elleray Park School.

5.3 Neighbourhoods

- **Highway Maintenance** – The major planned road resurfacing and surface treatment programmes for 2023/24, which account for the majority of the budget, were all substantially completed within Q3. The footway refurbishment schemes, and footway surface treatments were completed within Q4 along with structural repairs in concrete roads. Preparation works will continue for next year's surface treatment programme and improvements to highway drainage assets. Principal bridge inspections were completed within Q4. Street lighting asset capital works were completed by the end of Q4. There is some carry-over slippage of this budget as a result of additional devolved grant funding being allocated too late in the year. The 2024/25 programming is well advanced and will be flexible enough to be able to

incorporate any addition grant funding allocations, provided that council corporate governance procedures allow.

- **Combined Authority Transport Plan (CATP)** – Phase 1 of the 20mph speed limit programme was completed in Q3, utilising funding slipped from 2022/23. Phase 2 commenced in Q4, following Committee approval. A number of local safety schemes and junction improvements have been progressed to design stage during Q3 and were progressed to procurement, consulted upon, and commenced on site in Q4. Orders have been placed for some of the equipment required for traffic signal analogue to digital upgrades within Q3 and Q4. There will be some significant re-profiling and carry-over slippage of this budget as a result of the time taken to complete some of design work against the programme and conduct the necessary consultations. A significant amount of officer time was lost from this programme during Q1 and Q2 in planning and delivering the traffic management plan for the Open Golf tournament. External supplementary resources have been commissioned to mitigate the effects of this. There may also be a need to make some legitimate cross project virements. The 2024/25 programming is well advanced and will be flexible enough to be able to incorporate slippage and any addition grant funding allocations, provided that council governance procedures allow.
- **Parks Machinery** – The Capital allocation for 2023/24 was £2.635m of this amount £2.485m has been spent with orders raised through the procurement system. The remainder will be spent this financial year on items that it was not possible to procure through the initial procurement (e.g., Skips, Compact Flail's, Pedestrian Sweepers, and Gators). It is expected that all allocated funds will be spent in this financial year.
- **Parks Vehicles** – The Capital allocation for 2023/24 was £0.580m, of this amount £0.271m has been used to purchase 1 x Medium Van, 1 x Skip Truck, 1 x Electric Van, 4 x Off Road Vehicles and the installation of 2 charging points. The remainder is being used to purchase 8 x Single Cab Tipper Vans, at a cost of £0.330m this procurement has been undertaken with a supplier identified.

5.4 Regeneration & Place

- **Town Deal Fund Birkenhead** – This £25m fund is to enable access to capital grants to support the regeneration of Birkenhead. It encompasses a number of projects to be delivered both internally and by external organisations. A Treasury compliant 'Green Book' business case has been prepared and approved for each of the projects. Grants will be paid out to the organisations delivering the external projects via Grant Funding Agreements. All projects will be delivered by March 2026. Robust monitoring and evaluation arrangements are in place.

- **Aids, Adaptations and Disabled Facility Grant (DFG)** – This is a ring-fenced grant received for the provision of aids and adaptations which is operated on a rolling basis where works can be committed in one year and expenditure incurred the next or across financial years. A further in-year allocation has been awarded to Wirral increasing the budget for 2023/24 by a further £412,184. This will help eligible older and disabled people to live as independently and safely as possible in their homes and where local housing authorities are encouraged to use this additional funding in an agile and responsive way to supplement the core delivery of DFG to further help people to live independently and assist in wider Better Care Fund outcomes. The 2023/24 allocation has been fully spent and / or committed as part of the rolling programme for works which will be completed in 2024/24 financial year.
- **Future High Streets Fund Birkenhead (FHSF)** – This is a capital grant from Department for Levelling Up, Housing and Communities (DLUHC) and includes funding to support the regeneration of Birkenhead Town Centre (Market, Europa Housing and Connectivity (Grange Road/Charing Cross/Conway Street/Bus Station area improvements). Procurement/award of contract for a delivery partner for the connectivity projects has been finalised and demolition of House of Fraser has now commenced. A paper was presented to ER & H Committee in March 2024 and a decision to approve relocating the existing market to a vacant unit within Princes Pavement (formerly Argos) was granted. The FHSF grant budget was profiled to 2023/24, however on 13 September 2023 P&R Committee approved an invitation from DLUHC for the Council to participate in a Pathfinder Simplification Pilot which streamlines Future High Streets Fund, Town Deal and the Council's Levelling Up Round 1 allocation into a single programme with a revised spend deadline of 31st March 2026. On 4 October Policy and Resources Committee delegated the Director of Regeneration and Place, in consultation with Group Leaders, to develop and submit the Pathfinder Investment Plan to DLUHC for approval. An Officer Decision Notice was published on 27 October 2023 providing details of the submitted Investment Plan (IP) and a decision from DLUHC was reached in late December 2023 approving this IP. We are awaiting the signed MoU from DLUHC which is expected imminently. There are also plans to onboard Levelling Up Fund Round 3 for Liscard to the Pilot in which approval for this process was given at P&R Committee in March 2024.
- **Birkenhead Waterfront Programme** - The £19.6m Levelling Up Fund Round 1 allocation is a capital grant administered by the Department for Levelling Up, Housing and Communities. The funding is intended to support the transformation of the Woodside Waterfront area as a key visitor destination. Projects included a renewed landing stage at Woodside Ferry Terminal, a new International Battle of the Atlantic attraction at Woodside, and a number of public realm and highways enhancements designed to drive footfall between Hamilton Square and the Waterfront. The funding is subject to an additional 10 per cent local contribution, which is being met by the Liverpool City Region Combined Authority and council borrowing. Projects are progressing at pace, with all projects expected to start on site in 2024 and complete by March 2026.

5.5 Resources

- **Enterprise Resource Planning (ERP)** – A successful year end has been completed with Oracle Fusion. EPM is being developed to manage Capital Projects. Project closure is planned for May 2024.
- **IT Client Refreshment, Laptops, Desktops & Tablets** – As of 13th May 2024 some 650 Windows 11 Microsoft Surface Go 2 laptop devices have been successfully deployed to Council employees. The IT refresh project prioritised replacing Windows 10 Surface Pro devices for those employees relocating to Mallory from the Cheshire Lines Building, facilitating a standardised desk layout within the new office build at 2 Alice Ker Square.

Replacement Windows 11 Surface Go 2 laptop devices are now being deployed across the remainder of the Children's Services department throughout May. Our Committee Services team, Elected Members, SLT and their PA's replacement laptops are planned for delivery during June, with further targeted enabling services back-office support teams then being scheduled for replacement laptops in July. During the summer months further project work will commence to codesign appropriate Windows 11 solutions for both our Neighbourhoods and Regeneration departments public-facing teams, enabling the remainder of the Windows 11 new device deployments to complete by autumn 2024. The initial batch of new devices has been purchased and have been deployed together with the new Windows 11 solution to pilot users.

Appendix 6

Virements for Quarter 4

Scheme	Virement £'m	Reallocation	Reason
Liscard Town Centre Delivery	0.010	Birkenhead Regeneration Framework	Birkenhead Regeneration Framework to Liscard Regeneration Delivery. Required to progress the Brownfield Land Release Fund 2 bid and to review the feasibility of the Dominick House demolition/Cherry Tree redevelopment.
Condition/modernisation (SCA)	0.158	Basic Needs	The virement is to fund BLOOM which is a Single Point of Access for 0-18s Emotional Health and Wellbeing services.
School remodelling and additional classrooms	0.027	Condition/modernisation (SCA)	School place planning (SPP) was released as scheme finished and it was agreed any remaining costs would be funded from the School Condition Allowance.
Vale Park Toilets	0.068	Parks and Countryside DDA	Due to a higher accessible specification and additional ground works required to level the access route further costs met from the Parks and Countryside DDA scheme.
SUD - Leasowe to Seacombe Corridor	0.080	TAG Bus Case - A41 Corridor North	SUD WP7 - expenditure on this scheme is no longer eligible to be claimed from the LCRCA grant. The funding had a timescale of July 23 for scheme delivery and it was not possible for the council to meet this deadline however it had already progressed with design/development of schemes and had paid external consultants and internal highway staff fees.
Energy Efficient Buildings	0.011	Pool Covers	Virement required to finance the overspend on this scheme.
Capitalisation of Regeneration Salaries	1.213	Various Schemes in the programme.	Directly attributed on a scheme by scheme basis.
SUD - Leasowe to Seacombe Corridor	0.034	TAG Bus Case - Wirral Waters	SUD WP7 - expenditure on this scheme is no longer eligible to be claimed from the LCRCA grant. The funding had a timescale of July 23 for scheme delivery and it was not possible for the council to meet this deadline however it had already progressed with design/development of schemes and had paid external consultants and internal highway staff fees.

Appendix 7

Prudential Indicators 2023/24

(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 CIPFA Treasury Management Code 2021 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.

The first Prudential Indicator shows the actual level of capital expenditure that the Council incurred in 2023/24 and the following two years, table 7.1 below shows the estimates for 2023/24 onwards when the Quarter 3 Capital Monitoring Report 2023/24 was approved (Council meeting 26 February 2024):

Table 7.1: Prudential Indicator: Quarter 3 Estimate of Capital Expenditure

	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	Total
	£000	£000	£000	£000	£000
Capital Expenditure	62,103	97,103	152,191	35,263	346,660
Total	62,103	97,103	152,191	35,263	346,660

Table 7.2 shows how these figures have evolved, with the programme amendments detailed within this report.

Table 7.2: Prudential Indicator: 2023/24 Actual and Future Estimate of Capital Expenditure

	2022/23 Actual	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	Total
	£000	£000	£000	£000	£000
Capital Expenditure	62,103	78,316	100,996	130,883	372,298
Total	62,103	78,316	100,996	130,883	372,298

Capital expenditure has or will be funded as follows:

Table 7.3: Prudential Indicator: Financing of Capital Expenditure

Capital Financing	2022/23 Actual £'000	2023/24 Actual £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Capital receipts	2,930	5,400	4,301	722
Grants and Contributions	39,978	38,354	66,966	106,094
Revenue and Reserves	592	293	230	1,205
Borrowing	18,603	34,269	29,499	22,862
Total Funding	62,103	78,316	100,996	130,883

(c) Capital Financing Requirement (CFR)

Estimates of the Authority's cumulative maximum external borrowing requirement for the period 2023/24 to 2025/26 as per the Quarter 3 Capital Monitoring Report 2023/24, are shown in the table below:

Table 7.4: Capital Financing Requirement Estimates – Q3 Capital Monitoring 2023/24

Capital Financing Requirement	31/03/2023 Actual £m	31/03/2024 Estimate £m	31/03/2025 Estimate £m	31/03/2026 Estimate £m
General Fund	376.489	400.262	413.117	408.215

Table 7.5 shows how these figures have evolved, with the programme amendments detailed within this report.

Table 7.5: Capital Financing Requirement Revised Estimates

Capital Financing Requirement	31/03/2023 Actual £m	31/03/2024 Actual £m	31/03/2025 Estimate £m	31/03/2026 Estimate £m
General Fund	376.489	393.989	407.923	414.068

(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.

Table 7.6: Gross Debt and the Revised Capital Financing Requirement Estimates

Debt	31/03/2024 Actual £m	31/03/2025 Estimate £m	31/03/2026 Estimate £m
Borrowing	308.629	328.629	334.629
PFI liabilities	27.971	24.727	21.296
Total Debt	336.600	353.356	355.925
Borrowing in excess of CFR?	No	No	No

(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, as set in the Capital Financing Strategy report (Council meeting 27 February 2023) during 2023/24.

Table 7.7: Authorised Limit and Operational Boundary for External Debt

	Operational Boundary (Approved) 2023/24 £m	Authorised Limit (Approved) 2023/24 £m	External Debt 31/3/2024 £m
Borrowing	448.000	458.000	308.629
Other Long-term Liabilities (PFI)	51.000	56.000	27.971
Total	499.000	514.000	336.600

(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.

Table 7.8 Ratio of financing costs to net revenue stream

Ratio of Finance Costs to Net Revenue Stream	2023/24	2024/25	2025/26
	Actual	Estimate	Estimate
	%	%	%
Ratio	6.284%	7.080%	7.292%