



## **POLICY AND RESOURCES COMMITTEE**

**Wednesday, 6 November 2024**

|                      |                                             |
|----------------------|---------------------------------------------|
| <b>REPORT TITLE:</b> | <b>CAPITAL MONITORING QUARTER 2 2024/25</b> |
| <b>REPORT OF:</b>    | <b>DIRECTOR OF FINANCE</b>                  |

### **REPORT SUMMARY**

This report provides an update on the progress of the Capital Programme 2024/25 at the end of September 2024. It requests that Committee recommends to Council the revised 2024/25 Capital Programme of £100.219 million which takes account of re-profiling, virements, additional funding requirements and grant variations 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 recommend to Council the approval of:

- 1 the revised Capital Programme of £100.219 million for 2024/25, including the virements of budget referred to in Appendix 3 of this report.
- 2 additional funding for the scheme referred to in section 3.7 in this report.
- 3 the amendment to the Council's Minimum Revenue Provision policy as set out in 3.8.1 of this report
- 4 the request to enter into a Pre-Construction Services Agreement as detailed in 3.8.4 and accept the C4 estimate detailed in 3.8.5 prior to the Grant Fund Agreement being signed.

## SUPPORTING INFORMATION

### 1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 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 Capital Programme 2024/25 Position by Directorate

**Table 1: Wirral Council 2024/25 Forecast Position**

| Programme                      | Budget         | Forecast       | Variance       | Actuals       |
|--------------------------------|----------------|----------------|----------------|---------------|
|                                | 1 April 24     | Q2             |                | Q2            |
|                                | £m             | £m             | £m             | £m            |
| Adult Care & Health            | 4.404          | 1.067          | -3.337         | 0.395         |
| Children, Families & Education | 18.886         | 15.610         | -3.276         | 3.326         |
| Finance                        | 4.329          | 5.209          | 0.88           | 1.024         |
| Neighbourhoods                 | 25.757         | 19.225         | -6.532         | 6.866         |
| Regeneration & Place           | 79.637         | 59.108         | -20.529        | 12.797        |
| <b>Total</b>                   | <b>133.013</b> | <b>100.219</b> | <b>-32.794</b> | <b>24.408</b> |

#### Capital Programme 2024/25 Position by Committee

**Table 2: Wirral Council 2024/25 Forecast Position**

| Programme                               | Budget         | Forecast       | Variance        | Actuals       |
|-----------------------------------------|----------------|----------------|-----------------|---------------|
|                                         | 1 April 24     | Q2             |                 | Q2            |
|                                         | £m             | £m             | £m              | £m            |
| Adult Social Care & Health              | 4.404          | 1.067          | -3.337          | 0.395         |
| Children, Young People & Education      | 18.886         | 15.610         | -3.276          | 3.326         |
| Economy, Regneration & Housing          | 68.815         | 50.694         | -18.121         | 11.759        |
| Environment, Climate                    |                |                |                 |               |
| Emergency & Transport                   | 27.332         | 19.574         | -7.758          | 6.743         |
| Policy & Resoures                       | 10.251         | 11.131         | 0.880           | 1.930         |
| Tourism, Communities, Culture & Leisure | 3.325          | 2.143          | -1.182          | 0.254         |
| <b>Total</b>                            | <b>133.013</b> | <b>100.219</b> | <b>- 32.794</b> | <b>24.408</b> |

- 3.1.1 Tables 1 and 2 provide an update on the 2024/25 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 2024. These include the re-profiling of expenditure into and out of financial years, inclusion of additional grant funded schemes and variations to spend forecasts. Appendix 1 of this report provides further analysis of the movement of the forecast programme across directorates during the year to date.
- 3.1.2 As noted above, the main movements in this year's Programme so far are in respect of deferrals of budget into future years along with the inclusion of new funding and schemes into the Programme.
- 3.1.3 It is anticipated that further reductions and/or deferrals of budget will be made in future quarters. Such deferrals reduce the borrowing costs incurred during the year (2024/25) and also delays the resultant Minimum Revenue Provision (MRP) charges into future years. Any delay in outputs will be monitored by project managers and practical implications reported to the appropriate committee.
- 3.1.4 Given the budgetary pressures that the Council faces, a review of the Programme will take place within Quarter 3 to try and identify schemes that may no longer be financially viable, essential, or deliverable.

## **3.2 Reprofiling of expenditure**

- 3.2.1 Regular meetings are held with officers who are responsible for capital projects contained within the Programme. During these meetings assessments are made regarding the deliverability of the schemes and their budgetary requirement for the year. These assessments are reflected in the forecast outturn provided through the quarterly update reports to Members. Should it be assessed that a scheme will continue into the next financial year, or beyond, budget is reprofiled as deemed appropriate at that time. At the end of Quarter 2, 51% (71 out of 140) of active schemes/programmes had budget reprofiling adjustments.
- 3.2.2 A scheme should not be paused or deferred into a future year if this action were to lead to avoidable detrimental effects on the Council. The project lead officers determine if a scheme is appropriate for deferral and manage any risks or negative impacts associated with this decision. Schemes that are part or fully funded from grant require additional consideration before deferral, so as not to compromise the conditions of the grant agreements, which may jeopardise the scheme funding.
- 3.2.3 A review of the profiling of expenditure within the Capital Programme is continuing and is likely to lead to a further reduction in anticipated spend for the year.

## **3.3 Scheme Updates**

- 3.3.1 Schemes are subject to an ongoing review to ensure that a deliverable programme is in place, that they are compatible with the Council Plan: Wirral Working Together 2023-27 priorities and to try and identify any savings. Current progress on the more significant schemes is provided in Appendix 2 of this report.

3.3.2 Scheme costs are constantly monitored by project officers. Due to 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 will be reported that may jeopardise the delivery of a scheme. 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.

### 3.4 Grant Funded Schemes

New additional awards of grant have been received during Quarter 2 relating to the Capital Programme:

#### 3.4.1 Guinea Gap Swimming Pool Support Fund – Sports England: £0.105m

Capital grant received for replacement of LED lights at Guinea Gap Swimming Pool.

#### 3.4.2 Beechwood Play Area – Big Local Funding: £0.150m

Grant received for the establishment of Beechwood Play Area.

3.4.3 The estimate for future years for the Aid's, Adaptations and Disabled Facilities Grant Funding has been increased from £4.700m to £5.100m. This is based on the current level of grant received in 2024/25.

### 3.5 Virements

Appendix 3 of this report lists the budget virements that have been identified where schemes have been identified 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.

### 3.6 Capital Funding Requirements

**Table 3 Financing the Capital Programme 2024/25**

| 3.6.1 | Source of Financing  | Programme<br>1 April 24<br>£m | Programme<br>30 September 24<br>£m | Variance<br>£m  |
|-------|----------------------|-------------------------------|------------------------------------|-----------------|
|       | Borrowing            | 35.214                        | 26.307                             | -8.907          |
|       | Grants/Contributions | 93.233                        | 68.316                             | -24.917         |
|       | Capital Receipts     | 4.301                         | 5.431                              | 1.130           |
|       | Revenue/ Reserves    | 0.265                         | 0.165                              | -0.100          |
|       |                      | <b>133.013</b>                | <b>100.219</b>                     | <b>- 32.794</b> |

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 the year when the re-profiled expenditure is incurred.

### **3.7 Recommendations to Full Council: Approval for Funding**

3.7.1 Below is a summary of the Capital bid seeking approval for funding via this report. Further detail is provided in Appendix 4 to this report. The proposed extra funding is an allocation of capital receipts.

#### **3.7.2 New Ferry Public Realm & Highways Improvements – Grant Funding redistribution £5.657m**

It is proposed to redistribute existing grant funding to cover the rising costs and a redesign of the scheme in order to fully deliver the project.

#### **3.7.3 Aids, Adaptations and Disabled Facilities Grant – Capital Receipts £0.250m**

While spend is actively managed and reviewed on a monthly basis, referrals have now peaked at record levels as well as an exceptional carry over of more complex cases from 2023/24 that have been carried into the current year meaning that the current budget is now forecast to be overcommitted by year end.

### **3.8 Other Scheme Matters**

3.8.1 **Minimum Revenue Provision** - It is proposed to amend the Council's Minimum Revenue Provision (MRP) policy to allow the charging of MRP to start in the year after an asset becomes operational.

3.8.3 **Regeneration Programme** - The Regeneration capital schemes have a change in presentation to Committee. This is to align the reporting to Members on the themes and Programmes across the Wirral on which the regeneration outcomes are being delivered. Further information can be found in Appendix 2 – Scheme Updates.

3.8.2 **Hind Street – Revised Funding Homes England £29.760m and Liverpool City Region Authority £22.360m.** Revised grant funding of an additional £2.00m is awaiting approval for Hind Street in Financial Year 2025/26 and Financial Year 2026/27 as detailed above. Once approval has been granted it will be added to the programme in the respective years.

3.8.4 The Council needs to enter into a Pre-Construction Services Agreement (PCSA) with a suitable contractor procured through an appropriate framework. This will allow for greater cost certainty for the main primary enabling works contract, which is currently estimated at £36m and will be funded by grant. The cost of the PCSA is estimated as £600k. This PCSA is entirely recoverable through the Homes England and Liverpool City Region Combined Authority Grant, however completion of the Grant Funding Agreement (GFA) is still months away. The PCSA will need to be commissioned prior to the completion of the GFA. £600k is required in the short term for the Council to appoint a suitable PCSA contractor.

3.8.5 A key part of the Hind Street primary enabling works is the relocation of the current Cadent gas infrastructure that exists on the site. Only Cadent is authorised to undertake work to the gas infrastructure. The cost of the works is being met by the grant provided for the primary enabling works, but there will be a requirement for the Council to accept the estimate (known as C4) in order for Cadent to progress. The

current estimate is £2.7 million. This is part of the total cost of relocating the gas infrastructure, not the total cost, but all these costs are covered by the grant funding. Approval of this cost commits the Council to meeting this expenditure when Cadent undertake these works. The works will be required prior to securing the grant. When the GFA is completed, these costs are fully recoverable.

**3.8.6 Regeneration Delivery Resources** – On 20<sup>th</sup> March 2024, Policy & Resources Committee resolved that:

- the Director of Finance be authorised to allocate Council reserves arising from Wirral Growth Company profits and/or Capitalisation totalling £2.7m for the use of additional Regeneration Delivery resources to March 2026.
- the use and impact of the newly allocated additional resources (up to £2.7m) will be overseen by the Economy, Regeneration and Housing Committee.

These resources have now been added to the Capital programme, with £2.3m being forecast as capital expenditure and £0.4m estimated as being revenue spend. The funding has been included as borrowing, which will be monitored in case the use of reserves may lessen the borrowing requirement.

**4.0 FINANCIAL IMPLICATIONS**

4.1 This is the Quarter 2 Budget Monitoring Report, to the end of September 2024 that provides information on the forecast outturn and progress against the Capital Programme. 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). If the Capital Programme is delivered as forecast in this report, the Authority will consequently require borrowing of £26.307 million this year to finance the capital schemes covered by this report in 2024/25. This debt will be repaid via charges to the revenue budget over the lives of the assets created or enhanced. The revenue impact of the additional £26.307 million of borrowing required to fund all forecast works in 2024/25 is as follows:

**Table 4: MRP Charges to Revenue Relating to 2024/25 Debt Funded Capital**

|                         | 2025/26<br>£m | 2026/27<br>£m | 2027/28<br>£m | 2028/29<br>£m |
|-------------------------|---------------|---------------|---------------|---------------|
| Additional Revenue Cost | 0.783         | 0.822         | 0.864         | 0.907         |

Notes

- MRP repayments from revenue only start the year after the capital expenditure has taken place i.e., for spend incurred in 2024/25, the first MRP repayments will be charged in the 2025/26 revenue accounts.
- The additional revenue costs 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 2029/30 at £0.953 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 1 will have more purchasing power than £1 in year 10.
- 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).
- 4.5 The full revised Capital Programme can be found in Appendix 5 to this report.

## **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 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.

- 5.6 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. The most recent CAB meeting took place in June.

- 7.2 The possible failure to deliver the Revenue Budget is being mitigated by:
- (1) Senior Leadership / Directorate Teams regularly reviewing the financial position.
  - (2) Availability of General Fund Balances.
  - (3) 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 were necessary escalation to ICB.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 This is an in-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 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 Climate Emergency Plan that was compiled following the declaration of a Climate Emergency by the Council in May 2019. Within the existing Capital Programme there are projects that positively contribute to environmental issues. 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.

## **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 Q2 Forecast Position
- Appendix 2 Scheme Updates
- Appendix 3 Virements Within Quarter 2
- Appendix 4 Capital Bids Seeking Approval for Funding
- Appendix 5 Revised Capital Programme 2024/25
- Appendix 6 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)**

| <b>Council Meeting</b>                       | <b>Date</b>      |
|----------------------------------------------|------------------|
| 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      | 9 October 2023   |
| Council – 2023/24 Capital Monitoring Q2      | 4 December 2023  |
| Council – 2023/24 Capital Monitoring Q3      | 26 February 2024 |
| Council – 2023/24 Capital Outturn Report     | 17 July 2024     |
| Council – 2024/29 Capital Programme          | 26 February 2024 |
| Council – 2024/29 Capital Financing Strategy | 26 February 2024 |
| Council – 2024/25 Capital Monitoring Q1      | 17 July 2024     |

## Appendix 1

### Movement Between Opening Budget on 1 April 2024 and Q2 Forecast Position

| <b>Programme</b>                                         | <b>Budget<br/>1 April 24<br/>£m</b> | <b>Additional<br/>Grant<br/>£m</b> | <b>Funding<br/>Adjustments<br/>(Inc<br/>Virements)<br/>£m</b> | <b>New Bids<br/>£m</b> | <b>Scheme<br/>Reduction<br/>£m</b> | <b>Reprofiling<br/>to Future<br/>Years<br/>£m</b> | <b>Forecast<br/>Q2<br/>£m</b> |
|----------------------------------------------------------|-------------------------------------|------------------------------------|---------------------------------------------------------------|------------------------|------------------------------------|---------------------------------------------------|-------------------------------|
| Adult Care & Health<br>Children, Families &<br>Education | 4.404                               | -                                  | -                                                             | -                      | -                                  | -3.337                                            | 1.067                         |
| Finance                                                  | 18.886                              | 1.33                               | -1.501                                                        | -                      | -                                  | -3.105                                            | 15.61                         |
| Neighbourhoods                                           | 4.329                               | -                                  | -                                                             | 0.88                   | -                                  | -                                                 | 5.209                         |
| Regeneration & Place                                     | 25.757                              | 0.61                               | 0.300                                                         | -                      | -                                  | -7.442                                            | 19.225                        |
|                                                          | 79.637                              | 3.986                              | 0.770                                                         | 7.966                  | -                                  | -33.251                                           | 59.108                        |
|                                                          | <b>133.013</b>                      | <b>5.926</b>                       | <b>-0.431</b>                                                 | <b>8.846</b>           | <b>0.000</b>                       | <b>-47.135</b>                                    | <b>100.219</b>                |

## Appendix 2

### Capital Programme – Scheme Updates

#### 2.1 Adult Social Care & Health

- **Extra Care Housing** - Sycamore Place opened in February 24 and Spinnaker House is due to open October 2024.

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. There are several sites under current consideration across Wirral but are not yet confirmed for progression. Some areas have multiple sites for consideration, and officers are mindful to develop where there is an evidenced need or gap in provision, and not over develop.

- **Telecare & Telehealth Ecosystem** – The key milestone of this project is to complete the analogue to digital transition of Telecare which is on course to be completed by December 2024.

At this point, evolution of the service will become business as usual as we learn more about the effectiveness of a remote monitoring approach and we tailor packages to better meet need and take advantage of the developing technology marketplace and systems. Aligned to this work is the targeted deployment of personalised technologies to support people. This technology is generally more advanced and complex than Telecare and requires careful prescription by social workers and health professionals. However, both types of approach also require a single platform / dashboard to enable the benefits to be measured and confirmed. Currently, this work is scheduled to continue until at least December 2026, in line with the planned telecoms switchover.

#### 2.2 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 allocation includes £1.642m roofing works at various schools, £0.804m for boiler installation works and £0.5m Fire Risk Assessments. Major schemes in 24/25 include Raeburn Primary and Devonshire Park Primary.
- **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 Joseph Paxton, Foxfield School, and Stanley School.

## 2.3 Neighbourhoods

- **Highway Maintenance** – The second quarter has seen the main commencement of the works. The HRA programme is now 100% complete, surface dressing, is 97% complete with road lining in progress. The micro-asphalt programme has just commenced at 5%. Footway refurbishment is now 50% and on target to complete by the end of the year. The footway slurry programme has yet to start but is expected to commence in the next 2 weeks. Concrete rehabilitation works, is 70% complete. We have also a further carriageway slurry programme scheduled in the next 2 weeks along with carriageway patching. Spend is a little behind actual works, but this will catch up during October and November. The capital programme as a whole, is well on track, to complete more roads and footways than previous years and spend the budget allocation.
- **Combined Authority Transport Plan (CATP) 2024/25** - Phases 3 and 4 of the Council's 20mph programme consultation/engagement was undertaken and completed during Q2. The next stage is to collate and analyse all comments and feedback received which will be undertaken in Q3 and then a report compiled with the outcome of the consultation that will be reported to ECET Committee in December 2024. Subject to Committee approval, commencement, and delivery of phases 3 and 4 on-site will begin from February 2024 and it is expected to complete phase 3 of the programme within Q4. Due to the Capital Grant funding being rolled over into 25/26, phase 4 of the programme will be completed on-site between April and June 2025 (Q1 – 2025). It is anticipated that 75% (£225k) of the budget allocation for 20mph phases 3 and 4 will be spent by year-end of 2024/25.
- **Local Safety Schemes / Active Travel / Traffic Signal Improvements** – Within the 2024/25 programme there are several engineering schemes targeting local safety, active travel improvements and pedestrian/traffic signal improvements. Most of the schemes are still within the detailed design and delivery stage, though good progress is being made with some of the schemes identified now packaged and ready to be issued to the Contractor to programme in the works. There has been a slight delay with some of the schemes due 'ironing' out some detailed design issues, in particular Spital Crossroads that required a change control to the scope as the original design was proposing to remove a large mature tree. The design on this scheme has been amended and the tree will now remain. Traffic signal equipment for the upgrades to existing traffic signal junctions across those priority sites has been ordered within both Q1 and Q2 and will be installed within Q3. Good progress is being made on School Street schemes, pedestrian access improvements, and Public Rights of Way schemes. It is expected all these schemes will be delivered within Q4.

It is anticipated that 65% of the CATP budget allocation will be spent within 2024/25. However, please note this Capital Grant funding that is allocated for a 5-year period ending in 2026/27 and therefore rollover of any funding to complete schemes in-year

is deemed acceptable. The delay in delivery of 24/25 schemes is due to the requirements to consult/engage with residents, businesses, detailed design issues and political impacts. Furthermore, we require ECET Committee approval for the 20mph phases 3 and 4.

## 2.4 Regeneration & Place

The Capital Programmes outline a series of regeneration projects for Birkenhead and surrounding areas on the Wirral. The projects aim to revitalize the town centre, improve the waterfront, and enhance the local economy by creating new jobs, housing, and public spaces. The projects are categorized by location into key Programmes and include plans for new homes, commercial developments, improved infrastructure, and community facilities, illustrating the comprehensive approach to revitalizing the Wirral region.

- **Birkenhead Town Centre:** This Programme aims to revitalize Birkenhead's town centre with a development plan encompassing the retail core and infrastructure enhancements connecting to the broader Birkenhead Town Centre Programme.
- **Birkenhead Waterfront:** This Programme focuses on improving the waterfront area from Argyle Street/Conway Street roundabout to Woodside Ferry Terminal. It will create more inviting spaces with enhanced landscaping, pedestrian and cycling paths, and better connectivity to the Birkenhead retail area.
- **Central Birkenhead:** The Central Birkenhead Programme includes a collection of council and third-party initiatives, funded by various sources like Town Deal and CRSTS. Key Projects include Future Yard, Start-Yard, and improvements to Conway Street/Europa Boulevard, and Charing Cross/Grange Road.
- **Dock Branch Neighbourhood:** Centred around a new park and active travel route connecting Tower Rd/Rendell Street to Argyle Street, this Programme will transform the neighbourhood with green space emphasizing nature and play. The development prioritizes community involvement and aligns with Birkenhead 2040's principles.
- **Hind Street:** This Programme will create 1,600 new, eco-friendly homes in the next decade, aiming to reshape the housing market by offering high-quality living options near the town centre. The initial phases will deliver 633 homes, with a planning application under review.
- **Liscard Town Centre:** Aiming to transform the Liscard Town Centre, this programme focuses on improving public spaces and roads, creating new high-quality housing, and enhancing existing community facilities.

- **New Ferry:** This Programme will create new homes, offered through affordable rent, and Rent to Buy schemes. Additionally, it includes environmental improvements, traffic calming measures, public realm upgrades, and a redesigned public car park to create a more pedestrian-friendly experience.
- **Northside:** This Programme seeks to attract new businesses and create jobs by developing new accommodations on vacant and underdeveloped sites in Northside, while preserving the area's employment focus. Expected outcomes include a new Finsa facility, a council Highways depot, and new employment units.
- **Seacombe River Corridor:** Based on the Seacombe Masterplan, this regeneration programme includes the Eureka Science centre, developments on the Town Hall Annexes and regeneration plans across Seacombe.
- **Strategic Transport:** This programme, encompassing projects in development and delivery stages, prioritizes sustainable and active travel in line with the Local Plan. It focuses on addressing the climate emergency by transitioning to fossil fuel-free local travel by 2030.
- **Wirral Waters:** This Programme has two main focuses. First, Northbank aims to create a new neighbourhood with over 1,000 homes, green spaces, retail, and leisure facilities. This includes completing the Millers Quay and East Float housing developments and implementing an interim public transport solution.
- **Standalone Projects:** This includes projects that are Wirral wide or will apply across the whole capital programme, such as the Business Investment fund and capitalisation of revenue costs.

### Appendix 3

#### Virements within Quarter 2

| <b>Directorate</b>   | <b>Scheme</b> | <b>Proposed Virement<br/>£m</b> | <b>Proposed Relocation</b>                     | <b>Reasons</b>                                                                   |
|----------------------|---------------|---------------------------------|------------------------------------------------|----------------------------------------------------------------------------------|
| Regeneration & Place | Clearance     | 0.378                           | Aids, Adaptations and Disabled Facility Grants | Director approval received for mitigating overspends within a statutory service. |



## **Appendix 4**

### **Capital Bid Seeking Approval for Funding**

#### **4.1 Aids, Adaptations and Disabled Facility Grants - £0.250m Capital Receipts**

The Council has had an adaptations and emergency home repairs assistance programme for several decades, more recently funded by the DFG element of the Better Care Fund which is passported to Housing Services to enable disabled residents' essential adaptations and vulnerable residents' essential repairs to enable them to remain living independently at home. This assistance reduces demand on expensive residential care, care packages as well as health costs by reducing unplanned hospital admissions & re-admissions, enabling residents' greater independence and supports speedier and safe hospital discharge whilst also reducing the impact on re-housing services. The current budget has remained at the same level for the last two years while demand has continued to grow. The Council is therefore overcommitted in the current year and requires support from the capital programme to ensure priority cases can continue rather than a large waiting list building up, and the risk of greater accidents, injuries and expense to Council and Health budgets as a result.

While spend is actively managed and reviewed on a monthly basis, referrals have now peaked at record levels as well as an exceptional carry over of more complex cases from 2023/24 that have been carried into the current year meaning that the current budget is now forecast to be overcommitted by year end.

#### **4.2 New Ferry Public Realm & Highways Improvements – Redistribution of Grant monies - £5.567m**

The original proposals included the re-opening of Bebington Road to vehicles and minimal changes to the public realm. However, following several public consultation workshops in September 2022 there was strong support for the pedestrianised area to remain and for the introduction of high-quality environmental improvements to the public realm and improved traffic calming measures.

Due to significant rises in material and labour costs due to inflation and a redesign of the scheme, this has had a significant impact on the overall costs, which has resulted in additional funding now being required to fully deliver the regeneration proposals, to the expectations of the community.

The additional funding will be secured through redistribution of current grant funding.

## Appendix 5

### Revised Capital Programme at Quarter 2 2024/25

| Scheme                                                      | Budget           | 2024/25                | Variance      | Actuals      | 2025/26      | 2026/27      | 2027/28        | 2028/29        |
|-------------------------------------------------------------|------------------|------------------------|---------------|--------------|--------------|--------------|----------------|----------------|
|                                                             | 1 Apr 24<br>£000 | Forecast<br>Q2<br>£000 |               |              | £000         | Q2<br>£000   | Budget<br>£000 | Budget<br>£000 |
| <b>Adult Care and Health</b>                                |                  |                        |               |              |              |              |                |                |
| Citizen and Provider Portal/Integrated I.T.                 | 53               | 53                     | 0             | 0            | 0            | 0            | 0              | 0              |
| Extra Care Housing                                          | 2,276            | 0                      | -2,276        | 0            | 2,276        | 0            | 0              | 0              |
| Liquidlogic - Early Intervention & Prevention               | 214              | 214                    | 0             | 0            | 0            | 0            | 0              | 0              |
| Telecare & Telehealth Ecosystem                             | 1,861            | 800                    | -1,061        | 395          | 1,061        | 0            | 0              | 0              |
| <b>Total Adult Care and Health</b>                          | <b>4,404</b>     | <b>1,067</b>           | <b>-3,337</b> | <b>395</b>   | <b>3,337</b> | <b>0</b>     | <b>0</b>       | <b>0</b>       |
| <b>Children, Families &amp; Education</b>                   |                  |                        |               |              |              |              |                |                |
| Basic Needs                                                 | 727              | 346                    | -381          | 246          | 427          | 0            | 0              | 0              |
| Child Care Capital Expansion Fund                           | 604              | 604                    | 0             | 0            | 0            | 0            | 0              | 0              |
| Children's System Development                               | 703              | 703                    | 0             | 662          | 0            | 0            | 0              | 0              |
| Condition/modernisation (SCA)                               | 7,011            | 7,082                  | 71            | 1,350        | 3,759        | 2,500        | 2,500          | 2,500          |
| Family Hub Transformation Fund                              | 85               | 85                     | 0             | 0            | 0            | 0            | 0              | 0              |
| Family support                                              | 157              | 57                     | -100          | 0            | 100          | 0            | 0              | 0              |
| High Needs Provision Capital                                | 8,561            | 5,695                  | -2,866        | 857          | 1,746        | 0            | 0              | 0              |
| School Works - Department for Education Ringfenced Receipts | 721              | 721                    | 0             | 10           | 722          | 0            | 0              | 0              |
| Transforming Care - Therapeutic Short Breaks                | 317              | 317                    | 0             | 201          | 0            | 0            | 0              | 0              |
| <b>Total Children, Families &amp; Education</b>             | <b>18,886</b>    | <b>15,610</b>          | <b>-3,276</b> | <b>3,326</b> | <b>6,754</b> | <b>2,500</b> | <b>2,500</b>   | <b>2,500</b>   |

| Scheme                                                         | Budget           | 2024/25                | Variance   | Actuals      | 2025/26  | 2026/27        | 2027/28        | 2028/29        |
|----------------------------------------------------------------|------------------|------------------------|------------|--------------|----------|----------------|----------------|----------------|
|                                                                | 1 Apr 24<br>£000 | Forecast<br>Q2<br>£000 |            |              | £000     | Budget<br>£000 | Budget<br>£000 | Budget<br>£000 |
| <b>Finance</b>                                                 |                  |                        |            |              |          |                |                |                |
| Creative & Digital Team - Specialist Software and Hardware     | 7                | 7                      | 0          | 0            | 0        | 0              | 0              | 0              |
| Customer Experience Improvements Project                       | 255              | 255                    | 0          | 165          | 0        | 0              | 0              | 0              |
| Digital Foundations Programme                                  | 1                | 0                      | -1         | 0            | 0        | 0              | 0              | 0              |
| ERP                                                            | 401              | 401                    | 0          | 243          | 0        | 0              | 0              | 0              |
| Transformational Capitalisation                                | 2,000            | 2,880                  | 880        | 0            | 0        | 0              | 0              | 0              |
| Upgrade of WIFI Network                                        | 73               | 0                      | -73        | 0            | 0        | 0              | 0              | 0              |
| IT Client Refreshment, Laptops, Desktops & Tablets             | 1,592            | 1,666                  | 74         | 615          | 0        | 0              | 0              | 0              |
| <b>Total Finance</b>                                           | <b>4,329</b>     | <b>5,209</b>           | <b>880</b> | <b>1,024</b> | <b>0</b> | <b>0</b>       | <b>0</b>       | <b>0</b>       |
| <b>Neighbourhoods</b>                                          |                  |                        |            |              |          |                |                |                |
| Air Quality Control DEFRA                                      | 35               | 26                     | -9         | 26           | 9        | 0              | 0              | 0              |
| Allotment & Cemetery Standpipes                                | 313              | 219                    | -94        | 0            | 94       | 0              | 0              | 0              |
| Allotment Sites Expansion                                      | 50               | 35                     | -15        | 0            | 15       | 0              | 0              | 0              |
| Allotment Sites Expansion - Top Up                             | 148              | 104                    | -44        | 0            | 44       | 0              | 0              | 0              |
| Arrowe Country Park - Main Driveway Resurfacing & Fencing Work | 60               | 42                     | -18        | 0            | 18       | 0              | 0              | 0              |
| Arts Council Capital LIF                                       | 21               | 15                     | -6         | 0            | 6        | 0              | 0              | 0              |
| Ashton Park Lake                                               | 0                | 0                      | 0          | 0            | 0        | 0              | 0              | 0              |
| Beechwood Play Area                                            | 0                | 150                    | 150        | 35           | 0        | 0              | 0              | 0              |
| Bidston Court - Path Improvements                              | 350              | 245                    | -105       | 0            | 105      | 0              | 0              | 0              |
| Birkenhead Park World Heritage Project Team                    | 85               | 10                     | -75        | 0            | 26       | 49             | 0              | 0              |
| Bridges excluding Dock Bridge                                  | 1,479            | 1,035                  | -444       | -5           | 604      | 75             | 0              | 0              |

| Scheme                                                             | Budget           | 2024/25                | Variance | Actuals | 2025/26 | 2026/27    | 2027/28        | 2028/29        |
|--------------------------------------------------------------------|------------------|------------------------|----------|---------|---------|------------|----------------|----------------|
|                                                                    | 1 Apr 24<br>£000 | Forecast<br>Q2<br>£000 |          |         | £000    | Q2<br>£000 | Budget<br>£000 | Budget<br>£000 |
| Catering Units                                                     | 160              | 112                    | -48      | 0       | 48      | 0          | 0              | 0              |
| Cemetery Extension & Improvements<br>(Frankby)                     | 140              | 98                     | -42      | 0       | 42      | 0          | 0              | 0              |
| Churchyard Boundary & Landican<br>Cemetery Structural              | 56               | 39                     | -17      | 0       | 17      | 0          | 0              | 0              |
| Climate Emergency Budget                                           | 23               | 16                     | -7       | 1       | 7       | 0          | 0              | 0              |
| Coastal Defence - Meols Feasibility<br>Study                       | 100              | 70                     | -30      | 0       | 30      | 0          | 0              | 0              |
| Combined Authority Transport Plan<br>(CATP)                        | 4,596            | 3,217                  | -1,379   | 499     | 3,289   | 1,910      | 0              | 0              |
| Coronation Park Sustainable<br>Drainage                            | 222              | 155                    | -67      | 0       | 67      | 0          | 0              | 0              |
| Defibrillators                                                     | 12               | 12                     | 0        | 0       | 0       | 0          | 0              | 0              |
| DEFRA -Food Waste Collection<br>Service                            | 0                | 0                      | 0        | 0       | 2,377   | 0          | 0              | 0              |
| DfT Funding Highways Maintenance<br>and Improvements               | 1,312            | 918                    | -394     | 0       | 394     | 0          | 0              | 0              |
| Dock Bridges replacement                                           | 210              | 147                    | -63      | 0       | 63      | 0          | 0              | 0              |
| England Coastal Path                                               | 0                | 248                    | 248      | 0       | 107     | 0          | 0              | 0              |
| Environmental Improvements                                         | 1,150            | 805                    | -345     | 250     | 420     | 75         | 0              | 0              |
| Essential H&S Access Improvements<br>@ Wirral Country Park         | 0                | 0                      | 0        | 139     | 0       | 0          | 0              | 0              |
| Essential H&S Infrastructure<br>Improvements @ Wirral Country Park | 193              | 135                    | -58      | 0       | 58      | 0          | 0              | 0              |
| Fitness Equipment                                                  | 4                | 3                      | -1       | 0       | 1       | 0          | 0              | 0              |
| Flaybrick Cemetery Pathway                                         | 200              | 140                    | -60      | 0       | 60      | 0          | 0              | 0              |
| Food Waste                                                         | 0                | 0                      | 0        | 0       | 0       | 3,200      | 0              | 0              |
| Football Goals                                                     | 97               | 97                     | 0        | 97      | 0       | 0          | 0              | 0              |

| Scheme                                                                       | Budget           | 2024/25                | Variance | Actuals | 2025/26 | 2026/27        | 2027/28        | 2028/29        |
|------------------------------------------------------------------------------|------------------|------------------------|----------|---------|---------|----------------|----------------|----------------|
|                                                                              | 1 Apr 24<br>£000 | Forecast<br>Q2<br>£000 |          |         | £000    | Budget<br>£000 | Budget<br>£000 | Budget<br>£000 |
| Future Golf - Project 1.1                                                    | 317              | 222                    | -95      | 25      | 95      | 0              | 0              | 0              |
| Grange Cemetery                                                              | 45               | 31                     | -14      | 0       | 14      | 0              | 0              | 0              |
| Guinea Gap Swimming Pool Support Fund                                        | 0                | 105                    | 105      | 0       | 0       | 0              | 0              | 0              |
| Health & Safety Equipment for Transport Workshop                             | 21               | 15                     | -6       | 0       | 6       | 0              | 0              | 0              |
| Highway Maintenance                                                          | 8,088            | 5,662                  | -2,426   | 3,195   | 8,139   | 5,763          | 0              | 0              |
| Key Route Network (LGF3) - Operate Key Roads / Routes Efficiently            | 166              | 116                    | -50      | 0       | 50      | 0              | 0              | 0              |
| Key Route Network CRSTS                                                      | 454              | 318                    | -136     | 0       | 136     | 0              | 0              | 0              |
| Kingsmead School - Playing Field S106                                        | 397              | 278                    | -119     | 19      | 119     | 0              | 0              | 0              |
| Landican Cemetery Extension of Burial Area & Modernisation of Chapel Complex | 120              | 84                     | -36      | 0       | 676     | 550            | 0              | 0              |
| Levelling Up Parks Fund-Woodchurch                                           | 12               | 8                      | -4       | 0       | 4       | 0              | 0              | 0              |
| Library Radio Frequency Identification Kiosks                                | 0                | 0                      | 0        | 0       | 0       | 0              | 0              | 0              |
| Lyndale Ave Parking & Safety Measures                                        | 0                | 0                      | 0        | 0       | 0       | 0              | 0              | 0              |
| Moreton Sandbrook Drainage                                                   | 203              | 142                    | -61      | 0       | 61      | 0              | 0              | 0              |
| New Brighton Gym Equipment                                                   | 3                | 2                      | -1       | 0       | 1       | 0              | 0              | 0              |
| New Ferry Rangers Community Clubhouse                                        | 37               | 37                     | 0        | 71      | 0       | 0              | 0              | 0              |
| Parks Machinery                                                              | 1,305            | 1,264                  | -41      | 1,264   | 41      | 0              | 0              | 0              |
| Parks Vehicles                                                               | 902              | 631                    | -271     | 492     | 313     | 0              | 0              | 0              |
| Parks Workshop & various machinery                                           | 133              | 93                     | -40      | 0       | 40      | 0              | 0              | 0              |

| Scheme                                                                                                                  | Budget           | 2024/25                | Variance | Actuals | 2025/26 | 2026/27        | 2027/28        | 2028/29        |
|-------------------------------------------------------------------------------------------------------------------------|------------------|------------------------|----------|---------|---------|----------------|----------------|----------------|
|                                                                                                                         | 1 Apr 24<br>£000 | Forecast<br>Q2<br>£000 |          |         | £000    | Budget<br>£000 | Budget<br>£000 | Budget<br>£000 |
| Play Area Improvements                                                                                                  | 103              | 282                    | 179      | 108     | 121     | 0              | 0              | 0              |
| Plymyard Cemetery Roadways                                                                                              | 8                | 6                      | -2       | 0       | 2       | 0              | 0              | 0              |
| Plymyard Playing Field                                                                                                  | 116              | 81                     | -35      | 63      | 35      | 0              | 0              | 0              |
| PSDS Decarbonisation Phase 1                                                                                            | 958              | 671                    | -287     | 0       | 1,287   | 0              | 0              | 0              |
| Quick Win Levy                                                                                                          | 45               | 31                     | -14      | 0       | 14      | 0              | 0              | 0              |
| Removal of remaining analogue<br>CCTV circuits-21-22                                                                    | 1                | 1                      | 0        | 0       | 0       | 0              | 0              | 0              |
| Solar Campus 3G                                                                                                         | 1                | 1                      | 0        | 0       | 0       | 0              | 0              | 0              |
| Street Lighting -Column Replacement<br>& Signage                                                                        | 9                | 6                      | -3       | -1      | 3       | 0              | 0              | 0              |
| Street Lighting -Illuminated Lighting<br>and Signage                                                                    | 0                | 0                      | 0        | 0       | 0       | 0              | 0              | 0              |
| Studio refurbishment Les Mills<br>classes                                                                               | 15               | 10                     | -5       | 0       | 5       | 0              | 0              | 0              |
| Surface Water Management Scheme                                                                                         | 57               | 40                     | -17      | 0       | 17      | 0              | 0              | 0              |
| Tower Road National Productivity<br>Investment Fund (NPIF) - ease<br>congestion / upgrade national or local<br>networks | 48               | 34                     | -14      | 0       | 14      | 0              | 0              | 0              |
| Traffic Signal LED Upgrade                                                                                              | 463              | 448                    | -15      | 448     | 15      | 0              | 0              | 0              |
| Tree Strategy                                                                                                           | 0                | 0                      | 0        | 4       | 0       | 0              | 0              | 0              |
| Urban Tree Challenge Fund                                                                                               | 69               | 48                     | -21      | 0       | 21      | 0              | 0              | 0              |
| Wallasey Embankment Toe<br>Reinforcement                                                                                | 227              | 159                    | -68      | 0       | 68      | 0              | 0              | 0              |
| West Kirby Flood alleviation                                                                                            | 9                | 9                      | 0        | 68      | 0       | 0              | 0              | 0              |
| Williamson Art Gallery Catalogue                                                                                        | 56               | 39                     | -17      | 0       | 17      | 0              | 0              | 0              |
| Williamson Art Gallery Ventilation 21-<br>22                                                                            | 288              | 202                    | -86      | 0       | 86      | 0              | 0              | 0              |
| Wirral Tennis Centre - 3G Pitch                                                                                         | 10               | 10                     | 0        | 25      | 0       | 0              | 0              | 0              |

| Scheme                                                                               | 2024/25                    |                        |                  | Actuals<br>Q2<br>£000 | 2025/26        | 2026/27        | 2027/28        | 2028/29        |
|--------------------------------------------------------------------------------------|----------------------------|------------------------|------------------|-----------------------|----------------|----------------|----------------|----------------|
|                                                                                      | Budget<br>1 Apr 24<br>£000 | Forecast<br>Q2<br>£000 | Variance<br>£000 |                       | Budget<br>£000 | Budget<br>£000 | Budget<br>£000 | Budget<br>£000 |
| Wirral Tennis Centre - Facility Upgrade                                              | 0                          | 0                      | 0                | 5                     | 0              | 0              | 0              | 0              |
| Wirral Way Widening                                                                  | 29                         | 20                     | -9               | 13                    | 9              | 0              | 0              | 0              |
| Woodchurch Rd Drainage                                                               | 0                          | 0                      | 0                | 0                     | 0              | 0              | 0              | 0              |
| Woodchurch Sports Pavilion                                                           | 26                         | 26                     | 0                | 25                    | 0              | 0              | 0              | 0              |
| <b>Total Neighbourhoods</b>                                                          | <b>25,757</b>              | <b>19,225</b>          | <b>-6,532</b>    | <b>6,866</b>          | <b>19,310</b>  | <b>11,622</b>  | <b>0</b>       | <b>0</b>       |
| <b>Regeneration &amp; Place</b>                                                      |                            |                        |                  |                       |                |                |                |                |
| Active Travel Tranche 2                                                              | 1,363                      | 0                      | -1,363           | 0                     | 0              | 0              | 0              | 0              |
| Aids, Adaptations and Disabled Facility Grants                                       | 5,627                      | 6,707                  | 1,080            | 3,067                 | 5,100          | 5,100          | 5,100          | 5,100          |
| Arrowe Country Park - New Machine Shed & Wash Bay                                    | 75                         | 75                     | 0                | 4                     | 0              | 0              | 0              | 0              |
| Arrowe Country Park Depot: Re-Surfacing, Material Bays & Electronic Entrance Barrier | 27                         | 27                     | 0                | 0                     | 0              | 0              | 0              | 0              |
| Bebington Oval Facility Upgrade                                                      | 527                        | 157                    | -370             | 19                    | 370            | 0              | 0              | 0              |
| Birkenhead Market Construction                                                       | 3,913                      | 0                      | -3,913           | 0                     | 0              | 0              | 0              | 0              |
| Birkenhead Regeneration Delivery Fund                                                | 1,363                      | 0                      | -1,363           | 10                    | 0              | 0              | 0              | 0              |
| Birkenhead Regeneration Framework                                                    | 210                        | 179                    | -31              | 0                     | 0              | 0              | 0              | 0              |
| Birkenhead Town Centre Masterplanning & Housing Delivery                             | 80                         | 0                      | -80              | 0                     | 0              | 0              | 0              | 0              |
| Birkenhead Town Centre Sub-Station                                                   | 2,250                      | 0                      | -2,250           | 0                     | 0              | 0              | 0              | 0              |
| Birkenhead Town Centre                                                               | 0                          | 531                    | 531              | 179                   | 20,104         | 0              | 0              | 0              |
| Birkenhead Waterfront Programme                                                      | 8,897                      | 8,251                  | -646             | 1,057                 | 22,252         | 0              | 0              | 0              |
| Business Investment Fund                                                             | 585                        | 38                     | -547             | 0                     | 547            | 0              | 0              | 0              |
| Capitalisation of Regen Salaries                                                     | 741                        | 1,703                  | 962              | 0                     | 1,650          | 0              | 0              | 0              |

| Scheme                                                 | Budget   | 2024/25  | Variance | Actuals | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|--------------------------------------------------------|----------|----------|----------|---------|---------|---------|---------|---------|
|                                                        | 1 Apr 24 | Forecast |          |         | £000    | £000    | Budget  | Budget  |
|                                                        | £000     | Q2       | £000     | Q2      | £000    | £000    | £000    | £000    |
| Central Birkenhead Programme                           | 0        | 11,778   | 11,778   | 4,860   | 9,683   | 0       | 0       | 0       |
| Changing Places Toilets                                | 41       | 41       | 0        | 22      | 0       | 0       | 0       | 0       |
| Clearance                                              | 183      | 0        | -183     | 0       | 0       | 0       | 0       | 0       |
| Community Asset Transfer                               | 500      | 500      | 0        | 0       | 0       | 0       | 0       | 0       |
| Concerto Asset Management System                       | 25       | 25       | 0        | 0       | 0       | 0       | 0       | 0       |
| Connecting Wirral Waters: Detailed Design              | 26       | 0        | -26      | 0       | 0       | 0       | 0       | 0       |
| Consolidated Library Works Fund                        | 213      | 213      | 0        | 0       | 0       | 0       | 0       | 0       |
| Demolitions                                            | 3,510    | 3,510    | 0        | 440     | 0       | 0       | 0       | 0       |
| Depot Welfare Improvements                             | 13       | 13       | 0        | 0       | 0       | 0       | 0       | 0       |
| Dock Branch Park Programme                             | 0        | 328      | 328      | 375     | 580     | 0       | 0       | 0       |
| Empty Property Grant Scheme                            | 308      | 308      | 0        | 100     | 0       | 0       | 0       | 0       |
| Emslie Morgan (Solar Campus)                           | 737      | 737      | 0        | 239     | 0       | 0       | 0       | 0       |
| FHSF New Ferry 21-22                                   | 1,902    | 0        | -1,902   | 0       | 0       | 0       | 0       | 0       |
| Floral Pavilion                                        | 28       | 28       | 0        | 5       | 0       | 0       | 0       | 0       |
| Future High Streets - Birkenhead                       | 13,250   | 0        | -13,250  | 0       | 0       | 0       | 0       | 0       |
| Hamilton Park enabling wks-Bhead Regen Delivery        | 0        | 56       | 56       | 0       | 100     | 0       | 0       | 0       |
| Health & Safety - Condition Surveys                    | 742      | 742      | 0        | 108     | 700     | 700     | 700     | 772     |
| Heswall Day Centre (part only)                         | 50       | 50       | 0        | 45      | 0       | 0       | 0       | 0       |
| Hind Street Programme                                  | 5,413    | 737      | -4,676   | 180     | 30,242  | 22,360  | 0       | 0       |
| Kelvinside DAP & Scotts Quay DAP-Bhead Regen Framework | 0        | 0        | 0        | 0       | 16      | 0       | 0       | 0       |
| Leisure Capital Improvement Programme                  | 316      | 316      | 0        | 52      | 0       | 0       | 0       | 0       |
| Levelling Up Fund 3 - Liscard                          | 635      | 0        | -635     | 0       | 0       | 0       | 0       | 0       |
| Lever Sports Pavilion                                  | 80       | 80       | 0        | 26      | 0       | 0       | 0       | 0       |
| Liscard Town Centre                                    | 0        | 413      | 413      | 81      | 11,774  | 0       | 0       | 0       |



| Scheme                                                                                       | Budget   | 2024/25  | Variance | Actuals | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|----------------------------------------------------------------------------------------------|----------|----------|----------|---------|---------|---------|---------|---------|
|                                                                                              | 1 Apr 24 | Forecast |          |         | Q2      | Budget  | Budget  | Budget  |
|                                                                                              | £000     | £000     | £000     | Q2      | £000    | £000    | £000    | £000    |
| Liscard Town Centre Delivery                                                                 | 13       | 0        | -13      | 0       | 0       | 0       | 0       | 0       |
| Local Authority Housing Fund 2                                                               | 4,308    | 4,308    | 0        | 1,262   | 0       | 0       | 0       | 0       |
| Major Infrastructure Development & Strategic Transport Forward Planning - Traffic Management | 53       | 0        | -53      | 0       | 0       | 0       | 0       | 0       |
| Moreton Youth Club & Library                                                                 | 993      | 393      | -600     | 0       | 600     | 0       | 0       | 0       |
| New Brighton Regeneration Delivery                                                           | 0        | 7        | 7        | 0       | 0       | 0       | 0       | 0       |
| New Brighton Masterplan for Marine Promenade                                                 | 7        | 0        | -7       | 7       | 0       | 0       | 0       | 0       |
| New Ferry Projects                                                                           | 0        | 7,580    | 7,580    | 569     | 3,211   | 0       | 0       | 0       |
| New Ferry Regeneration Strategic Acquisitions                                                | 916      | 0        | -916     | 0       | 0       | 0       | 0       | 0       |
| Northside Programme                                                                          | 0        | 0        | 0        | 0       | 0       | 0       | 0       | 0       |
| Office Quarter Building Fit-Out                                                              | 3,248    | 0        | -3,248   | 0       | 0       | 0       | 0       | 0       |
| Parks and Countryside DDA                                                                    | 351      | 51       | -300     | 0       | 0       | 0       | 0       | 0       |
| Pool Covers                                                                                  | 34       | 34       | 0        | 0       | 0       | 0       | 0       | 0       |
| Property Pooled Plus I.T System                                                              | 6        | 6        | 0        | 0       | 3       | 3       | 0       | 0       |
| Regeneration Delivery Resources                                                              | 0        | 1,150    | 1,150    | 0       | 1,150   | 0       | 0       | 0       |
| Seacombe River Corridor Programme                                                            | 0        | 225      | 225      | 11      | 1,820   | 0       | 0       | 0       |
| Strategic Acquisition Fund                                                                   | 812      | 812      | 0        | 0       | 0       | 0       | 0       | 0       |
| Strategic Acquisitions - Capital Enhancements                                                | 526      | 526      | 0        | 0       | 500     | 500     | 500     | 0       |
| Strategic Transport (excl. Birkenhead 2040 Programme)                                        | 0        | 300      | 300      | 20      | 1,255   | 0       | 0       | 0       |
| SUD - Leasowe to Seacombe Corridor                                                           | 108      | 0        | -108     | 0       | 0       | 0       | 0       | 0       |
| TAG Bus Case-A41 Corridor North                                                              | 112      | 0        | -112     | 0       | 0       | 0       | 0       | 0       |

| Scheme                                | Budget         | 2024/25        | Variance       | Actuals       | 2025/26        | 2026/27       | 2027/28      | 2028/29      |
|---------------------------------------|----------------|----------------|----------------|---------------|----------------|---------------|--------------|--------------|
|                                       | 1 Apr 24       | Forecast       |                |               | Budget         | Budget        | Budget       | Budget       |
|                                       | £000           | Q2             | £000           | Q2            | £000           | £000          | £000         | £000         |
|                                       |                | £000           |                | £000          |                |               |              |              |
| TAG Bus Case-Wirral Waters outline    | 1              | 0              | -1             | 0             | 0              | 0             | 0            | 0            |
| The Hythe                             | 5,255          | 0              | -5,255         | 0             | 0              | 0             | 0            | 0            |
| Town Centre scheme - New Ferry        | 5              | 0              | -5             | 0             | 0              | 0             | 0            | 0            |
| Town Deal Fund - Birkenhead           | 8,288          | 0              | -8,288         | 0             | 0              | 0             | 0            | 0            |
| Town Fund B'head                      | 53             | 0              | -53            | 0             | 0              | 0             | 0            | 0            |
| UK Shared Prosperity Fund (UKSPF)     | 472            | 472            | 0              | 36            | 0              | 0             | 0            | 0            |
| Vale Park Toilets                     | 1              | 1              | 0              | 0             | 0              | 0             | 0            | 0            |
| West Kirby Concourse/Guinea Gap       |                |                |                |               |                |               |              |              |
| Reception upgrade / improve           | 351            | 351            | 0              | 0             | 0              | 0             | 0            | 0            |
| West Kirby Marine Lake/Sailing        |                |                |                |               |                |               |              |              |
| Centre – accommodation                | 73             | 73             | 0              | 10            | 0              | 0             | 0            | 0            |
| West Kirby Masterplan                 | 21             | 21             | 0              | 13            | 0              | 0             | 0            | 0            |
| Wirral Waters                         | 0              | 5,255          | 5,255          | 0             | 7,000          | 0             | 0            | 0            |
| Wirral Waters Investment Fund         | 0              | 0              | 0              | 0             | 0              | 0             | 0            | 0            |
| <b>Total Regeneration &amp; Place</b> | <b>79,637</b>  | <b>59,108</b>  | <b>-20,529</b> | <b>12,797</b> | <b>118,657</b> | <b>28,663</b> | <b>6,300</b> | <b>5,872</b> |
| <b>TOTAL PROGRAMME</b>                | <b>133,013</b> | <b>100,219</b> | <b>-32,794</b> | <b>24,408</b> | <b>148,058</b> | <b>42,785</b> | <b>8,800</b> | <b>8,372</b> |

## Appendix 6

### Prudential Indicators 2024/25

#### (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 is the estimate of capital expenditure that the Council will incur in this financial year and the following two years, table 1 below shows the Quarter 1 estimates for 2024/25 onwards:

**Table 1: Prudential Indicator: Quarter 1 Estimates of Capital Expenditure**

|                     | <b>2023/24<br/>Actual</b> | <b>2024/25<br/>Estimate</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>Total</b>   |
|---------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|----------------|
|                     | £000                      | £000                        | £000                        | £000                        | £000           |
| Capital Expenditure | 78,316                    | 100,996                     | 130,883                     | 38,504                      | <b>348,699</b> |
| <b>Total</b>        | <b>78,316</b>             | <b>100,996</b>              | <b>130,883</b>              | <b>38,504</b>               | <b>348,699</b> |

Table 2 shows how these figures have evolved, with the programme amendments detailed within this report.

**Table 2: Prudential Indicator: Revised Estimates of Capital Expenditure**

|                     | <b>2023/24<br/>Actual</b> | <b>2024/25<br/>Estimate</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>Total</b>   |
|---------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|----------------|
|                     | £000                      | £000                        | £000                        | £000                        | £000           |
| Capital Expenditure | 78,316                    | 100,219                     | 148,058                     | 42,785                      | <b>369,378</b> |
| <b>Total</b>        | <b>78,316</b>             | <b>100,219</b>              | <b>148,058</b>              | <b>42,785</b>               | <b>369,378</b> |

Capital expenditure has or will be funded as follows:

**Table 3: Prudential Indicator: Financing of Capital Expenditure**

| <b>Capital Financing</b> | <b>2023/24<br/>Actual<br/>£'000</b> | <b>2024/25<br/>Estimate<br/>£'000</b> | <b>2025/26<br/>Estimate<br/>£'000</b> | <b>2026/27<br/>Estimate<br/>£'000</b> |
|--------------------------|-------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Capital receipts         | 5,400                               | 5,431                                 | 722                                   | -                                     |
| Grants and Contributions | 38,354                              | 68,316                                | 118,425                               | 37,708                                |
| Revenue and Reserves     | 293                                 | 165                                   | 35                                    | -                                     |
| Borrowing                | 34,269                              | 26,307                                | 28,876                                | 5,077                                 |
| <b>Total Funding</b>     | <b>78,316</b>                       | <b>100,219</b>                        | <b>148,058</b>                        | <b>42,785</b>                         |

**(c) Capital Financing Requirement (CFR)**

Estimates of the Authority's cumulative maximum external borrowing requirement for 2023/24 to 2026/27 as per the Q1 Capital Monitoring 2024/25, are shown in the table below:

**Table 4: Capital Financing Requirement Estimates – Q1 Capital Monitoring 2024/25**

| <b>Capital Financing Requirement</b> | <b>31/03/2024<br/>Actual<br/>£m</b> | <b>31/03/2025<br/>Estimate<br/>£m</b> | <b>31/03/2026<br/>Estimate<br/>£m</b> | <b>31/03/2027<br/>Estimate<br/>£m</b> |
|--------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| General Fund                         | 393.989                             | 407.923                               | 414.068                               | 406.445                               |

Table 5 shows how these figures have evolved, with the programme amendments detailed within this report.

**Table 5: Capital Financing Requirement Revised Estimates**

| <b>Capital Financing Requirement</b> | <b>31/03/2024<br/>Actual<br/>£m</b> | <b>31/03/2025<br/>Estimate<br/>£m</b> | <b>31/03/2026<br/>Estimate<br/>£m</b> | <b>31/03/2027<br/>Estimate<br/>£m</b> |
|--------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| General Fund                         | 393.989                             | 404.825                               | 416.998                               | 409.445                               |

**(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 6: Gross Debt and the Revised Capital Financing Requirement Estimates**

| <b>Debt</b>                        | <b>31/03/2025<br/>Estimate<br/>£m</b> | <b>31/03/2026<br/>Estimate<br/>£m</b> | <b>31/03/2027<br/>Estimate<br/>£m</b> |
|------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Borrowing                          | 328.506                               | 339.081                               | 339.080                               |
| PFI liabilities                    | 24.727                                | 21.296                                | 17.581                                |
| <b>Total Debt</b>                  | <b>353.233</b>                        | <b>360.377</b>                        | <b>356.661</b>                        |
| <b>Borrowing in excess of CFR?</b> | <b>No</b>                             | <b>No</b>                             | <b>No</b>                             |

**(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 26 February 2024) during Quarter 1.

**Table 7: Authorised Limit and Operational Boundary for External Debt**

|                             | <b>Operational<br/>Boundary<br/>(Approved)<br/>2024/25<br/>£m</b> | <b>Authorised<br/>Limit<br/>(Approved)<br/>2024/25<br/>£m</b> | <b>External<br/>Debt<br/>30/09/2024<br/>£m</b> |
|-----------------------------|-------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------|
| Borrowing                   | 430.000                                                           | 440.000                                                       | 304.343                                        |
| Other Long-term Liabilities | 48.000                                                            | 53.000                                                        | 26.370                                         |
| <b>Total</b>                | <b>478.000</b>                                                    | <b>493.000</b>                                                | <b>330.713</b>                                 |

**(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 8 Ratio of financing costs to net revenue stream.**

| <b>Ratio of Finance<br/>Costs to Net<br/>Revenue Stream</b> | <b>2024/25</b>  | <b>2025/26</b>  | <b>2026/27</b>  |
|-------------------------------------------------------------|-----------------|-----------------|-----------------|
|                                                             | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|                                                             | <b>%</b>        | <b>%</b>        | <b>%</b>        |
| Ratio                                                       | 7.980%          | 8.281%          | 7.029%          |