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To: The Members of the Cabinet

Date:  
Our Ref: 3 October 2023  
Your Ref:

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Dear Councillor,

## **CABINET - THURSDAY 5TH OCTOBER, 2023**

I refer to the agenda for the above meeting and now enclose the following report which was unavailable when the agenda was published.

<b>Agenda No.</b>	<b>Item</b>
6.	<b>Financial Management 2023/24 to 2026/27 - Revenue and Capital Budget Update 2023/24 – October Update (Pages 59 - 74)</b> Report of the Executive Director of Corporate Resources and Customer Services

Yours faithfully,

Democratic Services

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# Agenda Item 6

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	Thursday 5 October 2023
<b>Subject:</b>	Financial Management 2023/24 to 2026/27 - Revenue and Capital Budget Update 2023/24 – October Update		
<b>Report of:</b>	Executive Director of Corporate Resources and Customer Services	<b>Wards Affected:</b>	(All Wards);
<b>Portfolio:</b>	Cabinet Member - Regulatory, Compliance and Corporate Services		
<b>Is this a Key Decision:</b>	Yes	<b>Included in Forward Plan:</b>	Yes
<b>Exempt / Confidential Report:</b>	No		

## Summary:

To inform **Cabinet** of:

- 1) The current position relating to the 2023/24 revenue budget.
- 2) The current forecast on Council Tax and Business Rates collection for 2023/24.
- 3) The monitoring position of the Council's capital programme to the end of August 2023:
  - The forecast expenditure to year end.
  - Variations against the approved budgets and an explanation of those variations for consideration by Members.
  - Updates to spending profiles and proposed amendments to capital budgets necessary to ensure the efficient delivery of capital projects are also presented for approval.

## Recommendation(s):

**Cabinet** is recommended to:

### Revenue Budget

- 1) Note the current position relating to the 2023/24 revenue budget.
- 2) Note the actions being taken to refine forecasts and identify mitigating efficiencies to ensure each service achieves a balanced position.
- 3) Recognise the financial risks associated with the delivery of the 2023/24 revenue budget and acknowledge that the forecast outturn position will continue to be reviewed, and remedial actions put in place, to ensure a balanced forecast outturn position and financial sustainability can be achieved.

### Capital Programme

- 4) Note the spending profiles across financial years for the approved capital

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- programme (paragraph 7.1).
- 5) Note the latest capital expenditure position as at 31 August 2023 of £11.047m (paragraph 7.6); the latest full year forecast is £66.536m (paragraph 7.7).
  - 6) Note that capital resources will be managed by the Executive Director Corporate Resources and Customer Services to ensure the capital programme remains fully funded and that capital funding arrangements secure the maximum financial benefit to the Council (paragraphs 7.10-7.12).

## **Reasons for the Recommendation(s):**

To ensure Cabinet are informed of the current position in relation to the 2023/24 revenue budget.

To provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

To keep members informed of the progress of the Capital Programme against the profiled budget for 2023/24 and agreed allocations for future years.

To progress any changes that are required in order to maintain a relevant and accurate budget profile necessary for effective monitoring of the Capital Programme.

To approve any updates to funding resources so that they can be applied to capital schemes in the delivery of the Council's overall capital strategy.

## **Alternative Options Considered and Rejected:** (including any Risk Implications)

N/A

## **What will it cost and how will it be financed?**

### **(A) Revenue Costs**

The report indicates that for 2023/24 an overspend position of £5.645m is currently forecast and that further work is being undertaken to refine forecasts and identify mitigating efficiencies to ensure each service achieves a balanced position. Further mitigating actions may be required to ensure the Council returns to a balanced forecast outturn position-if these actions are not available within the approved budget, existing reserves and balances may need to be used.

### **(B) Capital Costs**

The Council's capital budget in 2023/24 is £66.630m. As at the end of August 2023 expenditure of £11.047m has been incurred and a full year outturn of £66.536m is currently forecast.

## **Implications of the Proposals:**

### **Resource Implications (Financial, IT, Staffing and Assets):**

Currently an overspend position of £5.645m is currently forecast for 2023/24, pending

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further work to refine forecasts and identify mitigating efficiencies. Further mitigating actions may be required to ensure the Council returns to a balanced forecast outturn position. However, it should be noted that significant pressure and risk remains in a number of areas, particularly relating to Children's Social Care. If budgets experience further demand and inflationary pressure during the remainder of the year further corresponding savings or financial contributions will need to be identified and approved by members.

**Legal Implications:**

None

**Equality Implications:**

There are no equality implications.

**Impact on Children and Young People: Yes**

The report highlights the current financial position relating to services provided for Children and Young People.

**Climate Emergency Implications:**

The recommendations within this report will

Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	No

The allocations of capital funding outlined in section 7 may be spent on projects that will have a high climate change impact as they could relate to new build, rebuild, refurbishment, retrofit and demolition proposals. Environmental consideration will be taken into account when specific projects are designed and tendered – which will help to mitigate negative impacts.

**Contribution to the Council's Core Purpose:**

Effective Financial Management and the development and delivery of sustainable annual budgets support each theme of the Councils Core Purpose.

**Protect the most vulnerable:**

See comment above

**Facilitate confident and resilient communities:**

See comment above

**Commission, broker and provide core services:**

See comment above

**Place – leadership and influencer:**

See comment above

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<b><u>Drivers of change and reform:</u></b> See comment above
<b><u>Facilitate sustainable economic prosperity:</u></b> See comment above
<b><u>Greater income for social investment:</u></b> See comment above
<b><u>Cleaner Greener:</u></b> See comment above

## What consultations have taken place on the proposals and when?

### (A) Internal Consultations

The Executive Director of Corporate Resources & Customer Services is the author of the report (FD 7377/23)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 5577/23).

### (B) External Consultations

N/A

## Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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## Appendices:

The following appendix is attached to this report:

APPENDIX A – Capital Programme 2023/24 to 2025/26

## Background Papers:

There are no background papers available for inspection.

## 1. Introduction

- 1.1 On 2 March 2023, Members approved the Budget for the financial year 2023/24. This budget was developed throughout the preceding nine months and took account of all known issues. Within that report, and as with previous years, the inherent financial risk within the budget, especially with respect to Children's Services, was identified. This was further reflected within the reserves' strategy for the Council, as reported in the Robustness Report also presented to Budget Council.
- 1.2 This report is the third of the Council's monthly budget monitoring reports and updates the revenue forecast outturn position for all services, including the initial pressures that have materialised since the budget was set.
- 1.3 The report also outlines the current position regarding key income streams for the Authority, namely Council Tax and Business Rates. Variations against expected receipts in these two areas will also affect the Council's financial position in future years.
- 1.4 The capital section of the report informs Members of the latest estimate of capital expenditure for 2023/24 and forecast expenditure for 2024/25 and 2025/26. The capital budget to date is presented in paragraph 7.1. Paragraphs 7.2 to 7.9 review progress of the capital programme, including additional capital schemes. Finally, paragraphs 7.10 to 7.12 confirm that there are adequate levels of resources available to finance the capital programme.

## 2. Revenue Budget 2023/24 – Forecast Outturn Position as at the end of August 2023

- 2.1 Members are provided with updates of the Council's forecast financial revenue position each month during the financial year from July.
- 2.1 It is acknowledged that this position remains early in the financial year so forecasts will include a number of assumptions on anticipated expenditure and income for the remainder of the year that will invariably be the subject of change. Forecasts will continue to be refined and a full review of all budgets and assumptions will be undertaken to refine the forecasts further for the Mid-Year update report that will be presented Cabinet in November. In addition, that report will outline remedial actions to be implemented to ensure a balanced forecast outturn position, potentially including the adoption of financial principles used in previous years.
- 2.2 As at the end of August 2023, the forecast outturn shows a net overspend of **£5.645m**, the majority of which relates to potential additional pressure within Children's Social Care and the potential impact of the local government pay award. It should be noted that the majority of services are reporting a balanced position or are implementing local remedial actions to return a balanced position at this stage. As with all organisations at this time, the Council is operating in a very challenging financial environment. However, it is vital that the Council achieves a balanced forecast outturn position to ensure its financial sustainability. Proposed actions to meet any forecast overspend will be reported to future Cabinet meetings.

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2.3 The table below highlights the variations across services that make up the £5.645m forecast overspend:

	<b>Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Variance to July</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Services</u></b>				
Strategic Management	3.906	4.000	0.094	0.026
Adult Social Care	110.598	110.598	0.000	0.000
Children's Social Care	80.081	84.140	4.059	-0.732
Communities	11.551	11.551	0.000	0.000
Corporate Resources	5.972	5.972	0.000	0.000
Economic Growth & Housing	6.409	6.409	0.000	0.000
Education Excellence	15.305	15.778	0.473	0.097
Health & Wellbeing	19.620	19.452	-0.168	-0.168
Highways & Public Protection	10.672	10.658	-0.014	-0.014
Operational In-House Services	16.160	16.396	0.236	-0.294
Energy Costs	4.200	4.200	0.000	0.000
Additional Pay Award Provision	4.333	5.833	1.500	0.000
<b>Total Service Net Expenditure</b>	<b>288.807</b>	<b>294.987</b>	<b>6.180</b>	<b>-1.085</b>
Council Wide Budgets	14.203	13.668	-0.535	-0.052
Levies	36.193	36.193	0.000	0.000
General Government Grants	(84.086)	(84.086)	0.000	0.000
<b>Total Net Expenditure</b>	<b>255.117</b>	<b>260.762</b>		
<b><u>Forecast Year-End Deficit</u></b>			<b><u>5.645</u></b>	<b><u>-1.137</u></b>

2.4 The key areas relating to the outturn position are as follows:

- **Adult Social Care** – The current forecast assumes that the Adult Social Care budget will break-even during 2023/24. However, there are a number of significant assumptions and uncertainties that could impact on this position before the year-end. The service has also committed to a number of efficiencies and savings that amount to £5.7m, in order to meet the savings approved as part of the approved 2023/24 budget plus additional ones to meet the additional budgetary pressures arising from the increases in provider fees approved at Cabinet meetings in June 2023. The achievement of these savings will be carefully monitored throughout the year. Like all councils, the Service is experiencing growth pressure with demand for services and are seeking to meet the cost of this within the resources available. At mid-year review a detailed position will be reported that will also need to take account of the additional funding that is being made available to councils to meet increases in demand and financial pressure including those that maybe



experienced during winter and in respect of discharges. As would be expected with a budget of this size and volatility, this remains a key risk during the current year.

- **Children's Social Care** – The current forecast for the service shows a potential overspend of £4.059m. However, there are a number of significant assumptions and uncertainties that could impact on this position before the year-end.

Members will be aware that the 2023/24 approved budget included an additional £21m of investment in the service based on the requirement for additional staffing (including some temporary funding for additional agency costs whilst more permanent staff are recruited to, including International Social Workers and from staff coming through the social work academy) as well as additional resources to reflect the number of packages at the time, some potential growth as well as resource for inflationary pressures.

The current forecast for staffing is that it will broadly remain within budget as the impact of the initiatives above start to have an impact. This will require robust monitoring through the year. There are a clear set of assumptions driving this forecast in terms of when expensive managed / project teams will leave the Council as new staff are onboarded from the International Social Worker cohort and the academy. If these assumptions change then the forecast will be revised.

Certain areas of accommodation and support packages are forecast to overspend, partly due to additional packages in the late part of 2022/23 and early part of 2023/24. As mentioned in reports last year, packages initially have been at a higher cost than previously seen. However, recently improvements in practice have resulted in more children being placed in more appropriate settings at a lower cost. This is expected to continue throughout the year. Work is currently being undertaken to review forecasts for all types of care settings based on a number of children being in higher cost settings for shorter periods, which is expected to significantly impact on the forecast. In addition, where numbers and costs of Children with Disabilities has increased, specialist work is being undertaken to ensure health are making the appropriate contributions to the cost of care. The impact of some of this initial work has resulted in the forecast reducing by £0.732m since the July position.

This is the key aspect of this financial forecast- the service is stabilising and as this takes place the review of placements will also be undertaken. At present the assumption is that all support, unless known otherwise, will continue for the whole of the financial year and for a number of placements this will not be the case. Senior managers are reviewing these, and the forecast will be updated accordingly in addition to the health contributions that are due.

As part of this work a further review of demand will be undertaken. This again will inform the forecast- the service is currently starting to stabilise and that will inform that estimate. Members will recall that in the budget reports it was advised that a tolerance of 5% on the budget could be expected based on advice from the DfE commissioner- based on the service budget that would amount to £4m. This current forecast is slightly higher than that at present before the outcome of the additional reviews is to be built in.

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An update on these reviews, and their impact on the forecast, will be provided to the next Cabinet meeting. In considering this forecast, work will also be undertaken to determine if any of this pressure is temporary or permanent in nature and needs reflecting in future budget setting processes.

- **Corporate Resources** – The service is forecasting a balanced position. Based on the latest information, functions within the service are forecasting an underspend of £0.624m. However, there is pressure within the ICT budget from inflation on contracts that is in excess of the provision made and a loss of income from School SLAs as a result of a change in the contractual arrangement enforced by the provider for which the Council has no control. These two pressures amount to £0.624m, which is offset by the underspends across the Service. As stated, all services are underspent, and cost control will continue to be required between now and the year end to deliver the balanced position.
- **Economic Growth and Housing** – The service is showing a balanced position. However, based on the latest information, functions within the service are forecasting an overspend of £0.673m, although the service are currently examining forecasts. Additional cost control will be required between now and the year end to deliver that balanced position and this position will be updated at mid-year review.
- **Education Excellence** – The current forecast shows a potential net overspend of £0.473m, which relates to the provision of additional SEND staff. The service is reviewing all forecasts to identify areas that will offset this additional pressure and this position will be updated at mid-year review. Members will recall that in the budget substantial funding was added to the Home to School Transport budget and this remains a key area of risk due to the increase in number of EHCPs being completed and pressure in the Service.
- **Operational In-House Services** The current forecast shows a potential overspend of £0.236m which is a substantial improvement on the previous month. This relates to a number of areas across the Service, but mainly in Catering and the security service. The service is reviewing all forecasts to identify areas that may be able to offset these additional pressures, including from recharging additional costs being incurred, and this position will be updated at mid-year review.
- **Additional Pay Award Provision** – The approved Base Budget included a provision for the 2023/234 pay award of around 4.5%. This was line with most other local authorities who had budgeted for similar amounts. The offer from the National Employers for local government services body is for a fixed increase of £1,925, with a minimum of 3.5% (similar to the increase in 2022/23). For Sefton, this equates to an increase in the pay bill of about 6.0% or an additional £1.500m above the amount included in the 2023/24 budget. It should be noted that this offer has been rejected by trade unions who have balloted their members on whether to undertake strike action.

### 3. Revenue Budget Summary 2023/24

- 3.1 An overspend of **£5.645m** is currently forecast. However, as mentioned in section 2, this is a forecast early in the financial year based on a number of uncertainties and assumptions. Additional work will be undertaken across service areas to refine

the forecasts and identify mitigating efficiencies to ensure each service achieves a balanced budget position. In Children's Social Care forecasts will be refined to take into account the improvements in practice that have seen children being placed in more appropriate settings, as well as the anticipated reduction in the number of Looked After Children.

- 3.2 As mentioned, the Council must achieve an overall balanced position to ensure its financial sustainability. Once forecasts have been refined, if an overall forecast overspend remains a remedial action plan to meet the residual balance will need to be produced and presented to members for approval. This may include measures previously used by the Council to reduce budget pressures.

#### 4. **Council Tax Income – Update**

- 4.1 Council Tax income is shared between the billing authority (Sefton Council) and the three major precepting authorities (the Fire and Rescue Authority, the Police and Crime Commissioner and the Combined Authority – Mayoral Precept) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £160.236m for 2023/24 (including Parish Precepts), which represents 84% of the net Council Tax income of £191.139m.
- 4.2 The forecast outturn for the Council at the end of August 2023 is a deficit of £0.084m. This variation is primarily due to: -
- The surplus on the fund at the end of 2022/23 being higher than estimated (-£0.314m).
  - Gross Council Tax Charges in 2023/24 being higher than estimated (-£0.306m).
  - Exemptions and Discounts (including a forecasting adjustment) being higher than estimated (+£0.704m).
- 4.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2023/24 but will be carried forward to be recovered in future years.
- 4.4 A forecast surplus of £2.045m was declared on the 17 January 2023 of which Sefton's share is £1.716m (83.9%). This is the amount that will be recovered from the Collection Fund in 2023/24. Any additional surplus or deficit will be distributed in 2024/25 and future years.

#### 5. **Business Rates Income – Update**

- 5.1 Since 1 April 2017, Business Rates income has been shared between the Council (99%) and the Fire and Rescue Authority (1%). The Council's Budget included retained Business Rates income of £62.388m for 2023/24, which represents 99% of the net Business Rates income of £63.018m. Business Rates income has historically been very volatile making it difficult to forecast accurately.

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- 5.2 The forecast outturn for the Council at the end of August 2023 is a surplus of -£11.250m on Business Rates income. This is due to:
- The surplus on the fund at the end of 2023/24 being higher than estimated (-£9.916m).
  - Increase in the gross charge on rateable properties (-£0.157m).
  - A number of reliefs announced for 2023/24 were assumed in the NNDR1 return with the loss of income as a result of these reliefs covered by Section 31 grant payments. It is now forecast that the value of these reliefs will be less than anticipated (-£1.028m).
  - Adjustments relating to prior years (-£0.149m)
- 5.3 When taking into account the lower Section 31 grants due on the additional reliefs, a net surplus of £10.536m is forecast.
- 5.4 Due to Collection Fund regulations, a Business Rates deficit will not be transferred to the General Fund in 2023/24 but will be carried forward to be recovered in future years.
- 5.5 A forecast surplus of £12.836m was declared in January 2023. Sefton's share of this is £12.708m. This is the amount that will be distributed from the Collection Fund in 2023/24. Any additional surplus or deficit will be distributed in 2024/25 and future years.

## 6. High Needs Budget

- 6.1 Cabinet and Council have agreed to receive quarterly reports from the Executive Director of Children's Social Care and Education and the Assistant Director of Children's Services (Education) with regard to the High Needs budget and the changes that are proposed, details of sufficiency planning, the Council's engagement on the Delivering Better Value Programme and the current high needs deficit and the risk around future central government decision making in respect of this deficit.
- 6.2 The latest quarterly report was presented to Cabinet in July, proving detail on the current monitoring position relating to the High Needs budget. The next quarterly report will be presented t Cabinet in November.

## 7. Capital Programme 2023/24 – 2025/26

### Capital Budget

- 7.1 The Capital Budget and profile of expenditure for the three years 2023/24 to 2025/26 is as follows:

<b>2023/24</b>	<b>£66.630m</b>
<b>2024/25</b>	<b>£61.643m</b>
<b>2025/26</b>	<b>£17.659m</b>

7.2 The following updates have been made to the capital programme budget since the initial budget report to Cabinet in September:

- **Economic Growth & Housing** – £1.300m has been added to the programme for the Local Authority Housing Fund funded by grant from DLUHC following approval by Council in September.
- **Education Excellence:**
  - £2.636m has been added to the school’s programme under delegated authority following approval by Cabinet Member in July. These schemes are funded by the block allocation of Schools Condition grant from the DfE approved for inclusion in the capital programme by Council in March. A full list of the new schemes can be found at paragraph 2.5.
  - Summerhill School Expansion Phase 1 - £0.530m has been rephased to 2024/25 due to delays in planning permission.
- **Highways and Public Protection** – £0.628m has been added to the programme for the Pothole Fund funded by grant from the Liverpool City Region Combined Authority following approval by Cabinet in September.
- **UK Shared Prosperity Fund** – The following amounts have been added to the capital programme following approval by Cabinet in September:

<b>UKSPF Allocations</b>	<b>Capital £</b>
Green, Resilient and Safe Communities	423,819
Local cultural arts and heritage	134,317
Town Centres	58,764
	<b>616,900</b>

7.3 The following block capital grant allocation was approved by Council in March following recommendation by Cabinet for inclusion in the Capital Programme 2023/24:

<b><u>Capital Grant</u></b>	<b>2023/24 £</b>
<b>Highways and Public Protection</b>	
City Region Sustainable Transport Settlement	8,154,000

7.4 Authority has been delegated to Cabinet Member to assign funding to individual capital schemes up to a value of £1m for the Highways block allocation listed above. The list of schemes for 2023/24 has been fully developed and will be presented to Cabinet Member for approval noting that schemes in excess of £1m have already been approved by Council in July. A full list of the approved capital schemes will be presented in future reports to Cabinet.

7.5 The following schemes were approved under delegated authority by Cabinet Member for Education in July:

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Location	Scope of work	Budget
Planned Maintenance	Planned Maintenance	£120,000
Birkdale CP	Phase 2 Pitched roof repairs	£150,000
Birkdale CP	Re-point brickwork	£25,000
Birkdale CP	Internal plasterwork repairs and re-decoration	£40,000
Christ Church CP	Remaining flat roof Junior/halls	£136,000
Christ Church CP	Windows & Doors	£25,000
Christ Church CP	Playground resurface	£50,000
Crosby HS	Repair brickwork and re-pointing	£15,000
Daleacre	Hall windows	£25,000
Daleacre	Renew floors/ceiling	£30,000
Daleacre	Roof to kitchen and hall	£70,000
Farnborough Road Infants	Windows install actuators	£15,000
Farnborough Road Infants	Repoint Brickwork	£25,000
Farnborough Road Infants	Replace corridor roof	£20,000
Farnborough Road Infants	Install canopy above ramp and decking	£35,000
Hatton Hill	Re-point brickwork	£20,000
Hatton Hill	Corridor Roof	£30,000
Hatton Hill	Replace fencing	£20,000
Hudson CP	Corridor Roof - remaining roof areas	£115,000
Hudson CP	Brickwork re-pointing	£20,000
Hudson CP	Repair damaged plasterwork and redecorate	£30,000
Hudson CP	Replace flooring to corridors	£40,000
Hudson CP	Resurface footpaths & Driveways	£25,000
Larkfield CP	Repointing brickwork	£15,000
Larkfield CP	Upgrade Staff toilets	£25,000
Linaker CP	Re roof pitched roof	£245,000
Marshside CP	Toilet extension	£75,000
Marshside CP	Remaining flat Roof	£105,000
Melling CP	Refurbish toilets	£18,000
Merefield	Re-roof pitched roof flat roof and remove AC units	£105,934
Netherton Moss CP	Re-point brickwork and repair concrete sills	£25,000
Netherton Moss CP	Fire shutter to kitchen servery	£20,000
Norwood	Repairs to drainage system	£15,000
St John Crossens	Repointing	£22,000
Summerhill	Expansion and Improvement Work	£250,000
St Philips	Phase 2 re-roofing to flat roof	£90,000
Waterloo CP	Upgrade nursery areas	£25,000
Waterloo CP	Wet pour surfacing and equipment	£43,000
Hudson CP	Provide mechanical ventilation to nursery	£25,000
St Philips	Upgrade emergency lighting	£48,000
St John Crossens CEP	Upgrade emergency lights	£78,000
Freshfield CP	Replacement Heating & DHW pipework (Phase 1)	£200,000
Freshfield CP	Phase 2 rewire	£125,000

	<b>Total Programme</b>	<b>£2,635,934</b>
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### **Budget Monitoring Position to August 2023**

7.6 The current position of expenditure against the budget profile to the end of August 2023 is shown in the table below. It should be noted that budgets are profiled dependent upon the timing of when works are to be carried out and the anticipated spend over the financial year. The budget to date in the table below reflects the profiles of each individual scheme.

	<b>Budget to August</b>	<b>Actual Expenditure to August</b>	<b>Variance to August</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Services</u></b>			
Adult Social Care	2.046	1.938	-0.108
Children's Social Care	0.141	0.129	-0.012
Communities	0.258	0.253	-0.005
Corporate Resources	0.715	0.768	0.054
Economic Growth & Housing	3.023	2.830	-0.193
Education Excellence	0.805	0.909	0.104
Highways & Public Protection	4.026	4.026	0
Operational In-House Services	0.206	0.193	-0.014
<b><u>Total Programme</u></b>	<b>11.222</b>	<b>11.047</b>	<b>-0.175</b>

### **Capital Programme Forecast Outturn 2023/24**

7.7 The current forecast of expenditure against the budget profile to the end of 2023/24 and the profile of budgets for future years is shown in the table below:

	<b>Budget 2023/24</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b><u>Services</u></b>					
Adult Social Care	8.086	8.076	-0.010	2.095	1.847
Children's Social Care	0.602	0.602	-	0.100	-
Communities	0.812	0.852	0.040	0.182	-
Corporate Resources	2.620	2.620	-	-	-
Economic Growth & Housing	25.572	25.594	0.022	40.673	14.592
Education Excellence	9.208	9.050	-0.158	7.804	-
Highways & Public Protection	16.081	16.081	-	6.343	0.322
Operational In-House Services	3.651	3.661	0.010	4.447	0.898
<b><u>Total Programme</u></b>	<b>66.630</b>	<b>66.536</b>	<b>-0.095</b>	<b>61.643</b>	<b>17.659</b>

A full list of the capital programme by capital scheme is at **appendix A**.

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- 7.8 The current 2023/24 budgeted spend is £66.630m with a budgeted spend to August of £11.222m. The full year budget includes exceptional items such as £20.136m for Growth and Strategic Investment projects, £1.082m for the Brownfield Housing Development fund, £0.760m for Sustainable Warmth Schemes, £2.000m for a Highways project at Millers Bridge, a £3.041m project for Southport Pier Decking, and a scheme to upgrade to LED Street Lighting (£3.606m).
- 7.9 Typically, on an annual basis the capital programme spends in the region of £25-30m. Given this typical annual level of spend it is likely that reprofiling of spend into 2024/25 will occur as the year progresses.

## **Programme Funding**

- 7.10 The table below shows how the capital programme will be funding in 2023/24:

<b><u>Source</u></b>	<b>£m</b>
Grants	51.710
Prudential Borrowing	8.936
Capital Receipts	3.511
Contributions (including Section 106)	2.473
<b><u>Total Programme Funding</u></b>	<b>66.630</b>

- 7.11 The programme is reviewed on an ongoing basis to confirm the capital resources required to finance capital expenditure are in place, the future years programme is fully funded, and the level of prudential borrowing remains affordable.
- 7.12 The Executive Director of Corporate Resources and Customer Services will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the Council.



## APPENDIX A – Capital Programme 2023/24 to 2025/26

<b>Capital Scheme</b>	<b>Budget</b>		
	<b>2023/24</b> £	<b>2024/25</b> £	<b>2025/26</b> £
<b>Adult Social Care</b>			
Disable Facilities Grants – Core Grants (DFGs)	3,000,000	-	-
Occupational Therapy Support for DFGs	663,774	-	-
ICT Development & Transformation	1,189,007	34,591	-
ICT Connectivity in Care Homes and Support Living	100,000	-	-
Fall Prevention Schemes	45,000	-	-
Care Home Improvements	475,449	200,000	-
Changing Places	51,327	-	-
Integrated Health and Wellbeing on the High Street	-	400,000	-
Short Term Assessment Unit	860,000	860,000	1,847,000
New Directions Programme Development	206,038	195,000	-
Technology Enabled Care	464,383	-	-
Community Equipment Provision	400,000	-	-
Double to Single Handed Care Equipment Provision	150,000	-	-
Community Equipment – Specialist Projects	232,435	-	-
Community Equipment Stores Improvements	65,000	-	-
Programme Support	122,922	-	-
Digitising Social Care	50,000	405,000	-
Community Based Falls Equipment	10,200	-	-
<b>Children’s Social Care</b>			
Support for Fostering Placements	99,370	100,000	-
Community Equipment Provision	270,000	-	-
ICT Development & Transformation	133,545	-	-
Springbrook Refurbishment	28,923	-	-
Springbrook Vehicle	70,000	-	-
<b>Communities</b>			
Leisure Centres – Essential Works	396,748	-	-
Libraries – Centres of Excellence	172,176	105,843	-
Sefton Libraries Live	30,000	-	-
Library Improvement – Tech Rooms	73,857	-	-
Neighbourhoods Projects	80,886	-	-
UK Shared Prosperity Fund	58,143	76,174	-
<b>Corporate Resources</b>			
Council Wide Essential Maintenance	1,785,785	-	-
Sustainable Warmth Schemes	760,092	-	-
ICT Transformation	73,812	-	-
<b>Economic Growth &amp; Housing</b>			
Cambridge Road Centre Redevelopment	57,069	-	-
Crosby Lakeside Redevelopment	707,154	-	-
Strategic Acquisitions – Ainsdale	39,880	836,423	-
Marine Lake Events Centre	15,483,014	37,792,340	14,517,367
The Strand – Maintenance and Improvements	40,000	375,000	75,000

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	2023/24 £	2024/25 £	2025/26 £
Enterprise Arcade	1,233,208	393,561	-
Transformations de Southport	1,425,000	1,075,000	-
Bootle Canal Side Business Plan	470,392	-	-
The Strand – Repurposing Programme	680,000	-	-
Housing Investment	-	33,960	-
Social Housing Allocations Scheme	13,590	-	-
Local Authority Housing Fund	1,300,000	-	-
Brownfield Fund for Housing Development	1,082,336	-	-
Southport Pier	3,040,588	107,679	-
UK Shared Prosperity Fund	-	58,764	-
<b>Education Excellence</b>			
General Planned Maintenance	365,605	30,249	-
Schools Programme	3,258,480	7,181,507	-
Sporting Betterment of Schools	1,583,215	-	-
Special Educational Needs & Disabilities	4,000,508	592,198	-
<b>Highways and Public Protection</b>			
Highways Programme	6,146,662	1,411,500	322,000
Highway Maintenance	4,328,487	-	-
LED Street Lighting Upgrade	3,605,580	3,662,630	-
Millers Bridge	2,000,000	-	-
Transport Growth Programme	-	1,268,620	-
<b>Operational In-House Services</b>			
Coastal Erosion and Flood Risk Management	1,285,195	1,916,883	898,000
Countryside Stewardship	11,659	-	-
Crosby Marine Lake Improvements	10,803	-	-
Parks Schemes	90,409	807,569	-
Tree Planting Programme	49,769	78,885	-
Golf Driving Range Developments	2,197	280,280	-
Ainsdale Coastal Gateway	-	866,175	-
Green Sefton – Vehicles, Plant & Machinery	149,487	-	-
Refuse Collection & Recycling	-	345,000	-
Vehicle Replacement Programme	1,779,494	-	-
UK Shared Prosperity Fund	271,616	152,203	-
<b><u>Total Programme</u></b>	<b>66,630,267</b>	<b>61,643,034</b>	<b>17,659,367</b>