

**Report Title:** Financial Management 2024/25 to 2027/28 - Revenue and Capital Budget Update 2024/25 - Additional Estimates

Date of meeting:	Thursday 12 September 2024		
Report to:	Council		
Report of:	Executive Director of Corporate Services and Commercial		
Portfolio:	Corporate Services		
Wards affected:	All wards		
Is this a key decision:	Yes	Included in Forward Plan:	Yes
Exempt/confidential report:	No		

**Summary:**

This report sets out supplementary estimates for approval in the Capital Programme following recommendation by Cabinet.

**Recommendation(s):**

Council is recommended to approve:

- (1) A supplementary capital estimate of £0.022m for the Enterprise Arcade project funded by capital receipts (paragraph 1).
- (2) A supplementary capital estimate of £0.498m for the ICT Cyber Security project funded by external borrowing (paragraph 2).
- (3) A supplementary capital estimate of £0.148m for the Committee Meeting Microphone and Live Streaming System funded by external borrowing (paragraph 3).
- (4) A supplementary capital estimate of £0.040m for the Red Rose Park works funded by capital receipts (paragraph 4).

**The Rationale and Evidence for the Recommendations**

To approve updates to the capital programme in line with the Financial Procedure Rules so that they can be applied to schemes in the delivery of the Council’s overall financial strategy.

## **1. Enterprise Arcade**

- 1.1. The Enterprise Arcade is part of the Southport Town Investment Plan and has been identified as one of the projects to be delivered using part of the Towns Deal funding, with £1.500m being approved for this project. Enabling works of £0.240m that fall outside of the Town Deal funded contract have also been previously approved by Council funded by capital receipts.
- 1.2. The project is underway but during the strip out works on site, a requirement for further remedial works has been identified due to the condition of the building. It is important to note that these works are additional works that are required to maintain the fabric and integrity of the building, rather than cost increases of the original project. A supplementary estimate is therefore required for an additional sum of £0.022m funded by capital receipts.

## **2. ICT Service Developments**

- 2.1. A recommendation was approved by Cabinet in December 2023 to commence a procurement exercise in connection with ICT Service Provision. As identified in the report the authority needed to purchase a new system to ensure it continues to meet national cyber security standards moving forwards. The capital cost of this system is £497,834 and will be funded by external borrowing. The cost of repaying the loan will be met from the Council's ICT budget.

## **3. Committee Meeting Microphone and Live Streaming System**

- 3.1. The Council's microphone system used in committee meetings and full Council meetings is coming to the end of its life and needs replacing. It is now common practice for local authorities to live stream their meetings to aid with openness and transparency particularly for those members of the public who find it difficult to attend meetings in person. In addition, it is also beneficial to have recordings of meetings available on the local authority website for future reference.
- 3.2. A replacement microphone and live streaming system has therefore been identified and is already in use by all local authorities across the Liverpool City Region. Following site visits and demonstrations from the proposed supplier, this same solution is also considered suitable for implementation in Sefton. The total capital cost of the new system is estimated to be £147,806 and will be funded from prudential borrowing. The repayment of the loan and the running costs for the new system will be met from the Council's existing Democratic Services budget.

## **4. Red Rose Park Works**

- 4.1. Red Rose Park is the Council's Gypsy and Traveller site located in Formby. As part of the ongoing asset management of the site a condition survey has been commissioned which has identified works required to the site to address a number of long-standing issues. Works to address the issues identified in the condition survey will commence as soon as

possible following informal consultation with residents. Completion of the work will ensure that the site remains safe and fully serviceable. The total cost of the works is estimated to be £40,000.

### **Financial Implications**

The ICT Service Developments and Committee Meeting Microphone and Live Streaming System project will be funded by prudential borrowing. The repayment costs for the ICT Service Developments will be £180,271 per annum and the Committee Meeting Microphone and Live Streaming System is estimated to be £33,923 per annum. The repayment costs of the loans will be fully funded from the Council's existing budgets.

### **Legal Implications**

None

### **Corporate Risk Implications**

The Capital Programme is a key component in the delivery of the Council's overall Capital Strategy (approved by Council in February 2024), which supports its financial sustainability in 2024/25 and future years. Proposals may have an impact on physical assets and/or ongoing revenue income and expenditure, and these risks have been fully assessed under the governance and framework outlined in the strategy.

### **Staffing HR Implications**

None.

### **Conclusion**

The updates to the capital programme outlined in this report will, upon approval, be applied to schemes in the delivery of the Council's overall Capital Strategy.

### **Alternative Options Considered and Rejected**

None.

<b>Equality Implications:</b>  There are no equality implications.
<b>Impact on Children and Young People:</b> No
<b>Climate Emergency Implications:</b>  The recommendations within this report will have a Neutral impact.  The allocations of funding outlined in this report 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.

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

### (A) Internal Consultations

The Executive Director of Corporate Services and Commercial (FD7771/24) and the Chief Legal and Democratic Officer (LD5871/24) have been consulted and any comments have been incorporated into the report.

### (B) External Consultations

N/A.

### Implementation Date for the Decision:

With immediate effect.

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### Appendices:

There are no appendices to this report.

### Background Papers:

There are no background papers to this report.