

Report to:	Cabinet	Date of Meeting:	7 March 2019
Subject:	Revenue and Capital Budget Update 2018/19 – 2019/20		
Report of:	Head of Corporate Resources	Wards Affected:	All Wards
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform Cabinet of: -

- i) The current forecast revenue outturn position for the Council for 2018/19 and the impact on the 2019/20 budget;
- ii) The current forecast on Council Tax and Business Rates collection for 2018/19; and,
- iii) The current position of the 2018/19 Capital Programme.

Recommendations:

Cabinet is recommended to: -

- i) Consider the significant budget pressure in 2018/19 and note that officers will continue to review all current budget forecasts across all service areas to close the current in-year forecast budget deficit (£0.062m). This will include the continuing review of all current vacancies and non-essential expenditure;
- ii) Approve that in the event that there is material change to the 2018/19 outturn forecast, that additional remedial measures will be identified in order that a balanced budget position can be achieved;
- iii) Approve that in the event that additional financial pressure is identified between now and the year end, that is not taken account of in the recently approved 2019/20 budget, that additional proposals will be brought forward for members to consider in order to ensure that financial sustainability is maintained; and
- iv) Note the reduced delivery of the capital programme. As delivery has reduced a full review of capital project management will be led by the Head of Corporate Resources and will be completed in advance of the next financial year

Reasons for the Recommendation(s):

To ensure Cabinet are informed of the forecast outturn position for the 2018/19 revenue and capital budgets as at the end of January 2019 and to provide an updated forecast of the outturn position with regard to the collection of Council Tax and Business Rates.

In March 2017 Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of setting the 2018/19 budget. The Council is towards the end of the second year of the budget plan and remains confident its strategic approach to budget planning alongside good financial management and extensive community engagement means that the plan continues to develop on solid foundations; it remains flexible and will secure the future sustainability to 2020 and beyond. However, in year demand for social care services is currently resulting in the costs for these services significantly exceeding the budget. If further budget pressures are identified between now and the end of the year additional remedial action will be required to bring the overall budget into balance.

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 2018/19 there is currently a forecast deficit of £8.606m which can be off-set with £6.445m of mitigating, one-off, actions previously identified and a further £2.099m worth of in-year savings identified by officers to achieve a balanced position at the year end. A resulting budget deficit of £0.062m remains. Officers will continue to review all budget forecasts, including all current vacancies and non-essential expenditure, with a view to meeting this shortfall.

(B) Capital Costs

The Council's capital budget in 2018/19 is £35.925m. As at the end of January 2019, expenditure of £14.299m has been incurred and a full year outturn of £20.091m is currently forecast.

Implications of the Proposals:

The following implications of this proposal have been considered and where there are specific implications, these are set out as follows:

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

There is currently a budget shortfall of £8.606m forecast for 2018/19, one-off mitigating measures of £6.445m have been identified, with a further £2.099m of in year savings identified by officers. Based on the current forecast a balanced budget is expected to be delivered however it should be noted that significant pressure and risk remains in four key business areas, namely Adults and Children's Social Care, Schools and Families and Locality Service provision. These budgets may experience further demand pressure between now and the end of the year and further mitigations and remedial actions will be required in such an eventuality.

Legal Implications: None
Equality Implications: None

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.

<u>Protect the most vulnerable:</u> See comment above
<u>Facilitate confident and resilient communities:</u> See comment above
<u>Commission, broker and provide core services:</u> See comment above
<u>Place – leadership and influencer:</u> See comment above
<u>Drivers of change and reform:</u> See comment above
<u>Facilitate sustainable economic prosperity:</u> See comment above
<u>Greater income for social investment:</u> See comment above
<u>Cleaner Greener:</u> See comment above

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources is the author of the report (FD 5559/19)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 4683/19).

(B) External Consultations

N/A

Implementation Date for the Decision

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

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Appendices:

There are no appendices to this report

Background Papers:

There are no background papers for inspection

1. Introduction

- 1.1 In March 2017, Council approved a three-year budget plan to March 2020. The final two years of this plan were revised in March 2018 as part of the process of the Council setting the 2018/19 budget. The March 2018 Budget report outlined that due to the financial pressures being faced by the Council a mid-year review would be undertaken. The initial position following the mid-year review was reported to Cabinet in September 2018. This report continues to build upon that work, updates the forecast revenue outturn position for 2018/19 and highlights the further work that has been undertaken to balance the budget for 2018/19.
- 1.2 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.
- 1.3 An updated position regarding the 2018/19 Capital Programme is also provided as at the end of January.

2. Summary of the Forecast Outturn Position as at the end of January 2019

- 1.0 Members have been provided with updates of the Council's forecast financial position (including a detailed Mid-Year Review) each month during this financial year. Significant pressures have been identified in several service areas, particularly Adult and Children's Social Care, Locality Services Provision and Home to School Transport. The latest forecast of service expenditure indicates a slight improvement in the overall financial position, with an overspend of £6.128m (£6.760m in December). The table below highlights the variations:

	Budget	Forecast Outturn	Variance	Previously Reported Position
	£m	£m	£m	£m
<u>Services</u>				
Strategic Management	3.049	3.049	0.000	0.000
Strategic Support Unit	3.026	3.013	(0.013)	(0.013)
Adult Social Care	95.360	95.370	0.010	0.551
Children's Social Care	28.137	32.950	4.813	4.713
Communities	8.223	7.997	(0.226)	(0.200)
Corporate Resources	4.721	4.177	(0.544)	(0.525)
Health & Wellbeing	22.541	21.881	(0.660)	(0.510)
Inward Investment and Employment	2.447	2.875	0.428	0.338
Locality Services - Commissioned	20.041	20.122	0.081	(0.135)
Locality Services - Provision	10.536	11.396	0.860	0.866
Regeneration and Housing	4.667	4.069	(0.598)	(0.433)
Regulation and Compliance	3.776	3.944	0.168	0.171

Schools and Families	23.023	24.684	1.661	1.717
Total Service Net Expenditure	229.547	235.527	5.980	6.540
Public Sector Reform Savings not allocated to services	(3.963)	(3.963)	0.000 (see para 2.2)	0.000 (see para 2.2)
Reversal of Capital Charges	(13.353)	(13.353)	0.000	0.000
Council Wide Budgets	10.995	11.143	0.148	0.220
Levies	33.255	33.255	0.000	0.000
General Government Grants	(34.202)	(34.202)	0.000	0.000
Total Net Expenditure	222.279	228.407		
Forecast Year-End Deficit			6.128	6.760

The key changes in the outturn position are as follows: -

- The main variations from December to January for the Children's Social Care budget relates to increasing pressure on placements and packages for Looked After Children, with an increase in numbers from 520 to 526.
- The Locality Services Commissioned service is now forecasting a deficit position of £0.081m (surplus of £0.135m in December). The forecast has been amended to reflect an updated estimate of spend on winter maintenance following increased levels of gritting in January / early February. It should be noted that the forecast outturn could reduce by up to £0.200m or increase by up to £0.150m depending on weather conditions in the last six weeks of the year.
- The Adult Social Care budget is forecast to be in deficit by £0.010m based on the January forecast, an improvement of £0.541m. The net deficit has reduced from the December position mainly due to the receipt of £0.300m additional Funded Nursing Care income relating to 2017/18 for which no budget provision was made, along with a reduction in the community care costs due to a changing portfolio of clients.
- The forecast underspend for Health and Wellbeing has increased by £0.150m this month, and is due to increased forecast underspending on substance misuse (£0.050m), ELAS is now anticipated to remain within budget (£0.050m) and the effect of the spending freeze on non-essential spend (£0.050m).
- The Regeneration and Housing service is showing an improved position (£0.165m) resulting from an increased projection of income following significant receipts in January for Planning and Building Control. These receipts further the number of large one-off deposits previously received relating to the Local Plan. Anticipated Legal Fees have now also reduced resulting in an extra £0.020m saving.

- 1.1 The 2018/19 Budget included £10.227m of savings from Public Sector Reform (PSR) projects. Current forecasts are that £7.749m of savings will be deliverable in the year (76%). There is a 2018/19 phasing issue amounting to £0.819m, however these savings are expected to be achieved in 2019/20 meaning that £8.568m (84%) in total is forecast to be delivered in 2019/20 and future years. It is forecast that £1.659m of the savings will ultimately not be delivered (16%). An analysis of the overall savings for 2018/19 are shown in the summary below:

	Total Saving 2018/19	Forecast - Achieved In 2018/19	Phasing Delivery 2019/20	Won't be delivered
	£m	£m	£m	£m
PSR1 - Acute Wrap Around	0.275	0.033	0.242	0.000
PSR2 – Locality Teams	5.100	3.633	0.467	1.000
PSR2 - Personalisation	1.000	1.000	0.000	0.000
PSR4 - All Age Pathway	0.415	0.121	0.000	0.294
PSR4 - Home to School Transport	0.365	0.000	0.000	0.365
PSR5 – An Excellent Education for All	0.319	0.319	0.000	0.000
PSR6 - Tourism	0.110	0.000	0.110	0.000
PSR6 - Other	0.748	0.748	0.000	0.000
PSR7 – Environment & Pride of Place	0.695	0.695	0.000	0.000
PSR8 – Asset Maximisation	0.450	0.450	0.000	0.000
PSR9 – ICT & Digital Inclusion	0.300	0.300	0.000	0.000
PSR10 - Commissioning	0.450	0.450	0.000	0.000
Total Budget Pressure	10.227	7.749	0.819	1.659

- 1.2 As a result of the detail provided in this report it can be seen that the Council's overall forecast outturn position, before remedial action, is shown below:

	January	December	Variance
	£m	£m	£m
2018/2019 Forecast Outturn (see 2.1)	6.128	6.760	-0.632
PSR - Unachievable 2018/2019	1.659	1.659	0.000
Ongoing Budget Pressures	7.787	8.419	-0.632
PSR - Phasing 2018/2019	0.819	0.819	0.000
Total Forecast Budget Gap 2018/19	8.606	9.238	-0.632

Measures to close the residual gap in 2018/19

- 1.3 As mentioned in paragraph 2.1, several services are experiencing significant demand pressures and although the forecast budget gap has reduced slightly in

January, these continue to remain a significant risk to the Council's in-year position. The services are continuing to try to identify mitigating actions, for example by reviewing high cost social care cases and maximising external contributions towards cases. Services under significant budget pressure will continue to be closely monitored during the remaining months of the financial year in order that proactive management of the overall budget can take place.

1.4 Financial sustainability is a key objective of the Council's Framework for Change programme. In order to achieve a balanced budget position, officers have identified – and Members have approved – a number of one-off measures within the Medium Term Financial Plan that will realise £6.445m of resources to partially bridge the budget gap in 2018/19. These include:

- Utilising the budget underspend from 2017/2018 (as reported to Cabinet on 26th July 2018) - £1.923m;
- Additional Adult Social Care Support Grant allocation announced by the Government late in the budget process - £0.953m;
- The impact of the change in VAT liability of certain leisure fees and charges being introduced earlier than previously anticipated - £0.700m;
- Additional ASC Grant in 2018/19 utilised to offset forecast demand pressures - £1.118m;
- Additional Business Rates s31 Grants - £0.651m; and,
- Business Rates refunds on Council establishments - £0.350m.

1.5 Whilst these measures contribute significantly to closing the forecast deficit position during the current year, additional measures are required in relation to current expenditure budgets in order to bridge the remaining gap. As reported previously, service areas have reviewed all budgets and have identified uncommitted funding and other actions that will reduce the deficit, including a moratorium on non-essential expenditure and a review of reserves and balances. This will realise a further £2.099m and is summarised below.

- Supplies & Services savings across all services - £0.250m;
- Review of reserves and balances - £1.025m; and,
- Other savings on non-essential expenditure (not reported in service expenditure) - £0.824m.

1.6 The Council's overall forecast outturn position, after remedial action, is shown below:

	£m
Total Forecast Budget Gap 2018/19	8.606
One-Off Measures 2018/2019	-6.445
Actions undertaken by services 2018/2019	-2.099
Total Forecast Budget Gap 2018/19	+0.062

1.7 The forecast budget gap has reduced from £0.377m (based on December) to £0.062m. This is as a result of a review of all budgets, with a particular emphasis on vacancies and uncommitted non-essential expenditure. Officers will continue to

review all budget forecasts, including all current vacancies and non-essential expenditure, with a view to meeting this shortfall.

Implications beyond 2018/19

- 1.8 The current budget position, despite the successful delivery of the three year PSR programme, required the development of permanent proposals for implementation from April 2019. Senior officers dedicated significant time over recent months to this budget shortfall in order to inform the 2019/20 budget which was recently approved at Budget Council.

2 Council Tax Income – Update

- 3.1 Council Tax income is shared between the billing authority (Sefton Council) and the two major precepting authorities (the Fire and Rescue Authority, and the Police and Crime Commissioner) pro-rata to their demand on the Collection Fund. The Council's Budget included a Council Tax Requirement of £127.485m for 2018/19 (including Parish Precepts), which represents 85.8% of the net Council Tax income of £148.595m.
- 3.2 The forecast outturn for the Council at the end of January 2019 is a surplus of -£0.873m. This variation is primarily due to: -
- The surplus on the fund at the end of 2017/18 being higher than estimated at -£0.004m;
 - Gross Council Tax Charges in 2018/19 being higher than estimated at -£0.346m;
 - Council Tax Reduction Scheme discounts being lower than estimated at -£0.666m;
 - Exemptions and Discounts (including a forecasting adjustment) being higher than estimated at +£0.143m.
- 3.3 Due to Collection Fund regulations, the Council Tax surplus will not be transferred to the General Fund in 2018/19 but will be carried forward to be distributed in future years.
- 3.4 A forecast surplus of £1.160m was declared on the 15th January 2019 of which Sefton's share is £0.995m (85.8%). This is the amount that will be distributed from the Collection Fund in 2019/20. Any additional surplus or deficit will be distributed in 2020/21.

4 Business Rates Income – Update

- 4.1 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 £66.449m for 2018/19, which represents 99% of the net Business Rates income of £67.120m. Business Rates income has historically been very volatile making it difficult to forecast accurately.
- 4.2 The forecast outturn for the Council at the end of January 2019 is a surplus of -£1.648m on Business Rates income. This is due to:
- The surplus on the fund at the end of 2017/18 being higher than estimated - £2.169m;
 - Reduction in the gross charge on rateable properties (+£0.157m)
 - Other reliefs (including a forecasting adjustment) being higher than estimated in 2018/19 at +£0.364m.
- 4.3 Due to Collection Fund regulations, the Business Rates surplus will not be transferred to the General Fund in 2018/19 but will be carried forward to be distributed in future years.
- 4.4 A forecast surplus of £1.768m was declared in January 2019. Sefton's share of this is -£1,750m which is made up of an amount brought forward from 2017/18 (-£2.169m) and the impact of variations in 2018/19 (+£0.419m). This is the amount that will be distributed from the Collection Fund in 2019/20 and any additional surplus or deficit will be distributed in 2020/21.

5 Capital Programme 2018/19

- 5.1 The approved capital budget for 2018/19 is £35.925m.
- 5.2 As at the end of January, expenditure of £14.299m (39.8%) has been incurred within the approved Capital Programme. This is in line with a percentage spend of 42.2% (£12.121m) as at January last year.
- 5.3 As part of the monthly review project managers are now stating that £20.091m will be spent by year end. This would result in an under spend on the year of £15.834m on the whole programme with an overall delivery rate of 56% (this compares to 78% that was reported as at the end of December 2018). This is summarised below as follows:

2018/19 Full Year Budget	Actual Expenditure as at January 2019	Forecast Actual Expenditure	Full Year Budget Variance
£m	£m	£m	£m
35.925	14.299	20.091	15.834

- 5.4 In order to achieve the revised forecast of £20.091m, expenditure of £5.792m will need to be incurred between now and the end of the year.

5.5 Key Variations on Overall Programme

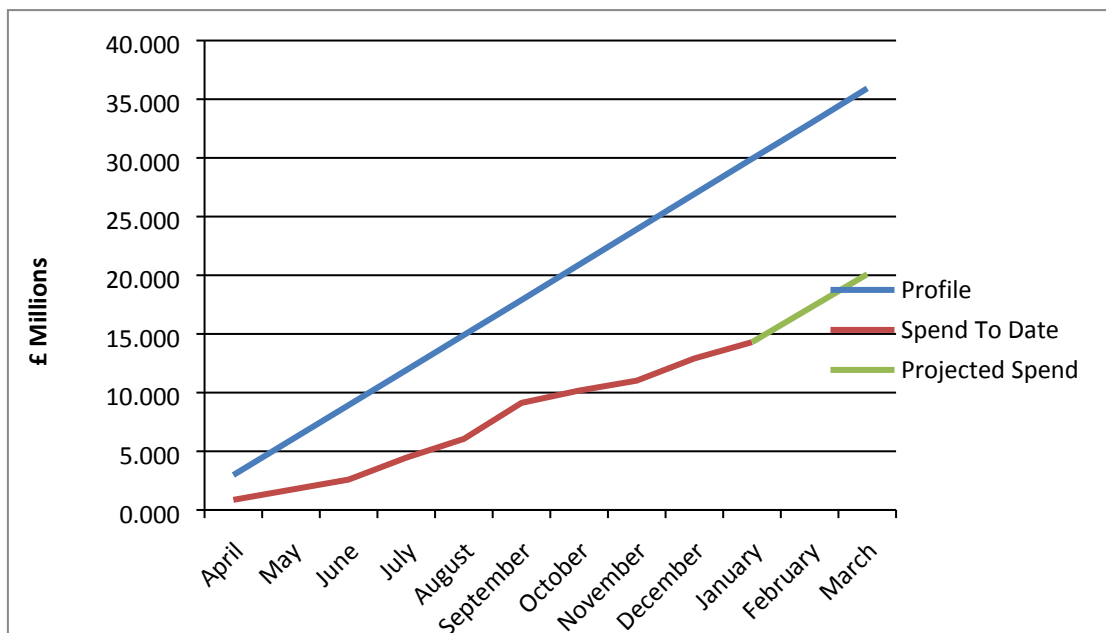
It can be seen from the current forecast position that approximately £15.834m of expenditure will not be delivered in the current year. The key variations to this forecast are as follows:

Scheme	Key Variation £'m	Funding Source	Explanation
Resources to be carried forward into next year (key items)			
Better Care Fund Allocation Balance	3.426	Better Care Fund Grant	This budget has been forecast to underspend throughout the year and a full evaluation of the requirements of residents and the opportunities to invest this sum are currently being undertaken. A clear delivery plan aligned to financial profiling and the delivery of key outcomes will be presented for approval.
M58 Junction 1 Improvements	2.683	Government Grant	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20.
Vehicle Replacement Programme	1.131	Borrowing	The scheme is funded by borrowing. Cleansing are delaying purchasing new vehicles to reduce borrowing costs. Hence re-phasing is required in order to meet actual vehicle replacement needs. However, £1.4m was spent in 2018/19.
Disabled Facilities Grant	0.800	Better Care Fund Grant	The lower than anticipated level of expenditure in 2018/19 is due to the low level of processed referrals that have been made in the year to date. A review is therefore being undertaken to evaluate the demand for adaptations and the internal resource both

			from occupational therapists and the property team that is required.
Parks Schemes and Ward Community Schemes	1.235	S106	Following a comprehensive review of all Section 106 funding, schemes are in the process of being reprofiled in order that planned expenditure aligns with delivery plans.
Norwood Primary School Remodelling	0.680	Government Grants	Scheme is being reviewed and a request will be made to slip the resource into 2019/20. Savings are anticipated to be made on this scheme which will manifest in 2019/20 as the scheme nears completion.
Transport A565 Route management	0.600	Government Grants	Scheme progress has been reviewed and as such a request will be made to slip this resource into 2019/20.
Schools General and Planned Maintenance	0.547	Government Grants	Progress of schemes is below anticipated levels this year and a request will be made to slip resource into 2019/20.
CERMS 2016-2021 Sefton Spend	0.530	Environment Agency Grant	Scheme progress has been reviewed and as such request will be made to slip this resource into 2019/20. Scheme progress is weather dependent.
Crosby Town Centre	0.387	Government Grants	A wider scheme was approved in 2013/14 and this balance remains. This project is at the option appraisal stage, therefore as a project is developed and the subject of member approval the use of this budget will be defined and profiled accordingly.
Linaker Primary School – Additional 1 Form	0.331	Government Grants	Progress of the scheme has been reviewed and a request will be made to

			slip resource into 2019/20 due to a revised project start date.
Southport Pier	0.288	Revenue Contribution – Pier Sinking Fund	This scheme is in progress and is nearing completion. This residual balance will be reprofiled into next year due to the delivery of the scheme being reviewed.
Liverpool City Region Port Access Schemes	0.280	Government Grants	This scheme represents Liverpool City Region Funding given to the Port Access Steering Group for studies required into the assessment of long term highway improvements. This funding will not be utilised in 2018/19 and as such it is requested that the funding is re-profiled into 2019/20.
Total	12.918		

5.6 The graph below therefore shows the 2018/19 Capital Programme expenditure to date against the profiled budget. Due to the forecast expenditure being lower than both the original profile for the year and the most recent monitoring undertaken as at the end of December 2018, a full review of the management and reporting of the capital programme will be led by the Head of Corporate Resources in advance of next years reporting cycle.



5.7 A service by service breakdown of expenditure, forecast actual expenditure and full year budget variation as at January 2019 is shown in the following table:

	Full Year Budget £'m	Expenditure to date £'m	Exp to Date as % of Budget %	Forecast Actual Expenditure to Date £'m	Forecast Full Year Budget Variation £'m
Corporate Resources	5.344	4.687	87.7	4.925	0.419
<u>New Schemes</u>					
Southport Theatre - Netting	0.030	0.045	150.0	0.030	0.000
Bootle Town Hall - Cold Water System	0.020	0.000	0.0	0.000	0.020
<u>Previous Year Schemes</u>	5.294	4.642	87.7	4.895	0.399
Locality Services - Commissioned	13.246	3.794	28.6	7.856	5.390
<u>New Schemes</u>					
LTP - New Schemes	3.596	1.562	43.4	2.851	0.745
Additional Pothole Funding	0.468	0.218	46.6	0.468	0.000
Buckley Hill Car Park	0.081	0.050	61.7	0.066	0.015
Ovington Drive, Kew - Play Area	0.044	0.043	97.7	0.044	0.000
Smithy Green, Formby - Play Area	0.065	0.065	100.0	0.065	0.000
<u>Previous Year Schemes</u>	8.992	1.856	20.6	4.362	4.630
Locality Services - Provision	2.530	1.390	54.9	1.399	1.131
<u>Previous Year Schemes</u>	2.530	1.390	54.9	1.399	1.131
Regeneration and Housing	0.360	0.116	32.2	0.116	0.244
<u>Previous Year Schemes</u>	0.360	0.116	32.2	0.116	0.244
Regulation and Compliance	0.009	0.000	0.0	0.000	0.009
<u>Previous Year Schemes</u>	0.009	0.000	0.0	0.000	0.009
Health & Wellbeing	0.065	0.031	47.7	0.043	0.022
<u>Previous Year Schemes</u>	0.065	0.031	47.7	0.043	0.022
Adult Social Care	3.994	0.021	0.5	0.511	3.483
<u>New Schemes</u>					
Approved Better Care Funding	2.078	0.000	0.0	0.000	2.078
<u>Previous Year Schemes</u>	1.916	0.021	1.1	0.511	1.405
Children's Services	5.710	1.852	32.4	2.562	3.148
<u>New Schemes</u>					
St Luke's Primary – Hall Extension	0.600	0.354	59.0	0.425	0.175

Crosby High - Special Needs WC	0.020	0.020	100.0	0.020	0.000
Impact PRU - Perimeter Fencing	0.015	0.000	0.0	0.000	0.015
Lydiate Primary - General Refurb	0.100	0.076	76.0	0.091	0.009
Forefield Infants - New Toilet Block	0.175	0.022	12.6	0.027	0.148
Linaker Primary - Additional 1 Form Entry	0.700	0.369	52.7	0.369	0.331
Healthy Pupils Fund	0.164	0.000	0.0	0.000	0.164
Hudson Primary - Heating Ducts Provision	0.150	0.008	5.3	0.008	0.142
Linacre Primary - Classroom Refurb	0.066	0.066	100.0	0.066	0.000
Lydiate Primary – New lighting system	0.021	0.000	0.0	0.000	0.021
Redgate Primary – Rewiring	0.150	0.164	109.3	0.150	0.000
Farnborough Rd Infant – Replace felt roof	0.044	0.045	102.3	0.044	0.000
Farnborough Rd Junior – Replace brickwork	0.024	0.000	0.0	0.000	0.024
Forefield Infants – Replace security fence	0.041	0.000	0.0	0.000	0.041
Merefield Special – Emergency lighting	0.036	0.037	102.8	0.036	0.000
Waterloo Primary - Kitchen Alterations	0.025	0.018	72.0	0.019	0.006
Impact PRU - CCTV & Security Gates	0.045	0.000	0.0	0.000	0.045
Netherton Moss Primary – Kitchen Refurb	0.050	0.000	0.0	0.000	0.050
<u>Previous Year Schemes</u>	3.284	0.673	20.5	1.307	1.977
<u>Communities</u>	1.100	0.181	16.5	0.200	0.900
<u>New Schemes</u>					
Atkinson Studio Stage	0.030	0.018	60.0	0.030	0.000
<u>Previous Year Schemes</u>	1.070	0.163	15.2	0.170	0.900
<u>Inward Investment & Employment</u>	1.367	1.080	79.0	1.079	0.288
<u>Previous Year Schemes</u>	1.367	1.080	79.0	1.079	0.288
Total New Schemes 2017/18	8.838	3.180	36.0	4.809	4.029
Total Previous Year Schemes	24.887	9.972	40.1	13.882	11.005
Disabled Facilities Grant	2.200	1.147	52.1	1.400	0.800
Total Capital Programme	35.925	14.299	39.8	20.091	15.834

5.8 Programme delivery 2018/19

Key deliveries this year include:

- Near completion of an extra form entry at Norwood Primary School which will provide an extra 210 places over a 5-year period to 2023. Works completed include 2 form education facilities, including 6 new classrooms, new hall, kitchen extension, support facilities, and groundwork improvements.
- Programme of education improvements at St Lukes Primary School including new classroom, hall extension and support facilities
- The commencement of a scheme at Linaker Primary School including reorganisation of the Children's Centre, conversion of 3 classrooms, nurse space, dining hall and associated support facilities
- Expenditure of £1.1m to continue the Southport Pier refurbishment building upon the spend of £1.4 in 2017/18. This project is now 88% complete and incorporates completion of steelwork repairs, construction of 2 kiosks, refurbishment of the pavilion, repair and replacement of a third of the pier timber deck, replacement of mechanical, electrical, drainage services and new lighting.
- DFG - 203 disabled facilities grants in people homes were completed and 242 new grants were approved
- £1.8m spent on carriageway maintenance.
- £0.6m spent M58 junction 1 improvements and A565 North Key Corridor improvements
- £2.8m spent on Council wide ICT transformation. This project has reduced the number of applications / servers from 245 to 181, implemented Windows 10, Office 365 and SharePoint across the Council and increased laptop provision from 327 to 1155 to support agile working.

1.8 Financing of the 2018/19 Capital Programme

	Budget
	£m
Government Grants*	25.354
Borrowing	7.431
S106	1.432
RCCO	0.915
Contribution - Merseytravel and other Local Authorities	0.280
Contribution – Reimbursement for purchase of St Johns Stone site on behalf of Sandway Homes Ltd	0.244
Contribution - Other	0.057
Contribution	1.496
Capital Receipt	0.212
TOTAL	35.925

*Includes capital receipts used to supplement government grants as detailed below.

Within the funding profile for schemes approved in 2016/17 it was assumed that £1.5m of capital receipts will be generated and it is anticipated this will all be received by March 2019.