

Report to:	Cabinet	Date of Meeting:	5 March 2020
Subject:	Revenue and Capital Budget Update 2019/20 - March		
Report of:	Executive Director Corporate Resources & Customer Services	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To inform **Cabinet** of:

1. The current forecast revenue outturn position for the Council for 2019/20;
2. The current forecast on Council Tax and Business Rates collection for 2019/20;
3. The monitoring position of the Council's capital programme to the end of January 2020:
 - 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 forecast revenue outturn position for 2019/20 and the current position relating to delivery of savings included in the 2019/20 revenue budget;
- 2) Note the mitigating measures being used to partially mitigate the forecast outturn position, in paragraph 2.2, excluding a forecast deficit on Housing Benefits which will be considered at the end of the financial year if it materialises;
- 3) Acknowledge that the forecast outturn position will continue to be reviewed to ensure a balanced forecast outturn position can be achieved or understand a potential call of General Fund Balances;

Capital Programme

- 4) Review updates to spending profiles across financial years (paragraph 5.1.1);

- 5) Review the new schemes approved by Council and added to the Capital Programme for 2019/20 and 2020/21 (paragraphs 5.1.2 and 5.1.3);
- 6) Note the latest capital expenditure position as at 31 January 2020 of £13.718m (paragraph 5.2.2) with the latest full year forecast being £21.823m (paragraph 5.2.4);
- 7) Note explanations of variances to project budgets (paragraph 5.2.5); and,
- 8) Acknowledge 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 (section 5.4).

Reasons for the Recommendation(s):

To ensure Cabinet are informed of the forecast outturn position for the 2019/2020 Revenue Budget as at the end of January 2020, including delivery of agreed savings, and 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 2019/20 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.

In March 2017 Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of setting the 2019/20 budget. The Council is in the final 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 2019/20 there is currently a forecast deficit of £3.179m. Mitigating measures have been identified in order to partially meet this deficit (excluding a forecast overspend on Housing Benefits which will be considered at outturn if this materialises) and are detailed within the report. The current residual forecast deficit is £0.181m. If this remains at the end of the financial year this will be a call on the Council's General Balances.

(B) Capital Costs

The Council's capital budget in 2019/20 is now £21.889m. As at the end of January 2020 expenditure of £13.718m has been incurred and a full year outturn of £21.823m 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:

<p>Resource Implications (Financial, IT, Staffing and Assets): There is currently a budget shortfall of £3.179m forecast for 2019/20 and as previously reported, mitigating actions have been identified in order to address the majority of this (with the exception of a forecast overspend on Housing Benefits which will be considered at outturn if the position doesn't improve). The current residual forecast deficit is £0.181m. However, it should be noted that significant pressure and risk remains in four key business areas, namely Adults and Children's Social Care, Education Excellence and Locality Services. 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, if the existing measures aren't sufficient.</p>
<p>Legal Implications: None</p>
<p>Equality Implications: None</p>

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.

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

Greater income for social investment:

See comment above

Cleaner Greener:

See comment above

What consultations have taken place on the proposals and when?**(A) Internal Consultations**

The Executive Director Corporate Resources & Customer Services is the author of the report (FD 5958/20)

The Chief Legal and Democratic Officer has been consulted and has no comments on the report (LD 4141/20).

(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:

APPENDIX A – Capital Programme 2019/20 to 2021/22

APPENDIX B – Additional Capital Estimates Approved by Council 23 January 2020

Background Papers:

There are no background papers available for inspection.

1. Introduction

- 1.1 In March 2017, Council approved a three-year budget plan to March 2020. The final year of this plan was revised in February 2019 as part of the process of the Council setting the 2019/20 budget. This report updates the forecast revenue outturn position for 2019/20, including the delivery of savings included in the 2019/20 budget.
- 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 The capital section of the report informs members of the latest estimate of capital expenditure for 2019/20 and updates forecast expenditure for 2020/21, 2021/22 and future years. The capital budget to date is presented in section 5.1. Sections 5.2 and 5.3 review progress of the capital programme, and section 5.4 confirms that there are adequate levels of resources available to finance the capital programme.

2. Summary of the Forecast Outturn Position as at the end of January 2020

- 1.0 Members are provided with updates of the Council's forecast financial position each month during the financial year. Significant pressures have been identified in several service areas, particularly Children's Social Care, Locality Services and Home to School Transport. The latest forecast of service expenditure indicates an overspend of £3.179m, this represents a worsening of the overall position by £0.098m on the previous month. The table below highlights the variations:

	Budget	Forecast Outturn	Variance	Previously Reported Position	Movement since last month
	£m	£m	£m	£m	£m
<u>Services</u>					
Strategic Management	3.187	3.004	-0.183	-0.174	-0.009
Strategic Support	2.709	2.619	-0.090	-0.071	-0.019
Adult Social Care	96.765	96.765	0.000	0.000	0.000
Children's Social Care	33.340	35.685	2.345	2.245	0.100
Communities	19.518	19.605	0.087	0.060	0.027
Corporate Resources	4.884	4.786	-0.098	-0.101	0.003
Economic Growth & Housing	6.045	6.032	-0.013	-0.011	-0.002
Education Excellence	9.859	10.111	0.252	0.216	0.036
Health & Wellbeing	18.060	17.795	-0.265	-0.210	-0.055
Highways & Public Protection	11.133	11.058	-0.075	-0.040	-0.035
Locality Services	13.809	14.018	0.209	0.000	0.209
Total Service Net Expenditure	219.309	221.478	2.169	1.914	0.255

Provision relating to 2018/19 Service Pressures	0.000	0.000	0.000	0.000	0.000
Budget Pressure Fund	1.000	1.000	0.000	0.000	0.000
Public Sector Reform Savings not allocated to services (see para 2.3)	(0.950)	0.000	0.950	0.950	0.000
Council Wide Budgets	6.603	6.663	0.060	0.217	-0.157
Levies	34.156	34.156	0.000	0.000	0.000
General Government Grants	(40.979)	(40.979)	0.000	0.000	0.000
Total Net Expenditure	219.139	222.318			
Forecast Year-End Deficit			3.179	3.081	0.098

1.1 The key forecast variations in the outturn position, including any significant variations from the November position, are as follows: -

- **Children's Social Care (£2.345m net overspend)** – The Placement and Packages budget overspent within the service by £5.612m in 2018/19. As a result, this equates to a full year effect in 2019/20 of £7.495m that also reflects a further increase in the number of Looked After Children. This budget pressure was identified in the budget report of February 2019 and an allocation of £4.900m from the *Provision relating to 2018/19 Service Pressures* has reduced the forecast overspend to £2.595m, with this being offset by underspends elsewhere within the service totalling £0.250m. This current position on Placements and Packages is an increase of £0.085m compared to December and mainly reflects the additional costs in respect of four placements that have arisen during the month.

As has been regularly reported over the last two years, the cost of Placements and Packages is the largest risk to the Council's budget position, and it is expected that the position will be the subject of further change between now and the year end. The Council is currently working on developing a range of options to address the inherent demand and costs of Looked After Children whilst supporting the most vulnerable residents. Any financial impact from the proposals during the current year will be built into the year end forecast and next years budget.

- **Education Excellence (£0.252m overspend)** - Home to School transport external provision has a projected overspend of £2.227m. This budget overspent by £1.817m in 2018/19 but is forecast to overspend by a further £0.410m due to the full year effect of the increased costs of new external transport contract, an allocation of £1.800m from the *Provision relating to 2018/19 Service Pressures* has reduced the forecast overspend to £0.427m. In addition, there are net underspends across other areas of the service totalling £0.175m.
- **Health and Wellbeing (£0.265m underspend)** – There is a net underspending on the service as a result of vacancy savings and underspends on specific contracts.
- **Locality Services (£0.209m overspend)** – Some of the service pressures experienced in 2018/19 have continued into 2019/20.

- Security Service (£0.682m overspend) – The forecast deficit is a reflection of an under recovery of income to support the cost base. The forecast overspend is based on a prudent view of the income due. The Service has been undertaking an exercise to review the level of income expected to be due in the year. This review will continue, the outcome of which will be reflected in next month’s position.
- Green Sefton (£0.088m overspend) - The service was expected to achieve savings of £0.330m in 2019/20. Plans to increase income within the Golf courses will not be achieved in the current year as improvements to the courses to encourage customers are not expected until 2020/21.
- Burial and Cremation Service (£0.150m underspend) – The service is forecast to achieve additional income in the year.
- Cleansing (£0.254m underspend) – The underspend is mainly due to increased forecast recycling credits (£0.059m) and a reduction in vehicle maintenance costs of the cleansing fleet (£0.169m).
- The net overspend on the above functions have been reduced by a net underspend of £0.157m elsewhere within the service.

Mitigating actions are still being implemented which should reduce the forecast outturn overspend. These include temporarily reducing non-essential expenditure on supplies and services and repairs and maintenance. The outcome of the Security Service income review mentioned above will determine whether the forecast outturn can be contained within the available budget. However, given there are only two months remaining of the financial year it is considered prudent to include the current forecast overspend in the Council’s overall monitoring position.

- **Public Sector Reform Savings not allocated to services (£0.950m overspend)**
– see paragraph 2.3 below.
- **Council Wide Budgets (£0.060m)** – Housing Benefits is forecast to overspend by £0.248m due to reductions in subsidy relating to certain types of expenditure. However, this budget is difficult to forecast given the complexities of the subsidy claim and as such there is extreme volatility in this budget with the final position not being able to be predicted until year end. There are other net underspends of £0.188m within Council Wide budgets.

Savings Delivery

1.2 The 2019/20 Budget included £9.803m of savings from Public Sector Reform (PSR) projects. Current forecasts are that £8.853m of savings will be deliverable in the year (90%). An analysis of the overall savings for 2019/20 are shown in the summary below:

	Total Saving 2019/20	Forecast - Achieved In 2019/20	Forecast – Not Achieved 2019/20
	£m	£m	£m
PSR1 - Acute Wrap Around	0.230	0.000	0.230
PSR2 – Locality Teams	4.408	4.408	0.000

PSR4 - All Age Pathway	0.089	0.089	0.000
PSR6 - Commercialisation	0.405	0.405	0.000
PSR8 – Asset Maximisation	0.512	0.512	0.000
PSR9 – ICT & Digital Inclusion	3.439	3.439	0.000
PSR10 - Commissioning	0.720	0.000	0.720
Total PSR Projects	9.803	8.853	0.950

1.3 The shortfall on the achievement of savings shown in the table is included in the forecast outturn position shown in paragraph 2.1.

1.4 In addition, service budget options of £2.269m were approved for 2019/20. These have been built into service budgets and any shortfall in achievement of these savings is included in the forecast outturn position for each service.

Measures to close the residual gap in 2019/20

1.5 The forecast budget deficit as at January 2020 is **£3.179m**. This reflects the risks that were inherent in the Council's financial position, particularly around demand for Children's Social Care and other demand led services. Major Services Reviews have commenced for Adult Social Care, Children's Social Care, Education Excellence and Locality Services with a view to reduce this budget pressure where possible.

1.6 The budget for 2019/20 includes a Budget Pressures Fund of £1.000m. Council gave delegated authority to the Chief Executive and the Head of Corporate Resources, in conjunction with the Leader of the Council, to allocate this Fund. Cabinet, at their meeting on 7 November 2019, have noted the allocation of the £1.000m to support the budget pressure identified and contribute to balancing the forecast outturn position.

1.7 The net forecast outturn position for 2019/20 is therefore:

	£m
Forecast Year-End Deficit (Paragraph 2.1)	3.179
Business Rates Reserve increase (previously noted by Cabinet on 5 September 2019)	-1.750
Budget Pressures Fund	-1.000
Forecast Year-End Deficit	0.429

1.8 As mentioned in paragraph 2.2, the forecast outturn position includes an overspend of £0.248m relating to Housing Benefits. This budget is difficult to forecast given the complexities of the Subsidy claim. The position will be monitored during the remainder of the year with any overspend at the end of the year considered as part of the Council's overall outturn position.

1.9 The above table shows a deficit forecast outturn position (excluding the Housing Benefits forecast) of **£0.181m**. As previously reported, there are risks still inherent

in this position, particularly relating to Looked After Children, meaning the position may worsen further during the year. Looked After Children numbers have increased by 40 since the start of the year, adding £1.500m to the forecast. It is expected that the position will be the subject of further change between now and the year end.

1.10 Following approval by Cabinet on 5 December 2019, the following mitigating actions were implemented:

- To not fill current vacant posts or posts as they become vacant (excluding essential posts in Children's Social Care); and,
- A freeze on all but essential expenditure between now and the end of the financial year.

1.11 The estimated impact of these measures, excluding the effect of not filling posts as they become vacant, are built into the forecast in paragraph 2.1. An exercise with Heads of Service was undertaken to ensure the robustness of all estimates and identify what remedial measures will be implemented. The forecast overspend has increased slightly this month to £0.181m, although this may worsen if current trends on numbers of Looked After Children continue. This position will continue to be reviewed and if it does worsen other appropriate measures may be required to ensure a balanced forecast outturn position will be achieved.

1.12 In the event that the forecast outturn position worsens, and other measures cannot be identified, a balanced outturn position may not be deliverable. This would lead to a call on the Council's low level of General Fund Balances. As such, identifying appropriate measures may be critical to support financial sustainability within the Council and difficult decisions may be required between now and the end of the financial year and could have a material impact on next year's budget.

2 Council Tax Income – Update

3.1 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 £133.099m for 2019/20 (including Parish Precepts), which represents 84.1% of the net Council Tax income of £158.306m.

3.2 The forecast outturn for the Council at the end of January 2020 is a deficit of +£1.971m. This variation is primarily due to: -

- The surplus on the fund at the end of 2018/19 being lower than estimated (+£0.151m);
- Gross Council Tax Charges in 2019/20 being higher than estimated (-£0.415m);
- Exemptions and Discounts (including a forecasting adjustment) being higher than estimated (+£0.346m);

- A review of the bad debt provision has identified that an increase is required to reflect a reassessment of the collectability of debt outstanding (+£1.889m).
- 3.3 Due to Collection Fund regulations, the Council Tax deficit will not be transferred to the General Fund in 2019/20 but will be carried forward to be recovered in future years.
- 3.4 A forecast surplus of £1.160m was declared on the 15 January 2019 of which Sefton's share is £0.996m (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 £64.739m for 2019/20, which represents 99% of the net Business Rates income of £65.393m. 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 2020 is a surplus of -£0.605m on Business Rates income. This is due to:
- The surplus on the fund at the end of 2018/19 being higher than estimated (-£0.092m);
 - Increase in the gross charge on rateable properties (-£0.504m);
 - Other reliefs (including a forecasting adjustment) being lower than estimated in 2019/20 (-£0.496m);
 - An increase in the provision for appeals following a significant refund in 2019/2020 (+£0.487m).
- 4.3 Due to Collection Fund regulations, the Business Rates surplus will not be transferred to the General Fund in 2019/20 but will be carried forward to be distributed in future years. However, £0.340m of the surplus forecast in paragraph 4.2 will be required to offset the shortfall in Section 31 grants due to certain reliefs being lower than estimated in 2019/20.
- 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 2019/20 – 2021/22 & Future Years

5.1 Capital Budget

- 1.1.1. The Capital Budget and profile of expenditure for the three years 2019/20 to 2021/22 is:

2019/20	£21.889m
2020/21	£23.963m
2021/22	£0.629m

1.1.2. The following new schemes, approved by Council on 23 January 2020 for inclusion in the capital programme, are shown in the budget figures above:

- i. Growth and Strategic Investment Programme:
 - Strategic Acquisitions – Land at Bootle £0.999m
 - Cambridge Road Centre Redevelopment £1.145m
 - Crosby Lakeside Activity Centre (CLAC) £3.100m
- ii. Invest to Save – Winter Service Facility £2.632m
- iii. Traditional Capital Programme – Essential Maintenance:
 - Victoria Baths essential works £0.570m
 - STCC essential works £1.244m

1.1.3. Further information regarding the new allocations noted in 5.1.2 can be found in the report to Council (23 January 2020). In addition to the above, the same report approved £2.680m to be allocated to the Transport programme, £2.834m to be allocated to Council Wide Essential Maintenance and £0.750m to the Bootle and Southport Town Centre Commission. The Capital Programme will be updated further when this funding is allocated to specific schemes and the 2020/21 programme is fully developed. A complete list of additional capital allocations and how they are to be funded, approved by Council on 23 January 2020, can be found at Appendix B.

1.2. Budget Monitoring Position to January 2020

1.2.1. The current position of expenditure against the budget profile to the end of January 2020 is shown in the table below. It should be noted that budgets are profiled over the financial year which skews expenditure over quarters three to four.

1.2.2. The budget for each capital scheme is profiled depending on when works are expected to be carried out. For example, Education Excellence carries out most of its capital works during key school's holiday periods such as the summer recess (quarter 2), whilst Highways and Public Protection completes most of its programmed works during quarters 2 and 4. The budget to date in the table below reflects the profiles of each individual scheme.

Service Area	Budget to Jan-20	Actual Expenditure to Jan-20	Variance to Jan-20
	£m	£m	£m
Adult Social Care	2.093	1.913	-0.180
Communities	0.145	0.119	-0.026
Corporate Resources	0.800	0.778	-0.022

Economic Growth & Housing	0.125	0.122	-0.003
Education Excellence	2.246	2.191	-0.055
Highways & Public Protection	7.301	7.266	-0.035
Locality Services	1.740	1.328	-0.412
Total Programme	14.450	13.718	-0.732

1.2.3. Analysis of significant spend variations over (+) / under (-) budget profile:

Education Excellence

Scheme	Variation	Reason	Action Plan
Hudson Primary – Heating Ducts	-£58,264	Due to the complexities of the scheme, work is being done in the evenings and weekends leading to some variability in expenditure when compared to the profile.	None required – the project is still expected to complete on budget.

Locality Services

Scheme	Variation	Reason	Action Plan
Vehicle Replacement Programme	-£461,731	Delays in delivery of new vehicles due to long waiting lists with suppliers and time needed to fit specialist vehicle bodies to bin wagons.	Delivery of vehicles will take place before the end of the financial year.

1.2.4. The current forecast of expenditure against the budget profile to the end of 2019/20 and the profile of budgets for future years is shown in the table below:

Service Area	Full Year Budget 2019/20	Forecast Out-turn	Variance to Budget	Full Year Budget 2020/21	Full Year Budget 2021/22
	£m	£m	£m	£m	£m
Adult Social Care	3.004	2.920	-0.084	-	-
Communities	0.353	0.351	-0.002	0.411	-
Corporate Resources	0.952	0.954	0.002	2.793	-
Economic Growth & Housing	1.145	1.145	-	4.564	-
Education Excellence	2.920	2.918	-0.002	9.286	0.090
Highways & Public Protection	11.100	11.289	0.189	5.344	-
Locality Services	2.415	2.247	-0.168	1.565	0.539
Total Programme	21.889	21.823	-0.065	23.963	0.629

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

1.2.5. Analysis of significant spend variations over budget profile in 2019/20:

Adult Social Care

Scheme	Variation	Reason	Action Plan
DFG Home Improvements	-£81,939	Based on the average number of referrals being received each month, there will be a minor underachievement of the target spend by year end.	The number of referrals received during January has increased when compared to the previous month so this is a sign that spend could increase. The number of referrals will continue to be monitored and estimates adjusted accordingly.

Highways & Public Protection

Scheme	Variation	Reason	Action Plan
M58 Junction 1 Improvements	£188,540	Delays to the project due to longer than anticipated time to secure the land. Contractual payments had to be made to the contractor in the interim. Additional redesign costs have also been incurred. The total forecast overspend is currently £930k over 2019/20 and 2020/21.	Additional funding of £500k has been secured from the Combined Authority. The remaining shortfall of £430k will be funded from additional contributions to the Capital Programme from Council Resources in 2019/20 and 2020/21 although additional contributions may be required (see section 5 below).

Locality Services

Scheme	Variation	Reason	Action Plan
Vehicle Replacement Programme	-£167,916	The ordering of several Green Sefton vehicles has been delayed whilst operational requirements are reviewed.	The vehicles will be purchased during 2020/21 financial year.

1.3. M58 Junction 1 Update

- 1.3.1. During the construction process a number of issues have emerged which have affected the ability to realise value engineering opportunities within the project. Material identified for re-use has been of poorer quality than envisaged, the contractor wasn't able to retain excavated material within landscape mounds and the topsoil hasn't been saleable. Added to the above, the weather conditions have been poorer than anticipated affecting progress.
- 1.3.2. The contractor and Council's site team have been concentrating efforts on establishing both the scheme outturn cost and the likely cost. The contractor has been providing information in support of claims for additional costs and these are being reviewed.

- 1.3.3. If the contractor's claims for additional costs are deemed to be reasonable, then an additional contribution from the Council may be required. This is in addition to the variation identified in paragraph 5.2.5 above. Officers are currently exploring options for additional funding.
- 1.3.4. A further update will be provided once the revised outturn cost of the scheme has been fully appraised and options for any necessary additional funding have been explored.

1.4. **Programme Funding**

- 1.4.1. The table below shows a how the capital programme will be funding in 2019/20:

Source	£m
Grants	18.527
Contributions (incl. Section 106)	1.162
Capital Receipts	0.211
Prudential Borrowing	1.989
Total Programme Funding	21.889

- 1.4.2. 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 subject to the issue raised in paragraph 5.3.
- 1.4.3. The Executive Director 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 2019/20 to 2021/22

Capital Project	Budget		
	2019/20 £	2020/21 £	2021/22 £
Adult Social Care			
Adult Social Care IT Infrastructure	44,020	-	-
South Hub	11,257	-	-
Primary Care Integration	39,500	-	-
Core DFG Programme	1,824,000	-	-
Wider Social Care Programme	1,084,722	-	-
Communities			
Atkinson Studio Stage	11,929	-	-
Dunes All Weather Pitches - Invest to Save	13,083	-	-
Crosby Lakeside Adventure Centre Water Sports	58,077	17,080	-
Formby Library Improvements	-	6,620	-
Libraries - Centres of Excellence	-	345,237	-
Bootle Library	-	42,372	-
S106 Molyneux Ward - Rainbow Park Improvement Works	26,211	-	-
S106 Litherland Ward - Caged Tipper	44,640	-	-
S106 Linacre Ward - Mobile CCTV	18,000	-	-
S106 Derby Ward - South Park Hut Extension	34,518	-	-
S106 St Oswald's - Marian Gardens Redevelopment	66,466	-	-
S106 Netherton & Orrell - Abbeyfield Park Play Area	27,327	-	-
S106 Cambridge - Hesketh Park Improvement Works	35,050	-	-
S106 Ainsdale - Ainsdale Village CCTV	18,000	-	-
Corporate Resources			
Corporate Maintenance	93,022	20,000	-
STCC Essential Maintenance	95,472	1,368,246	-
STCC Sound & Lighting Equipment	80,500	-	-
St John Stone Site - Infrastructure Works	-	623,210	-
Merton House Dilapidation	460,000	-	-
Victoria Baths Essential Works	-	570,000	-
Magdalen House Alterations	61,587	83,392	-
Meadows Community Base	3,645	2,683	-
Aintree Community Base	5,815	1,968	-
NAC Community Base	2,511	18,499	-
Southport Town Hall Community Base	26,477	5,373	-
Family Wellbeing Centres	122,816	100,000	-
Economic Growth & Housing			
Marian Square, Netherton CCTV	-	40,405	-
REECH Project	-	37,162	-

	2019/20 £	2020/21 £	2021/22 £
Southport Commerce Park - 3rd Phase Development	-	13,173	-
Housing Investment (HMRI)	34,800	56,980	-
Southport Pier Project	111,515	170,688	-
Strategic Acquisitions - Land at Bootle	998,500	-	-
Cambridge Road Centre Redevelopment	-	1,145,000	-
Crosby Lakeside (CLAC) Redevelopment	-	3,100,000	-
Education Excellence			
Healthy Pupils Fund	178,000	-	-
Schools Programme	2,386,742	3,607,545	90,354
Planned Maintenance	207,253	4,620,312	-
Special Educational Needs & Disabilities	148,329	1,058,171	-
Highways and Public Protection			
Accessibility	145,000	-	-
Completing Schemes/Retentions	32,250	-	-
Healthy Lifestyles	460,000	1,205,000	-
Road Safety	29,834	90,166	-
A565 Route Management and Parking	720,000	-	-
Strategic Planning	303,822	160,168	-
Traffic Management and Parking	1,350,000	1,052,500	-
Highway Maintenance	2,039,446	-	-
Bridges & Structures	188,000	55,110	-
Drainage	50,000	-	-
Street Lighting Maintenance	475,000	-	-
UTC Maintenance	100,000	-	-
Winter Service Facility	-	2,632,000	-
Major Transport Schemes	5,206,662	148,763	-
Locality Services			
Thornton Garden of Rest Improvements	3,692	-	-
Burials & Cremation Insourcing - Vehicles & Equipment	-	200,000	-
Formby Strategic Flood Risk Management Programme	-	44,141	-
Merseyside Groundwater Study	-	31,508	-
Four Acres Multi Agency Flood Options	3,352	-	-
CERMS	710,830	358,336	-
Natural Flood Risk Management	-	10,000	-
The Pool & Nile Watercourses	58,602	55,000	-
Crosby Flood & Coastal Scheme	324,285	340,852	500,000
Seaforth & Litherland Strategic Flood Risk	-	30,000	-
Hall Road & Alt Training Bank - Rock Armour	-	50,000	-
Ainsdale & Birkdale Land Drainage Scheme	-	30,000	-
Surface Water Management Plan	60,000	110,000	-

	2019/20 £	2020/21 £	2021/22 £
Parks Schemes	46,773	265,815	-
Tree Planting Programme	77,185	39,174	38,600
Vehicle Replacement Programme	1,130,614	-	-
TOTAL PROGRAMME	21,889,131	23,962,649	628,954

APPENDIX B – Additional Capital Estimates Approved by Council 23 January 2020

Programme / Project	Estimate £m
Growth and Strategic Investment Programme	
Strategic Acquisitions - Land at Bootle	0.999
Bootle & Southport Town Centre Commission	0.750
Cambridge Road Centre Redevelopment	1.145
Crosby Lakeside Activity Centre (CLAC)	3.100
Traditional Capital Programme	
Transport Contributions	2.680
Essential Maintenance - Victoria Baths essential works	0.570
Essential Maintenance - STCC essential works	1.244
Essential Maintenance - Council wide programme	2.834
Invest to Save	
Winter Service Facility	2.632
Total	15.954

Source of Funding	Estimate £m
Grants and Contributions	5.994
Capital Receipts	7.328
Prudential Borrowing	2.632
Total	15.954