

This proposal represents an alternative 2022/23 Capital Budget Proposal. The detail shows the differences compared to the Conservative proposals to aid effective debate.

2022/23 Capital Budget Proposal

Liberal Democrat Recommendations to County Council

1. Financial Direction of Travel

Delete paragraph 1.4 and replace as follows:

- 1.4 Even when the danger of the pandemic has passed, the pattern and location of employment in Warwickshire will have undergone a major change. At the same time, our need to respond to Climate Change will be ever more urgent. In response to both these we require an urgent review of all capital priorities. We require a shift of resources away from costly road projects towards a greener public transport infrastructure that is also designed for pedestrians and cyclists and develop our country parks. Considering this, Corporate Board are asked to review the entirety of the capital programme ensuring that it meets climate change targets and fits with the changing adaptation programme. The review should be completed and brought forward to Members for scrutiny no later than the autumn and before the 2023/24 MTFS refresh is considered.

Delete the current paragraph 1.9 and replace as follows:

- 1.9 We will supplement our externally leveraged capital resource with £38.1 million a year of borrowing. We will continue with the separation of maintenance and investment programmes that has brought benefits by reducing bureaucracy.

Add the following priority investment proposals to the schemes listed in paragraph 1.10:

| | |
|------------|---|
| Best Lives | <ul style="list-style-type: none">• Mental health support in communities alongside long covid.• Investment in our community's youth support work.• Investment in preventive public health work. |
|------------|---|

| | |
|-----------------------------|--|
| Sustainable Futures | <ul style="list-style-type: none"> Accelerating the work needed to make Warwickshire County Council a net zero carbon producer by 2030. |
| Thriving Economy and Places | <ul style="list-style-type: none"> The creation of a Highways Action Fund to support the implementation of 20mph speed limits. Investment focussing on the strengthening of Warwickshire's towns and communities also by making us a leader in supporting a green economy targeting micro business as outlined in the recommendations of the CWLEP Growth Hub Growth Hub Report. |

Add a new paragraph 1.13 as follows:

- 1.13 We will add an additional £3 million to the Council's maintenance programme to be targeted at delivering improvements to pavements and footways in Warwickshire. This must be additional to, and not substitute, the planned maintenance of pavements and footways in the existing capital programme.

2. 2022/23 Capital Programme

Delete Section 2 and replace as follows:

- 2.1 Approval is given to a capital programme of £831.901 million. Of this £247.515 million is for 2022/23 and £584.386 million for future years. There is £103.135 million in the Capital Investment Fund that will be allocated to specific schemes, in line with our priorities, as bids are created and considered over the five years of the 2022-27 Medium Term Financial Strategy.
- 2.2 Table 1 shows the breakdown of the programme across services, with the full detail of the capital programme attached at **Appendix C as amended by Annex A**.

| Table 1: Capital Programme - Summary by Outcome | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Service | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Total |
| | £m | £m | £m | £m | £m | £m |
| Best Lives | 55.291 | 24.543 | 14.031 | 4.510 | 4.510 | 102.885 |
| Thriving Economy and Places | 51.086 | 67.310 | 27.971 | 0.045 | - | 146.412 |
| WRIF | 30.000 | 30.000 | 30.000 | 30.000 | 7.600 | 127.600 |
| Sustainable Futures * | 3.644 | 1.039 | 0.026 | - | - | 4.709 |
| Great Council and Partner | 2.280 | - | - | - | - | 2.280 |
| WPDG | 4.071 | 24.577 | 21.969 | 35.192 | 34.191 | 120.000 |
| Maintenance Programme | 39.510 | 33.308 | 33.678 | 34.121 | 34.659 | 175.276 |
| Developer Funded Programme | 34.570 | 11.792 | 3.240 | 0.002 | - | 49.604 |
| Total Allocations | 220.452 | 192.569 | 130.915 | 103.870 | 80.960 | 728.766 |
| Capital Investment Fund | 27.063 | 16.448 | 21.458 | 16.515 | 21.651 | 103.135 |
| Total Programme | 247.515 | 209.017 | 152.373 | 120.385 | 102.611 | 831.901 |

Note:

* Our capital investment in Sustainable Futures extends beyond the focussed schemes summarised here. All schemes are required to specifically consider sustainability, climate change and environmental impact as part of the evaluation and due diligence process prior to approval.

3. Financing the Capital Programme

Delete paragraph 3.1 and replace as follows:

3.1 The capital programme will be financed by a mixture of capital grants, capital receipts, revenue, and self-financed and corporate borrowing. A deduction will be made from services' revenue budgets for self-financed projects funded from borrowing. Table 2 provides a breakdown of the financing of the capital programme between years.

| Table 2: Financing the Capital Programme | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Service | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Total |
| | £m | £m | £m | £m | £m | £m |
| Capital grants | 27.853 | 22.739 | 22.739 | 22.739 | 22.739 | 118.809 |
| Third party contributions | 70.984 | 18.909 | 13.080 | 0.002 | - | 102.975 |
| Capital receipts | 13.354 | 30.643 | 18.404 | 39.539 | 32.494 | 134.434 |
| Revenue | 0.111 | - | - | - | 0.000 | 0.111 |
| Borrowing | 135.213 | 136.726 | 98.150 | 58.105 | 47.378 | 475.572 |
| Total Financing | 247.515 | 209.017 | 152.373 | 120.385 | 102.611 | 831.901 |

Note: The borrowing figure is greater in the earlier years as it includes the funding of capital spend financed by borrowing that was originally planned for in earlier years.

4. Prudential Guidelines and Limits

Delete Section 4 and replace as follows:

- 4.1 The Affordable Borrowing Limit and other Prudential Indicators consistent with the capital programme for 2021/22 form part of the Treasury Management and Investment Strategies elsewhere on today's agenda. The Strategic Director for Resources is authorised to update these strategies, as required, to reflect the capital programme approved as part of this amendment.

All other paragraphs/sections remain unchanged.