

The background of the slide features a large, light blue watermark of the Coat of Arms of the City of Edinburgh. The crest includes a crown with four thistles, a shield divided into four quarters (quarterly), and a motto scroll at the bottom. The quarters contain: a castle tower, a stag's head, a sailing ship, and an eagle. The motto scroll reads 'ANE FOR A'.

Agenda Item 5

Five Year General Fund Capital Programme 2020/21 – 2024/25

Falkirk Council

Title: Five Year General Fund Capital Programme 2020/21 – 2024/25

Meeting: Falkirk Council

Date: 26 February 2020

Submitted By: Director of Corporate & Housing Services

1. Introduction

- 1.1 This report sets out a balanced draft capital investment plan for Falkirk Council for the next five years on all areas of service delivery, with the exception of Council Housing, which was reported separately to, and approved by, Council on 22 January 2020. The plan contains ambitious investment of c£265m over 2020/21 to 2024/25, including the Tax Increment Financing (TIF) Scheme (see also proposed additional investment in paragraph 1.3)
- 1.2 The investment plans are based on an estimated level of resources as outlined in section 4.1 of this report and any emergent variations in these resources will have inevitable consequences on the Programme as it moves forward. The Scottish Government has advised that the General Capital Grant for years 2 and 3 will be notified in the summer and this will provide an opportunity for the Programme to be reviewed.
- 1.3 This report requests that Members consider the potential use of additional funds gained from an increase in Council Tax, to assist in meeting the demand for capital investment. This acknowledges the Council's low Band D Council Tax and low level of borrowing in comparison to other Councils. A 1.84% increase in Council Tax would yield c£1.2m which would be sufficient to finance additional capital investment of c£24m. Additional investment of this magnitude would help Falkirk Council to meet its ambitious targets in terms of education provision and would further advance our proposals in terms of engagement with our communities across the Falkirk area. A 1.84% year on year increase for the next 5 years would yield c£6m which could fund c£120m of capital investment over the next 5 years, if this flexibility remained available. This decision would, however, be taken on an annual basis.
- 1.4 The report also notes that the Council faces a number of uncertainties over significant emergent projects which cannot be included at this stage e.g. Investment Zone, Climate Change and investment in Succeed Today, Excel Tomorrow, a new blueprint for learning on Falkirk and also replacement of CCTV infrastructure.

2. Recommendations:

Members are invited to:

- (1) Approve a balanced General Fund Services Capital Programme.**
- (2) Approve the additional projects to be funded from an inflationary increase in Council Tax (if agreed) as presented at Appendix 1.**
- (3) Note the Prudential Indicators.**
- (4) Note that the Programme will be reviewed in the summer when years 2 and 3 of the General Capital Grant is notified and further information is available on potential projects. Any additional Capital Grant forthcoming from the Budget approved by the Scottish Parliament could also be considered at that time.**

3. Background

- 3.1 The General Fund Services Capital Programme for 2020/21 – 2024/25 has been prepared through a standard corporate process seeking submissions from each Council Service on their investment plans to enhance the assets they require for service delivery. A scoring matrix was used to rank capital bids and prioritise them against agreed criteria, taking into account Council priorities, statutory requirements, risk, asset management implications and the revenue implications for each bid.
- 3.2 The draft Programme was considered by the Member Budget Working Group on 17 December 2019. However, it should be noted that the draft Programme detailed in Appendix 2 includes additional costs of c£9m for the Council HQ and Arts Centre. These additional costs include the relocation of Falkirk Library to the new facility, as reported to the Executive in 2020, but unapproved on 17 December 2019.
- 3.3 The CIPFA Prudential Code and Treasury Management Code require Councils to prepare a Capital Strategy. The Council's Capital Strategy sets out the long term context in which capital expenditure and investment decisions are made and demonstrates the linkage with the Council's Treasury Management Strategy. The Council's Capital Strategy for 2020/21 – 2024/25 is presented as a preliminary report to this report.

4. Considerations

4.1 Resources

- 4.1.1 Overall estimated resources available for the five years total c£265m as detailed below:

	£'m
Prudential Borrowing	73.719
Scottish Government Grant	60.163
Scottish Government Grant – Grangemouth Flood Protection Scheme	74.110
Capital Receipts	2.415
Other Funding (Planning Obligations, External Contributions etc.)	4.524
Prudential Borrowing for TIF Projects	36.013
CFCR (NDRI) for TIF Projects	14.009
Total Estimated Resources	264.953

- 4.1.2 The resources in this Programme reflect the challenging economic climate. The Revenue Budget is under severe pressure with a c£76m budget gap projected over 2020/21 to 2024/25.
- 4.1.3 The draft Capital Programme assumes borrowing of £73.7m, £52m of which was previously approved. The increase of £21.7m is in relation to:
- Previously approved spend of £0.5m for the Council HQ/Arts Centre project plus £8.7m of additional costs that have been identified. The cost of this additional borrowing could be met from a proportion of the additional income generated from an increase in Council Tax (see paragraph 4.4.3).
 - The estimated £8.8m shortfall in the General Capital Grant (see paragraph 4.1.4). The cost of this additional borrowing could be met from a proportion of the additional income generated from an increase in Council Tax.
 - Borrowing to fund the previously approved Intermediate Care Facility within Adult Services (£3.7m).
- 4.1.4 The base 2020/21 General Capital Grant has been confirmed at £10m, which is £2.7m lower than estimated. The impact of this flows through years 2 to 5 of the Programme which means an overall estimated reduction in Capital Grant of £8.8m. The draft Programme assumes that this will be met by additional borrowing.
- 4.1.5 The General Capital Grant for 2021/22 and 2022/23 will be announced by Scottish Government in the summer. The approved 2020/21 – 2024/25 General Fund Capital Programme will therefore need to be reviewed following notification of the updated capital settlement.
- 4.1.6 The draft Programme includes estimated Scottish Government grant of £1.3m for Cycling, Walking & Safer Streets.
- 4.1.7 The draft Programme includes Scottish Government grant funding of £4m for Early Learning & Childcare (ELC), which is matched by an equivalent amount of expenditure within the draft Programme.
- 4.1.8 The draft Programme includes c£74m of estimated Scottish Government grant for the Grangemouth Flood Protection Scheme.

- 4.1.9 Estimates of capital receipts from asset sales (£2.4m) are limited and reflect market conditions.
- 4.1.10 Funding of c£1.2m is included for the regeneration of Zetland Park. Funding comes from a number of bodies including c£0.6m from the National Lottery Heritage Fund.
- 4.1.11 Estimates of funding from planning obligations (S75 agreements) are also included in the draft Programme. These equate to c£3m.
- 4.1.12 Prudential Borrowing for projects included in the Tax Increment Financing (TIF) Scheme has been shown separately in the table at paragraph 4.1.1, given both its scale and unique nature. The TIF project is dependent on Non-Domestic Rates Income (NDRI) being generated to fund the debt charges associated with the infrastructure investment being undertaken. The TIF project over the next five years, is funded by borrowing of £36m and £14m of Non Domestic Rate Receipts.
- 4.2 COTF Transformation and Service Investment**
- 4.2.1 The draft Programme (Appendix 2) represents the proposed projects. These will be supplemented in due course by projects which have previously been rescheduled and the 2019/20 carry forward expenditure.
- 4.2.2 The format of the Programme provides Members with additional information on the major stand-alone projects. Appendix 2 shows the total project budget along with the split over a number of years. Members have also been given information on the design stage of each project. The combined value of estimated slippage for 2019/20 and rescheduled projects in relation to major stand-alone projects have been shown separately in Appendix 2.
- 4.2.3 The following paragraphs give an overview of the most significant COTF Transformation and Service projects.
- 4.2.4 **Children's Services:**
- Extensions at a number of primary schools e.g. Maddiston (£2.5m), Bankier (£1.6m)
 - Expansion of Early Years (£4m), fully funded by Scottish Government grant
- 4.2.5 **Development Services:**
- Rolling Programmes of £42.7m over 5 years, which include Roads, Lighting, Road Safety, Bridge Assessments, Parks & Vehicle Replacement
 - Flooding Assessment & Minor Improvements (c£1m), including progression of works at Letham
 - Grangemouth Flood Protection Scheme (£72.4m)
 - The balance of budget for DEAR (£0.6m), the main element of £5m has already been budgeted in 2018/19 and 2019/20
- 4.2.6 **Corporate & Housing Services:**

Council of the Future: Digital Workstream

- IT spend of £7.9m including Microsoft Office Licence of £4.6m

Council of the Future: Transformational Enablers Workstream

- Strategic Property Review (£2.1m)
- Replacement Council HQ and Arts Centre (£53.7m) which includes £1.5m for the refurbishment of the Stadium. Note that £45m has already been approved for the Council HQ and Arts Centre.

4.2.7 **Adult Services (Social Work):**

- Previously approved Intermediate Care Facility (£3.7m)
- Independence Clinic & Adult Changing Facilities (£0.4m)

4.2.8 **Community Trust:**

- Rolling programme of improvement works across various operational facilities (£2.5m)

4.2.9 **The Tax Increment Financing (TIF):**

Various projects of c£50m which are funded through a separate TIF borrowing/funding stream. Projects included are the Westfield Roundabout, works at Icehouse Brae and Grangemouth Flood Protection Scheme. As previously advised, the progress on TIF projects will be reported separately to Members by Development Services.

4.3 **Slippage Allowance**

- 4.3.1 A slippage allowance of £5m has been built into 2020/21. This is consistent with the approach taken in previous years. The inclusion of this allowance has allowed projects which didn't make the cut, to be included in the Programme.

4.4 **Additional Proposals**

- 4.4.1 Notwithstanding that there is a balanced Capital Programme 2020/21 – 2024/25 detailed in Appendix 2 and the Prudential Indicators that flow from that, in Appendix 3, the Administration are proposing additions to this Programme. These amendments are explained further in the following paragraphs.
- 4.4.2 As part of the Revenue Budget setting process, there is an option to increase Council Tax by an inflationary element. If the Council Tax was increased by 1.84%, there would be an additional yield of c£1.2 m which would be sufficient to cover annual loan charges for additional capital investment of c£24m. This would accommodate a number of significant projects (see paragraphs 4.4.7 to 4.4.11 and Appendix 1).
- 4.4.3 The draft Programme already includes an additional c£9m of costs for the Council HQ/Arts Centre and relocation of Falkirk Library. The Programme assumes that these costs would be funded by borrowing (see paragraph 4.1.3).
- 4.4.4 Following the Council's Five-Year Business Plan approved in May 2019, a number of the Council's Top Ten Priority Transformation Projects submitted capital bids which sit out with the draft Programme, details of which are shown in Appendix 1. These projects are lynchpins for the Council's Enabling Communities and Digital aspirations which are fundamental to the delivery of the Council of the Future change programme and the Council's business plan.
- 4.4.5 In addition to continuing the Council's Change Programme, an increase in Council Tax would help Falkirk become a national leader in digital learning and deliver the Council's ambitious programme of changing the way in which learning

is provided to its pupils. The increase would also fund investment in the local communities, encouraging them to participate in budget decisions across the Council area.

4.4.6 Additional information on key projects **excluded** from the Programme is provided in the following paragraphs (4.4.7 to 4.4.11).

4.4.7 **Children's Services and COTF Digital Workstream:**

- **Connected Falkirk – (£9.6m)**
Connected Falkirk is a transformational digital investment in Falkirk's young people which will transform teaching and learning. The project will ensure equity of digital access across all Falkirk Council schools by providing a digital device to every P6-S6 pupil, shared devices to P1-P5 pupils, connectivity at all schools and allow families, and more people in our communities, to be digitally connected. The devices will be used to transform learning and teaching, coupled with an accredited Professional Learning programme for staff. Learning experiences will be redefined to use the power of technology to reach every learner, leading to greater engagement and better outcomes. A further £6.4m of investment is requested beyond year five of the draft Programme, bringing the total required investment to c£16m, but this can be reviewed at a later date.

4.4.8 **Development Services**

- Falkirk to Denny Footpath/Cycle Path, improving the pedestrian and cycling network in the Falkirk area - £5.6m. This would be a significant addition to the area's green networks and is subject to attraction of Sustrans funding.
- Installation of Bus Shelter Infrastructure along bus routes - £0.5m
- Electric Vehicle Charging points throughout Council area - £0.4m
Note that this project also has the potential to be used as match funding to Scottish Government investment programmes and links with the Council's Environmental Strategy.

4.4.9 **Corporate & Housing Services and COTF Digital Workstream:**

- **CCTV & Alarm Monitoring System – Analogue to Digital (£1m)**
This COTF project relates to the Council's current CCTV monitoring service and the cost of converting it from analogue to digital, as well as providing a more co-ordinated service across Council buildings. It also includes the creation of a Digital Alarms Hub which will enable a more ambitious, efficient and effective monitoring provision covering CCTV and wider alarms. A report was considered at the Executive on 10 December 2019 and Members approved the project subject to Capital funding.
- **Rock Solid Technology – Mobile & Flexible Working (£1m)**
This COTF project relates to the purchase of laptops to support Mobile & Flexible Working in line with the principles of the "Anytime, Anywhere" policy. It is also an integral part of the Council's Strategic Property Review, given that

our property numbers can only be reduced if staff can work mobile and flexibly.

- Implementation of Artificial Intelligence (£0.1m)
A bid was submitted to implement an artificial intelligence robotic solution for routine regular processing functions to minimise or delete manual input. This would be designed for areas of repetitive work where a robot could carry out the work quicker and more efficiently. Investment in this technology is required to realise revenue savings included in future years of the business plan. Although the bid was for £0.8m, initial funding of only £0.1m would be required in 2020/21 to procure technology to enable a proof of concept in relation to this solution.
- Mobile & Flexible Working - Thin Client Boxes (£0.15m)
This project provides IT equipment to those properties that are being retained and redesigned as part of the Strategic Property Review. It supports Mobile and Flexible Working and the principles of the “Anytime, Anywhere” policy.
- Microsoft System Control Centre Management Server Licenses (£0.1m)
This license allows IT to provide automatic server patching for PSN compliance. Continual update of licenses is required for business and security purposes.

4.4.10 The draft Programme includes £2.1m for the Strategic Property Review (SPR). The SPR is a priority project for Falkirk Council in line with its ambition to transform the way it delivers services through its Council of the Future Programme. There are some SPR projects that have been identified for immediate implementation and a further provision of £1.8m earmarked for this purpose would supplement the £2.1m already built into the Programme.

4.4.11 Another appealing option is to allocate a proportion of the extra £24m from Council Tax for community projects of a capital nature. An initial provision of £3m could be earmarked for such projects and would readily align with the SPR/Participatory Budgeting/Community Planning/Community Empowerment & Locality Planning agendas. This would be focused on communities in all parts of the Council area. Such a provision would help to bring communities on board with participatory budgeting, allowing them to assist in decision making about investment in their localities and involving them in service redesign and budgetary decisions.

4.5 Future Council Tax Increases

4.5.1 If flexibility to increase the Council Tax remained, a 1.84% year on year increase over the remaining 4 years of the Programme, would yield a further c£4.8m of revenue which could fund c£96m of additional capital investment. Notwithstanding the draft Programme that has been prepared, there are a number of significant additional projects and uncertain costs that could be funded from these future increases in the Council Tax. Details are as follows:

- COTF: Transformational Enablers Workstream - Strategic Property Review (SPR)
As indicated in paragraph 4.4.10, the final investment programme for the SPR is still to be established. Initial indications are that costs could be in the region of c£60m. On the completion of a finalised programme this

needs to be costed and could potentially be funded from future increases in Council Tax.

- Falkirk Community Trust

Investment in core Trust facilities, on the basis that these facilities will function with a significantly reduced financial subsidy from the Council, whilst still meeting customer needs. Initial estimates of costs are in the region of c£17m. This sits within the current review of partnership arrangements between the Council and the Trust and would require a full business case to support it.

- COTF: Enabled Communities Workstream – Succeed Today, Excel Tomorrow

‘Succeed Today, Excel Tomorrow’ sets out an ambitious blueprint for learning in Falkirk. Over the next 5 years, Falkirk Council will spend an estimated £1bn in educating 22,000 young people in the most efficient way possible ensuring that the outcomes for every young person are as good as they can possibly be. To deliver on this, investment will be required. The Scottish Government has proposed a commitment to invest £2bn in the learning estate over the next 6 years. Succeed Today, Excel Tomorrow wants to tap into this as a potential project for this Scottish Government initiative. This will also align with the ambitions of the Strategic Property Review to maximise opportunities for shared use of the school estate. With this in mind, Members are urged to harness this additional Scottish Government funding. There will be displacement within the Capital Programme and/or significant additional borrowing required, however, this could be mitigated by an increase in the Council Tax in future years.

- Climate Change

The Council has undertaken some preliminary work concerning Climate Change and the implications for the Council’s assets. Very early estimated costs to achieve carbon reduction targets, range from £12m to £40m dependent on the chosen scenario. This investment will be aligned to properties identified for investment via the SPR.

- COTF: Services of the Future Workstream - The Investment Zone

The Council has submitted an outline business case to both the Scottish Government and UK Government for an Investment Zone within the Falkirk Area. The bid seeks funding of £235m for works to promote economic opportunities within the Falkirk area. Subject to the outcome of these discussions, the Council may also have to make a contribution to these works albeit that the value has not been quantified yet.

- Grangemouth Flood Protection Scheme

The Grangemouth Flood Protection Scheme, totalling c£220m over the life of the project, is potentially grant funded by the Scottish Government (£176m) with a further £12.7m of the works being completed under TIF. This leaves Council funding of £31.3m which may be required beyond the timeframe of this draft Capital Programme. This is a significant commitment and investment given the economic projections and likely available resources. Negotiations with Scottish Government, on the approach to delivery of this project are continuing.

- COTF: Transformational Enablers Workstream - Council HQ/Arts Centre
The inclusion of costs for the new Council Headquarters and Arts Centre (£52.2m), are preliminary estimates at this point in time. Substantial as they are, there is uncertainty over the timing and the final costs of this project. The actual costs will only become evident when tender returns are received. As with other major capital investment projects there will be the need to accommodate the impact of construction inflation.
- Intermediate Care Facility
The draft Programme includes £3.7m for the Intermediate Care Facility, which is to be funded by borrowing. This project was approved some years ago by Members. However, the final costs for this project are expected to be greater than £3.7m.

4.6 Prudential Indicators

- 4.6.1 A series of Prudential Indicators are used to demonstrate that capital spending plans are affordable, prudent and sustainable. Appendix 3 details these indicators over the five year Programme. These indicators are based on the balanced Programme as detailed in Appendix 2.
- 4.6.2 IFRS16 is a new accounting standard which comes into effect from 1 April 2020. This new standard changes the way in which lease arrangements for property, plant and equipment are accounted for. Essentially it means that most leased items have to be accounted for as an asset on the Council's Balance Sheet. Similar to the inclusion of the PFI schools, the inclusion of leased items on the balance sheet will affect some Prudential Indicators e.g. the Capital Financing Requirement, Authorised and Operational Limits for borrowing. Work is underway to establish to what extent this will impact on the Council's balance sheet. Consequently, there may be a requirement to review and amend the approved Prudential Indicators during the course of 2020/21. Members will be advised in due course.
- 4.6.3 As part of the review of the Capital Programme in the summer, the Prudential Indicators will be updated to reflect any additional projects added to the draft Programme detailed in Appendix 2.

5. Consultation

- 5.1 There is no requirement to carry out a consultation on this report.

6 Implications

Financial

- 6.1 Should the c1.84% inflationary increase in Council Tax be approved and applied for capital investment purposes, then the draft Programme in Appendix 2 will increase.
- 6.2 The draft Programme already includes c£9m additional costs for the Council HQ and Arts Centre funded by borrowing. There is the option to fund this additional borrowing by an increase in Council Tax.

- 6.3 The draft Programme also includes additional borrowing of c£9m to replace the shortfall in General Capital Grant. There is the option to fund this additional borrowing by an increase in Council Tax
- 6.4 The approved General Capital Programme will be adjusted to reflect the value of slippage at 31 March 2020, and any projects which have previously been rescheduled.

Resources

- 6.5 The increase in borrowing will impact on the Revenue Budget.

Legal

- 6.6 There are no legal implications arising from the report recommendations.

Risk

- 6.7 There is a risk that the cost of any major projects which have slipped or been rescheduled may increase because of construction inflation.
- 6.8 There is a risk that the Scottish Government General Capital Grant included in the Programme for 2021/22 to 2024/25, will be different from that estimated. This could therefore require a revision in the number and value of projects included in the Programme.

Equalities

- 6.9 The Capital bid templates that were completed required Services to confirm whether an Equality and Poverty Impact Assessment was required (EPIA). Consequently, EPIAs will be prepared where relevant.

Sustainability/Environmental Impact

- 6.10 The Capital bid templates that were completed, required Services to confirm whether a Strategic Environmental Assessment (SEA) was necessary. In most cases the projects formed part of a Council approved plan, programme or strategy which had been subject to a SEA.
- 6.11 There are two individual projects which require a SEA, i.e. Council Headquarters/Arts Centre and the Intermediate Care Facility. These projects are very much in their infancy and SEAs will be carried out in the future once the position becomes clearer and the projects progress.

7. Conclusions

- 7.1 This capital investment Programme will help the Council and its Services to meet Community, Corporate and Business Plan priorities and improve facilities for the Falkirk area and its community.

- 7.2 Notwithstanding that the figures presented in the report and appendices present a balanced Programme, there are a number of additional emergent projects outwith the draft Programme that are both significant and uncertain.
- 7.3 Additional income from an increase in Council Tax could be used to fund additional capital investment. An increase of 1.84% in Council Tax for 2020/21 could yield an additional c£1.2m which would be sufficient to fund an additional c£24m of valuable capital investment. This could help finance:
- COTF projects such as the digital project, Connected Falkirk, critical IT projects and those projects that weren't included in the draft Programme
 - Additional investment for the Strategic Property Review
 - Additional investment for Participatory Budgeting/Community Projects
 - Increase in Council HQ/Art Centre costs
- 7.4 The Capital Programme has to be managed carefully recognising that the Revenue Budget is under severe pressure, even more so given the substantial amount of borrowing that is included in the draft Programme. Consequently, the Programme will be monitored and controlled closely by Finance Services in association with other Services, with regular reporting to Committee on progress.
- 7.5 The Programme will be reviewed in the summer when years 2 and 3 of the General Capital Grant is notified and further information is available on the SPR and potential projects requiring investment.

Director of Corporate & Housing Services

Author – Carole McGhee, Capital, Treasury & Insurance Manager – 01324 506340
carole.mcghee@falkirk.giv.uk

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Appendices

Appendix 1 – Additional Projects financed from Increase in Council Tax

Appendix 2 – Draft General Fund Capital Programme 2020/21 – 2024/25

Appendix 3 – Prudential Indicators

LIST OF BACKGROUND PAPERS

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

1. Scottish Government Finance Circular No1/2020

FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

PROPOSED ADDITIONAL PROJECTS

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<u>EXPENDITURE</u>						
<u>Children's Services</u>						
COTF- Connected Falkirk (Digital Learning Environment)	3,600	2,240	1,110	1,060	1,600	9,610
Buy Back of PPP Secondary Schools (Fees)	-	350	350	-	-	700
	3,600	2,590	1,460	1,060	1,600	10,310
<u>Development Services</u>						
Falkirk to Denny Cycle Footpath/Cycle Path	2,000	3,570	-	-	-	5,570
Automatic Vehicle Weighbridge - Roughmute	160	-	-	-	-	160
Bin Storage & Hard Standing	170	-	-	-	-	170
Bus Shelter Infrastructure	90	90	90	90	90	450
Installation of Additional Separator at Roughmute	60	-	-	-	-	60
Electric Vehicle Charging Infrastructure	-	90	90	90	90	360
Kinneil Kerse – Concrete Pads	150	-	-	-	-	150
Kinneil Kerse – Food Transfer & Bulking Storage	40	-	-	-	-	40
	2,670	3,750	180	180	180	6,960

FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

PROPOSED ADDITIONAL PROJECTS (Cont'd)

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<u>Corporate & Housing</u>						
COTF - CCTV – Analogue to Digital	980	-	-	-	-	980
COTF - Rock Solid Technology – Mobile & Flexible Working	500	500	-	-	-	1,000
COTF - Implementation of Artificial Intelligence	100	-	-	-	-	100
Mobile & Flexible Working – Thin Client Devices	150	-	-	-	-	150
Microsoft System Control Centre Management Server Licenses	100	-	-	-	-	100
Private Fibre & Microwave Communications	100	-	-	-	-	100
	1,930	500	-	-	-	2,430
Strategic Property Review	-	250	750	800	-	1,800
Participatory Budgeting	1,000	2,000	-	-	-	3,000
TOTAL EXPENDITURE	9,200	9,090	2,390	2,040	1,780	24,500
<u>RESOURCES</u>						
Falkirk Council Borrowing (Funded from Council Tax Increase)	9,200	9,090	2,390	2,040	1,780	24,500
TOTAL RESOURCES	9,200	9,090	2,390	2,040	1,780	24,500

FALKIRK COUNCIL

**GENERAL
CAPITAL PROGRAMME**

2020/21 to 2024/25

**FIVE YEAR
INVESTMENT PLAN**

GENERAL - CAPITAL PROGRAMME

FIVE YEAR

INVESTMENT PLAN

2020/21 to 2024/25

INDEX

Section 1	Summary of Investment Plans
Section 2	Service Investment Plans - Financial
	Children's Services
	Development Services – Design, Roads & Transport
	Development Services – Planning & Economic Development
	Development Services – Environmental Services
	Corporate & Housing Services
	Social Work (Adult Services)
	Community Trust
	TIF
Section 3	Service Investment Plans - Description
	Children's Services
	Development Services – Design, Roads & Transport
	Development Services – Planning & Economic Development
	Development Services – Environmental Services
	Corporate & Housing Services
	Social Work (Adult Services)
	Community Trust
	TIF

SECTION 1

SUMMARY OF INVESTMENT PLANS

FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	TOTAL £000
<u>EXPENDITURE</u>						
CHILDREN'S SERVICES	9,019	5,005	2,688	1,817	3,058	21,587
DEVELOPMENT SERVICES	16,019	14,909	14,276	33,923	47,611	126,738
CORPORATE & HOUSING SERVICES	3,568	9,306	21,304	19,947	9,438	63,563
SOCIAL WORK (ADULT SERVICES)	910	2,103	2,003	243	246	5,505
COMMUNITY TRUST	508	508	508	506	508	2,538
TIF	4,918	22,686	9,859	5,817	6,742	50,022
SLIPPAGE ALLOWANCE	(5,000)	-	-	-	-	(5,000)
TOTAL EXPENDITURE (INCLUDING TIF)	29,942	54,517	50,638	62,253	67,603	264,953
<u>RESOURCES</u>						
FALKIRK COUNCIL BORROWING	5,046	14,812	9,974	19,891	23,996	73,719
SCOTTISH GOVERNMENT GRANTS	16,953	14,705	30,805	36,365	35,445	134,273
CAPITAL RECEIPTS – PROPERTY SALES	1,000	1,415	-	-	-	2,415
OTHER FUNDING (Grants/ Section 75/CFCR)	2,025	899	-	180	1,420	4,524
TOTAL RESOURCES (EXCLUDING TIF)	25,024	31,831	40,779	56,436	60,861	214,931
TIF RESOURCES						
Borrowing	3,447	18,803	7,067	3,041	3,655	36,013
CFCR (NDRI)	1,471	3,883	2,792	2,776	3,087	14,009
TOTAL RESOURCES (INCLUDING TIF)	29,942	54,517	50,638	62,253	67,603	264,953

SECTION 2
SERVICE INVESTMENT PLANS
FINANCIAL

FALKIRK COUNCIL
GENERAL CAPITAL PROGRAMME

NOTE

Each project in the capital programme has been allocated one of the symbols in the key below. The purpose of these symbols is to give Members additional information on the design stage and cost basis of each major project.

KEY



Feasibility/Appraisal Stage - Costs at this stage are based on broad basic unit costs based on a typical example.



Outline Design Stage – Proposals will include outline specifications and preliminary cost information and costs will be based on for example per square metre, from similar project types.



Detailed Design Stage – Proposals will include full co-ordinated designs to inform procurement/tender packages and contract construction information. Costs will be based on analysis of work packages, e.g. floors, windows, roof, earthworks, drainage etc.












Tenders Received - The construction contract cost is now known. Costs can however fluctuate due to contract variations.



These budget headings represent a number of smaller projects which will be reported to Members on an aggregate basis.







FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

CHILDREN'S SERVICES

	Total Forecast Spend to 31/03/20	Estimated C/F From 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years	Project Budget	Project Design Stage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Major Projects										
Kinnaird Primary School Extension Phase III			775	805	-	-	-	-	1,580	
Maddiston Primary School Extension	152	1,348	1,239	1,277	-	-	-	-	4,016	
Bankier Primary School Extension			-	-	-	180	1,420	-	1,600	
Denny Primary School Extension	70	1,041	751	345	-	-	-	-	2,207	
Westquarter Primary School Extension			-	150	1,050				1,200	
Larbert High School Phases III - V	647	735	326	790	-	-	-	-	2,498	
Early Years Expansion	7,372	4,678	4,000	-	-	-	-	-	16,050	
			7,091	3,367	1,050	180	1,420			
Other Investment										
All Schools Fund			1,638	1,638	1,638	1,637	1,638			
ASN Provision			290	-	-	-	-			
			1,928	1,638	1,638	1,637	1,638			
TOTAL CHILDREN'S SERVICES			9,019	5,005	2,688	1,817	3,058			







FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

DEVELOPMENT SERVICES

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
DESIGN, ROADS & TRANSPORT										
Major Projects										
Denny Eastern Access Road	2,112	4,657	631	-	-	-	-	-	7,400	
Snab Brae, Bo'ness Roundabout			-	652	479	-	-	-		
C116 Waterslap Rd; Carronshore			158	1,592	-	-	-	-		
Electric Vehicle Charging Infrastructure			506	-	-	-	-			
Energy Efficient Street Lighting – LED Lantern Replacement			1,435	1,435	-	-	-	-		
Grangemouth Flood Protection Scheme	6,331	705	2,460	1,460	4,675	24,800	38,977	127,607	207,015	
			5,190	5,139	5,154	24,800	38,977			







FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

DEVELOPMENT SERVICES (CONT'D)

	Total Forecast Spend to 31/03/20	Estimated C/F From 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years	Project Budget	Project Design Stage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Major Improvements & Structural Works										
Bridge Assessment & Strengthening			771	771	771	771	771			
Structural Maintenance – Roads			3,813	3,813	3,813	3,809	3,813			
Structural Maintenance – Street Lighting			928	928	928	928	928			
Road Safety and Sustainable Active Travel			279	279	279	279	279			
Cycling, Walking, Safer Streets			263	263	263	263	263			
Flooding Assessments & Minor Improvements			140	140	140	140	140			
			6,194	6,194	6,194	6,190	6,194			
TOTAL DESIGN, ROADS & TRANSPORT			11,384	11,333	11,348	30,990	45,171			






FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

DEVELOPMENT SERVICES (CONT'D)

	Total Forecast Spend to 31/03/20	Estimated C/F From 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Future Years	Project Budget	Project Design Stage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
PLANNING, ECONOMIC & DEVELOPMENT										
Factory Buildings & Industrial Estates										
Business Property Portfolio – Upgrades			342	342	342	342	342			
Other Local Services										
Core Park Improvements			-	40	90	90	90			
Playpark Upgrades			-	84	84	84	84			
Zetland Park			1,258	412	-	-	-			
Crematorium – New Office Space	30	314	-	7	-	-	-		351	
Crematorium – External Works			100	100	-	-	-			





FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

DEVELOPMENT SERVICES (CONT'D)

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
Cemeteries – Stabilise Deteriorating Headstones			117	120	120	120	120			
Cemeteries – Additional Interment Space & Improvements			320	100	-	-	-			
Falkirk Countryside Access Strategy			37	37	37	37	37			
Bo'ness Harbour			108	79	-	-	-			
Kinneil House – Walled Garden			88	90	90	95	95			
TOTAL PLANNING, ECONOMIC & DEVELOPMENT			2,370	1,411	763	768	768			

FALKIRK COUNCIL – GENERAL CAPITAL PROGRAMME

DEVELOPMENT SERVICES (CONT'D)

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
ENVIRONMENTAL SERVICES										
Other Investment										
Vehicle Replacement Programme			1,672	1,672	1,672	1,672	1,672			
Kinneil Kerse Landfill Restoration			279	279	279	279	-			
Waste Containers			214	214	214	214	-			
Smart Working, Smart Travel – Phase II			100	-	-	-	-			
TOTAL ENVIRONMENTAL SERVICES			2,265	2,165	2,165	2,165	1,672			
TOTAL DEVELOPMENT SERVICES			16,019	14,909	14,276	33,923	47,611			

FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

CORPORATE & HOUSING SERVICES

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
CORPORATE I.T. INVESTMENT										
Microsoft Office 365 Licenses			827	868	912	957	1,006			N/A
FSLOGIX Software for Office 365/Citrix			33	33	-	-	-			N/A
Azure Web Space for Cloud			104	112	120	129	-			N/A
Citrix Workspace License			191	197	202	209	215			N/A
Public Access Wifi Ph. 3			90	-	-	-	-			N/A
Remote Desktop Server Access			46	47	48	50	52			N/A
Replacement of Application Servers			85	85	85	85	85			N/A
Acrobat Prof Licenses			35	-	-	-	-		-	N/A




FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

CORPORATE & HOUSING SERVICES (CONT'D)

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
OTHER SERVICES I.T. INVESTMENT										
<u>Social Work (Adult Services)</u>										
Mobile Hardware to support SWIS			180	-	-	-	-			N/A
SWIS Replacement (Additional Funding)			100	-	-	-	-			N/A
<u>Children's Services</u>										
Microsoft Licenses			130	135	140	145	150			N/A
Online School Payments			25	-	-	-	-			N/A
TOTAL I.T.			1,846	1,477	1,507	1,575	1,508			






FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

CORPORATE & HOUSING SERVICES (CONT'D)

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
CENTRAL SUPPORT										
Major Projects										
Council HQ / Arts Centre	200	520	25	5,830	19,500	18,230	7,930	-	52,235	
Stadium Refurbishment	-	-	750	750	-	-	-	-	1,500	
	200	520	775	6,580	19,500	18,230	7,930		53,735	
Other Investment										
Accommodation Investment			142	142	142	142	-			
Strategic Property Review			805	1,107	155	-	-			
			947	1,249	297	142	-			
TOTAL CENTRAL SUPPORT			1,722	7,829	19,797	18,372	7,930			
TOTAL CORPORATE & HOUSING SERVICES			3,568	9,306	21,304	19,947	9,438			


FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

SOCIAL WORK (ADULT SERVICES)

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
MECS – Alarm Replacement			46	46	46	43	46			
MECS – Conversion from Analogue to Digital			200	-	-	-	-			
Intermediate Care Facility			214	1,757	1,757	-	-			
Capital Works to Adult Services Buildings			200	200	200	200	200			
Independence Clinic & Adult Changing Facilities			250	100	-	-	-			
TOTAL SOCIAL WORK (ADULT SERVICES)			910	2,103	2,003	243	246			

FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME








COMMUNITY TRUST

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
Culture & Leisure Strategy			508	508	508	506	508			
TOTAL COMMUNITY TRUST			508	508	508	506	508			

TOTAL GENERAL CAPITAL PROGRAMME (excluding TIF)			30,024	31,831	40,779	56,436	60,861			
Slippage Allowance			(5,000)	-	-	-	-			
TOTAL GENERAL PROGRAMME (excluding TIF)			25,024	31,831	40,779	56,436	60,861			

FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

TIF

	Total Forecast Spend to 31/03/20 £'000	Estimated C/F From 2019/20 £'000	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000	Budget 2023/24 £'000	Budget 2024/25 £'000	Future Years £'000	Project Budget £'000	Project Design Stage
Westfield Roundabout & Spur	1,624	-	519	16,597	8,027	5,791	-	-	32,558	
M9 Junction 6	2,463	-	-	-	-	-	-	-	2,463	N/A
M9 Junction 5	1,747	-	1,200	-	-	-	-	2,418	5,365	 / 
Enabling Works	2,715	-	-	-	-	26	-	-	2,741	
Icehouse Brae	51	-	3,199	-	-	-	-	-	3,250	
A801 Avon Gorge	-	-	-	6,089	1,832	-	-	-	7,921	
Grangemouth Flood Protection Scheme	-	-	-	-	-	-	6,742	6,000	12,742	
TIF All Projects	8,600	-	4,918	22,686	9,859	5,817	6,742	8,418	67,040	
TOTAL GENERAL CAPITAL PROGRAMME (including TIF)			29,942	54,517	50,638	62,253	67,603			

SECTION 3

SERVICE INVESTMENT PLANS

DESCRIPTION

NOTES for CAPITAL PROJECTS

The following pages provide brief descriptions of the projects contained in the previous pages of Council Service expenditure profiles.

CHILDREN'S SERVICES

KINNAIRD PRIMARY SCHOOL

Extension to existing school to alleviate capacity issues.

MADDISTON PRIMARY SCHOOL

Extension to existing school to alleviate capacity issues.

BANKIER PRIMARY SCHOOL

Extension to existing school to alleviate capacity issues.

DENNY PRIMARY SCHOOL

Extension to existing school to alleviate capacity issues.

WESTQUARTER PRIMARY SCHOOL

Extension to existing school to alleviate capacity issues.

LARBERT HIGH SCHOOL

Expansion into old Carrongrange School and major alterations to alleviate capacity issues.

EARLY LEARNING & CHILDCARE

Scottish Government initiative to expand to 1140 hours

CAPITAL IMPROVEMENTS – ALL SCHOOLS

Amalgamated rolling programme to cover school capacity/demographic pressures, asset management plans, pre five expansion, primary school hall extensions and primary school kitchen upgrades.

ASN PROVISION - CAPACITY GROWTH

Refurbishment to Schools to alleviate the growth in Additional Support Needs.

DEVELOPMENT SERVICES

DESIGN, ROADS & TRANSPORT

DENNY EASTERN ACCESS ROAD (DEAR)

Construction of a south eastern bypass of Denny connecting Broad Street to Glasgow Road. The DEAR will alleviate problems at Denny Cross. Delivery and timing of the scheme is subject to substantial funding from local house building developer planning obligations.

SNAB BRAE, BO'NESS ROUNDABOUT

To improve the current priority junction of the A904/A993 with a 50m diameter roundabout as identified through accident clusters report.

C116, WATERSLAP ROAD, CARRONSHORE

The realignment of the C116, Cuttyfield Bend, to comply with current design standards.

ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

Programme of Electric Vehicle Chargers at Strategic Points throughout the District.

LED LANTERN REPLACEMENT - LIGHTING

The replacement of standard lighting to energy efficient LED lanterns. This is a Spend to Save project.

FLOOD PROTECTION SCHEME – GRANGEMOUTH

The implementation of alleviation works to mitigate local flood damage to property and businesses in the Grangemouth area. This project is part funded through the TIF programme and part Government grant funded.

BRIDGE ASSESSMENTS AND STRENGTHENING

The continuing programme of strengthening bridges and other structures in the Council's road network where this has been identified as being necessary through the assessment programme and annual bridge inspection regime.

STRUCTURAL MAINTENANCE – ROADS

The rolling programme of structural maintenance of roads and footways throughout the Council area including the reconstruction of roads and other remedial works.

STRUCTURAL MAINTENANCE – LIGHTING

Continuing programme of replacing street lighting columns that are life expired and the upgrading of existing street lighting across the Council area.

DEVELOPMENT SERVICES – (Continued)

DESIGN, ROADS & TRANSPORT (Continued)

ROAD SAFETY AND SUSTAINABLE ACTIVE TRAVEL

Rolling programme provision for schemes which have been identified through route accident reduction plans, other accident analyses and surveys carried out on routes to school. The programme also covers the continued progression of cycling facilities throughout the Council area.

CYCLING, WALKING, SAFER STREETS

Scottish Government ring-fenced grant for projects to improve safer routes to schools, cycling and walking facilities.

FLOOD ASSESSMENT & MINOR PROJECTS

Annual provision to assess flood risk and implement minor works to protect our communities.

DEVELOPMENT SERVICES – (Continued)

PLANNING & ECONOMIC DEVELOPMENT

BUSINESS PROPERTY PORTFOLIO – UPGRADE PROGRAMME

A programme of improvements and upgrades to the Council's portfolio of commercial property to ensure it continues to meet the needs of businesses locating or growing in the Council area.

CORE PARKS IMPROVEMENTS

A rolling programme to further develop and implement improvements to the Council's seven core parks.

PLAYPARKS UPGRADES

Provision for on-going upgrade to play equipment in local Playparks in line with the Parks Development Plan.

ZETLAND PARK

Investment in Zetland Park, including play area, pond and other landscape work.

CREMATORIUM – NEW OFFICE SPACE

Construction of new office space at the Crematorium.

CREMATORIUM – EXTERNAL WORKS

Upgrading of crematorium grounds and creation of memorial gardens.

CEMETERIES – STABILISE DETERIORATING HEADSTONES

To fix unsafe headstones that present a health & safety risk.

CEMETERIES – DEVELOPMENT

A project to address the anticipated lack of cemetery capacity in a number of burial grounds.

DEVELOPMENT SERVICES – (Continued)

PLANNING & ECONOMIC DEVELOPMENT (Continued)

FALKIRK COUNTRYSIDE ACCESS STRATEGY FUND

Part of our statutory duty to prepare a core paths plan and manage the access network.

BO'NESS HARBOUR

To repair inner and outer harbour walls.

KINNEIL HOUSE – WALLED GARDEN

To repair the garden walls to make safe this listed property.

DEVELOPMENT SERVICES – (Continued)

ENVIRONMENTAL SERVICES

VEHICLE REPLACEMENT

Rolling programme provision of replacement of Council's operational vehicles.

KINNEIL KERSE LANDFILL RESTORATION

Required investment programme for restoration of the Kinneil Kerse landfill site.

WASTE CONTAINERS

To purchase waste containers for new issue and replacements.

SMART WORKING, SMART TRAVEL PHASE II

This is phase II of this Council of the Future project to replace mileage claims with pool vehicles.

CORPORATE & HOUSING SERVICES

INFORMATION TECHNOLOGY INVESTMENT

CORPORATE I.T. INVESTMENT

Various software licenses including Microsoft Office 365 Licenses, replacement of Corporate file servers and other investment needs to maintain the Council's I.T. services, including Digital Strategy Delivery.

OTHER SERVICES I.T INVESTMENT

Adult Services (Social Work)

Mobile Devices to be used by staff following the roll out of the new Social Work Information System (SWIS)

Children's Services

I.T investment across the School estate including Microsoft Licenses, refresh of PC Estate in Schools & Nurseries

CENTRAL SUPPORT

COUNCIL HQ / ARTS CENTRE

Investment in new Council HQ to replace Municipal Buildings and other Back Offices (including Falkirk Stadium refurbishment) and investment in a new Arts Centre to replace Falkirk Town Hall .

ACCOMMODATION INVESTMENT

Provision towards improvements to Council's operational properties.

STRATEGIC PROPERTY REVIEW

The main provision will be used to fund investment in properties which are approved for retention and reinvestment following consideration of the Strategic Property Review findings.

SOCIAL WORK (ADULT SERVICES)

MECS – OPERATIONS

Ongoing programme of upgrading MECS stock and purchase of additional units.

MECS CONVERSIONS

Transfer of MECS analogue boxes to digital.

INTERMEDIATE CARE FACILITY

New build intermediate care facility

CAPITAL WORKS TO ADULT SERVICES BUILDINGS

Prioritised Backlog Investment in properties utilised by Social Work Adult Services.

INDEPENDENCE CLINIC & ADULT CHANGING FACILITIES

Locality based services to be further developed for all Service users within the East, West and Central Localities.

COMMUNITY TRUST

CULTURE & LEISURE STRATEGY FUND

This allocation will be used to support investment in a range of Culture and Leisure projects designed to maintain or improve current facilities and the Trust operated buildings.

TIF

TIF PROGRAMME

Includes a number of projects such as the Grangemouth flood defences, Westfield Roundabout, Avon Gorge, Icehouse Brae and other infrastructure.

FALKIRK COUNCIL
PRUDENTIAL CODE INDICATORS
[including TIF]

PRUDENTIAL INDICATOR		2020/21	2021/22	2022/23	2023/24	2024/25	COMMENTS
1.	Ratio of Financing Costs to Net Revenue Stream	3.4%	3.6%	3.7%	3.7%	3.8%	Shows how much of the Council's income is committed to repaying debt arising from Capital investment.
2.	Gross Borrowing	£'m	£'m	£'m	£'m	£'m	This is a key Prudence Indicator which shows that over the medium term external borrowing will only be for a capital purpose.
	Gross External Borrowing	339.8	420.6	476.8	520.9	569.4	
	Accounting Adjustment –						
	Finance Lease Liabilities	<u>83.6</u> <u>423.4</u>	<u>76.4</u> <u>497.0</u>	<u>68.0</u> <u>544.8</u>	<u>58.8</u> <u>579.7</u>	<u>53.7</u> <u>623.1</u>	
	Capital Financing Requirement (includes HRA)	368.3	449.0	505.2	549.4	597.8	
	Accounting Adjustment – Finance Lease Liabilities	<u>90.6</u> <u>458.9</u>	<u>83.5</u> <u>532.5</u>	<u>76.3</u> <u>581.5</u>	<u>67.8</u> <u>617.2</u>	<u>58.7</u> <u>656.5</u>	The capital financing requirement reflects the underlying need to borrow to finance assets. It should be noted that the sums included as “Accounting Adjustment – Finance Lease Liabilities,” are not an increase in borrowing or need to borrow, they are merely a presentational requirement of International Financial Reporting Standards (IFRS).
3.	Capital Expenditure	£'m	£'m	£'m	£'m	£'m	Simply the planned capital expenditure for the General Fund and TIF as detailed in Appendix 2.
	GF	25.0	31.8	40.7	56.5	60.9	
	TIF	<u>4.9</u>	<u>22.7</u>	<u>9.9</u>	<u>5.8</u>	<u>6.7</u>	
		<u>29.9</u>	<u>54.5</u>	<u>50.6</u>	<u>62.3</u>	<u>67.6</u>	

PRUDENTIAL INDICATOR		2020/21	2021/22	2022/23	2023/24	2024/25	COMMENTS
4.	Capital Financing Requirement (excludes HRA)	£'m 244.4	£'m 266.2	£'m 267.8	£'m 273.6	£'m 282.9	The Capital Financing Requirement reflects the underlying need to borrow for Capital Investment for the General Fund and TIF.
5.	Authorised Limit (AL) for External Debt:- Borrowing Accounting Adjustment - Finance Lease Liabilities	£'m 386.4 <u>83.6</u> <u>470.0</u>	£'m 463.6 <u>76.4</u> <u>540.0</u>	£'m 522.0 <u>68.0</u> <u>590.0</u>	£'m 571.2 <u>58.8</u> <u>630.0</u>	£'m 616.3 <u>53.7</u> <u>670.0</u>	This sets the maximum level of External Debt, based on capital investment plans and allowing some headroom over the Operational Boundary (see 6) for exceptional circumstances. It should be noted that the sums included as "Accounting Adjustment - Finance Lease Liabilities" are not an increase in the debt limits they are simply a presentational requirement of International Financial Reporting Standards (IFRS).
6.	Operational Boundary (OB) for External Debt:- Borrowing Accounting Adjustment – Finance Lease Liabilities	£'m 381.4 <u>83.6</u> <u>465.0</u>	£'m 458.6 <u>76.4</u> <u>535.0</u>	£'m 517.0 <u>68.0</u> <u>585.0</u>	£'m 566.2 <u>58.8</u> <u>625.0</u>	£'m 611.3 <u>53.7</u> <u>665.0</u>	This is set at a lower level than the Authorised Limit and is a robust estimate of the External Debt level arising from Capital Investment Plans. It should be noted that the sums included as "Accounting Adjustment – Finance Lease Liabilities" are not an increase in debt limits they are simply a presentational requirement of International Financial Reporting Standards (IFRS).
7.	Actual External Debt	£'m <u>N/A</u>					This is an actual rather than estimated Indicator and will be reported when outturns become available.
8.	CIPFA Code of Practice for Treasury Management in the Public Services	Code has been adopted by the Council					The Treasury Management Code is designed to ensure prudence in treasury operations.