

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest includes a crown with four maple leaves, a shield divided into four quadrants (top-left: a ship, top-right: a stag, bottom-left: a ship, bottom-right: an eagle), and a banner at the bottom with the motto "A NE FOR A".

## **Agenda Item 5**

**Five Year General Fund Capital  
Programme 2022/23 – 2026/27**

# Agenda Item

## Five Year General Capital Programme 2022/23 – 2026/27

**Falkirk Council**

**Title:** Five Year General Fund Capital Programme 2022/23 – 2026/27

**Meeting:** Falkirk Council

**Date:** 2 March 2022

**Submitted By:** Director of Corporate & Housing Services

**1. Purpose of Report**

- 1.1 The purpose of this report is to set out a draft capital investment plan for Falkirk Council for the next five years. The report doesn't include Council Housing, which was reported separately to, and approved by, Council on 19 January 2022. The plan contains ambitious investment of c£188.3m from 2022/23 to 2026/27, including the Tax Increment Financing (TIF) Scheme (£42m). This report should be read alongside the Capital Strategy for 2022 – 2027 which is also on this Council agenda.

**2. Recommendations:**

**Members are invited to:**

- (1) Approve the General Fund Services Capital Programme as presented in Appendix 1.**
- (2) Determine any additional projects which Members may wish to add to the Programme from the list at Appendix 2, consistent with the Council's priorities and available resources.**
- (3) Approve the investment in the A904/A803 junction at Champany and remove the previously approved investment in Waterslap Road, Carronshore.**
- (4) Note the Prudential Indicators in Appendix 3.**

**3. Climate Change Implications**

- 3.1 The draft Capital Programme captures all the investment activities of the Council for the next five years in financial terms. In consequence, there will be an extensive and diverse array of projects with climate implications. Some examples of initiatives geared to meet the climate change challenge are:
- Investment in carbon reduction works across Council properties.
  - Replacement of Council vehicles with electric vehicles.
  - Harnessing of low carbon technology through the Investment Zone Growth Deal.

- Collaboration with Partners to seek out carbon reduction investment opportunities.
- 3.2 All services will be working towards delivery of the Council's carbon reduction commitments as set out in the Council's Declaration of a Climate Emergency in 2019. The Council agreed to increase efforts to reduce carbon emissions to net zero by 2030.
- 3.3 The Council is working towards embedding a process of carbon budgeting across the Council, ensuring that climate change implications are appropriately considered in all decision making. Carbon budgeting is a methodology to plan and manage emission reductions and ensure that progress can be appropriately measured and monitored.
- 3.4 Carbon budgeting will begin in 2022/23 with this first year being a transitional year, allowing the Council time to build capacity and establish a realistic baseline against which monitoring will be carried out from 2023/24. As part of this work a carbon budgeting tool will be developed to allow services to record projects and the associated carbon impacts to facilitate robust performance measurement.

#### **4. Background**

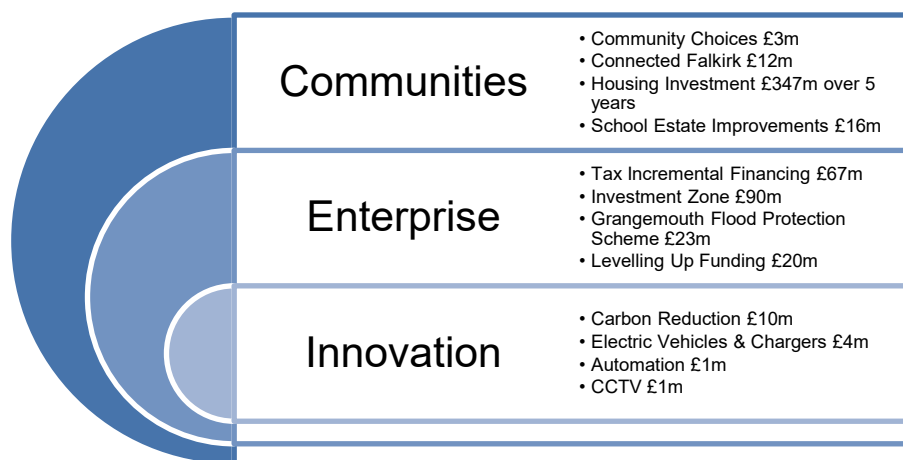
- 4.1 The General Fund Services Capital Programme for 2022/23 – 2026/27 has been prepared through a corporate process seeking submissions from each Council Service on their investment plans. Due to funding constraints, services were asked to limit bids to essential works, investment that would deliver savings and Council of the Future priority projects. A scoring matrix was used to rank capital bids and prioritise them against agreed criteria, considering Council priorities, statutory requirements, risk, asset management implications and the revenue implications for each bid.
- 4.2 Reports on the draft Capital Programme were considered by the Budget Working Group on 29 November 2021 and 19 January 2022.
- 4.3 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 2022 – 2027 is presented on this agenda.

#### **5. Considerations**

##### **5.1 Draft Capital Programme 2022/23 – 2026/27**

- 5.1.1 The Capital Strategy presented earlier on this agenda sets out how the Capital Programme is developed to reflect the vision and priorities of the Corporate Plan. The Council has a suite of plans, including the Business Plan, the Medium-Term Financial Plan, the Corporate Asset Management Strategy, the Digital Strategy, and the Falkirk Economic Recovery Plan. The Capital Strategy aims to ensure that the Capital Programme aligns with each of these documents, with the priorities of the Council being used as a reference framework for the allocation of resources and for decision making.

- 5.1.2 The Council has three strategic priorities - Communities, Enterprise and Innovation and priority projects sit under each of these. To date resources have been allocated across the priorities with some of the main investment areas set out below:



- 5.1.3 Significant capital investment will be required to deliver on the Council's priorities. However, the draft Programme and the Capital Strategy recognise that resources are limited. Looking ahead, fundamental decisions on how to best support the priorities of the Council will be required, including for example work to lobby the Government, partnership working and decisions to divest from existing projects and assets. Failure to invest appropriately will see the Council's transformation agenda stall.
- 5.1.4 The draft Capital Programme (Appendix 1) sets out the proposed projects for the next five years. There are two main elements to the Programme – estimated resources and proposed investment. Each of these areas is considered in more detail.

## 5.2 Resources

- 5.2.1 Overall estimated resources available for the five years total £183.9m as detailed below:

	£'m
Prudential Borrowing	77.6
Scottish Government Capital Grant	54.2
Capital Receipts	3.6
Other Funding (Planning Obligations, External Contributions etc.)	6.4
Prudential Borrowing for TIF Projects (para 4.1.11)	39.1
Non-Domestic Rates for TIF Projects (para 4.1.11)	3.0
<b>Total Estimated Resources</b>	<b>183.9</b>

### 5.2.2 **Capital Grant**

The Scottish Government has provided a one-year settlement for 2022/23. However, in February 2021 the Cabinet Secretary for Finance set out indicative budget trends and these have been reflected in the paper. Expectations remain that the Capital Grant will continue on a flat cash basis for the next few years. Effectively, whilst inflation increases, this represents a cut in the level of Capital Grant support. In May 2022 the Scottish Government will publish a Resource Spending Review, focussing on revenue spend. There is a close link between capital and revenue and any implications flowing from this Review will be reported to Members, including any implications for the Capital Programme.

5.2.3 The base 2022/23 General Capital Grant has been confirmed at £10m, which is in line with previous projections. The 2022/23 draft Programme includes Scottish Government grant of £0.703m for Cycling, Walking & Safer Streets.

5.2.4 The General Capital Grant for 2022/23 included significantly more than expected (or currently needed) for Grangemouth Flood Protection Scheme (£5.5m). However, as this funding is part of the General Capital Grant, it must be spent in 2022/23. As a result, less borrowing may be required in 2022/23 but subsequent spend on Flooding will require borrowing support in future. Effectively, this funding does not provide any additional 'free money' but will potentially delay some borrowing for the General Fund.

### 5.2.5 **Capital Receipts**

The capital receipts position reflects a relatively small income from asset sales, and it is important to note that most of these receipts have already been earmarked for significant projects, for example the office transformation project.

### 5.2.6 **Other Funding (Planning Obligations, External Contributions etc)**

Funding of c£4.5m is included for the Denny to Falkirk pathworks project which is to be funded by the Scottish Government/Sustrans.

5.2.7 Estimates of funding from planning obligations (S75 agreements) are also included in the draft Programme. Planning obligations of c£1.9m have been included to support investment in Bankier Primary School.

### 5.2.8 **Council Tax**

Following a decade of restriction on Council Tax increases, the Scottish Government has given Local Authorities full flexibility to set Council Tax rates, taking account of local needs and the impact on household budgets. The Council's revenue budget is under severe pressure and therefore it is assumed that no additional funding will be available to support capital investment in the coming year.

5.2.9 It may be helpful to recall that in 2020/21, Scottish Local Authorities had the option to apply an inflationary increase to Council Tax. Falkirk Council chose to do this and applied the additional 1.84% to Council Tax to support investment in the Capital Programme. The additional revenue income of £1.2m was enough to support long-term borrowing of £24m, and as a result, the Capital Programme investment increased substantially. It was envisaged at that time that the option to apply the inflationary uplift would continue to be available, but the impact of Covid-19 changed this. As a result, a significant funding stream for the next 5 years was effectively cut off and the investment ambitions of the Council significantly impacted. Members may wish to consider the approach to Council Tax setting for future years in the context of the Council's investment ambitions.

**5.2.10 Prudential Borrowing**

Members will be aware that any borrowing for the Capital Programme must be considered prudent, affordable, and sustainable, in line with the Prudential Code. It is therefore critical that the Capital Programme and the Medium-Term Financial Plan are aligned, as all borrowing results in an annual charge to the revenue budget. The charges will be incurred in the year after the borrowing is undertaken, so for example borrowing in year 1 will result in charges in year 2. It is important to understand that a decision to increase borrowing will result in more pressure on the revenue budget in future years.

5.2.11 The draft Capital Programme (Appendix 1) assumes borrowing of £77.6m over 5 years (excluding TIF), £1.2m of which is in addition to the level previously approved. The financial pressures in the revenue budget mean that further borrowing is unaffordable as it would add to the already significant budget gaps.

5.2.12 If Members wish to add new projects to the draft Capital Programme, it is recommended that this is only done through substitution of existing approved projects, resulting in no additional impact on Council borrowing and therefore the revenue position.

**5.2.13 Borrowing for TIF**

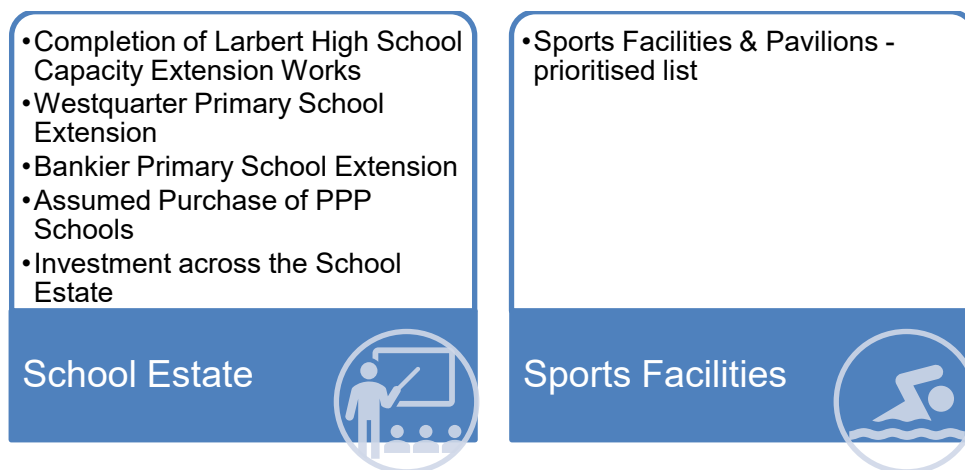
Prudential Borrowing for projects included in the Tax Increment Financing (TIF) Scheme has been shown separately in the table at paragraph 5.2.1, given both its scale and unique nature. The TIF project is dependent on Non-Domestic Rates Income (NDRI) being generated to fund the debt charges associated with the infrastructure investment.

**5.3 Proposed Investment**

5.3.1 The draft Capital Programme (Appendix 1) sets out the proposed projects for the next five years totalling £183.3m. Appendix 1 shows total proposed expenditure by Service and provides a breakdown of each Services' investment plans. Members have also been given information on the design stage of each project. This information is important as it reflects the level of risk that can be attributed to each project's financial information. For example, projects at the feasibility/appraisal stage or the outline design stage are more likely to require changes in the budget once the projects are more fully developed. In some cases, Services may be able to manage this within their Capital budget (which would be the first consideration) but in others, there may be a requirement to either increase the budget or amend the design and retender. The latter option could obviously result in delays but could be more cost effective in the long run.

- 5.3.2 The budgets previously allocated to investments in Falkirk Community Trust projects have been allocated across the Council in line with the revised structure. However, this may require adjustment as the year continues and Members will be kept up to date with any amendments.
- 5.3.3 The following paragraphs give an overview of the most significant projects included in the draft Capital Programme.

### **Children's Services**



- 5.3.4 **School Estate**  
Alongside the continuing investment in primary school extensions, and investment in the school estate, the Programme includes the assumed purchase of the Class 98 schools - Bo'ness Academy, Braes High School, previous Carrongrange, Graeme High School and Larbert High School. The Class 98 contract comes to an end on 31 August 2025. A working group has been established to manage the contract end.

- 5.3.5 **Pavilions and Sports Facilities**  
This area of the budget includes projects which have been transferred from the Community Trust budget.

Members previously approved spend of £0.1m for repairs to the football changing pavilions at Westquarter and Stirling Road. In addition, Council approved a budget of £2m over a 5-year period to generally improve football pavilions and sports facilities across the area. To facilitate this, a programme of inspections was carried out across all sites and collated with usage information to ensure an evidence-based approach to investment. A programme of work is being finalised, based on the information collected. Currently the repairs at Stirling Road have been classed as high priority for investment. In light of the current assessment of priority, officers do not propose to progress the works at Westquarter.

### **Place Services**

- 5.3.6 The projects in Place Services are split across the three divisions of the Service – Invest Falkirk, Growth, Planning & Climate, and Environmental & Operational Services.



### 5.3.7 Invest Falkirk



#### 5.3.8 *Energy Efficiency and Carbon Footprint Improvements*

This sum is required to invest in energy efficiency/low carbon projects for Council properties. This work is a statutory requirement of the Local Heat and Energy Efficiency Strategy (LHEES). However, it is recognised that significantly more investment is required to meet the Council's target to be carbon neutral by 2030. The latest report to Executive in February 2022 noted that around £60m of investment is required to decarbonise the Council's worst performing buildings.

#### 5.3.9 *Grangemouth Flood Protection Scheme*

The investment required to get this project to the outline design and scheme notification stages has been included in the draft Programme. This investment of £10m will take the total proposed spend on this project to £23.2m.

The total cost of the project is expected to be £420m to £650m. Under the current funding arrangements, this would require funding from the Scottish Government of between £336m and £520m, and a Council contribution of between £84m and £130m. Falkirk Council cannot afford this level of contribution and discussions are ongoing with the Scottish Government to develop a sustainable model for delivery and maintenance of this project. The project will be unable to progress beyond the outline design and scheme notification stage until these issues are resolved.

#### 5.3.10 *Tax Incremental Financing (TIF)*

The legal agreement with the Scottish Government sets a total budget of £67m for TIF to deliver a variety of projects including the Westfield Roundabout, works at Icehouse Brae as well as substantial contributions to Grangemouth Flood Protection Scheme and River Avon Gorge Bridge. Funding for these projects is expected to be met from additional non-domestic rates receipts generated by improving the area's infrastructure.

Progress on the TIF project is reported separately to the Capital Programme but there are clear linkages with the wider Capital Strategy and Treasury Management Strategy.

The Council is in discussion with the Scottish Government to amend some of the original elements of the Legal Agreement for TIF. These amendments would see the expenditure cap increased to ensure affordability and extend the construction period of the project. These discussions have been generally positive to date with recognition that the cap should be extended to some extent, not least due to inflationary pressures. In addition, permission has been sought from the Scottish Government to use the Levelling Up funding (see below) to enhance the overall investment plan. At the time of writing this report, a final decision from the Scottish Government had not been received. However, this decision will determine if the projects within the TIF Legal Agreement can be delivered as currently configured. Members will be updated with progress.

#### 5.3.11 *Levelling Up Funding*

The Council received a total of £20m of Levelling Up funding from the UK Government. This funding has been earmarked for the Westfield Roundabout and supporting infrastructure project, sitting within the wider TIF project.

#### 5.3.12 *Investment Zone Growth Deal*

In December 2021, the Council agreed Head of Terms with UK and Scottish Governments for delivery of £80m Growth Deal funding and for the Falkirk & Grangemouth Investment Zone. An additional £10m of Scottish Government funds for 'Greener Grangemouth' was also confirmed. The arrangements for the governance, programme management and delivery of the Deal are being finalised with UK and Scottish Governments and other partners. Project business cases will be developed during 2022/23 for submission to both Governments for approval. Once approved, the resources from both Governments to support delivery of these projects is anticipated to commence in 2023/24. The project is expected to bring in £1billion of investment and create 2,000 new jobs. Essentially the project will allow Falkirk to lead the way in the transition to a net zero economy. Further progress reports on this work will be presented to the Executive.

#### 5.3.13 **Growth, Planning & Climate**

- Road Safety
- Falkirk to Denny Footpath
- Countryside Access
- Playparks
- Core Parks
- Business Property Portfolio

Growth, Planning  
& Climate



- 5.3.14 The most significant project in this area is the Falkirk to Denny Footpath works which are fully funded from grants from the Scottish Government & Sustrans. Alongside this work, investment is planned in road safety, cycling and pedestrian facilities, and infrastructure for green transport, including bus shelters and electric vehicles.
- 5.3.15 Work is also planned on core parks and playparks, and it is anticipated that further funding from the Scottish Government for playparks will be announced during 2022/23.

5.3.16 **Environmental & Operational Services**

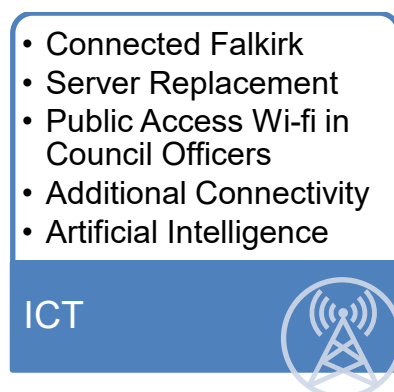


- 5.3.17 This division includes the vehicle replacement programme, crematorium and cemetery works as well as rolling programmes to support roads, lighting, road safety, and bridge strengthening.
- 5.3.18 Members previously approved investment in Waterslap Road in Carronshore. The Service has requested that this project is replaced with improvements to the A904/A803 junction at Champany. The Service advise that this junction has seen a number of accidents in the last 10 years and presents a more serious road safety issue than Waterslap Road. This substitution has been built into the draft Programme at Appendix 1 for approval.
- 5.3.19 The draft Programme includes the ongoing investment in new cremators and the upgrade of the crematorium, due to complete in 2023/24.

**Corporate & Housing Services**

- 5.3.20 The projects within Corporate & Housing Services fall into two main categories – the ICT programme and the Central Support programme.

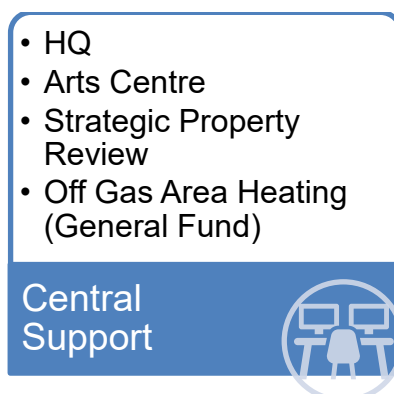
### 5.3.21 ICT



5.3.22 The single largest investment within ICT is the continuation of the Connected Falkirk project with investment of £3.7m planned over the next four years. This is part of the total approved investment of £12.3m.

5.3.23 Further ICT investment of £2.4m is proposed for servers, wi-fi and connectivity improvements. This investment supports the Council's ambition to be a modern and digital Council, flexible in its approach to employees and customers.

### 5.3.24 Central Support

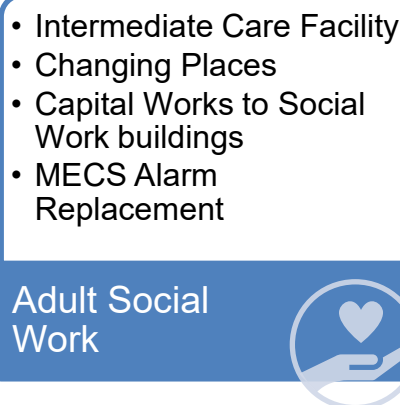


5.3.25 The Central Support Programme includes the HQ and Arts Centre budgets. In September 2021, Council voted to seek a further report with updated costs and design options for alternative options for the HQ and Arts Centre. This work is ongoing, and final proposals have not been agreed. The original budget for these projects therefore remains as previously approved but the profiling has changed slightly. To date monies have been spent on the refurbishment of the Foundry, Abbotsford and the Stadium. The remainder of the budget remains in the Programme.

5.3.26 In March 2022, £3m was allocated over a three-year period for Strategic Property Review (SPR) works. This was additional to an existing allocation of £0.2m for Community Learning & Development works in relation to the SPR.

5.3.27 In September 2021 the Council agreed to the provision of gas installation to Avonbridge, California, Letham, Slamannan and Whitecross. This work is expected to cost the General Fund c£2.8m and will be funded from borrowing. An indicative spend profile has been included in the draft Programme.

## **Adult Services (Social Work)**



- 5.3.28 The Adult Services programme links to the Falkirk Integration Joint Board Business Case for 2022/23. The largest project is the Intermediate Care Facility, but firm proposals have not been agreed at this stage and will be progressed as part of the Falkirk Community Hospital master-planning exercise. Spend is not expected until at least 2024/25.
- 5.3.29 There is a Changing Places Steering Group that is looking at the requirement for these facilities across the 3 locality areas.
- 5.3.30 Capital works to Social Work buildings and the MECS alarm replacement project are two rolling programmes that support the work of the Health and Social Care Partnership. A prioritised list of investment for the Social Work buildings is being developed for the next five years of the Programme.
- 5.3.31 The draft Programme will be supplemented in due course by projects which have previously been rescheduled and the 2021/22 carry forward expenditure. This will be reported to Members during the new financial year.

### **5.4 Slippage Allowance**

- 5.4.1 A slippage allowance of £5m has been built into 2022/23. This is consistent with the approach taken in previous years. This reflects that in most years, slippage of this level has been experienced. The inclusion of this allowance has allowed projects which didn't make the cut, to be included in the Programme.

### **5.5 Further Proposals**

- 5.5.1 Appendix 1 presents a draft Capital Programme for 2022/23 – 2026/27. The programme identifies a balance of £0.65m which is available for Members to allocate.
- 5.5.2 Appendix 2 presents a list of the bids that were submitted by Services, but which haven't been included in the draft Capital Programme. The total request for additional funds was £24.4m. Once the sum of £0.650m is allocated, the funding gap is £23.7m. No funding has been identified to bridge this gap.

- 5.5.3 Local Authorities are required by legislation to have regard to the Prudential Code when carrying out their duties. The objectives of the Prudential Code are to ensure that capital investment plans are prudent, sustainable, and affordable. As noted in paragraph 5.2.10, further borrowing cannot be considered “prudent” at this stage and to initiate further borrowing would result in the Council operating outwith the Prudential Code.
- 5.5.4 Members can consider substituting previously approved projects for new projects, if the new projects are considered to have a higher priority for the Council or are considered to deliver more benefits.

## **5.6 Prudential Indicators**

- 5.6.1 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 1. Should a decision be taken to revise the borrowing amount, the indicators will be recalculated and reflected in the Capital Update Reports to Executive.

## **6. Consultation**

- 6.1 Services have been consulted on the contents of this report. Where appropriate, it is expected that individual projects will be subject to consultation with stakeholders.
- 6.2 There is regular engagement with the Scottish Government on the large-scale investment projects in the Programme – TIF, Grangemouth Flood Protection Scheme, Levelling Up Funding, and the Investment Zone Growth Deal. Additionally, these projects have, or are developing, communication plans which include consultation with local communities.

## **7. Implications**

### **Financial**

- 7.1 The financial implications flowing from the recommendations are set out in this report. The borrowing included in this Programme will have revenue consequences in future years. These implications have been calculated and will be included in an updated Medium Term Financial Plan.
- 7.2 The approved General Fund Capital Programme will be adjusted to reflect the slippage at 31 March 2022, and any projects which have previously been rescheduled. The adjusted programme will be presented to Members in the summer.
- 7.3 Should Council decide to invest in any additional projects to those included in Appendix 1, the Programme, Prudential Indicators and Medium-Term Financial Plan will be updated to reflect these.

## **Resources**

- 7.4 The resource implications of the recommendations are set out in this report.
- 7.5 It is recognised that there are currently insufficient resources to meet the Council's investment ambitions. The Council will need to consider how best to prioritise investment in the future.

## **Legal**

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

## **Risk**

- 7.7 There is a risk that the cost of any major projects which have slipped or been rescheduled may increase because of construction inflation. Some experts are expecting the cost of construction to rise by 4.5% compared to 2021, with inflation set to slow in 2023. As the economy remains very unsettled with increasing energy costs bringing further inflationary pressures to the cost of construction materials, there is more uncertainty in the market.
- 7.8 There is a risk that the Scottish Government General Capital Grant included in the Programme for 2023/24 to 2026/27, will be different from that estimated. This could therefore require a revision in the number and value of projects included in the Programme. Similarly, if the revenue support grant is materially different from projected, the ability to support future planned borrowing may be in doubt. The Programme therefore needs to be regularly reviewed and refined to ensure all assumptions remain appropriate.
- 7.9 There is a risk that the projects are delayed or not delivered, in part due to the ongoing uncertainties surrounding Covid-19.
- 7.10 The Bank of England has started to increase interest rates to dampen down the surge in inflation. As a result, it will become more expensive for the Council to borrow for investment purposes. Estimates of financing costs include future estimates of interest rates. A significant increase, beyond those currently anticipated could mean that borrowing becomes unaffordable, and the Capital Programme will need to be revisited.

## **Equalities**

- 7.11 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**

- 7.12 Officers from the Energy and Climate Change (ECC) Team were sent copies of all capital bids and completed an initial assessment of each bid. Moving forward, this oversight by the Team will help to ensure that the Council's carbon budgeting tool, which should include all Council projects, is robust and comprehensive. However, all existing approved projects will also be included in the carbon budgeting tool so the sustainability implications of these projects will be revisited. Section 3 of this report provides some more information on the carbon budgeting work.
- 7.13 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.
- 7.14 Appendix 2 of this report highlights a number of new projects that require an SEA. Should funding be allocated to these projects, a SEA will be completed by the services, and reviewed by the ECC Team.

## **8. Conclusions**

- 8.1 This Capital Programme in Appendix 1 aims to balance the ambition of the Council to deliver the vision and priorities set out in the Corporate Plan, with the resource constraints facing the Council. Notwithstanding those constraints, investment of £183.3m is set out for the next five years. Including the Housing investment of £347.2m over five years, this results in an ambitious total investment of £530.5m over the next five years.
- 8.2 Services have identified further projects that they consider important for service delivery and/or transformation. However, funding has not been identified to support these projects. The ability to harness an increase in Council Tax to support investment is not available for 2022/23. However, should this funding stream be available in future years, further significant capital investment could be supported.
- 8.3 The Capital Programme must be managed carefully recognising that the Revenue Budget is under severe pressure. Consequently, the Programme will be monitored closely by Finance Services in association with other Services, with regular reporting to Executive.



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Date: 21 February 2022

## **Appendices**

**Appendix 1 – Draft General Fund Capital Programme 2022/23 – 2026/27**

**Appendix 2 – Projects Not Included in Draft Programme**

**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 No 9/2021
2. Bid forms from services

**FALKIRK COUNCIL**

**GENERAL  
CAPITAL PROGRAMME**

**2022/23 to 2026/27**

**FIVE YEAR  
INVESTMENT PLAN**

## **GENERAL - CAPITAL PROGRAMME**

### **FIVE YEAR**

### **INVESTMENT PLAN**

**2022/23 to 2026/27**

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	Corporate & Housing Services
	Social Work (Adult Services)
	TIF

## **SECTION 1**

### **SUMMARY OF INVESTMENT PLANS**

# FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

<u>EXPENDITURE</u>	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	TOTAL £000
CHILDREN'S SERVICES	2,631	3,184	1,984	7,945	2,578	18,322
PLACE SERVICES	18,033	17,537	12,765	14,087	9,420	71,842
CORPORATE & HOUSING	4,889	28,715	11,247	6,030	227	51,108
SOCIAL WORK (ADULT SERVICES)	396	297	1,980	1,983	246	4,902
TIF	1,370	12,927	13,000	14,788	-	42,085
SLIPPAGE ALLOWANCE	(5,000)	-	-	-	-	(5,000)
<b>TOTAL EXPENDITURE (INCLUDING TIF)</b>	<b>22,319</b>	<b>62,660</b>	<b>40,976</b>	<b>44,833</b>	<b>12,471</b>	<b>183,259</b>
<u>RESOURCES</u>						
FALKIRK COUNCIL BORROWING	10,450	33,967	15,353	16,636	1,205	77,611
SCOTTISH GOVERNMENT GRANTS	10,718	10,278	11,296	11,662	10,296	54,250
CAPITAL RECEIPTS - PROPERTY SALES	430	3,030	30	30	30	3,550
OTHER FUNDING (Grants/PO's/CFCR)	-	2,458	1,297	1717	940	6,412
<b>TOTAL RESOURCES (EXCLUDING TIF)</b>	<b>21,598</b>	<b>49,733</b>	<b>27,976</b>	<b>30,045</b>	<b>12,471</b>	<b>141,823</b>
<b>TIF RESOURCES</b>						
Borrowing	-	11,730	13,000	14,359	-	39,089
CFCR (NDR)	1,370	1,197	-	429	-	2,996
<b>TOTAL RESOURCES (INCLUDING TIF)</b>	<b>22,968</b>	<b>62,660</b>	<b>40,976</b>	<b>44,833</b>	<b>12,471</b>	<b>183,908</b>

**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 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 31/03/22 £000	Estimated C/F From 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	Budget 2025/26 £000	Budget 2026/27 £000	Future Years £000	Project Budget £000	Project Design Stage
<b>Major Projects</b>										
Westquarter Primary School Extension		150	-	1,170	-	-	-	-	1,320	
Larbert High School Phases III-V	2,448	250	125	-	-	-	-	-	2,823	
Bankier Primary School Extension			-	-	-	940	940	-	1,880	
Purchase of PPP Schools		200	100	100	100	5,100	-	-	5,600	
			225	1,270	100	6,040	940			
<b>Other Investment</b>										
All Schools Fund			1,638	1,514	1,484	1,505	1,638			
Sports Facilities & Pavilions			400	400	400	400	-			
Misc. Sports & Leisure Facilities			368	-	-	-	-			
			2,406	1,914	1,884	1,905	1,638			
<b>TOTAL CHILDREN'S SERVICES</b>			<b>2,631</b>	<b>3,184</b>	<b>1,984</b>	<b>7,945</b>	<b>2,578</b>			



## FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME











### PLACE SERVICES

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
INVEST FALKIRK	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Energy Efficiency & Carbon Footprint	500	300	1,200	1,500	2,500	4,500	-	51,450	61,950	
Grangemouth Flood Protection Scheme	12,431	715	5,843	4,186	-	-	-	-	23,175	
<b>TOTAL INVEST FALKIRK</b>			<b>7,043</b>	<b>5,686</b>	<b>2,500</b>	<b>4,500</b>	<b>-</b>			

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
GROWTH, PLANNING & CLIMATE	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Road Safety and Active Travel			279	258	253	256	279			
Cycling, Walking, Safer Routes			703	263	263	263	263			










**FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME**

**PLACE SERVICES (CONT'D)**

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
<b>GROWTH, PLANNING &amp; CLIMATE</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Falkirk to Denny Cyclepath			-	2,458	1,297	777	-	-	4,532	
Bus Shelter Infrastructure			90	90	90	-	-			
Electric Vehicle Charging Infrastructure			90	90	90	-	-			
Business Property Portfolio - Upgrades			342	316	310	314	342			
Falkirk Countryside Access Strategy			37	34	34	34	37			
Playparks Upgrades			84	78	76	77	84			
Core Park Improvements			90	83	82	83	90			
Kinneil House - Walled Garden	399	133	90	95	95	-	-	190	1,002	
Muiravonside & Callendar Park Cycle Paths			120	-	-	-	-			
Former Trust Budget			-	468	460	467	508			
<b>TOTAL GROWTH, PLANNING &amp; CLIMATE</b>			<b>1,925</b>	<b>4,233</b>	<b>3,050</b>	<b>2,271</b>	<b>1,603</b>			





**FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME**

**PLACE SERVICES (CONT'D)**

<b>ENVIRONMENTAL &amp; OPERATIONAL</b>	<b>Total Forecast Spend to 31/03/22</b>	<b>Estimated C/F From 2021/22</b>	<b>Budget 2022/23</b>	<b>Budget 2023/24</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>	<b>Budget 2026/27</b>	<b>Future Years</b>	<b>Project Budget</b>	<b>Project Design Stage</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Vehicle Replacement Programme			1,472	1,547	1,515	1,536	1,672			
Kinneil Kerse Landfill Restoration			79	258	136	138	279			
Waste Collection Bins			214	198	194	197	214			
Falkirk Crematorium External Works	290	110	100	100	100	100	-	100	900	
Crematorium - New Cremators	-	838	805	39	-	-	-	-	1,682	
Cemeteries - Deteriorating Headstones	411	46	150	150	150	150	-	150	1,207	
Bridge Assessment & Strengthening			771	713	699	708	771			
Structural Maintenance - Roads			3,813	3,525	3,453	3,505	3,813			
Structural Maintenance - Street Lighting			928	858	841	853	928			









## FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME

### PLACE SERVICES (CONT'D)

ENVIRONMENTAL & OPERATIONAL	Total Forecast Spend to 31/03/22 £000	Estimated C/F From 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	Budget 2025/26 £000	Budget 2026/27 £000	Future Years £000	Project Budget £000	Project Design Stage
Flooding Assessments & Minor Improvements			140	130	127	129	140			
A904/A803 Junction at Champany		1,807	65	-	-	-	-		1,872	
A904/A993 Snab Brae, Bo'ness Roundabout		715	379	100	-	-	-			
Denny Eastern Access Road (DEAR)	510	6,890	149	-	-	-	-		7,549	
<b>TOTAL ENVIRONMENTAL &amp; OPERATIONAL</b>			<b>9,065</b>	<b>7,618</b>	<b>7,215</b>	<b>7,316</b>	<b>7,817</b>			
<b>TOTAL PLACE SERVICES</b>			<b>18,033</b>	<b>17,537</b>	<b>12,765</b>	<b>14,087</b>	<b>9,420</b>			






**FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME**

**CORPORATE & HOUSING SERVICES**

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
<b>CORPORATE I.T. INVESTMENT</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Replacement of Application Servers			85	79	77	78	85			
Public Access WiFi in Council Offices			47	50	52	55	-			
Server Virtualisation & Consolidation			-	-	174	182	-			
Additional Connectivity for Digital Communities			79	83	87	91	-			
Office 365 Backup & Cloud Storage			21	22	98	24	-			
Connected Falkirk (Digital Learning Environment)	7,476	1,074	1,350	150	750	1,500	-	4,500	16,800	
Artificial Intelligence Project			200	200	200	-	-			
Refresh PC Estate in Education			150	100	-	-	-			
<b>TOTAL I.T.</b>			<b>1,932</b>	<b>684</b>	<b>1,438</b>	<b>1,930</b>	<b>85</b>			





**FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME**

**CORPORATE & HOUSING SERVICES (CONT'D)**

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
CENTRAL SUPPORT	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Operational Accommodation Investment			90	183	129	130	142			
New HQ/Back Office & Arts Centre	2,013	6,097	1,772	22,468	8,680	3,970	-	-	45,000	
Strategic Property Review (Incl CL&D)	342	1,851	75	3,580	1,000	-	-	-	6,848	
Off Gas Works (General Fund Housing)			1,000	1,800	-	-	-			
Grangemouth Library (Disabled Access Toilet)			20	-	-	-	-			
<b>TOTAL CENTRAL SUPPORT</b>			<b>2,957</b>	<b>28,031</b>	<b>9,809</b>	<b>4,100</b>	<b>142</b>			
<b>TOTAL CORPORATE &amp; HOUSING SERVICES</b>			<b>4,889</b>	<b>28,715</b>	<b>11,247</b>	<b>6,030</b>	<b>227</b>			

**FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME**







**SOCIAL WORK (ADULT SERVICES)**

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
MECS - Alarm Replacement			46	40	42	42	46			
Capital Works to Adult Services (SW) Buildings			200	185	181	184	200			
Intermediate Care Facility			-	-	1,757	1,757	-			
Changing Places			150	72	-	-	-			
<b>TOTAL SOCIAL WORK ADULT SERVICES</b>			<b>396</b>	<b>297</b>	<b>1,980</b>	<b>1,983</b>	<b>246</b>			

<b>TOTAL GENERAL CAPITAL PROGRAMME (excluding TIF)</b>			<b>25,949</b>	<b>49,733</b>	<b>27,976</b>	<b>30,045</b>	<b>12,471</b>			
Slippage Allowance			(5,000)	-	-	-	-			
<b>TOTAL GENERAL PROGRAMME (excluding TIF)</b>			<b>20,949</b>	<b>49,733</b>	<b>27,976</b>	<b>30,045</b>	<b>12,471</b>			

**FALKIRK COUNCIL - GENERAL CAPITAL PROGRAMME**

**T.I.F.**

	Total Forecast Spend to 31/03/22	Estimated C/F From 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Future Years	Project Budget	Project Design Stage
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Westfield Roundabout & Spur	6,406	4,747	1,370	12,927	-	-	-	-	25,450	
M9 Junction 6	2,463	-	-	-	-	-	-	-	2,463	N/A
M9 Junction 5	1,206	1,794	-	-	-	-	-	-	3,000	
Site Enabling	3,473	-	-	-	1,000	1,098	-	-	5,571	
Icehouse Brae	1,602	3,184	-	-	-	-	-	-	4,786	
Grangemouth Flood Protection Scheme	-	-	-	-	6,000	6,742	-	-	12,742	
A801 Avon Gorge	40	-	-	-	6,000	6,948	-	-	12,988	
<b>TOTAL T.I.F.</b>	<b>15,190</b>	<b>9,725</b>	<b>1,370</b>	<b>12,927</b>	<b>13,000</b>	<b>14,788</b>	<b>0</b>	<b>0</b>	<b>67,000</b>	

<b>TOTAL GENERAL CAPITAL PROGRAMME (including TIF)</b>			<b>22,319</b>	<b>62,660</b>	<b>40,976</b>	<b>44,833</b>	<b>12,471</b>			
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**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**

### ***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.

### ***BANKIER PRIMARY SCHOOL***

Extension to existing school to alleviate capacity issues.

### ***PURCHASE OF PPP SECONDARY SCHOOLS***

The purchase of Bo'ness Academy, Braes, Previous Carrongrange, Graeme & Larbert High Schools.

### ***CAPITAL IMPROVEMENTS – ALL SCHOOLS FUND***

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

### ***SPORTS FACILITIES & PAVILIONS***

Budgets transferred over from the Community Trust for 2022/23 to 2025/26. A prioritised list of works is being prepared.

### ***MISCELLANEOUS SPORTS & LEISURE FACILITIES***

Budgets transferred over from the Community Trust for 2022/23. Rolling programme to cover works across the estate.

## **PLACE SERVICES**

### **INVEST FALKIRK**

#### ***ENERGY EFFICIENCY & CARBON FOOTPRINT IMPROVEMENTS***

A programme of investment in energy efficiency works and works to improve the Council's worst performing properties in respect of carbon emissions. A number of priority projects have been identified and discussions are ongoing with Services to prioritise the remaining investment.

#### ***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.

## **PLACE SERVICES - (Continued)**

### **GROWTH, PLANNING & CLIMATE**

#### ***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.

#### ***FALKIRK TO DENNY FOOTPATH / CYCLEPATH***

The linking of Falkirk to Denny with a new shared footpath/cyclepath that involves bridging over the M876 trunk road.

#### ***BUS SHELTER INFRASTRUCTURE***

Installation of bus shelters along designated bus routes.

#### ***ELECTRIC VEHICLE CHARGING INFRASTRUCTURE***

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

#### ***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.

#### ***FALKIRK COUNTRYSIDE ACCESS STRATEGY FUND***

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

#### ***PLAYPARKS UPGRADES***

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

**PLACE SERVICES - (Continued)**

**GROWTH, PLANNING & CLIMATE (Continued)**

***CORE PARKS IMPROVEMENTS***

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

***KINNEIL HOUSE – WALLED GARDEN***

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

***MUIRAVONSIDE AND CALLENDAR PARK CYCLE PATHS***

To repair cycle and pathworks in Muiravonside Country Park and Callendar Park in 2022/23

***FORMER COMMUNITY TRUST BUDGETS***

Unallocated budgets for 2023/24 to 2026/27 transferred over from the Community Trust for investment across the estate.

## **PLACE SERVICES - (Continued)**

### **ENVIRONMENTAL & OPERATIONAL SERVICES**

#### ***VEHICLE REPLACEMENT***

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

#### ***KINNEIL KERSE LANDFILL RESTORATION***

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

#### ***WASTE COLLECTION BINS***

To purchase waste containers for new issue and/or replacements.

#### ***CREMATORIUM – EXTERNAL WORKS***

Upgrading of crematorium grounds and creation of memorial gardens.

#### ***CREMATORIUM – NEW CREMATORS***

Replacing the existing cremators, abatement plant and cremulator.

#### ***CEMETERIES – STABILISE DETERIORATING HEADSTONES***

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

#### ***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.

## **PLACE SERVICES - (Continued)**

### **ENVIRONMENTAL & OPERATIONAL SERVICES (Continued)**

#### ***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.

#### ***FLOOD ASSESSMENT & MINOR PROJECTS***

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

#### ***ROAD JUNCTION AT CHAMPANY***

To improve the current priority junction of the A904/A803 as identified through accident clusters report.

#### ***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.

#### ***DENNY EASTERN ACCESS ROAD***

Construction of a south eastern bypass of Denny connecting Broad Street to Glasgow Road.

## **CORPORATE & HOUSING SERVICES**

### **INFORMATION TECHNOLOGY INVESTMENT**

#### ***CORPORATE I.T. INVESTMENT***

Various projects including replacement of Corporate file servers and other investment needs to maintain the Council's I.T. services, including Digital Strategy Delivery, Cloud based storage and public access WiFi in Council offices.

#### ***CONNECTED FALKIRK***

The investment of mobile I.T. equipment to create a sector leading modern digital environment for schools.

#### ***ARTIFICIAL INTELLIGENCE (AUTOMATION) PROJECT***

Automation of internal and external systems and processes. This project was approved in Sep 2020.

#### ***REFRESH PC ESTATE IN EDUCATION***

The replacement of old pc's and laptops to be compatible with the most up to date operating system.

### **CENTRAL SUPPORT**

#### ***OPERATIONAL ACCOMMODATION INVESTMENT***

Provision towards improvements to Council's operational properties.

#### ***COUNCIL HQ / ARTS CENTRE***

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

#### ***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.

#### ***OFF GAS WORKS (GENERAL FUND HOUSING)***

Gas installation to Avonbridge, California, Letham, Slamannan and Whitecross



## **SOCIAL WORK (ADULT SERVICES)**

### ***MECS – ALARM REPLACEMENT***

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

### ***CAPITAL WORKS TO ADULT SERVICES BUILDINGS***

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

### ***INTERMEDIATE CARE FACILITY***

New build intermediate care facility. Work is dependent on the Falkirk Community Hospital master-planning exercise.

### ***ADULT CHANGING PLACES FACILITIES***

The installation of Changing Places for adults with physical and learning needs and for adults with children with physical and learning needs. The Changing Places Steering Group is looking at requirements across the district.

## **T.I.F.**

### ***TIF PROGRAMME***

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

**SUMMARY OF NEW BIDS RECEIVED FOR 2022-27 CAPITAL PROGRAMME**

**APPENDIX 2**

	BIDS/PROJECTS NOT IN PROGRAMME; RANKED	VALUE	RANKING BY SCORING	RANKING BY SERVICE	COTF STATUS	REVENUE SAVING ATTACHED	STRATEGIC ENVIRONMENTAL ASSESSMENT REQUIRED?	EPIA REQUIRED?	OTHER COMMENTS
	Additional Funding for the Vehicle Replacement Programme	8,563	1	1	Enterprise	-	Yes	No	Supports move to Electric Vehicles
	Refresh PC Estate in Education	800	2	-	Innovation	-	No	No	
New	Replacement of Servers in Schools to Support Connected Falkirk	400	5	-	Innovation	-	No	No	
	Kinnaird PS Extension Phase 3	145	6	1B	-	-	Yes	No	Increase in funding requested due to inflationary pressures.
	Maddiston PS Extension	340	7	1C	-	-	Yes	No	Increase in funding requested due to inflationary pressures.
New	Digital Communities Programme	150	8	-	Innovation	-	Yes	No	
New	Connecting Networks between Council Buildings to Improve Speed	150	9	-	Innovation	Potentially	No	No	
	A904/A993 Snab Brae, Bo'ness R'bout	815	11	-	-	-	Yes	Yes	
New	Kinneil Foreshore - Bridge Demolition	70	12	-	-	-	No	No	Health & Safety issue; disused bridge in Kinneil Local Nature Reserve
	Energy Efficiency & Carbon Footprint Improvements	8,300	13	-	Enterprise	-	Yes	No	To tackle the Council's worst performing properties.
	Denny Primary School Extension	235	15	2	-	-	Yes	No	Increase in funding requested due to inflationary pressures.
	Denny Eastern Access Road (DEAR)	209	16	-	-	-	Yes	Yes	Increase in funding requested due to inflationary pressures.
	Westquarter PS Extension	177	17	3	-	-	Yes	No	Increase in funding requested due to inflationary pressures.
New	Improvements to Learning Environments Internal and External	300	18	4B	-	-	Yes	No	
New	H&S and Covid Improvement Works in Schools	500	20	4A	-	-	No	No	
New	Corporate Tree Risk Management	1,420	21	-	-	-	No	No	To manage the health and safety risk of trees on Council owned land. Further detail required to confirm capital works.
New	Community Choices	1,000	22	-	Communities	-	No	No	Without investment the Council is unlikely to meet it's community empowerment obligations. However, £3m has previously been allocated to the project of which £0.6m has been awarded. Further rounds of the bid process are already underway.
	Kinneil Kerse Landfill Restoration (Additional Request)	214	23	2	-	-	Yes	No	
New	Modern Workplace Equipment for Staff	500	24	-	Innovation	-	No	No	
New	Replacement Time Recording System directly linked to HR System	100	25	-	-	Potentially	No	No	Potential to defer
		<b>24,388</b>							

**FALKIRK COUNCIL**  
**PRUDENTIAL CODE INDICATORS**  
**[including TIF]**

PRUDENTIAL INDICATOR		2022/23	2023/24	2024/25	2025/26	2026/27	COMMENTS
1.	Ratio of Financing Costs to Net Revenue Stream	2.1%	2.4%	2.9%	3.1%	3.4%	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	409.8	539.7	620.2	687.2	700.7	
	Accounting Adjustment –						
	Finance Lease Liabilities	<u>68.0</u> <u>477.8</u>	<u>58.8</u> <u>598.5</u>	<u>53.7</u> <u>673.9</u>	<u>50.8</u> <u>738.0</u>	<u>47.9</u> <u>748.6</u>	
	Capital Financing Requirement (includes HRA)	443.5	572.8	657.5	726.8	740.2	
	Accounting Adjustment – Finance Lease Liabilities	<u>76.3</u> <u>519.8</u>	<u>67.8</u> <u>640.6</u>	<u>58.7</u> <u>716.2</u>	<u>53.6</u> <u>780.4</u>	<u>50.8</u> <u>791.0</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 1. This will be updated following the year end for 2021/22.
	GF	20.9	49.8	28.0	30.0	12.5	
	TIF	<u>1.4</u> <u>22.3</u>	<u>12.9</u> <u>62.7</u>	<u>13.0</u> <u>41.0</u>	<u>14.8</u> <u>44.8</u>	<u>0.00</u> <u>12.5</u>	

PRUDENTIAL INDICATOR		2022/23	2023/24	2024/25	2025/26	2026/27	COMMENTS
4.	Capital Financing Requirement (excludes HRA)	£'m 250.9	£'m 303.1	£'m 321.0	£'m 342.2	£'m 332.1	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  462.0 <u>68.0</u> <u>530.0</u>	£'m  591.2 <u>58.8</u> <u>650.0</u>	£'m  676.3 <u>53.7</u> <u>730.0</u>	£'m  739.2 <u>50.8</u> <u>790.0</u>	£'m  757.2 <u>47.8</u> <u>805.0</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  457.0 <u>68.0</u> <u>525.0</u>	£'m  586.2 <u>58.8</u> <u>645.0</u>	£'m  671.3 <u>53.7</u> <u>725.0</u>	£'m  734.2 <u>50.8</u> <u>785.0</u>	£'m  752.2 <u>47.8</u> <u>800.0</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.



**Falkirk Council**