

TRAFFORD COUNCIL

Report to: Executive and Council

Date: 22 February 2017

Report for: Decision

Report of: The Executive Member for Finance and the Chief Finance Officer

Report Title

CAPITAL PROGRAMME & PRUDENTIAL INDICATORS 2017/20

Summary

This report consists of two main areas for the Executive to consider:

Capital Programme – This report highlights the Council's investment plans for the next three years taking into account the estimated resources to be made available from Government as well as the Council's own resources. The level of resources forecasted to be available for capital investment purposes during the period 2017/20 is £107.27m.

New schemes with a value of £40.01m are recommended for approval (Appendix 1). If agreed this would result in a Capital Programme for 2017/20 totalling £109.16m (Appendix 2). This equates to £1.89m of over-programming over the three year programme and will be reviewed each year to ensure actual capital resources are not overcommitted.

Prudential Indicators – the Council is required to set indicators in accordance with the CIPFA Prudential Code which are designed to support and record decisions taken on affordability, sustainability and professional good practice and these are outlined at Appendix 3.

Recommendations

That the Executive:-

- 1) approve the Capital Programme as detailed in the report;
- 2) recommends the Council to approve the Capital Programme in the sum of £109.16m for the period 2017/20;
- 3) recommends the Council to approve £25.04m of additional prudential borrowing to support revenue generating investment opportunities as detailed in Paragraph 15;
- 4) recommends the Council approve the flexible use of capital receipts strategy as set out in Paragraph 13; and
- 5) recommends the Council to approve the Prudential Indicators as set out at Appendix 3 of this report.

Contact person for access to background papers and further information:

Name: Graeme Bentley

Extension: 4336

Background Papers – None

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial Implications	Planned capital expenditure over the next three year period will be contained within available capital resources.
Legal Implications:	None arising out of this report
Equality/Diversity Implications	None arising out of this report
Sustainability Implications	None arising out of this report
Staffing/E-Government/Asset Management Implications	A number of improvement schemes are being undertaken in 2017/20.
Risk Management Implications	Assumptions have been made on Land Sale Programme and the level of receipts to be generated in 2019/20. An annual review will be undertaken of the future Land Sale Programme and in the event that there is a shortfall in resources to finance the Capital Programme adjustments will be made to our expenditure plans.
Health and Safety Implications	A number of schemes are being undertaken in 2017/20 on the grounds of health and safety.

INTRODUCTION

1. Annually the Council sets a three year Capital Programme and the purpose of this report is to :
 - review the decisions taken in February 2016 with regard to the 2016/17 and 2017/18 budgets in light of any new priorities and bids for capital support
 - to amend 2017/18 and 2018/19 budgets for any updated central government grant allocations
 - propose an indicative 2017/20 Capital Programme taking into account the issues reported above and
 - ensure that there are adequate levels of resources available to finance the three year Capital Programme.
 - Update the prudential indicators for 2017/20.

STRATEGIC CONTEXT

2. The Council's strategy for capital investment is to :-
 - **Link capital investment to Council priorities** by ensuring resources are allocated to schemes using a transparent prioritisation process
 - **Achieve value for money from available capital resources** by using options appraisal techniques for all new projects and adopting the Council's Procurement Policies for managing capital projects.
 - **Ensure Council resources are used to their maximum potential** by ensuring that resources are employed to either generate additional revenue or reduce revenue liabilities.
 - **Develop an affordable Capital Programme by:-**
 - Adopting a robust budget preparation and challenge process

- Ensuring compliance with the CIPFA Prudential Code to ensure spending plans are prudent, affordable and sustainable.
 - Considering the full extent of revenue implications in the Medium Term Financial Plan.
 - Optimising the level of capital receipts from asset disposals.
 - Maximising the use of external support towards capital projects.
- **Manage the Capital Programme effectively** with projects completed on time and within budget by:-
 - Effective budget monitoring and reporting, including milestone monitoring.
 - Effective project management methods.
 - Identifying and managing risks; and implementing measures to mitigate them.

CURRENT CAPITAL PROGRAMME 2016/19

3. The current forecasted expenditure for 2016/7 to 2018/19 is £98.14m with estimated resources available to support this programme of £98.73m, summarised below :-

Table 1 : 2016-19 Capital Programme & Resourcing	2016/17 £'000	2017/18 £'000	2018/19 £'000	Total £'000
Service Area				
Children, Families & Wellbeing	12,835	12,599	6,040	31,474
Economic Growth, Environment & Infrastructure	26,403	24,720	10,550	61,673
Transformation & Resources	3,184	1,461	350	4,995
Capital Programme total	42,422	38,780	16,940	98,142
Resourcing				
Capital Grants	15,446	15,997	7,390	38,833
External contributions	7,861	3,587	5,700	17,148
External Resources	23,307	19,584	13,090	55,981
Receipts – Land Sales Programme	12,188	6,817	1,567	20,572
Borrowing	11,008	8,140		19,148
LSVT VAT Income & reserves	1,944	988	100	3,032
Internal Resources	25,140	15,945	1,667	42,752
Resourcing total	48,447	35,529	14,757	98,733
Surplus / (Deficit)	6,025	(3,251)	(2,183)	591

4. As part of the budget process the Programme has been reviewed to ensure it continues to meet Council priorities and remains affordable within the level of resources available.
5. The 2016/17 programme of £42.42m includes the delivery of a number of key projects including:-
- School Places and condition works of £9.87m
 - Adult Social Care of £3.31m
 - Corporate buildings investment of £1.91m
 - Relocation of depot facilities of £4.02m
 - Town centre regeneration and investment of £4.10m
 - Highways improvements of £10.17m
 - Metrolink extension contribution of £5.00m
 - Parks and Open Space improvements of £0.91m
 - ICT investment of £2.66m

Capital Investment Resources 2017/20

External Resources

6. External resources available to support the Capital Programme are received from a number of sources. These include grants from central government departments and agencies, developer contributions in the form of S.106 agreements and contributions from bodies interested in specific projects. These resources can be very specific with little, if any, discretion on how they can be applied.
7. We have previously been notified, or have made assumptions of our external **grant allocations** for 2017/18 and 2018/19 and whilst announcements on some allocations are still awaited a number of new grants have been received and assumptions have been made for additional grants in 2019/20.

Table 2 : Updated Level of Capital Grants	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
<i>Previously notified as per Table 1</i>				
• Schools Basic Need Grant	6,313	2,000		8,313
• Schools Devolved Formula	660	490		1,150
• Schools Maintenance	2,623	1,850		4,473
• Disabled Facilities	950	950		1,900
• Adult Social Care Grant	208			208
• Highways Structural Maintenance	2,069	2,100		4,169
• TfGM Grant	2,904			2,904
• TfGM Grant	270			270
Sub-Total	15,997	7,390		23,387
<i>New notifications/ Assumptions</i>				
• Early Years Capital	468			468
• Disabled Facilities	650	650	1,700	3,000
• Highways - Pot Hole Funding	175			175
• Highways Incentive Fund	174			174
• Schools Devolved Formula			390	390
• Schools Maintenance			1,850	1,850
• Highways Structural Maintenance			2,100	2,100
Sub-Total	1,467	650	6,040	8,157
Total	17,464	8,040	6,040	31,544

8. The majority of **external contributions** are received in the form of S.106 agreements and come with very strict requirements limiting the opportunity for discretionary application. The table below provides details of those already supporting the capital programme along with allocation of new contributions to support new proposals.

Table 3 : Updated Level of External contributions	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Current planned usage per Table 1	3,587	5,700		9,287
Contributions to be added :				
• S.106 – Metrolink extension			8,000	8,000
• S.106 – General (see Para 10)	61	1,259	1,802	3,122
• Contribution from Trafford Leisure (see Para 15)	1,000			1,000
Sub-Total	1,061	1,259	9,802	12,122
Total	4,648	6,959	9,802	21,409

9. The Council's contribution to the Metrolink extension is £20m and a significant amount of developer contributions have been identified to support this. An amount of £12m was already included in the capital programme, which has been profiled to match planned delivery. The final tranche of the contribution of £8m is expected to be made in 2019/20.
10. Excluding the requirements for the Metrolink contribution there are currently £3.12m of S.106 developer contributions that have been received but are not yet committed to projects. It is now proposed to add these to the capital programme to support investment in open space, affordable housing and highways in future years.

Table 4 : S.106 Contributions received	Total £'000
Open Space and Outdoor Sports	875
Red Rose Forest	506
Affordable Housing	1,046
Highways Infrastructure	344
Integrated Transport	351
Total available	3,122

Available Internal Resources – Capital Receipts

11. The restrictions on the ability to apply external resources to specific schemes means that only internal resources are available for application on discretionary investment. Internal resources mainly comprise capital receipts and prudential borrowing.
12. The table below gives the current position of capital receipts for 2016/17 to 2018/19 and the commitment against them along with an estimate for 2019/20 to give the value of receipts available to support any new investment. A proportion of the capital receipts are already allocated to a number of projects in the capital programme that are already committed leaving £13.08m available to support new investment. (Note – schemes currently uncommitted have been included again in this latest capital bidding round so their priority can be assessed against any new bids).

Table 5 : Capital Receipts	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Land Sale Programme					
Carried forward from 2015/16	6,854				6,854
Land Sales Programme	5,774	5,975	1,350	6,124	19,223
Less Costs and debt repayment	(440)	(1,858)	(283)	(484)	(3,065)
Net Land Sale Programme	12,188	4,117	1,067	5,640	23,012
Other Receipts					
Local Authority Mortgage Scheme repayment		1,500	500		2,000
Old Trafford Masterplan		1,200			1,200
Other Receipts Total		2,700	500		3,200
Total Receipts	12,188	6,817	1,567	5,640	26,212
Capital Programme requirement					
Committed	(6,163)	(6,173)	(800)		(13,136)
Uncommitted		(3,895)	(2,950)		(6,845)
Net Receipts	6,025	(3,251)	(2,183)	5,640	6,231

The value of available capital resources is £13.08m (£6.85m+£6.23m)

13. In March 2016 new statutory guidance was published by DCLG on the flexible use of capital receipts which allow authorities the ability to utilise capital receipts to finance the revenue costs of reform. Eligible expenditure includes funding the cost of service configuration, restructuring or rationalisation. It is proposed therefore to utilise receipts to assist in the delivery of the following transformational projects and savings that are required to bridge the budget gap in the MTFP:-

Table 6 : Transformational Projects	2017/18 £'000	2018/19 £'000	2019/20 £'000
Reshaping Care - Managing the Council funded cost of care through increasing client independence	(5,110)	(250)	
Reshaping Children's services	(2,349)		
Reablement – phase 2	(800)		
Ascot House - alternative uses of the site	(380)		
Rapid Response - review the service	(211)		
#BeResponsible – Right Stuff, Right Bin	(151)	(232)	(261)
Aids and adaptations redesign	(150)		
Business scanning	(100)	(28)	
Property repairs and maintenance savings from improved management information	(89)		
Reduction in energy and water consumption in Council buildings	(80)		
On-line integrated Council Tax forms	(42)		
Direct Payments – review the direct payments service	(35)		
Service structure and role remodelling across the CFW workforce	(30)		
Pathways - review the provision of day care services to clients with learning disabilities	(28)		

Business development	(10)	(10)	(15)
Total Expected Savings / Service Transformation	(9,565)	(520)	(276)

Available Internal Resources – Prudential Borrowing

14. The Council only undertakes prudential borrowing where it is prudent, affordable and sustainable. The current programme includes £8.14m in respect the LED Replacement Programme, support for the hotel development at Lancashire CCC and relocation of the depot facilities. It is expected that savings achieved in energy and running costs and returns from Lancashire CCC will be sufficient to repay the borrowing costs and provide for additional savings to the revenue budget.

15. Additional borrowing is required for a number of further proposals:-

- **Capital Investment Fund £20.0m** – to be used to support the acquisition of income generating assets which will yield future sustainable revenue streams for the Council and also cover any borrowing costs. As each investment proposition is considered a business case showing a detailed analysis of the capital and revenue implications and associated risk levels will be prepared. It is intended to establish a governance board to evaluate all proposals.
- **General Borrowing £1.8m** – It is intended to utilise the new policy on the flexible use of capital receipts to support the delivery of a number of transformational projects which are key to meeting the savings targets in the MTFP as detailed in Paragraph 13. Therefore additional borrowing is required to cover the reduced availability of receipts for new capital investment; budget provision is included in the MTFP to cover borrowing costs.
- **Leisure Strategy £2.7m** – On the 15 November 2016 the Executive gave in-principle approval to making a capital investment of £24.4m in the Council's leisure assets. The investment is made up of three phases of work for which Executive approval will be sought once detailed business cases are produced. The first phase involves the redevelopment of Urmston and Sale Leisure Centres at an estimated cost of £6.5m. It is intended to finance this investment through a mixture of capital receipts and borrowing, with any borrowing costs financed out of the additional revenue streams generated at the leisure centres. It is proposed to finance this as follows:-
 - Proposed 2017/20 Programme £2.8m
 - Contribution from Trafford Leisure £1.0m
 - Borrowing £2.7m
- **9/11 Market Street, Altrincham £239k** – A scheme to develop a currently un-occupied council owned property by splitting of the existing two story shop premises into a ground floor shop and potentially two first floor apartments. A potential rental income of £33k per annum is expected.
- **New Recycling Bins £300k** – in support of the “Be Responsible” and “Right Stuff Right Bin” initiatives new recycling bins are anticipated to be required. The borrowing, over a period of 10 years, will be financed from annual savings in recycling costs.

Table 7 : Updated Level of Prudential Borrowing	2017/18	2018/19	Total
	£'000	£'000	£'000
Current planned use as per Table 1	8,140		8,140
New borrowing			
• Capital Investment Fund	15,000	5,000	20,000
• Leisure Strategy	2,700		2,700
• General Borrowing	1,800		1,800
• 9/11 Market Street, Altrincham	239		239
• New recycling bins	300		300
Sub-Total	20,039	5,000	25,039
Total	28,179	5,000	33,179

16. The level of resources forecasted to be available for capital investment purposes during the period 2017/20 is £107.27 m comprising external resources totalling £52.95m and internal totalling £54.32m.

Capital Investment Bids Received

17. All service areas were requested to submit new capital bids for the three years from 2017/18. This has included re-bidding for schemes in the current 2017/19 programme where those schemes were uncommitted.

18. The value of bids received for 2017/20 total £23.52m and is significantly higher than the £13.08m of resources available (See Paragraph 12). The value of bids is clearly unaffordable within the available resource envelope and therefore an assessment of the bids was undertaken to identify key priority works.

19. The current strategy for determining how capital projects are prioritised is as follows:-

- Schemes of a mandatory / contractual nature
- Invest to save schemes and schemes generating additional income
- Schemes that protect the asset base
- Schemes that meet Council priorities

20. All bids have been assessed under these priorities given the limited resources available. Appendix 1 provides a proposed list of new schemes with a value of £14.97m recommended for addition to the 2017/20 capital investment programme to be financed from discretionary capital resources. The inclusion of these schemes would result in an over-programming of £1.89m. This level of over-programming over the three year programme will be monitored and reviewed against forecasted levels of capital resources on a regular basis to ensure that the planned capital investment remains affordable.

21. Appendix 1 also summarises new prudential borrowing to support capital expenditure to a value of £25.04m as detailed in Paragraph 15.

2017/20 INDICATIVE PROGRAMME

22. The value of the indicative three year Capital Programme is £109.16m and a summary shown in the table below. At this stage the figures for 2017/18 are known in detail, whereas the resource position for 2018/19 and 2019/20 is less certain, which means that the planned activity for those two years is at a lower level than in 2017/18, but may increase as resources are confirmed.

Table 8: Capital Programme and funding 2017/20	Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget Total
	£000	£000	£000	£000
Protecting the Asset Base	14,520	4,137	4,480	23,137
Supporting Service Provision	29,243	11,990	2,987	44,220
Supporting the Local Economy	10,081	2,500	1,700	14,281
Investing in New Technology	2,067	1,180	750	3,997
Investing in Major Infrastructure	9,824	5,700	8,000	23,524
Total Investment	65,735	25,507	17,917	109,159
Grants	17,464	8,040	6,040	31,544
External Contributions	4,648	6,959	9,802	21,409
Prudential Borrowing	28,179	5,000		33,179
LSVT VAT & reserves	988	100		1,088
Capital Receipts (note)	12,842	1,567	5,640	20,049
Total Funding	64,121	21,666	21,482	107,269

Note – the 2017/18 figure comprises surplus from 2016/17 of £6.02m and estimate for 2017/18 of £6.82m as per Table 5.

PRUDENTIAL INDICATORS

23. The Council is required to set indicators that are designed to support and record decisions taken on affordability and sustainability. There is also a requirement to impose *limits* on the Council's treasury management activities to ensure decisions are made in accordance with professional good practice and risks are appropriate (These are included in the Treasury Management Strategy Report). The Chief Finance Officer will monitor these and report on them at appropriate times. The Council can revise these indicators and limits at any time.

24. All the indicators take account of the proposals in this report and a list of Prudential Indicators is included at Appendix 3.

RECOMMENDATIONS

25. That the Executive:-

- approve the Capital Programme as detailed in the report;
- recommends the Council to approve the Capital Programme in the sum of £109.16m for the period 2017/20;
- recommends the Council to approve £25.04m of additional prudential borrowing to support revenue generating investment opportunities as detailed in Paragraph 15;
- recommends the Council approve the flexible use of capital receipts strategy as set out in Paragraph 13; and
- recommends the Council to approve the Prudential Indicators as set out at Appendix 3 of this report.

Other Options

The Executive could decide to use capital receipts to repay debt which would generate revenue savings on the Medium Term Financial Plan. Based on the level of receipts available this could save approximately £0.5m in 2017/18. However, the proposed application of the capital receipts are to schemes with mandatory requirements, schemes to protect the long-term viability of the Council's assets and to transformational projects under the new capital receipts flexibility; enabling efficient and effective service delivery and avoiding potential increases in maintenance costs in future years, the benefits of which are greater than just using the receipts to repay debt.

Consultation

Consultation has taken place with budget holders, responsible officers and professional services to ascertain the new projects to be put forward for inclusion in the Capital Investment Programme for 2017/20. Consultation with the public and user-groups will follow, where appropriate, once the programme is set and specific proposals within the budget allocations are developed.

Reasons for the Recommendation

The Authority is regularly assessed on the performance of its Capital Programme and how delivery matches corporate policies and proposed spending plans. To reflect budgets in line with revised expectations will assist in evidencing that compliance with the above is being met.

Finance Officer Clearance (type in initials)GB.....

Legal Officer Clearance (type in initials)MJ.....

CORPORATE DIRECTOR'S SIGNATURE



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

2017/20 CAPITAL PROGRAMME : NEW START PROPOSALS	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Schemes of a Mandatory / Contractual Nature				
Schools – Additional Places Works (Gorse Hill Primary School)	500	2,000		2,500
Education of Vulnerable Children – Secure Standard Statutory Automated Data Collection Dashboard	27			27
Sub-total	527	2,000		2,527
Invest to save schemes				
Schools - Transport Operation System	16			16
Adult Social Care - Assistive Technology/Technology Innovation	650	650	650	1,950
Leisure Strategy – Increasing Physical Activity	2,800			2,800
Car Parks – Pay & Display Machines	35			35
Waste – Tri Bin : “Recycling on the Go”	261			261
Waterside Arts Centre - Refurbishments	96	103		199
Sale Waterside - Fixed Furniture and Equipment	86			86
ICT – SAP Development / Replacement	300	300		600
Sub-total	4,244	1,053	650	5,947
Schemes that protect the asset base				
Public Building Repairs		800	800	1,600
Parks Infrastructure	150	150	150	450
Play Areas : Structural Maintenance	100	75	75	250
ICT : Network resilience for Waterside and Trafford Town Hall	70			70
ICT : Network resilience for Internet Service /Connectivity	22			22
ICT : Network core switch replacement	15			15
ICT : Mobile / Wifi printing solution	5			5
ICT : SIEM Implementation (Security Incident & Event Management)	38			38
ICT : VPN - Upgrade / Replace Remote Access Solution	32			32
ICT : Software Asset Management Licence Tool	40			40

	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
ICT : Perimeter Firewall & Web Filtering solutions	80			80
ICT : Multiprotocol Label Switching (MPLS) Replacement Site Links		30		30
Sub-total	552	1,055	1,025	2,632
Council Priorities				
Parking provision in Altrincham Town Centre	125			125
Land Assembly Costs – Claremont Centre, Sale	240			240
CCTV – New camera sites & wireless network	388			388
ICT : System Centre Configuration Manager Upgrade	260			260
ICT : Windows 10 - Implementation & Rollout		200	100	300
Sub-total	1,013	200	100	1,313
Other Priorities				
Integrated Transport Plan Works	100	300	300	700
Access Trafford (Contact Centre) - Redbox upgrade	47			47
Transformation Projects	1,800			1,800
Sub-total	1,947	300	300	2,547
TOTAL PROPOSALS	8,283	4,608	2,075	14,966

2017/20 CAPITAL PROGRAMME : PRUDENTIAL BORROWING FUNDED PROPOSALS	2017/18 £'000	2018/19 £'000	2019/20 £'000	Total £'000
Capital Investment Fund	15,000	5,000		20,000
Leisure Strategy - Increasing Physical Activity	2,700			2,700
General Borrowing - Public Building Repairs	850			850
General Borrowing - Highway Maintenance	750			750
General Borrowing - Integrated Transport	200			200
9/11 Market Street, Altrincham - Redevelopment	239			239
New Recycling Bins	300			300
TOTAL PROPOSALS	20,039	5,000	0	25,039

2017/2020 INDICATIVE CAPITAL PROGRAMME			
	2017/18	2018/19	2019/20
DESCRIPTION	£000	£000	£000
Children's			
Basic Need : School Places & Condition Issues	7,259	4,000	
Devolved Formula Capital	660	490	390
Capital Maintenance Grant	2,623	1,850	1,850
Early Years Capital Grant	468		
Education of Vulnerable Children – SSADCD	27		
Schools - Transport Operation System	16		
Capital Innovation Fund - U5s service provision	35		
Sub-total	11,088	6,340	2,240
Adults			
Ascot House, Sale - Adaptations	8		
Disabled Facility Grants	2,066	1,700	1,700
Assistive Technology/Technology Innovation	650	650	650
Agile Working Programme	200		
Sub-total	2,924	2,350	2,350
Economic Growth, Environment & Infrastructure			
Public Building Repairs	1,525	800	800
Broadheath Community Centre - Contribution	419		
Leisure Services Assets - Improvement Programme	177		
Corporate Landlord IT System - TRAMPS	55		
Relocation of Depot Facilities	1,000		
Lancashire CCC – Facilities development	102		
Lancashire CCC – New hotel development	2,400		
Capital investment Fund	15,000	5,000	
Altrincham - Library / Community Facility	1,763		
Altair Development, Altrincham	767	450	
Altrincham Town Centre – Public Realm	200		
Stretford Town Centre – Public Realm	1,000		
9/11 Market Street, Altrincham – Redevelopment	239		
Land assembly Opportunity - Claremont Centre, Sale	240		
Housing Growth Points	80		
Affordable Housing : S.106 Funded Programme		500	546

	2017/18	2018/19	2019/20
DESCRIPTION	£000	£000	£000
Integrated Transport Schemes	500	300	300
Congestion Performance Works	72		
Altrincham Interchange	75	700	
Integrated & Public Transport - S106 Funded Programme	401	150	201
Trans Pennine Trail – Urmston to Ashton-on-Mersey	95		
Altrincham Town Centre – Cycle Link	390		
Cycle City Ambition Grant	1,419		
Trafford Park Metrolink - S106 Contribution	2,000	5,000	8,000
Highways Structural Maintenance	2,753	2,100	2,100
Highways Incentive Funding	174		
Pot Hole Funding	175		
LED Replacement Programme (inc column replacement)	5,790		
A56 / West Timperley - Improvements	540		
Highways - S106 Funded Programme		144	200
Additional Burial Land	550		
Parks Infrastructure	150	150	150
Parks - S.106 Projects	100		
Park Gates - Replacement Programme	20		
Play Area Refurbishments	100	75	75
Parks & Open Space - S.106 Funded Programme	61	465	855
Air Quality	9		
Housing Standards / Empty Property Initiatives	50		
Assistance to Owner Occupiers	50		
Parking - Pay & Display Equipment	81		
Parking provision in Altrincham Town Centre	125		
New Recycling Bins	300		
Waste – Tri Bin : “Recycling on the Go”	261		
Sub-total	41,208	15,834	13,227
Transformation & Resources			
Timperley Sports Club - Artificial Pitch contribution		350	
Waterside Arts Centre - Building upgrade	121	103	
Sale Waterside – Fixed furniture & equipment	86		
Libraries - RFID self-serve kiosks	45		
CCTV - Upgrade to cameras, monitoring desk	468		
Old Trafford Extra Care - Contribution to library fit-out	58		
Trafford & GMP - New HR Shared Service Centre	120		
Access Trafford (Contact Centre) - Redbox upgrade	47		
Leisure Strategy - "Increasing Physical Activity"	6,500		

	2017/18	2018/19	2019/20
DESCRIPTION	£000	£000	£000
Transformation Programmes	1,800		
CRM Upgrade	88		
Web / Customer Strategy	320		
ICT - SAP Development / Replacement	300	300	
Network resilience for Waterside and Trafford Town Hall	70		
Network resilience for Internet Service /Connectivity	22		
Network core switch replacement	15		
System Centre Configuration Manager Upgrade	260		
Windows 10 - Implementation & Rollout		200	100
Mobile / Wifi printing solution	5		
SIEM Implementation	38		
VPN - Upgrade / Replace Remote Access Solution	32		
Software Asset Management Licence Tool	40		
Perimeter Firewall & Web Filtering solutions	80		
Multiprotocol Label Switching - Replacement Site Links		30	
Sub-total	10,515	983	100
TOTAL	65,735	25,507	17,917

Prudential Indicators – Estimates 2017/20

Capital Prudential Indicators	2016/17 Revised £m	2017/18 Estimate £m	2018/19 Estimate £m	2019/20 Estimate £m
Capital Expenditure	42.4	65.7	25.5	17.9
Capital expenditure - the table above shows the estimated capital expenditure to be incurred for 2015/16 and the following three years.				
Capital Financing Requirement as at 31 March	144.7	168.8	170.4	167.3
Capital Financing Requirement (CFR) - this reflects the estimated need to borrow for capital investment (i.e. the anticipated level of capital expenditure not financed from capital grants and contributions, revenue or capital receipts).				
Financing Cost to Net Revenue Stream	4.5%	6.5%	5.9%	5.5%
Financing costs to net revenue stream - this indicator shows the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the Council's net revenue stream. The reason for the increase from 2017/18 onwards is a result of the Council's new MRP policy and decisions on additional borrowing to support capital investment.				
Incremental Impact on Band D Council Tax (£)	0.00	0.00	0.00	0.00
Incremental impact on band D council tax – reflects the incremental impact on the Council Tax arising from new borrowing undertaken in order to finance the capital investment decisions taken by the Council during the budget cycle. The figures above reflect that any additional borrowing is supported by revenue savings or external support.				

All the prudential indicators are monitored on a regular basis. If the situation arises that any of the prudential indicators appear that they will be breached for a sustained period, then this will be reported to the Council at the earliest opportunity.