

EXECUTIVE 11th May 2023

Report Title	Capital Programme Update 2023/24
Report Author	Janice Gotts, Executive Director of Finance Janice.gotts@northnorthants.gov.uk
Lead Member	Councillor Lloyd Bunday, Executive Member for Finance and Transformation

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number for exemption from publication under Schedule 12A Local Government Act 1974	

List of Appendices

None

1. Purpose of Report

- 1.1 The purpose of this report is to request approval for capital schemes that have come forward for inclusion in within the Council's approved Capital Programme. Approval of the schemes and associated funding will allow these schemes to move forward to procurement and delivery.

2. Executive Summary

- 2.1 This report contains details of projects which have been submitted by officers to the Council's Strategic Capital Board as part of the Council's Capital Approval Process. Each scheme must complete a business case setting out the changes requested to the Capital Programme, including the purpose of the spend, the expected outcomes and the financial implications together with funding routes.

3. Recommendations

- 3.1 It is recommended that Executive approve the following changes into the capital programme, to be moved from the Development Pool:
- a. Mawsley Primary School SEND Unit - £186.4k in 2023/24 which is to be funded from Special Educational Needs and Disabilities (SEND) Capital grant.
 - b. Thrapston Primary School SEND Unit - £372.3k in 2023/24 which is to be funded from Special Educational Needs and Disabilities (SEND) Capital grant.
- 3.2 Reasons for Recommendations: These are set out in greater detail within section 5 of the report, but can be summarised as:
- To support the statutory delivery of SEND school places across North Northamptonshire.
- 3.3 Alternative Options Considered:
- As both the schemes in this report are grant funded, the use of the funding is in line with the agreements, so there are no alternative options proposed in this report.

4. Report Background

- 4.1 The Capital Programme is the Council's plan for investing in assets to efficiently deliver its statutory services, and to improve the local infrastructure of North Northamptonshire, with the benefits lasting over a number of years. The Council is required to set a balanced revenue budget and therefore must ensure that where borrowing is proposed to fund the cost of capital that the cost of servicing the debt is affordable within the Council's revenue budget.
- 4.2 Resources come from several sources including Government grants, capital receipts from surplus land and buildings, revenue contributions, other external contributions and borrowing. The Council captures its projected capital expenditure within the Capital Programme to monitor the same, help to control costs and ensure transparency. Given that the Capital Programme is approved by Executive, changes to it are also approved by Executive unless authority has been delegated in accordance with the Council's constitution.
- 4.3 This report provides an update to the Capital Programme 2023/24 as adopted by the Council in February 2023 and requests that the proposed changes are approved and reflected within the programme.

5. Issues and Choices – Further Detail on the Recommendations and Updates to the Capital Programme

- 5.1 **Mawsley Primary School SEND Unit - £186.4k in 2023/24 which is to be funded from Special Educational Needs and Disabilities (SEND) Capital grant** – Mawsley Primary School has a large amount of physical space that can be utilised to support the shortage of specialist school spaces in North Northamptonshire.
- 5.2 This project would allow the creation of 27 SEND places within the school building, by utilising three existing classrooms and the surrounding internal and external spaces to create a new self-contained provision.
- 5.3 **Thrapston Primary School SEND Unit - £372.3k in 2023/24 which is to be funded from Special Educational Needs and Disabilities (SEND) Capital grant** – Following the change from a three-tier school system to a two tier system, Thrapston Primary School has inherited several buildings that are currently not in use.
- 5.4 This proposal would see a stand alone three classroom block converted to meet the needs of up to 24 pupils.

6. Next Steps

- 6.1 Children's Services are working with the educational community in supporting the sufficiency of school places across North Northamptonshire to address significant in year admissions challenges both in Primary and Secondary Schools including SEND provision.

7. Implications (including financial implications)

7.1 Resources, Finance and Transformation

- 7.1.1 The additional budget requirements in this report are funded from the use of external grants.

7.2 Legal

- 7.2.1 The Council must utilise funding and deliver schemes in line with the restrictions and requirements as set out in the agreements linked to that funding and the requirements as set out in the Council's Constitution, in particular the budget setting and policy framework and the financial regulations.
- 7.2.2 In this regard any new borrowing must be approved by Council (no new borrowing identified in this report).

7.3 Risk

- 7.3.1 The deliverability of the 2023/24 Capital Programme is monitored by each accountable project manager and senior officer. There is further review throughout the financial year reported through the Executive.
- 7.3.2 If any overspends or emerging pressures are identified during the year, then mitigating actions will be sought and management interventions undertaken.
- 7.3.3 With most capital projects there is a risk that delays, and cost increases may arise as a result of the impact of inflation. Generally, this relates to the supply and price of materials with projects requiring increased lead in times. Whilst every attempt is made to cost these implications into the project, the risks remain. However, it must be recognised that the current “Cost of Living Crisis” has driven up the level of inflation, which is much higher than in previous periods and indeed when funding bids were originally submitted. This therefore poses a risk to the deliverability of the projects as originally envisaged, where reductions to the scope of projects may be required to ensure budgets are not overspent.
- 7.3.4 There is a risk in relation to funding, particularly where it is from third parties including grants. Appropriate agreements must be entered into to ensure that the funding is secured and spend is in accordance with any criteria stipulated by the funder, this includes both the nature of the spend and the timing (where a deadline applies).

7.4 Relevant Policies and Plans

- 7.4.1 The schemes provide a strategic fit with the Council’s priorities as set out within the corporate plan.

7.5 Consultation

- 7.5.1 The 2023/24 Capital Strategy and Capital Programme were subject to consultation prior to approval by the North Northamptonshire Authority in February 2023. The programme was approved by Council at its meeting on 23rd February 2023 and was subject to consultation from 22nd December 2022 to 27th January 2023. These changes are in addition to the approved programme

7.6 Consideration by the Executive Advisory Panel

- 7.6.1 Not applicable.

7.7 Consideration by Scrutiny

7.7.1 The schemes recommended in this report have not been considered by Scrutiny. However, monitoring against the programme is subject to Scrutiny.

7.8 Equality Implications

7.8.1 Nothing specific within this report.

7.9 Climate and Environmental Impact

7.9.1 The climate and environmental impact of each capital project will be considered and managed within the relevant scheme.

7.10 Community Impact

7.10.1 These proposals can be considered to have a positive impact on the community as the Capital Programme delivers a range of schemes to support and connect communities.

7.11 Crime and Disorder Impact

7.11.1 Nothing specific within this report.

8. Background Papers

8.1 The following background papers can be considered in relation to this report.

Capital Programme Budget 2023/24 – Full Council, 23rd February 2023 - [Capital Programme Report 2023-26 - Feb Council.pdf \(modern.gov.co.uk\)](#)