

EXECUTIVE

16th January 2025

Report Title	Capital Programme Update 2024/25
Lead Member	Councillor Lloyd Bunday, Executive Member for Finance and Transformation
Report Author	Claire Edwards, Executive Director of Finance and Performance

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/s for exemption from publication under Schedule 12A Local Government Act 1972	N/A
Which Corporate Plan priority does the report most closely align with?	Modern public services

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 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 through 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 investment requested for inclusion in 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 the Executive:

i) Approve the following changes into the capital programme:

- a. Earls Barton School Expansion – additional budget approval of £762k in 2025/26 to be funded from Basic Needs capital grant.
- b. Swanspool Tennis Courts refurbishment – budget approval of £70k in 2024/25, to be funded £50k from external grant and £20k from capital receipts.
- c. West Glebe Park, astroturf resurfacing – budget approval for £55k in 2025/26, to be funded £25k from external grant and £30k virement from the Leisure minor works budget.

3.2 Reasons for Recommendations: These are set out in greater detail within section 5 of the report, but can be summarised as helping to meet the Council's corporate plan objectives:

- Green sustainable environment
- Better, brighter futures
- Safe and thriving places
- Connected communities
- Active, fulfilled lives

3.3 Alternative Options Considered:

- For those schemes which are grant funded or from Section 106 contributions, they are undertaken in accordance with the requirements of the grant conditions/ legal agreement and, therefore, there is no alternative option proposed in this report.
- Where individual schemes are over £0.5m, separate reports are included elsewhere on this agenda, and these set out the wider options that were considered before reaching the proposals put forward.

4. Report Background

4.1 The Capital Programme is the Council's plan for investing in assets to efficiently deliver its 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 from 2024/25 as adopted by the Council in February 2024 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 **Earls Barton School Expansion – additional budget approval of £762k in 2025/26 to be funded from Basic Needs capital grant** – this scheme was originally approved by The Executive on 22nd December 2022, with a budget of £2.8m.
- 5.2 Work commenced on site in May 2024, and since then a number of previously unknown discoveries have been made that has increased the cost of this project.
- 5.3 As this scheme is over £0.5m, please see the separate report elsewhere on this agenda which provides further detail.
- 5.4 **Swanspool Tennis Courts refurbishment – budget approval of £70k in 2024/25, to be funded £50k from external grant and £20k from capital receipts** – the tennis courts in Swanspool Gardens were closed to the public as part of the lockdown measures during Covid and have never reopened. The courts were already in need of a more regular maintenance schedule and the interim years have seen the facility deteriorate even further, with damage caused by tree roots.
- 5.5 The Lawn Tennis Association has contacted the Council to confirm that there is £50k of grant funding available to put towards this project. This will enable an engineered solution to protect the tree specimen and the courts, brand new surfacing works and higher specification fencing and gated access to bring the courts back into use.
- 5.6 **West Glebe Park, Astro turf resurfacing – budget approval for £55k in 2025/26, to be funded £25k from external grant and £30k virement from the Leisure minor works budget** - the astro turf pitch at West Glebe Park is now at end of life and needs full replacement. The pitch is well used throughout the community, and income from the pitch contributes to maintenance costs and revenue expenditure to run the facilities.
- 5.7 An external funding application for £25k has been submitted to the Football Foundation, a decision on whether this is successful is expected imminently. Approval for this budget is therefore requested now to allow planning for the works to be started, however the go-ahead of the project would be subject to successful grant approval.

6. Next Steps

- 6.1 If approved, progress on the schemes will be monitored by project boards where appropriate.

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, capital receipts or virements from existing projects. The funding source is set out in the recommendations in section 3 and within the scheme details as set out within section 5.

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. In this regard any new borrowing must be approved by Council. There is no new borrowing identified in this report.

7.3 Risk

- 7.3.1 The deliverability of the 2024/25 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).

7.3.5 The current uncertain economic context is also increasing interest rates associated with borrowing that is used to fund elements of the capital programme. This treasury risk impacts the overall affordability of the programme, which will be closely monitored and managed, but may lead to a reduced capital programme in the future.

7.4 Relevant Policies and Plans

7.4.1 The scheme provides a strategic fit with the Council's priorities as set out within the Corporate Plan.

7.5 Consultation

7.5.1 The 2024/25 Capital Strategy and Capital Programme were subject to consultation prior to approval by the North Northamptonshire Authority in February 2024. The programme was approved by Council at its meeting on 22nd February 2024 and was subject to consultation from 21st December 2023 to 26th January 2024. 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 With the Council's declaration of a climate emergency in July 2021 and the approval of the Carbon Management Plan in December 2022, we have committed to working towards becoming a carbon neutral council by 2030.

7.9.2 Significant progress has since been made and reported into the Climate, Growth and Environment Executive Advisory Panel at regular intervals throughout 2022.

7.9.3 During 2023, significant progress on climate action has been made and reported to the Sustainable Communities Executive Advisory Panel at regular intervals throughout the year. The initial focus has been to identify mechanisms, procedures and systems that will provide a solid foundation for further

development of climate action as we plot our course towards reaching the Council's target of becoming carbon neutral by 2030 and complying with the national legal requirement of achieving Net Zero by 2050, or sooner.

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

7.9.5 A number of the capital schemes include initiatives to offset/reduce carbon impact as a priority for the Council and in recognition of the Climate Emergency declared by the Council.

7.9.6 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 2024/25 – Full Council, 22nd February 2024 - [Capital Programme Report 2024-28.pdf \(moderngov.co.uk\)](#)

Earls Barton Primary School Expansion – Executive, 22nd December 2022 – [Earls Barton Primary School Expansion.pdf](#)