

EXECUTIVE

14th April 2022

Report Title	Capital Programme Update
Report Authors	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	

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 the Council's Capital Programme. Approval of the funding will allow the schemes to move forward to procurement and delivery.

2. Executive Summary

- 2.1 This report contains details of schemes 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 to the capital programme:

- a. Corby Town Investment Plan, Sixth Form College Project with Bedford College – increase capital programme for 2022/23 by £9.5m, which is to be funded from the Towns Fund Grant.
 - b. End user devices phase 1 – increase the capital programme for 2022/23 by £0.460m, which is to be transferred from the development pool budget and will be funded from capital receipts.
 - c. Thrapston Library Improvements - to increase the capital programme for 2022/23 by £0.072m, which is to be funded from S106 developer contributions.
- 3.2 Reasons for Recommendation are set out in greater detail within section 5 of the report, but can be summarised as:
- To implement phase 1 of the Corby's Town Investment Plan in relation to the £19.9m awarded from the Town Fund in June 2021.
 - To support staff with ICT equipment which is fit for purpose as the Council works towards a hybrid working based model. There were ad hoc solutions/arrangements put in place by the legacy councils to facilitate remote working during the pandemic, which now needs to be reviewed.
 - To utilise S106 funding to deliver improvements to a community library facility.
- 3.3 Alternative Options Considered:
- Utilisation of the funding for the Corby Town Investment Plan is funded through Government grant and must be utilised in line with the approved grant award. There are no alternative options to be considered in this instance
 - Use of the S106 funding is in line with the agreement, there is no alternative option proposed.
 - By not approving these recommendations there would be an adverse impact on service provision in North Northamptonshire.

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 a number of 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 2022/23 as adopted by the Council in February 2022 and requests that the proposed changes are approved and reflected within these programmes.

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

- 5.1 **Corby Town Investment Plan – budget approval for £9.5m.** Corby Town Deal Board has prepared the Town Investment Plan (TIP) for Corby, working in close partnership with the former Corby Borough Council and with Corby's diverse community, businesses, and other public-private sectors stakeholders who all have a vested interest in the future of the town.

- 5.2 The ambition for Corby is to build on the many successes that have been achieved to date, and develop a more diverse, dynamic, connected and 'smart' town centre economy. This is needed today more than ever, as the COVID-19 pandemic is having wide-ranging impacts on the way we live, work, study, shop, and play. This, in turn, is impacting on the vitality and viability of many key businesses and uses in Corby town centre. Now is the time to look beyond retail uses that have traditionally underpinned our town centre economy, and create a more resilient and attractive town that everyone can be proud of, and wants to invest in.

The four key projects are:

Project 1 – Sixth Form College at Chisholm House

Project 2 – Multi-use Building

Project 3 - Train Station to Town Centre - Link Road (via Oakley Road)

Project 4 – Smart and Connected Corby

Phase 1 of this project is for a specialist 6th Form Centre located within a building (Chisholm House) in the heart of the town centre, the majority of which has been vacant for more than 8 years. To be managed and run by an experienced project team from The Bedford College Group it will accommodate 399 students by 2025/26, increasing up to 600 p.a. over the longer term, in a modern carbon-negative building.

- 5.3 **End user devices – budget approval for £0.460m.** North Northamptonshire currently has several differing devices, setups, makes and models of devices across its estate for access to resources due to the various decisions made by the legacy councils. In 2019, the pandemic also created added complexity to these different estates as staff moved to more remote methods of working and each authority having to make sure that it enabled this for service provision to continue.

- 5.4 Due to emerging constraints during the time such as supply chain issues and an increased demand for devices, various interim decisions were made to enable staff to continue working, including having to transport desktops home and in more extreme cases, staff having to utilise personal equipment for work. These interim arrangements, along with a growing number of aging devices across North Northamptonshire, are still in place and need to be addressed.
- 5.5 This funding will enable a review of the ICT estates inherited from the legacy authorities within NNC and address some of the immediate issues of the current device estate. This will feed into the wider ICT End User computing strategy.
- 5.6 **Thrapston Library Improvements – budget approval for £0.73m.** Thrapston Library is currently completing a community hub project, which will see an extension to the existing library premises. This is expected to be completed in the summer of 2022.
- 5.7 To fully realise the benefit of this new space the project is seeking to utilise S106 funding earmarked for the Thrapston Library, to fit out the new space with furniture and IT facilities which will allow a flexible use of the space by all sections of the local community.
- 5.8 This will also include a refurbishment of the children's area of the library and the public library area will benefit from refitting with LED lighting.

6. Implications (including financial implications)

6.1 Finance and Transformation

- 6.1.1 The additional budget requirements are funded from external grant and capital receipts. There is no requirement for the Council to undertake borrowing against the general fund to support these schemes. The detail of the funding arrangements is set out in the main body of the report.

6.2 Legal

- 6.2.1 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.

6.3 Risk

- 6.3.1 The deliverability of the 2022/23 Capital Programme is monitored by each accountable project manager and senior officer. There is further review throughout the financial year reported through the Executive.

- 6.3.2 If any overspends or emerging pressures are identified during the year then mitigating actions will be sought and management interventions undertaken.
- 6.3.3 With most capital projects there is a risk that delays and cost increases may arise as a result of general inflation impact. 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.
- 6.3.4 There is a risk in relation to funding, particularly where it is from third parties including grants, and 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, both the nature of the spend and the timing (where a deadline applies).

6.4 Consultation

- 6.4.1 The 2022/23 Capital Strategy and Capital Programme were subject to consultation prior to approval by the North Northamptonshire Authority in February 2022. The programme was approved by Council at its meeting on 24th February 2022 and was subject to consultation from 23rd December 2021 to 28th January 2022.

6.5 Climate Impact

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

6.6 Community Impact

- 6.6.1 These proposals can be considered to have a positive impact on the community as the Capital Programme delivers the infrastructure to support and connect communities.
- 6.6.2 The Thrapston Library project will improve and extend the facilities available to the community.
- 6.6.3 The Corby Town Improvement plan will help to provide growth and investment to residents and visitors in enjoying the facilities and environment created. It will also contribute towards securing an important educational facility in Corby town centre.

7. Background Documents

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

Capital Programme Budget 2022/23, North Northamptonshire Council, 24 February 2022.

https://northnorthants.moderngov.co.uk/documents/s5799/Capital_cover_report.pdf

Corby Town Fund, Sixth Form College, Executive, 17th March 2022

[Corby Town Fund Sixth Form College Summary Business Case Document.pdf \(moderngov.co.uk\)](https://northnorthants.moderngov.co.uk/documents/s5799/Corby_Town_Fund_Sixth_Form_College_Summary_Business_Case_Document.pdf)