

## EXECUTIVE 19<sup>th</sup> May 2022

<b>Report Title</b>	<b>Capital Programme Update</b>
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<b>Lead Member</b>	Councillor Lloyd Bunday, Executive Member for Finance and Transformation

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

### List of Appendices

None

### 1. Purpose of Report

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

### 2. Executive Summary

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- 2.1 This report contains details of a project which has 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**

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- 3.1 It is recommended that Executive approve the following changes to the capital programme:
- a. Hazelwood Neighbourhood Centre Development Plan – increase capital programme for 2022/23 by £81,820, which is to be funded £71,820 from FCC Community Foundation Funding and £10,000 from KHL Big Local.
- 3.2 Reasons for Recommendation are set out in greater detail within section 5 of the report, but can be summarised as:
- To work in partnership with community funding initiatives to help modernise the youth club room at the Hazelwood Neighbourhood Centre into a multipurpose/multiuse community room.
- 3.3 Alternative Options Considered:
- Use of the 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**

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- 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 the programme.

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

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- 5.1 **Hazelwood Neighbourhood Centre – budget approval for £81,820.** Working in partnership with KHL Big Local the Council has applied for FCC Community Foundation funding and has been successful in achieving a grant of £71,820. The funding will enable the modernisation of the youth club room at Hazelwood Neighbourhood Centre to develop a multi-purpose/multi-use community room. The community room refurbishment will include the removal of existing fixtures and fittings to enable replacement flooring, kitchen units and worktop, creating, and installing seating/storage in a combined design, cladding brickwork and complete redecoration.
- 5.2 Whilst income is currently taken for the youth room it is hoped that by refurbishing and rebranding into a multi-purpose community room that new groups will be attracted to use the facility. In addition, it is hoped that once the refurbishment is complete, as well as community use through groups/gatherings it could also be better utilised for training courses and meetings.
- 5.3 Furthermore, the capital expenditure will enable the design and installation of a mini pump track in an outdoor area which is approximately 35m x 15m. The BMX track currently on site has seen declining use over several years and this investment, to improve the facilities, should encourage greater use.
- 5.4 The remaining funding of £10,000 will be met through a contribution from KHL Big Local.

## **6. Implications (including financial implications)**

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### **6.1 Finance and Transformation**

- 6.1.1 The additional budget requirements are funded from external grant and contributions. There is no requirement for the Council to undertake borrowing against the general fund to support this scheme. The detail of the funding arrangement is set out in the main body of the report.
- 6.1.2 The investment will help to improve and transform the Centre and its facilities supporting an improved customer experience and encouraging greater participation.

### **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 24<sup>th</sup> February 2022 and was subject to consultation from 23<sup>rd</sup> December 2021 to 28<sup>th</sup> January 2022. This scheme is in addition to the approved programme.

### **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.
- 6.6.3 The Hazelwood Neighbourhood Centre is located in one of the most deprived areas of Corby and will help provide diversionary and interactive activities to those who are the most vulnerable in our community and where there is a higher-than-average rate of antisocial behaviour.

## **7. Background Documents**

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