

## **Appendix E - WNC Draft Capital Programme 2022-26**

### **1. Background**

- 1.1 The draft general fund capital programme has been developed to support the realisation of the Council's vision and corporate priorities with an emphasis on ensuring a robust mechanism to deliver our priorities within the finances available.
- 1.2 Services have been asked to submit their general fund capital requirements for the short and medium term in order for the Council to set its 2022-23 draft general fund capital budget and medium term plan.
- 1.3 A high volume of general fund budget requests were put forward, the outcome of which would be an unaffordable and unsustainable position for the authority in the medium term. The quantum of draft budget proposals has been considered by the Capital and Assets Board who recommended that, at this stage of the budget setting process, only schemes which are fully funded are included for consideration as part of the draft budget setting process.
- 1.4 The draft budget therefore takes into account the schemes already approved in year through the Capital and Assets Board (CAB) plus new fully funded schemes only i.e. where there is no financial impact for the authority. A further review will be undertaken of all other proposals to agree prioritisation of schemes before they are submitted for final consideration.

### **2. Overview of Draft Budget Setting Process**

- 2.1 Services were asked to consider their capital needs over the medium term and complete capital appraisals for each proposed general fund scheme as follows:
  - Basic scheme details
  - Budget requirement
  - Funding source
  - Any revenue implications
  - Risks and mitigations
- 2.2 Key considerations / priorities were outlined to services with affordability over the overall capital programme as a key consideration. Prioritisation initially focused on:
  - Fully funded schemes
  - Invest to save schemes
- 2.3 Following an initial review, it was recognised that there would be a number of schemes which are not funded and that these would be considered on an individual basis in terms of prioritisation. These will be:
  - Schemes required to meet statutory duties
  - Meeting increasing service pressures
  - Any other proposals

2.4 All proposals were collated and categorised as follows:

- Fully funded
- Invest to save
- Potentially fully funded but funding to be confirmed
- Part funded schemes – where some element of WNC contribution is required to access grant
- Essential schemes (unfunded)
- Other / desirable schemes (unfunded)

### 3. Summary of General Fund Capital Proposals – 2022-23 onwards

3.1 74 proposals totalling £132.1m over the medium term were submitted.

3.2 The Capital and Assets Board recommended that, the draft budget includes only fully funded schemes i.e. where there is no financial impact for the authority, and that a further review will be undertaken of all other proposals to agree prioritisation of schemes before they are submitted for final consideration.

#### Fully funded schemes

3.3 10 fully funded schemes have been submitted totalling £35.3m.

3.4 A number of these schemes have revenue costs attached to them. These revenue costs are also fully funded (by grant). The service has confirmed that these are one-off implementation costs and are funded by Towns Fund Grant with no ongoing revenue cost for the authority. The funding for these schemes is as follows:

<b>Fully Funded Scheme Summary</b>	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024-25 £k</b>	<b>2025-26+ £k</b>	<b>Total £k</b>
<b>Capital cost</b>	<b>12,250</b>	<b>10,320</b>	<b>12,700</b>	<b>0</b>	<b>35,270</b>
<i>Funded by:</i>					
Towns Fund Grant	7,200	6,570	1,950	0	15,720
Basic Needs Grant	1,800	0		0	1,800
Business Rates Uplift		0	7,000	0	7,000
Capital Receipt	2,750	0		0	2,750
S106	500	3,750	3,750	0	8,000
<b>Total Capital Funding</b>	<b>12,250</b>	<b>10,320</b>	<b>12,700</b>	<b>0</b>	<b>35,270</b>
<b>Revenue Cost</b>	<b>150</b>	<b>150</b>	<b>200</b>	<b>0</b>	<b>500</b>
<i>Funded by:</i>					
Towns Fund Grant	150	150	200	0	500
<b>Total Revenue Funding</b>	<b>150</b>	<b>150</b>	<b>200</b>	<b>0</b>	<b>500</b>

3.5 Fully funded schemes are as follows:

### 1) Four Waterside

Providing 60,000 sq. ft. of grade A office space, a new hotel and 90 homes at a gateway site close to the train station. Meeting the demands of modern businesses, the accommodation will include flexible co-working space for local SMEs and start-ups

	2022-23 £k	2023-24 £k	2024- 25 £k	2025-26 onwards £k	Total £k
<b>Costs (Capital)</b>	<b>0</b>	<b>1,500</b>	<b>7,000</b>	<b>0</b>	<b>8,500</b>
<i>Funded by:</i>					
Grant (Towns Fund)	0	1,500	0	0	1,500
Business rates uplift from the EZ	0	0	7,000	0	7,000
<b>Total Funding</b>	<b>0</b>	<b>1,500</b>	<b>7,000</b>	<b>0</b>	<b>8,500</b>
Revenue expenditure	0	0	0	0	0

### 2) 41-45 Abington Street

Redevelopment of the former M&S site. To bring forward a residential led mixed use development that will deliver upwards of 300 new residential units in the town centre. Residential is essential in creating a vibrant town centre in future years with the shift away from retail.

	2022-23 £k	2023-24 £k	2024- 25 £k	2025-26 onwards £k	Total £k
<b>Costs (Capital)</b>	<b>2,000</b>	<b>1,247</b>	<b>1,047</b>	<b>0</b>	<b>4,294</b>
<i>Funded by:</i>					
Grant (Towns Fund)	2,000	1,247	1,047	0	4,294
<b>Total Funding</b>	<b>2,000</b>	<b>1,247</b>	<b>1,047</b>	<b>0</b>	<b>4,294</b>
Revenue expenditure	0	0	200	0	200
<i>Funded by:</i>					
Grant (Towns Fund)	0	0	200	0	200

### 3) 35-39 Abington Street

Redevelopment of the former BHS site. To bring forward a residential led mixed use development that will deliver upwards of 300 new residential units in the town centre. Residential is essential in creating a vibrant town centre in future years with the shift away from retail.

	2022-23 £k	2023-24 £k	2024- 25 £k	2025-26 onwards £k	Total £k
<b>Costs (Capital)</b>	<b>2,400</b>	<b>1,620</b>	<b>0</b>	<b>0</b>	<b>4,020</b>
<i>Funded by:</i>					
Grant (Towns Fund)	2,400	1,620	0	0	4,020
<b>Total Funding</b>	<b>2,400</b>	<b>1,620</b>	<b>0</b>	<b>0</b>	<b>4,020</b>
Revenue expenditure	0	0	0	0	0

<b>4) Emporium Way</b>					
Creating a new pedestrian thoroughfare between Market Sq and the future Greyfriars development. Will also provide stalls for a Makers Market.					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>2,000</b>	<b>1,103</b>	<b>903</b>	<b>0</b>	<b>4,006</b>
<i>Funded by:</i>					
Grant (Towns Fund)	2,000	1,103	903	0	4,006
<b>Total Funding</b>	<b>2,000</b>	<b>1,103</b>	<b>903</b>	<b>0</b>	<b>4,006</b>
Revenue expenditure	100	100			200
<i>Funded by:</i>					
Grant (Towns Fund)	100	100		0	200

<b>5) Marefair Heritage Gateway</b>					
New heritage park and amenity space near the train station. Will help to unlock a new mixed-use development.					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>800</b>	<b>1,100</b>	<b>0</b>	<b>0</b>	<b>1,900</b>
<i>Funded by:</i>					
Grant (Towns Fund)	800	1,100	0	0	1,900
<b>Total Funding</b>	<b>800</b>	<b>1,100</b>	<b>0</b>	<b>0</b>	<b>1,900</b>
Revenue expenditure	50	50	0	0	100
<i>Funded by:</i>					
Grant (Towns Fund)	50	50	0	0	100

<b>6) Temporary bulge capacity at Duston School</b>					
Additional 30 places					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>
<i>Funded by:</i>					
Grant (Basic Needs)	400	0	0	0	400
<b>Total Funding</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>
Revenue expenditure	0	0	0	0	0

<b>7) Temporary bulge capacity at Malcolm Arnold Academy</b>					
Additional 60 places					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>
<i>Funded by:</i>					
Grant (Basic Needs)	400	0	0	0	400
<b>Total Funding</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>400</b>
Revenue expenditure	0	0	0	0	0

<b>8) Further bulge capacity in Northampton</b>					
To meet demand in 2022-23					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>
<i>Funded by:</i>					
Grant (Basic Needs)	1,000	0	0	0	1,000
<b>Total Funding</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>
Revenue expenditure	0	0	0	0	0

<b>9) Improvement to sport and community facilities at NSG</b>					
NCC have an obligation as part of the s77 consent to make £2.75m capital receipt available to NSG for increase in sports facilities					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>2,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,750</b>
<i>Funded by:</i>					
Capital Receipt	2,750	0	0	0	2,750
<b>Total Funding</b>	<b>2,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,750</b>
Revenue expenditure	0	0	0	0	0

<b>10)Overstone Leys</b>					
New Primary school to meet pupil yield from planned new housing development					
	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024- 25 £k</b>	<b>2025-26 onwards £k</b>	<b>Total £k</b>
<b>Costs (Capital)</b>	<b>500</b>	<b>3,750</b>	<b>3,750</b>	<b>0</b>	<b>8,000</b>
<i>Funded by:</i>					
S106	500	3,750	3,750	0	8,000
<b>Total Funding</b>	<b>500</b>	<b>3,750</b>	<b>3,750</b>	<b>0</b>	<b>8,000</b>
Revenue expenditure	0	0	0	0	0

3.6 The fully funded proposals have been added to the existing approved capital budget for 2022-23 onwards resulting in a draft general fund capital programme of £109.7m over the four year period 2022-26.

3.7 A full copy of the Capital Programme is available upon request.

<b>West Northants GF Capital Budget</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26 onwards</b>	<b>Total</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>
Approved Budget 2021-22 as p7	58,330	8,822	7,249	0	74,401
New capital bids	12,250	10,320	12,700	0	35,270
<b>Total</b>	<b>70,580</b>	<b>19,142</b>	<b>19,949</b>	<b>0</b>	<b>109,671</b>

<b>WN Revised Capital Financing</b>	<b>2022-23 £k</b>	<b>2023-24 £k</b>	<b>2024-25 £k</b>	<b>2025-26 onwards £</b>	<b>Total £k</b>
Capital receipts	3,009	115	85	0	3,209
Prudential Borrowing	3,029	2,406	0	0	5,435
Internal Borrowing	727	667	684	0	2,078
S106**	17,383	4,619	3,860	0	25,862
Community Infrastructure Levy (CIL)**	1,418	100	0	0	1,518
Grant Funding	44,386	11,135	8,220	0	63,741
Funded from Reserve	292	0	0	0	292
Revenue Funding	236	0	0	0	236
External Funding	100	100	7,100	0	7,300
<b>Total Funding</b>	<b>70,580</b>	<b>19,142</b>	<b>19,949</b>	<b>0</b>	<b>109,671</b>

\*\* Some of the s.106 and CIL funding will be received several years after the completion of the project in some cases. Those schemes will be forward funded with Discretionary funding, which will be repaid when the relevant CIL and s.106 are received. The funding table shows the eventual funding source for these, rather than the forward funding.

3.8 It is recommended that these schemes are approved as part of the draft budget setting process.