

Title of Report	CAPITAL PROGRAMME UPDATE	
Presented by	Councillor Nick Rushton Corporate Portfolio Holder	
Background Papers	Budget and Council Tax 2021/22 – Council – 23 February 2021 Marlborough Centre – Community Scrutiny Committee – 22 July 2021 Marlborough Centre – Cabinet – 31 August 2021 Corporate Accommodation – Corporate Scrutiny Committee – 9 June 2021 Corporate Accommodation – Cabinet – 27 July 2021	Public Report: Yes
Financial Implications	Financial implications are detailed within the report. The financial implications of each project are contained in the relevant Cabinet report.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	This report ensures compliance with the Council's constitution. The legal implications of each project are contained in the relevant Cabinet Report.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	The staffing and corporate implications of each project are contained in the relevant Cabinet Report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To allow the Council to approve changes to the 2021/22 Capital Programme budgets that were previously approved by Council in February 2021.	
Recommendations	COUNCIL IS RECOMMENDED TO APPROVE THE CHANGES TO THE GENERAL FUND CAPITAL PROGRAMME DETAILED IN THIS REPORT	

1.0 BACKGROUND

1.1 In February 2021, the Council approved budgets for the 2021/22 financial year, including a £7.0 million capital programme for the Council's general fund. Since that programme was approved there have been significant developments to some planned capital programmes that require full Council to approve changes to the capital programme. This report sets out the changes to the capital programme required.

2.0 REGENERATING COALVILLE

2.1 The capital programme included a £2,993,000, three-year investment in the regeneration of Coalville, of which £1,373,000 was expected to be spent in 2021/22. This was placed into the programme pending further development of a business case for the project and subsequent approval by Cabinet and Council.

2.2 Officers have now developed plans to acquire and regenerate the Marlborough Centre by refurbishing the property and creating 10 apartments for sale. This is expected to cost £4,464,672 over two years, which is £1.47 million more than previously approved. However, there is expected to be a capital receipt from the apartments of around £1.47 million making the net costs around the level of the previous capital programme.

2.3 The proposal was reviewed by the Community Scrutiny Committee on 22 July 2021 and approved by Cabinet on 31 August 2021. Links to these meetings are provided in the background papers and can be used to find more detail about the project.

2.4 The resulting change to the capital programme is detailed in the table below.

	2021/22 For approval	2022/23 Indicative	2023/24 Indicative	2024/25 Indicative	2025/26 Indicative	Total Budget
Previously agreed budget: Coalville Regeneration	£1,373,000	£720,000	£900,000	£0	£0	£2,993,000
New Budget: Marlborough Centre Regeneration	£797,500	£3,667,172	£0	£0	£0	£4,464,672
Change in budget	-£575,500	£2,947,172	-£900,000	£0	£0	£1,471,672

3.0 ACCOMMODATION PROJECT

3.1 The 2021/22 capital programmes included budgets to make a series of improvements to the council offices in Coalville, totalling £3.74 million over four years.

3.2 This work has been on hold whilst the council's accommodation needs have been reviewed. This review recommended relocating the council offices to the Whitwick Business Centre, refurbishing Stenson House as a civic/democratic hub and relocating customer services to Coalville town centre. The main part of the current headquarters will be demolished as part of these plans.

- 3.3 This proposal was reviewed by the Corporate Scrutiny Committee on 9 June 2021 and approved by Cabinet on 27 July 2021. Links to these meetings are provided in the background papers and can be used to find more detail about the project.
- 3.4 The resulting change to the capital programme is detailed in the table below, and this proposal represents a saving in capital costs of £220,000 over its lifetime. In addition, Cabinet has agreed to the principle of disposing of the site of the current offices in the future, subject to a further report on the approach. This could generate a capital receipt estimated to be around £1.25 million.

	2021/22 For approval	2022/23 Indicative	2023/24 Indicative	2024/25 Indicative	2025/26 Indicative	Total Budget
Previously agreed budget: Council Office Refurbishment	£1,576,000	£591,000	£709,000	£864,000	£0	£3,740,000
New Budget: Accommodation Project	£351,963	£3,142,662	£25,000	£0	£0	£3,519,625
Change in budget	-£1,224,037	£2,551,662	-£684,000	-£864,000	£0	-£220,375

4.0 SUMMARY

- 4.1 The changes listed in this report will see the 2021/22 capital programme reduce by £1.8 million, although the 5-year indicative capital programme will increase by £1.25 million. This increase will be funded by the sale of the apartments in the Marlborough Centre.
- 4.2 Appendix A provides a summary of the new general fund capital programme which incorporates the changes within this document. The resulting general fund capital programme for 2021/22 will reduce to £5.2 million, with £13.2 million of the 2020/21 programme carried forward.

Policies and other considerations, as appropriate	
Council Priorities:	Changing with capital programme will contribute to the following priorities: <ul style="list-style-type: none"> - Support for businesses and helping people into local jobs - Developing a clean and green district - Local people live in high quality, affordable homes - Our communities are safe, healthy and connected
Policy Considerations:	Details of the policy considerations for each project are in the relevant Cabinet report.
Safeguarding:	None.
Equalities/Diversity:	Details of the equality and diversity impacts of each project are detailed in each of the relevant Cabinet report.
Customer Impact:	Details of the customer impact of each project are detailed in each of the relevant Cabinet report.
Economic and Social Impact:	Details of the economic and social impacts for each project are detailed in each of the relevant Cabinet report.
Environment and Climate Change:	Details of the environmental and climate change impacts for each project are detailed in each of the relevant Cabinet report.
Consultation/Community Engagement:	Details of the consultations completed for each project are detailed in each of the relevant Cabinet report.
Risks:	The risks for each capital project are detailed in the relevant Cabinet report.
Officer Contact	Dan Bates Head of Finance and Section 151 Officer dan.bates@nwleicestershire.gov.uk