

South Lakeland District Council Council

Wednesday, 18 May 2022

Capital Programme Update

Portfolio:	Finance and Assets Portfolio Holder
Report from:	Section 151 Officer
Report Author:	Helen Smith – Finance Lead Specialist (Section 151 Officer)
Wards:	(All Wards);
Forward Plan:	Not applicable

Links to Council Plan Priorities: This capital programme has been developed within the context of the Medium Term Financial Plan (MTFP) and supports all Council Plan priorities (working across boundaries; delivering a balanced community; a fairer South Lakeland; and addressing the climate emergency) through ensuring financial resources to deliver each priority.

1.0 Expected Outcome and Measures of Success

1.1 This report presents three requests for amendments to the capital programme and notes capital re-profiling requests relating to 2021/22 to enable efficient delivery of capital schemes during 2022/23.

2.0 Recommendation

2.1 It is recommended that Council:-

- (1) approve the capital programme requests set out in paragraphs 3.2 to 3.5 of this report;
- (2) note the re-profiling of expenditure and associated budgets for capital schemes between 2021/22 and 2022/23 in Appendix 1 approved by Cabinet on 13 April 2022; and
- (3) note the revised Capital Programme at Appendix 2.

3.0 Background and Proposals

3.1 Council are requested to consider three requests for amendment to the Capital Programme that were considered by Cabinet on 13 April 2022. For each scheme a full report will be brought to Cabinet to consider the proposal in accordance with the current Forward Plan. Approval of the amendment of the Capital Programme by will minimise delays to delivery of schemes. As each request is for more than £100,000 Council approval is required to amend the capital programme so approval otherwise would be delayed until Council meets on 26th July 2022.

Glass Panels along Aynam Road

3.2 Approval is sought to approve an increase in the contribution of £125,000 towards the installation of Glass Panels along Aynam Road, Kendal to ensure the delivery of the Kendal Flood Alleviation Scheme. The Forward Plan includes an item for this proposal to be considered by Cabinet on 6 June for approval of the scheme. It is proposed the additional costs is funded from the Cumbria Business Rate Pool

reserve.

S106 Design Works, Stramongate, Kendal

- 3.3 Approval is sought to amend the capital programme to include expenditure of S106 monies received from the Sainsbury's development on Shap Road to deliver a public realm project that has been designed to increase visitor footfall to Stramongate and increasing the accessibility of the area for pedestrians and cyclists. Approval for the scheme is being sought by Cumbria County Councils Local Working Group Committee on 25 April 2022 and will be further considered by Highways Committee on 12 May 2022. The request will also be considered by SLDC's Cabinet on 8th June 2022.
- 3.4 The Council received a total amount of funding available through the Section 106 agreement to deliver the proposed scheme of £246k. The S106 contribution received from Morbaine was £224k from the Sainsburys development with a further contribution of £22k from Kendal Town Council. The funding was received in 2017 and must be spent within the period of 5 years from the payment date (by November 2022).

Grange Lido

- 3.5 Cabinet on 13 April 2022 considered the results of the tendering exercise, noting an increase in costs due to inflation and discharge of planning conditions for Grange Lido and requested an increase in the capital budget of £265k, which will be funded from the Cumbria Business Rate Pool reserve.

Capital programme Re-profiling

- 3.6 Variations on spending on the Capital programme usually reflect changes in the progress of individual schemes. As these schemes span a number of years any variation needs to be reflected in an up-date to the profiled spending in the Capital programme.
- 3.7 **Appendix 1** shows those Capital Schemes in the 2021/22 Capital programme where expenditure varies to the approved Capital programme. To enable these schemes to continue and be completed it is necessary to vary the Capital programme in 2022/23 to reflect the variations in phasing of expenditure. The total for re-profiling is £2.44m. The Cabinet have delegated powers to approve these changes in accordance with Para 8.2 of the Financial Procedure Rules.
- 3.8 The process of finalising the Council's accounts for 2021/22 has just commenced and the outturn figures for 2021/22 will not be finalised until the end of May 2022. The re-profiling requests are based on requests as at 4th April 2022: any amendments required to the 2021/22 resulting from late amendments and adjustments will be reported as part of the 2021/22 outturn to Cabinet in June 2022 and Council in July 2022.

4.0 Appendices Attached to this Report

Appendix No.	Name of Appendix
1	Capital re-profiling requests
2	Proposed Capital Programme April 2022

5.0 Consultation

- 5.1 Consultation is carried out individually for each individual project within the capital programme and will be included in individual reports for each project. This report is merely seeking approval to amend the capital programme to include expenditure and funding for each project.

6.0 Alternative Options

6.1 This report requests amendments to timing of capital spend and amendments relating to new and amended scheme. These amendments to schemes will be individually considered by Cabinet and alternative options reported for each. The amendments to timing reflect latest planned project delivery. The proposals together aim to ensure funding and budget approval are in place to enable the efficient delivery of projects during 2022/23. If individual elements of the proposals were to be changed then there may be delay in the delivery of schemes.

7.0 Implications

Financial, Resources and Procurement

7.1 Appendix 2 sets out the revised capital programme if the amendments above are approved, including a summary of the projected funding available. The funding figures will be updated for final outturn figures during May 2022 and any amendments will be reported in the 2021/22 outturn report to Cabinet in June 2022 and Council in July 2022. All proposals can be funded within existing resources.

Human Resources

7.2 This report has no direct HR implications.

Legal

7.3 In accordance with Rule 8 of the Council's Financial Procedure Rules, the Cabinet may transfer Capital Programme provisions from one capital scheme to another capital scheme, or may allocate available capital resources within the Capital Programme to new schemes which are urgent, necessary and generally in accordance with Council priorities, subject to a limit of £100,000 per individual allocation. Beyond these limits, approval to transfers can only be given by full Council.

In accordance with Rule 8.2 the Cabinet may adjust the phasing of expenditure, by deferment or advancement, of existing approved schemes in the capital programme.

Health and Sustainability Impact Assessment

7.4 Have you completed a Health and Sustainability Impact Assessment? No

7.5 If you have not completed an Impact Assessment, please explain your reasons: This report is only to amend the Capital Programme, a Health and Sustainability Impact Assessment will be carried out for each individual project.

7.6 Summary of Health and Sustainability Impacts

		Positive	Neutral	Negative	Unknown
Environment and Health	Greenhouse gases emissions		X		
	Air Quality		X		
	Biodiversity		X		
	Impacts of Climate Change		X		
	Reduced or zero requirement for energy, building space, materials or travel		X		
	Active Travel		X		

Economy and Culture	Inclusive and sustainable development		X		
	Jobs and levels of pay		X		
	Healthier high streets		X		
	Culture, creativity and heritage		X		
Housing and Communities	Standard of housing		X		
	Access to housing		X		
	Crime		X		
	Social connectedness		X		

Equality and Diversity

7.7 Have you completed an Equality Impact Analysis? No

7.8 If you have not completed an Impact Analysis, please explain your reasons: This report is only to amend the Capital Programme, an Equality Impact Assessment will be carried out for each individual project.

7.9 Summary of Equality and Diversity impacts

Please indicate: P = Positive impact; 0 = Neutral; N = Negative; Enter "X"					
Age	P		0	X	N
Disability	P		0	X	N
Gender reassignment (transgender)	P		0	X	N
Marriage & civil partnership	P		0	X	N
Pregnancy & maternity	P		0	X	N
Race/ethnicity	P		0	X	N
Religion or belief	P		0	X	N
Sex/gender	P		0	X	N
Sexual orientation	P		0	X	N
Armed forces families	P		0	X	N
Rurality	P		0	X	N
Socio-economic disadvantage	P		0	X	N

Risk Management	Consequence	Controls required
*What is it?	*What will happen if steps not taken to control it?	*What needs to be done to limit the risk happening?

Contact Officers

Helen Smith, Finance Lead Specialist (Section 151), 01539 793147, h.smith@southlakeland.gov.uk

Background Documents Available

Name of Background document	Where it is available
2022/23 to 2026/27 Budget	202223 to 202627 Budget.pdf (southlakeland.gov.uk)

Tracking Information

Signed off by	Date sent	Date Signed off
Section 151 Officer	19/04/2022	Report of S151 Officer
Monitoring Officer	19/04/2022	05/05/2022
CMT	19/04/2022	21/04/2022

Circulated to	Date sent
Lead Specialist	N/A
Human Resources Lead Specialist	N/A
Communications Team	N/A
Leader	N/A
Committee Chairman	N/A
Portfolio Holder	19/04/2022
Ward Councillor(s)	N/A
Committee	N/A
Executive (Cabinet)	N/A
Council	N/A