



East  
Northamptonshire  
Council

## Finance and Performance Sub-Committee – 11<sup>th</sup> February 2019

### Capital Strategy 2019/20

#### Purpose of report

The purpose of this report is to set out the Capital Strategy 2019/20

#### Attachment(s)

Appendix 1: Capital Strategy 2019/20 (*to follow*)

### 1 Introduction

- 1.1 The revised Prudential Code 2017 introduced the requirement in 2019/20 for councils to publish a Capital Strategy, focussing around longer term planning and the requirement for the council to consider both capital and investment decisions in line with service objectives, which also takes account of stewardship, value for money, prudence, sustainability and affordability.
- 1.2 The Capital Strategy will allow consideration of borrowing for capital investment alongside more commercial and third party type investments so the overall impact on affordability and risk on financial sustainability can be identified and understood. The importance of this is highlighted due to increasing commercialisation as all potential liabilities and risks should be considered to ensure activity remains proportionate.
- 1.3 The council developed its first Capital Strategy in 2018/19 (in advance of the requirement), before detailed guidance was released regarding what should be included.

### 2 Capital Strategy 2019/20

- 2.1 The Capital Strategy considers the following areas:
  - The framework and process to be adopted for capital investment, including the scope and principles
  - Prioritisation and evaluation of capital projects and proposals
  - Capital funding options
  - Performance measurement and risk management, including governance

The Capital Strategy can be seen in detail at **Appendix 1**.

### 3 Equality and Diversity Implications

- 3.1 There are no equality and diversity implications arising from the content

### 4 Privacy Implications

- 4.1 There are no privacy implications arising from the content.

## **5 Legal Implications**

5.1 There are no legal implications arising from the content.

## **6 Risk Management**

6.1 The risks arising from the capital programme are recorded in the Risk Register. The risks are subject to regular review and update.

## **7 Resource and Financial Implications**

7.1 This report is of a financial nature and the implications are set out within the report.

## **8 Constitutional Implications**

8.1 This report does not require any amendment to the council's constitution.

## **9 Implications for our Customers**

9.1 There are no implications for our customers arising directly from this report.

## **10 Corporate Outcomes**

10.1

- **Good Value for Money** - *This report demonstrates that the council is ensuring it effectively manages its surplus cash to achieve good value for money for the council.*
- **Effective Management** - *Treasury Management allows the council to manage its surplus cash balances to ensure the main principles (Security, Liquidity, and Yield) are maintained, contributing to effective management of the council.*

## **11 Recommendations**

### **11.1 TO FINANCE SUB-COMMITTEE:-**

1. To Note the Capital Strategy for 2019/20
2. That the report be referred to the Policy and Resources Committee for consideration at its meeting on 27 February 2019.

*(Reason – in accordance with CIPFA guidance and best practice in Treasury Management)*

### **11.2 TO POLICY AND RESOURCES COMMITTEE:-**



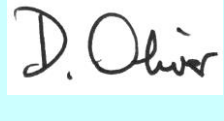
1. That the Committee recommends that Full Council invites the Leader of the Council to propose the approval of the Capital Strategy for 2019/20

*(Reason – in accordance with CIPFA guidance and best practice in Treasury Management)*

**11.3 TO COUNCIL:-***(To be proposed by the Leader of the Council)*

1. That council approves the Capital Strategy for 2019/20

*(Reason – in accordance with CIPFA guidance and best practice in Treasury Management)*

<b>Legal</b>	Power: Local Government Finance Act 2002				
	Other considerations: Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2017.				
<b>Background Papers:</b>					
<b>Person Originating Report: Amy Eyles, Finance Manager</b> ☎ 01832 74(2087) ✉ aeyles@east-northamptonshire.gov.uk					
<b>Date: 30/01/2018</b>					
<b>CFO</b> 31/01/19		<b>MO</b> 31/01/19		<b>CX</b> 31/01/19	



East  
Northamptonshire  
Council

# Capital Strategy



2019/20 to 2023/24

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## Document Version Control

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## Change History

Issue	Date	Comments
1.0	January 2018	Initial draft
1.1	January 2019	Annual update

## Consultees

Internal	External
CMT	
Members	

## Distribution List

Internal	External
CMT	
Middle Managers	
Members	

## Links to other documents

Document	Link
Corporate Plan	<a href="https://www.east-northamptonshire.gov.uk/info/100004/your_council/490/the_corporate_plan">https://www.east-northamptonshire.gov.uk/info/100004/your_council/490/the_corporate_plan</a>
Medium Term Financial Strategy	<a href="https://www.east-northamptonshire.gov.uk/downloads/download/2079/mtfs">https://www.east-northamptonshire.gov.uk/downloads/download/2079/mtfs</a>
Treasury Management Strategy	<a href="https://www.east-northamptonshire.gov.uk/downloads/download/2079/mtfs">https://www.east-northamptonshire.gov.uk/downloads/download/2079/mtfs</a>
Commercialisation Strategy	<a href="https://www.east-northamptonshire.gov.uk/downloads/file/11106/commercialisation_strategy">https://www.east-northamptonshire.gov.uk/downloads/file/11106/commercialisation_strategy</a>

## Additional Comments to note

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- 12.0 Current Priority Schemes for East Northamptonshire 2019-20**

### **Appendix 1 - Capital Programme and Development Pool 2019/20 to 2028/29**

## 1.0 Introduction

- 1.1 In December 2017, CIPFA issued a revised Prudential Code with a focus on non-treasury investments and especially on the purchase of property with the intention of generating income. Such purchases may involve undertaking external borrowing to finance these acquisitions or utilising existing cash balances which exposes the council to risk. The revised code now requires all authorities to produce a detailed Capital Strategy.
- 1.2 The Capital Strategy will form a key part of the council's overall Corporate Planning Framework. It provides a mechanism by which the council's capital investment and financing decisions can be aligned over a medium term (five year) planning horizon.
- 1.3 The Strategy sets the framework for all aspects of the council's capital and investment expenditure; including planning, outcomes, prioritisation, management, funding and repayment. The Strategy has direct links to other council strategies and plans such as the Treasury Management Strategy Statement (TMSS), IT Strategy, Commercialisation Strategy, Asset Management Plan and forms a key part of the council's Medium Term Financial Strategy (MTFS) which is refreshed on an annual basis. These all underpin the delivery of the Corporate Plan.

The key strategies can be found here:

- Corporate Plan: [https://www.east-northamptonshire.gov.uk/info/100004/your\\_council/490/the\\_corporate\\_plan](https://www.east-northamptonshire.gov.uk/info/100004/your_council/490/the_corporate_plan)
- Commercialisation Strategy: [https://www.east-northamptonshire.gov.uk/downloads/file/11106/commercialisation\\_strategy](https://www.east-northamptonshire.gov.uk/downloads/file/11106/commercialisation_strategy)
- MTFS and TMSS: <https://www.east-northamptonshire.gov.uk/downloads/download/2079/mtfs>

## 2.0 Aims of the Capital Strategy and Link to Corporate Outcomes

- 2.1 The definition of an investment as provided by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 covers all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily to generate financial returns, such as investment property portfolios. This may include investments that are not managed as part of normal treasury management processes or under treasury management delegations.
- 2.2 The key aims of the Capital Strategy are to:
  - provide a clear set of objectives and a framework within statutory legislation that proposes new capital expenditure to be evaluated to ensure that all new capital investment is targeted at meeting the council's Vision as set out in the Corporate Plan;



- Deliver projects that focus on delivering a number of the long term benefits to the district listed below:
  - Deliver corporate and financial objectives
  - Protecting the most vulnerable
  - Grow the economy
  - Spend to save initiatives which generate efficiencies in the council's revenue budget
  - Create sustainable income - business rates or council tax
  - Spend to earn income - rents, interest, dividend, capital appreciation.
  - Deliver budget decisions
  - Attract significant third party funding to the district
  - Addresses major infrastructure investment
  - Deliver economic outcomes of jobs growth
  
- sets out how the council identifies, programmes and prioritises capital requirements and proposals following a robust appraisal process including evaluation of value for money, affordability and risk.
  
- consider options available for funding capital expenditure and how resources may be maximised to generate investment in the area and to determine an affordable and sustainable funding policy framework, whilst minimising the ongoing revenue implications of any such investment;
  
- Identify the resources available for capital investment over the MTFs planning period;
  
- Ensure the strategy has an overall balance of risk on a range on investments over timespan, type of investment and rate of return, and,
  
- Establish effective arrangements for the management of capital expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money and security of investment.

2.3 Investment plans are driven by the council's Corporate Plan. The corporate outcomes which this strategy helps to deliver are:

- A good quality of life where the district will be prosperous
- A good quality of life where the district will be sustainable
- A good quality of life where the district will be clean
- A good quality of life where the district will be healthy
- A good quality of life where the district will be safe
- Effective partnership working
- Effective Management

### 3.0 The Council's Fixed Asset Base

- 3.1 The Council owns and operates a variety of assets ranging from industrial units and leisure centres to car parks and shops. The balance sheet value of these fixed assets at 31st March 2018 was £36.8 million but the cost of rebuilding or replacing all of these assets could be considerably higher. The split between the major classes of fixed assets is shown in the table below.

Class	Value (£m)
Property Plant and Equipment	32.8
Investment Property	3.3
Intangible Assets	0.7
<b>Total</b>	<b>36.8</b>

- 3.2 Expenditure on the acquisition, creation or enhancement of property plant and equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an assets potential to deliver future economic benefits or service potential is charged as an expense when it is incurred. Furthermore, expenditure needs to be in excess of the Council's de minimis limit of £5,000 before it can be recognised as capital spend. Items below this level are charged to revenue.
- 3.3 A full description of the types of assets, their valuation and accounting treatment is contained in the Accounting Policies section of the Council's annual Statement of Accounts.
- 3.4 **Property plant and Equipment** is a generic term used to cover operational buildings, land vehicles and equipment.
- 3.5 **Investment properties** are those that are used solely to earn rental and / or capital appreciation. The definition of an investment property is not met if the property is used in any way to facilitate the delivery of services, the production of goods or is held for sale.
- 3.6 **Intangible assets** are primarily software licences
- 3.7 Assets that have reached the end of their useful life, or which are no longer required for the provision of services, are subject to disposal. The proceeds from sale are treated as capital receipts and are usually available to the Council for the purchase of further assets.

## 4.0 Priority Areas for Investment

- 4.1 Underlying the capital strategy is the recognition that the financial resources available to meet corporate priorities are constrained in the current economic and political climate. Therefore, the council must rely more on internal resources and seek ways in which investment decisions can be no less than self-sustaining or generate positive returns both in terms of meeting corporate objectives and producing revenue savings.
- 4.2 The wider regeneration of the district relies on investment into new jobs, economic growth, commercial property and homes. These in turn contribute towards council funding in the longer term in the form of additional council tax, business rates or land sale receipts. In the current economic climate this element is limited. Therefore, in order for the council to ensure it can promote future opportunity, the main priorities are set out as follows:
- **Economic Investment** – The council will continue to seek to invest in development projects or opportunities that generate longer term growth. These projects will yield a combination of revenue generation (business rates, rent or interest), jobs and capital infrastructure investment.
  - **Disabled Facilities Grants** – The council receives capital grant funding to meet the cost of providing adaptations and facilities to enable disabled persons to continue to live in their homes for longer. The council also provides additional financial support from its own resources in order to respond to increased demand and will continue to maintain this level of funding during the medium term financial period
  - **Maintenance of the Council’s Assets** – This includes Cedar House, the Rushden Centre, Leisure and Tourism sites, Retail and Commercial sites, IT infrastructure and equipment and car parks. The council regularly refreshes its asset management plan to ensure that its assets are maintained to appropriate standards
  - **Other initiatives based on sustainable business plans** – Subject to full cost recovery business cases, the council will continue to:-
    - Reduce maintenance liability where possible through rationalising its office accommodation and other operational estate. The rationalisation will be in the form of reducing accommodation to match the needs of service provision whilst improving the work environment and sales of surplus assets.
    - Invest in ICT hardware and software on a case by case basis. The primary focus being channel shift into improved technologies on spend to save basis.
- 4.3 The council’s capital investment falls within, and needs to comply with, the “Prudential Code for Capital Finance in Local Authorities” (The Code). Under the Code local authorities have greater discretion over the funding of capital expenditure especially with the freedom to determine, within the regulatory framework of the Code, the level of borrowing they wish to undertake to deliver their capital plans and programmes.

## 5.0 Capital Funding Streams

- 5.1 Decisions on capital investment are made in the context of limited resources. The capital programme is currently reliant on funding from capital receipts (capital reserves) and third party contributions/external grants. Other potential funding opportunities for future consideration include external borrowing and direct revenue funding (from other sources such as revenue contribution). The following is the priority order in how funding will be applied:
- 5.2 **External Grants** - The largest form of capital funding comes through as external grant allocations from central government departments. The council is currently in receipt of Disabled Facilities Grant but is exploring other options for larger sources of funding such as Housing Infrastructure Fund and European Regional Development Fund to support economic development and housing growth delivery in the district.
- 5.3 **Section 106 (S106) and External Contributions** – There is a slight possibility that some projects can be funded by contributions from private sector developers and partners. Growth in Northamptonshire has resulted in S106 contributions from developers which supported education and highways infrastructure programmes across the County. The council has previously benefitted from funding allocated to affordable housing. However, it should be noted that reliance on this going forward is dependent on amending the council’s policy on S106 contributions and that schemes are affordable against economic and market conditions, which is currently a challenge.
- 5.4 **Capital Receipts** - The council is able to generate capital receipts through the sale of surplus assets such as land and buildings. While the council has benefitted from this in recent years, the assets that are retained by the council are necessary to deliver services or generate income. There are some small parcels of land which are of little value where the council is exploring options for disposal. Any capital receipts will be reinvested in the Capital Programme.
- 5.5 **Reserves** – The council has a level of reserves which are earmarked to be used to support delivery of the Corporate Plan or Invest to Save projects.
- 5.6 **Revenue Funding** - The council can use revenue resources to fund capital projects on a direct basis and this method of funding has been used in the past. However, austerity on the council’s revenue budget has reduced options in this area, which has resulted in a preference for Invest to Save business bases.
- 5.7 **Prudential Borrowing** - The introduction of the Prudential Code in 2004 allows councils to undertake unsupported borrowing which is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. The council must ensure that unsupported borrowing is affordable, prudent and cost effective. This funding can also be used as an option to front fund developments to stimulate growth. This has provided the council with the flexibility to raise capital funding as demand and business need have dictated. This type of borrowing has revenue implications for the council in the form of financing costs.

5.8 The council's resources will be kept under constant review going forward to ensure that the priorities of funding reflect the most up to date needs of the authority.

## **6.0 Appraisal and Evaluation of Capital Investment**

6.1 Proposals for capital schemes are initially prepared by project/budget managers who will carry out an appraisal which will include whole life capital costs as well as revenue costs.

6.2 The revenue implications of capital bids are also included in order to:

- Evaluate the overall financial business case of the capital project (revenue and capital cost/savings aspects),
- Enable corporate, joined-up, forward financial and service planning.

6.3 The outline business case also requires the revenue implications of each scheme to be identified and profiled. Full enhanced business cases will be required for investments greater than £1m. External specialist advice may be required to support some schemes.

6.4 This is then subject to approval by CMT and the Section 151 Officer prior to approval by members in accordance with Part 4.3 Financial Procedure Rules of the council's Constitution. Any agreements will need to follow the same approval process as other capital expenditure before it can be formally entered into the council's Approved Capital Programme.

6.5 A process map will be developed and included as an appendix in time for the next update when further guidance is released.

## **7.0 Prioritisation of Capital requirements**

7.1 The following assessment criteria have been used to determine capital investment priorities for the medium term 2018/19-2027/28 capital programme:

- Mandatory requirements (including Health & Safety)
- Fulfilment of Corporate Plan Objectives
- Invest to save
- Use of Resources
- Community, environmental and local economy effects

7.2 If any of the following questions are answered "yes" the scheme is likely to need to proceed irrespective of the benefit scores:

- Is the service/scheme a legal requirement that cannot realistically be provided more cheaply?
- Are the resources ring-fenced for this purpose (for example, s106 funds)?
- Are the bulk of the service/scheme costs contractually committed?

## **8.0 Procurement of Capital projects**

- 8.1 Procurement is the process of acquiring goods, works and services to enable the council to meet its statutory duties and deliver its priorities as set out in the council's Corporate Plan.
- 8.2 The council does not have a designated procurement officer. Officers are expected to manage their own procurement as part of their duties and responsibilities with access to advice and support from the Welland Procurement Unit, which is a procurement service provided by Melton Borough Council to Blaby District Council, the Borough Council of Wellingborough, East Northamptonshire Council and Rutland County Council.
- 8.3 Integration of revenue and capital financial planning provides opportunities for greater efficiency by selection of the most effective procurement processes to ensure the best commercial solution.
- 8.4 All decisions will be subject to procurement regulations as set out in Part 4.6 Procurement Procedures of the Council's Constitution.
- 8.5 Efficiency gains via procurement will be achieved by:
- a) Efficient procurement processes which are constantly being enhanced with opportunities being developed to ensure the best commercial solution is selected and delivered.
  - b) Contract management of the supply chain to ensure continuous savings through the life of the project.
  - c) Procuring fixed price contracts with risk/reward terms to incentivise further efficiencies.
  - d) Joining in area wide procurement initiatives which will provide savings through economies of scale.
  - e) Leasing/borrowing strategies which will consider the most effective means of acquiring assets.

## **9.0 Measuring Performance of the Capital Programme and Governance**

- 9.1 The Financial Procedure Rules provide the framework for managing the council's financial affairs. Full Council is responsible for adopting the budget and policy framework. Once a budget or policy framework is in place, it is the responsibility of Policy and Resources Committee to implement it. The Finance Sub Committee are responsible for the monitoring and reporting of the capital programme and revenue budget and report to Policy and Resources Committee accordingly. Finance Sub Committee has the power to vary the capital programme during the year and manage underspending.
- 9.2 Financial monitoring and reporting of the Capital Programme is currently provided on at least a quarterly basis to Finance Sub Committee within the regular financial monitoring reports.

- 9.3 Finance Sub Committee will also undertake a detailed review of the capital programme which provides members with the opportunity to review all schemes or focus on specific areas of concern.
- 9.4 Where a potential cost overspend has been identified, Finance Sub Committee will consider possible solutions and make appropriate recommendations to Policy and Resources Committee or Council, depending on the requirements of the governance process. The Sub-Committee will also consider any underspending or identified surplus resources which can be transferred back to the capital reserves and may also suggest a reallocation of resources to other projects.
- 9.5 Projects in the Development Pool are required to follow the capital governance process for transfer into the Approved Capital Programme and works cannot proceed until this approval process is complete.
- 9.6 The performance of the capital programme is currently measured by the prudential indicators, which are reported to Committee/Council as part of the Treasury Management Strategy and quarterly treasury management monitoring reports.
- 9.7 Consideration will be given on an individual project basis as to whether any additional performance measures are required to ensure robust monitoring of the capital programme and its performance.

## **10.0 Commercial Investments**

- 10.1 Any commercial investment activity will be subject to the 'Golden Rules' as set out in the Council's Commercialisation Strategy which includes an assessment of the location hierarchy and ethical aspects of each asset acquisition opportunity. In addition to this, further assessment will be undertaken against a matrix of criteria. This will include the following:
1. Location
  2. Covenant (including status of current owners)
  3. Lot size
  4. Lease length
  5. Tenure
  6. Repairing obligations
  7. Net yield
  8. Development potential
- 10.2 Each property investment opportunity will be assessed against a set of criteria which will be recorded for future reference.
- 10.3 Given the various dynamics for each property sector, the criteria for each asset will vary but should follow the core principles of,
- a) Individual properties will be fully financially and physically appraised using a risk and return matrix based on the criteria at section 3.1. This will be specific to each and every property proposed for purchase.

- b) Location will be dictated by opportunity to acquire investments that meet this strategy.
- c) Inclusion in the district of East Northamptonshire or the impact on the economy of the district of East Northamptonshire will be a deciding factor when all other attributes are equal.
- d) Lease length will be determined by market forces but the premise will be to maximise.
- e) Market Rent (MR) should be equal to or above passing rent.
- f) Market sectors and locations with rental growth and good letting prospects will be actively sought.

10.4 Further performance measures, portfolio analysis and valuation, as required, will be undertaken to allow for a purchase or not purchase decision. For example these could include,

- The fabric or structural condition of the property
- The ground conditions
- The surrounding land uses
- Planning approvals of that and any other surrounding developments , in situ- or proposed

10.5 All of the above could have a bearing on value and on whether or not the opportunity is one to pursue.

## **11.0 Risk Management**

11.1 Effective risk management will allow the council to adapt rapidly to change and develop innovative responses to challenges and opportunities. By having a Risk Management Strategy in place and an embedded risk management process ensures that the majority of capital projects go through the risk management cycle process which incorporates risk identification, risk analysis, risk control and action planning and risk monitoring and review. Any new or emerging risks are added to the council's risk register as appropriate.

11.2 Risks are assessed using a scoring matrix which captures the impact and likelihood of risks. Corporate and high priority risks are reported to Governance and Audit Committee at each Committee meeting along with any newly identified risks.

11.3 An assessment of risk will be carried out individually for each investment proposal before entering into any commitment and will include assessing the risk of loss.

11.4 There is also a degree of funding risk in the Capital Programme, reliant as it is on future capital reserves. Should capital reserves run out, this risk would need to be mitigated, for example by reducing, or re-scheduling the capital programme expenditure or funding expenditure from alternative resources such as revenue expenditure.



## 12.0 Current Priority Schemes for East Northamptonshire 2019-20

12.1 The following schemes have been identified by the council as being a priority within 2019-20, These include schemes where the council is providing capital funding directly, and also where the council is working as an enabler to generate external capital investment into the district.

12.2 **Enterprising East Northants and the East Northamptonshire Enterprise Centre -** Enterprising East Northants is an East Northamptonshire Council initiative to develop and drive forward economic development across the district to create jobs, encourage business growth and secure prosperity for all, for more information please see <https://www.east-northamptonshire.gov.uk/enterpriseEN>

12.3 A significant part of Enterprising East Northants is centred on the delivery of the East Northamptonshire Enterprise Centre, which is one of the council's key priorities to design and build a circa £8m Enterprise Centre as part of its capital programme. This flagship project is in its development stages, with the site secured in December 2018 and planning approved In January 2019. Procurement for contractors to build and operate the ENEC is underway, with final budgets and approval for the scheme following the council's due diligence processes expected in March 2019. The capital scheme potentially includes £1.6 million grant from the South East Midlands Local Enterprise Partnership Local Growth Fund. Currently the project is on target for opening its doors for business in the Spring 2020.

12.4 The Enterprise Centre is planned to provide high quality, modern business accommodation, coupled with business support, training and networking opportunities to drive business growth throughout the district.

The key metrics for the Centre are projected to be:

- Total floorspace - 38,000 sq. ft.
- Total lettable floorspace – 27,000 sq. ft.
- Number of units - 50 to 90
- Number of businesses supported – 205 (In first 10 years)
- Number of jobs created – 785 (In first 10 years)
- Value to local economy - £54 million (In first 10 years)



***East Northamptonshire Enterprise Centre***

- 12.5 **Rushden Lakes** - Rushden Lakes is the 'next generation' retail, dining and leisure destination which opened in 2017. Combining shops, restaurants and access to the Nene Wetlands at the heart of the Nene Valley Living Landscapes it is a shopping centre like no other.
- 12.6 Phases one and three have been completed to date. Phase two, which is due to open in early 2019, features a 14-screen multiplex Cinema from Cineworld, a host of additional high-quality restaurants and a further range of leisure activities – such as indoor trampolining, adventure golf and indoor climbing. Phase four is also in the early planning stages, to create 'The Garden Square'. This will comprise 13 units totalling 17,500 sq ft of ground floor space.
- 12.7 Once all phases are completed, Rushden Lakes will be home to more than 40 retail units, 18 restaurants, five leisure providers, a 14-screen cinema, a boathouse and The Nene Wetlands Visitor Centre.
- 12.8 This site has already had a significant positive impact on the District. The regeneration of the site is planned to create thousands of jobs, brings approximately £50m of external capital investment to the area whilst providing facilities that enhances and protects the wildlife through the Wetlands Visitor Centre and boathouse.

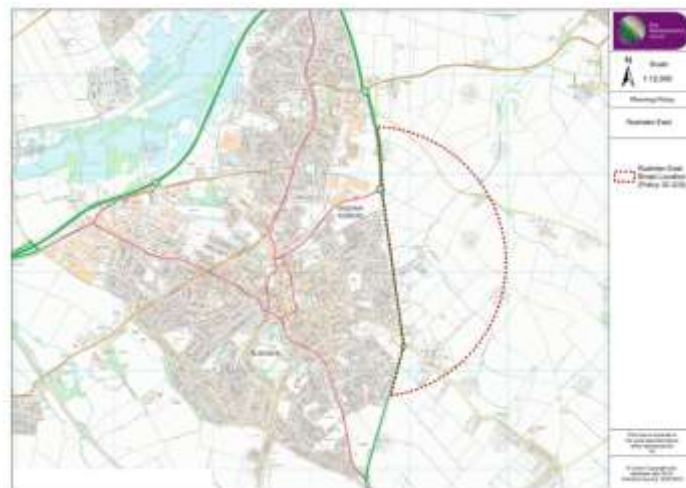


### ***Rushden Lakes phase 2***

- 12.9 **Rushden East Sustainable Urban Extension** - Located to the east of Rushden and Higham Ferrers, beyond the A6 Liberty Way, the Rushden East Sustainable Urban Extension forms part of the council's planning strategy and is included in the North Northamptonshire Joint Core Strategy (JCS), which was adopted in July 2016.
- 12.10 The Sustainable Urban Extension will enhance the image of Rushden and Higham Ferrers and will be well-connected to and integrated with both towns. It will contain around 2,500 new homes along with new employment, social and community facilities, and a high quality landscape setting that enhances biodiversity. The purpose of the development is to achieve sustainable development to meet rising population pressure which also helps to protect rural areas from over-development.
- 12.11 Rushden East will provide affordable and starter homes, homes for older people, larger executive homes, and opportunities for custom and self-build homes in an area where demand is high.

12.12 The development is likely to be completed in the early 2030s and is currently being promoted by a development consortium which includes the Duchy of Lancaster, Barratts and Taylor Wimpey.

12.13 More information on Rushden East can be found here: [https://www.east-northamptonshire.gov.uk/info/200153/planning\\_and\\_buildings/1791/major\\_planning\\_developments\\_in\\_the\\_district/2](https://www.east-northamptonshire.gov.uk/info/200153/planning_and_buildings/1791/major_planning_developments_in_the_district/2)



***Rushden East Sustainable Urban Extension area plan***

12.14 **Tresham Garden Villiage** - Tresham Garden Village is one of 14 garden village projects that the Government is supporting through capacity funding and assistance from the Homes and Communities Agency. The Garden Village will enhance the overall economic prosperity of East Northamptonshire by way of an innovative model of employment focused on enterprise and entrepreneurship.

12.15 This development, with aspirations to have an energy performance of 80% sustainability is envisaged to provide:

- Up to 1,500 sustainable homes which cater for a diverse community including affordable housing
- Green space, including the addition of 100,000 trees along with recreational facilities
- A wide range of local jobs within easy distance to homes
- Integrated and accessible transport systems with walking, cycling and public transport
- A nursery and primary school, with the aspiration for an all-through secondary school
- Flexible buildings which adapt to the needs of the user



## Appendix 1 - Capital Programme and Development Pool 2019/20 to 2028/29

### East Northamptonshire Council Capital Programme

Capital Programme				2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total 2018/19 to 2027/28
				Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	£
				£	£	£	£	£	£	£	£	£	£	£
	Disabled Facilities Grants		1	500,000	-	-	-	-	-	-	-	-	-	500,000
	Leisure and Tourism Projects		2	205,000	-	-	-	-	-	-	-	-	-	205,000
	Environment Projects		3	160,000	-	-	-	-	-	-	-	-	-	160,000
	Corporate Systems		4	10,000	-	-	-	-	-	-	-	-	-	10,000
<b>Total</b>				<b>875,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>875,000</b>

Cost Centre	Capital Project	Responsible Officer	Service	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total 2018/19 to 2027/28
				Budget	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	£
				£	£	£	£	£	£	£	£	£	£	£
JCF201	Disabled Facilities Grants	Mike Deacon		500,000	-	-	-	-	-	-	-	-	-	500,000
	<b>Disabled Facilities Grants</b>		1	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>
JCJ381	Stanwick Lakes - Infrastructure	Julia Smith		198,000	-	-	-	-	-	-	-	-	-	198,000
	Twywell Hills	Julia Smith		7,000	-	-	-	-	-	-	-	-	-	7,000
	<b>Leisure and Tourism Projects</b>		2	<b>205,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,000</b>
JCJ371	Purchase of Wheeled Bins	Mike Deacon		80,000	-	-	-	-	-	-	-	-	-	80,000
	Warm Homes Fund	Mike Deacon		80,000	-	-	-	-	-	-	-	-	-	80,000
	<b>Environment Projects</b>		3	<b>160,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160,000</b>
	Civica enhancement - HMRC 'Making Tax Digital'	Michelle Drewery		10,000	-	-	-	-	-	-	-	-	-	10,000
	Corporate Systems		4	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>
<b>Total approved capital programme</b>				<b>875,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>875,000</b>

Development Pool	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total 2018/19 to 2027/28 £
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	£	£	£	£	£	£	£	£	£	£	
Disabled Facilities Grants	-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,500,000
Commercial Property	6,302,000	-	-	-	-	-	-	-	-	-	6,302,000
Leisure and Tourism Projects	-	106,000	120,000	118,500	78,000	165,000	177,000	140,000	73,000	204,000	1,181,500
Environment Projects	-	120,000	120,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	800,000
Central Services Projects	24,000	20,000	30,000	-	-	-	-	-	-	-	74,000
Corporate Systems	300,641	235,650	272,800	282,800	242,915	306,480	266,480	252,108	250,108	252,108	2,662,090
Essential Maintenance	339,000	465,000	436,000	49,000	30,000	50,000	50,000	20,000	20,000	65,000	1,524,000
<b>Total</b>	<b>6,965,641</b>	<b>1,446,650</b>	<b>1,478,800</b>	<b>1,030,300</b>	<b>930,915</b>	<b>1,101,480</b>	<b>1,073,480</b>	<b>992,108</b>	<b>923,108</b>	<b>1,101,108</b>	<b>17,043,590</b>

Development Pool	Responsible Officer	Service	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total 2018/19 to 2027/28 £
			Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
			£	£	£	£	£	£	£	£	£	£	
JCF201 Disabled Facilities Grants	Mike Deacon		-	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	4,500,000
	<b>Disabled Facilities Grants</b>	<b>1</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>4,500,000</b>
JCJ625 Enterprise Centre - Build	Greg Macdonald		6,302,000	-	-	-	-	-	-	-	-	-	6,302,000
	<b>Commercial Property</b>	<b>2</b>	<b>6,302,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,302,000</b>
AMP - Pemberton Centre	Julia Smith		-	-	-	-	10,000	-	-	-	-	-	10,000
AMP - Nene Centre	Julia Smith		-	-	15,000	-	-	-	-	-	-	-	15,000
AMP - Splash Centre	Julia Smith		-	-	-	-	47,000	-	-	-	-	-	47,000
JCJ381 Stanwick Lakes - Infrastructure	Julia Smith		-	106,000	110,000	96,000	78,000	108,000	177,000	140,000	73,000	204,000	1,092,000
Twywell Hills	Julia Smith		-	-	10,000	7,500	-	-	-	-	-	-	17,500
	<b>Leisure and Tourism Projects</b>	<b>3</b>	<b>-</b>	<b>106,000</b>	<b>120,000</b>	<b>118,500</b>	<b>78,000</b>	<b>165,000</b>	<b>177,000</b>	<b>140,000</b>	<b>73,000</b>	<b>204,000</b>	<b>1,181,500</b>
JCJ371 Purchase of Wheeled Bins	Mike Deacon		-	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	720,000
Warm Homes Fund - estimated, fund to be topped up to £80k over 3 years	Mike Deacon		-	40,000	40,000	-	-	-	-	-	-	-	80,000
	<b>Environment Projects</b>	<b>4</b>	<b>-</b>	<b>120,000</b>	<b>120,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>800,000</b>
Print Room Asset Management	Michelle Drewery		24,000	20,000	30,000	-	-	-	-	-	-	-	74,000
	<b>Central Services Projects</b>	<b>5</b>	<b>24,000</b>	<b>20,000</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,000</b>
JCJ409 End User Devices (Desktops, Laptops, Tablets, Scanners)	Michelle Drewery		143,125	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	318,125
JCJ414 Data Infrastructure Equipment (Data Centre & Council Offices)	Michelle Drewery		5,000	30,000	55,000	5,000	5,000	55,000	5,000	5,000	5,000	5,000	175,000
JCJ423 Security Systems	Michelle Drewery		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	50,000
JCJ416 Licences	Michelle Drewery		107,641	110,000	112,000	114,000	116,000	118,000	120,000	122,000	122,000	124,000	1,165,641
CRM Replacement	Michelle Drewery		20,000	-	-	20,000	-	-	20,000	-	-	-	60,000
Business Transformation Resource	Michelle Drewery		9,000	-	-	-	-	-	-	-	-	-	9,000
ESRI - GIS Upgrade	Michelle Drewery		-	-	10,000	-	-	10,000	-	-	-	-	20,000
Website Replacement	Michelle Drewery		-	-	-	25,000	-	-	-	-	-	-	25,000
JCJ621 ICT Transformation - Capital Projects	Michelle Drewery		10,875	90,650	90,800	88,800	91,915	93,480	91,480	95,108	93,108	93,108	839,324
	<b>Corporate Systems</b>	<b>6</b>	<b>300,641</b>	<b>235,650</b>	<b>272,800</b>	<b>282,800</b>	<b>242,915</b>	<b>306,480</b>	<b>266,480</b>	<b>252,108</b>	<b>250,108</b>	<b>252,108</b>	<b>2,662,090</b>
AMP - Rushden Centre	Greg Macdonald		5,000	50,000	90,000	-	-	30,000	-	-	-	15,000	190,000
AMP - East Northamptonshire House	Greg Macdonald		314,000	95,000	326,000	29,000	10,000	-	30,000	-	-	30,000	834,000
AMP - Industrial Units	Greg Macdonald		-	300,000	-	-	-	-	-	-	-	-	300,000
AMP - Contingency	Greg Macdonald		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	200,000
	<b>Essential Maintenance</b>	<b>7</b>	<b>339,000</b>	<b>465,000</b>	<b>436,000</b>	<b>49,000</b>	<b>30,000</b>	<b>50,000</b>	<b>50,000</b>	<b>20,000</b>	<b>20,000</b>	<b>65,000</b>	<b>1,524,000</b>
<b>Total Development Pool</b>			<b>6,965,641</b>	<b>1,446,650</b>	<b>1,478,800</b>	<b>1,030,300</b>	<b>930,915</b>	<b>1,101,480</b>	<b>1,073,480</b>	<b>992,108</b>	<b>923,108</b>	<b>1,101,108</b>	<b>17,043,590</b>