



Northumberland County Council

CABINET

17 NOVEMBER 2022

Summary of New Capital Proposals considered by Officer Capital Strategy Group

Report of: Jan Willis, Interim Executive Director of Finance and Section 151 Officer

Cabinet Member: Councillor Richard Wearmouth, Portfolio Holder for Corporate Services

1. Purpose of Report

The following report summarises proposed amendments to the Capital Programme considered by the officer Capital Strategy Group (CSG) via email on 6th October 2022.

2. Recommendations

Cabinet is recommended to:

2.1 Charlton Project – Hirst Park:

Approve capital expenditure of £15,000 from the Parks Enhancement Capital Programme for 2022/23 in respect of NCC's contribution to the provision of a statue celebrating football legend Jack Charlton and interpretation panels highlighting Ashington's unique footballing heritage that will be installed within Hirst Park in Ashington.

2.2 Local Authority Treescap Fund:

Approve the inclusion of a grant of £81,815 in the Council's Medium Term Financial Plan profiled as in Paragraph 7.5 below. The grant will be received from the Local Authority Treescap Fund (round 2) administered by the Forestry Commission for the Great Northumberland Forest.

2.3 HRA Affordable Housing – Riverbrook Gardens, Alnwick:

Approve a proposal to acquire 8 x 2 bedroom section 106 units on the Story Homes Riverbrook Gardens Development off Alnmouth Road in Alnwick at a cost of £1,008,000 representing £126,000 per unit. The acquisition will be funded through the Affordable Homes budget line for 2023/24 in the Council's Medium Term Financial Plan.

2.4 Commissioners Quay

- Approve a capital grant award, and the associated budget requirement within the 2022-23 capital programme, of £58,392 to Advance Northumberland in respect of Commissioners Quay. The project will in turn be funded by grant provided to Northumberland County Council from North of Tyne Combined Authority.
- Accept the associated Brownfield Housing Fund grant from North of Tyne Combined Authority £58,392.

2.5 Contracts in excess of Delegated Limits:

- On 21st September 2022, Cabinet approved the Outline Business Case (OBC) for the Energy Central Campus Phase 1 - Learning Hub to enable progression to Full Business Case and delegated authority to the Council's s151 Officer to approve the Full Business Case and report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.
- It is recommended that Cabinet now delegate approvals to the Head of Paid Service or nominated Executive Director to enter into contract with the main contractor relating to the project subject to confirmation of associated funding being in place and the appropriate procurement processes being followed up to the value of £9,714,759.

3. Links to Corporate Plan

The Council's Capital Programme is consistent with the priorities in the Corporate Plan in particular the 'Living', 'Enjoying' and 'Thriving' priorities.

4. Background

This paper summarises reports considered by the officer Capital Strategy Group on the allocation of funding within the Medium Term Plan to specific projects.

SUMMARY OF NEW CAPITAL PROPOSALS CONSIDERED BY OFFICER CAPITAL STRATEGY GROUP VIA EMAIL ON 6 OCTOBER 2022

5. Charlton Project – Hirst Park

- 5.1 CSG was asked to consider a request to contribute £15,000 to the provision of a statue celebrating football legend Jack Charlton and interpretation panels highlighting Ashington's unique footballing heritage that will be installed within Hirst Park in Ashington.

Proposal

- 5.2 In July 2020, following the death of football legend Jack Charlton and the subsequent community reaction, the Town Council resolved that there should be a fitting local tribute; a statue in his hometown of Ashington.



- 5.3 The project has been supported by Ashington Town Council who commissioned well respected sculptor Douglas Jennings to create a life-size bronze cast statue of Jack 'The Elder', to stand proudly in Hirst Park, overlooking the fields where Jack first kicked a football.

- 5.4 The statue will be installed onto a foundation of approximately 3m diameter, section which is circular, with brickwork surround and resin centre. This is in keeping with other hard landscaping in Hirst Park.
- 5.5 As well as the statue for Jack Charlton, local football and heritage enthusiast and expert Barry Mead has worked closely with Ashington Town Council to bring forward the story of Ashington's football hall of fame. Jackie Milburn, Jimmy Adamson, Bobby Charlton, and Jack Charlton will all feature in 'Ashington's Footballing Heritage', including special coverage of the 1966 World Cup. Using Four interpretation panels, the aim is to educate, motivate, and inspire people by bringing to life the story of these four players in words and pictures, with a focus on their early roots and career triumphs.

Ashington's Football Heroes

Remarkably, four players born in Ashington went on to become Footballers' of the Year.



Jackie Milburn in action for Newcastle United

"Wor Jackie" Milburn.
Ulster Footballer of the Year, 1958

He was an ordinary pit lad from Ashington who made dreams come true yet never strayed from his roots "John Gibson's "The Jackie Milburn Story", 1990

In a glittering career with Newcastle Utd he scored 238 goals in 492 appearances. Amongst many highlights were his 3 FA Cup winner's medals in 1951, 1952 and 1955.

He also won 13 England caps, scoring 10 goals.

In 1957 Jackie joined Linfield as player-manager where he won 9 trophies in three seasons.

In 1987, Newcastle United named their new West Stand the Milburn Stand in his honour.



Jimmy Adamson, Burnley, with his Footballer of the Year trophy, 1962

Jimmy Adamson:
English Footballer of the Year, 1962

After a short time down the pit he signed for Burnley where he spent his entire playing career (1947-1964, 486 appearances).

In 1963 he was offered the England manager's job but turned it down as he felt he was too inexperienced. The job went to Alf Ramsey who went on to win the World Cup in 1966.



Jack Charlton with his Footballer of the Year trophy, 1967

Bobby Charlton:
English & European Footballer of the Year, 1966

Bobby is the only English player to win both awards.



Jack Charlton with his Footballer of the Year trophy, 1967

Jack Charlton:
English Footballer of the Year, 1967

Jack Charlton is presented with the Footballer of the Year trophy at the Cafe Royal, London.



- 5.6 There will be 4 cast concrete panels which will resemble a cut coal face, to create the structural feature that will house the interpretation panels. The structures have been professionally indemnified for structural stability for both the statue and the interpretation panels.
- 5.7 Local Landscape Architect, Nick Wright of Place on Earth Ltd is working alongside Structural Engineers Jasper Kerr and Classic Masonry based in North Shields to create a design that respects the separate elements of the project, but brings these carefully together in a unique small garden space that will add to the already diverse range of experiences in Hirst Park.
- 5.8 The area surrounding this project will be landscaped in keeping with other features within Hirst Park. Brambledown Landscapes who have already delivered several important projects within the park, including most recently the Ashington Mining Memorial, will construct the garden later in the year.

- 5.9 It is hoped that these projects will harness the power and popularity of football as a force for good, developing partnerships with people and organisations across the region to improve people's lives and support their communities.

Project Costs and Funding

- 5.10 Ashington Town Council have secured a quote of £116,365 for the required works including costs of materials, plant and labour.
- 5.11 It is proposed that the scheme will be funded as follows:
Northumberland County Council £15,000 (proposed)
Ashington Town Council £53,882 (confirmed)
County Councillors funding £22,000 (confirmed)
Other external funding £25,483 (confirmed)

6. Local Authority Treescape Fund

- 6.1 CSG was asked to recommend a grant of £81,815 from the Local Authority Treescapes Fund (LATF) be included in the Council's Medium Term Financial Plan.

Background

- 6.2 LATF funds small-scale tree planting initiatives to establish more trees in settings such as parklands, riparian zones, copses, and shelterbelts, as well as green lanes and small linear woodlands alongside roads and footpaths. Its fundamental aim is to involve local communities (supported by local authorities) to improve landscape connectivity outside woodland, increase natural colonisation where appropriate, and provide wider benefits to ecosystems and society, such as carbon absorption, flood protection and support for biodiversity.
- 6.3 The Council was successful in round 1 of the LATF last year and has been delivering those planting schemes during spring 2022 and will complete the project this winter. The Forestry Commission has now confirmed that an application to round 2 has also been approved.
- 6.4 Schemes included in Round 2 relate to:
- the planting of "standards" in Hexham, Alnwick, Bedlington, Byrness and Embleton;
 - the planting of areas with whips in Morpeth and Alnmouth; and
 - the creation of an orchard in Cresswell
- 6.5 The capital funding secured as set out below will facilitate the planting of the trees in Year 1 with subsequent maintenance being undertaken in Years 2 to 4 – as was the case in the equivalent Round 1 process.

	2022/23	2023/24	2024/25	2025/26	TOTAL
LATF round 2	£32,078	£16,579	£16,579	£16,579	£81,815

7. HRA Affordable Housing – Riverbrook Gardens, Alnwick

- 7.1 CSG was asked to consider a proposal to acquire 8 new affordable homes from Story Homes at Riverbrook Gardens off Alnwick Road in Alnwick at a total cost of £1,008,000.

Proposal

- 7.2 The proposal is to acquire 8 x 2 bedroom section 106 units on the Story Homes Riverbrook Gardens Development. NCC have bid on the 40% Affordable rented units (8 in total) and the remaining 60% Intermediate units will be provided as Discount market value units direct by the developer.
- 7.3 This acquisition is part of the Housing Delivery Pipeline that has been identified and progressed by the Housing Delivery team. A budget of £48.2 million from the HRA was approved for the Medium Term Financial plan to resource this Housing Delivery Pipeline with a view to increasing the supply of affordable homes in areas where Northumberland County Council operate as a landlord. The cost of £1,008,000 will be funded 50% from Capital Receipts and 50% from Investment Borrowing.
- 7.4 This proposal meets the objectives of the recently adopted Local Plan, the NCC Housing Strategy, the findings of the Strategic Housing Market Assessment (SHMA) 2018 refresh and the emerging NCC Housing Delivery Strategy. It would contribute towards NCC's plans to provide additional affordable homes in locations where there is identified housing need and where NCC have already have a management presence. This is an opportunity to acquire 8x 2 bed affordable homes in the Alnwick area where currently the council only has 2 bed housing stock that is ageing.
- 7.5 In the recently adopted Northumberland Local Plan, the Alnwick location was identified as needing to provide a minimum of 950 new household units to meet the minimum housing requirements set out in Policy HOU 2 and HOU 3. This new development provides for this ambition. Policy HOU 5 refers to Housing type and mix and Policy HOU 6 refers to Affordable Housing provision and the provision of these affordable rented units will satisfy this requirement.

- 7.6 In terms of identification of local housing need this site is well located on the edge of the town. We have identified from the Homefinder application and bidding data that there is a need for 2 bed houses and that they would be in high demand. In the last year there were 84 applicants for the 11 advertised 2 bed properties. The bidding rate was an average of 20 bids per property which is healthy and all were allocated to applicants in housing need. The units will be advertised on Homefinder and allocated in line with the Common Allocations Policy.
- 7.7 This acquisition model offers a quicker delivery solution than if NCC builds its own units as development on this site is due to commence in January 23. These new build traditional energy efficient units will meet many of NCC's zero carbon objectives and can be realised within a very quick build time.

Costings

- 7.8 The acquisition price is based on the Open Market value of the 2 bed units at £210,000 each and we are offering approximately 60% Transfer value which is comparable to what is being offered by other Registered Providers in the area. This gives an outline offer per unit of £126,000 and the total capital cost for the scheme is £1,008,000.
- 7.9 The weekly affordable rent has to be no more than 80% of the market rent including any service charges payable. There is an annual Management Charge due for landscaping which will translate to a weekly service charge of £2.75 per unit. As the total weekly charge can be no more than £103.47 the actual rent element will reduce to £100.72 per week.
- 7.10 The viability appraisal indicates that the scheme will break even in Year 2 and will achieve a surplus of £193,300 for the HRA account by year 30.
- 7.11 The build will commence in January 2023 with the acquired units being completed in November and December 2023.

Implications

Policy	The capital programme is part of the Medium-Term Financial Plan 2022-26. The plan supports the Corporate Plan.
Finance and value for money	The report outlines proposed project allocations and amendments to the approved Capital programme. The financial implications of these proposals are outlined in the

	main body of the report. The projects will be funded from the existing capital programme or external funding.
Legal	Subject to any contractual implications arising from the receipt of grant funding, there are no direct legal implications.
Procurement	In line with all other capital expenditure, the additional spend will be subject to the Council's recognised procurement procedures.
Human Resources	Not applicable.
Property	The properties affected by the proposals are identified in the main body of the report.
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Not applicable.
Risk Assessment	The risks associated with the proposals are regarded as acceptable but these risks will continue to be reviewed up to and during implementation of the proposals.
Crime & Disorder	There are no Crime and Disorder implications.
Customer Consideration	There are no Customer Considerations.
Carbon reduction	Carbon Reduction measures have been considered within each project and Carbon Impact Assessments have been completed for the relevant projects.
Health & Wellbeing	There are no Health and Wellbeing implications.
Wards	All wards.

Background Papers:

Medium Term Financial Plan 2022-26

Report sign off:

Authors must ensure that officers and members have agreed the content of the report:

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