



# Northumberland

## County Council

### CABINET

11 JANUARY 2022

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## Summary of New Capital Proposals considered by Officer Capital Strategy Group

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**Report of:** Jan Willis, Interim Executive Director of Finance

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

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### 1. Purpose of Report

The following report summarises proposed amendments to the Capital Programme considered by the officer Capital Strategy Group via email on 3 December 2021.

### 2. Recommendations

Cabinet is recommended to:

#### 2.1 Desktop Refresh Programme:

Approve the addition of £804,000 to the capital programme in 2021-22 to fund additional capital expenditure incurred on laptops, peripherals and other mobile devices procured during the Covid Pandemic, to allow staff to work from home. It is proposed that a Revenue Contribution to Capital (RCCO) will be made from the Information Services revenue budget which will be covered by the Covid support grant.

#### 2.2 Ad Gefrin Visitor Centre and Distillery:

- Approve the application to the Borderlands Inclusive Growth Deal Fund for a further £1million contribution to the Ad Gefrin Visitor Centre and Distillery. This request will be conditional on the additional project costs being subject to a due diligence process and formal confirmation from the project sponsor that the previous subsidy control advice remains valid.
- Approve an allocation of £650,000 in 2022/23 from the Strategic Regeneration Reserve within the Council's 2021-24 Medium Term Financial Plan for an

initial phase of visitor infrastructure improvements in and around the town of Wooler, in advance of the opening of the Ad Gefrin Visitor Centre. A further report will be brought to Cabinet once feasibility work has been completed and detailed costings obtained.

### 2.3 **Blyth Cycle Improvement Scheme:**

- Accept an external funding contribution of £336,000 for cycling and walking improvements from the Department for Transport (DfT) Emergency Active Travel Fund administered through Transport North East (TNE) and agree that this amount be added to the Council's capital programme.
- Approve the expenditure of the above amount, together with £86,000 from the Local Cycling and Walking Infrastructure Budget included in the Council's 2021/22 Medium Term Financial Plan, on cycling and walking improvements and crossing facilities at the Waterloo Road junction with Renwick Road in Blyth, at a total scheme cost of £422,000. Expenditure is expected to be split £200,000 in 21/22 and £222,000 in 22/23.

### 2.4 **Industrial Washing Machine Joint Equipment Loan Warehouse (JELS):**

Approve capital expenditure of £125,000 funded by the CCG to replace the washing and disinfection industrial machine in the Council's Joint Equipment Loan (JELS) warehouse, which is used to clean and disinfect daily living equipment to support the re-use of these items.

- 2.5 **Borderlands Carlisle University:** accept a £50,000,000 capital grant award from the Department of Levelling-up, Housing and Communities (DLUHC) for the Carlisle Citadels project in accordance with the Council's role as accountable body for the Borderlands Inclusive Growth Deal Investment awarded by the UK Government in England and agree that this amount be added to the Council's Capital Programme.

## 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 3 DECEMBER 2021**

### **5. Desktop Refresh Programme**

- 5.1 The Group was asked to approve a proposal to fund additional IT equipment purchased to support staff to work from home during the pandemic from the Covid support grant.
- 5.2 Information Services have delivered a desktop refresh programme to all computer users for many years. The programme is funded through the Council's Medium Term Financial Plan Capital allocation and is budgeted based on replacing all end user computer equipment every four years on a like for like basis. Therefore, users with laptops would receive a new replacement laptop and associated peripherals and those with a desktop would receive a replacement desktop and peripherals. The most recent refresh finished in early 2020, with the next refresh not planned to commence until late 22/23.
- 5.3 With the advent of COVID and the need to facilitate staff working from home Information Services had to bring forward the next desktop refresh programme and focus on providing all staff with suitable devices to allow them to work from home.
- 5.4 This included providing replacement laptops to staff with desktop equipment and additional monitors for staff that already had laptops. There was also a small number of staff that were provided with mobile phones if they didn't currently have one and their role required them to make phone calls. To date, Information Services have replaced 816 desktops with laptops and provided staff with an additional 560 monitors to support home working.
- 5.5 None of these additional costs were included within the 21/22 capital budget and therefore as a consequence the capital desktop refresh budget is overspent by £804,000 within 21/22. As the additional expenditure is a direct result of providing equipment to work from home due to Covid restrictions it is proposed to fund this cost from the Council's main Covid Support grant provided by Government for additional Covid related expenses.
- 5.6 The Council's main Covid Support grant is a revenue grant, therefore to facilitate this a Revenue Contribution to Capital (RCCO) will be made from the Information Services revenue budget for £804,000, which will be funded from the main Covid support grant.

### **CSG Recommendation**

- 5.7 The Group supported the proposal and recommends Cabinet to approve the addition of £804,000 to the capital programme in 2021-22 to fund additional

capital expenditure incurred on laptops, peripherals and other mobile devices procured during the Covid Pandemic, to allow staff to work from home.

## **6. Ad Gefrin Visitor Centre and Distillery**

- 6.1 The Group received a proposal to seek a further £1million contribution to the Ad Gefrin Visitor Centre and Distillery from the Borderlands Inclusive Growth Deal and to allocate up to £650,000 from the Strategic Regeneration Reserve to invest in an initial phase of visitor infrastructure improvements in and around the town of Wooler.

### **Background**

- 6.2 In November 2019, the Council approved an allocation of £600,000 from the capital programme to support the development of Northumberland's first whisky distillery in 200 years, alongside a high-quality cultural centre, showcasing Northumbrian heritage, promoting diverse local products and produce.
- 6.3 Inspired by the prehistoric and early medieval capital of the Kingdom of Northumbria 'Ad Gefrin', which is located four miles from the site, the Council agreed to this financial contribution on the basis that the project would:
- regenerate a 0.867 ha, prominent gateway derelict site in Wooler, located on one of the main arterial routes, bringing it back into productive use
  - create an outstanding statement building which will reflect the original aesthetic and echo the great Anglo-Saxon halls of the past
  - create 50 new FTE posts, and indirectly support 58 more
  - offer evocative distillery tours and create an immersive Tasting Room experience where visitors can sample the Ad Gefrin range of spirits
  - provide a multi-function event space, equipped for a variety of occasions, alongside a high-quality bistro serving fresh locally sourced menus
- 6.4 On this basis, the Visitor Centre and Distillery will help revitalise the rural community of Wooler, raising the profile of the area in national and international markets, and establishing the town as a new destination on the Anglo-Scottish Whisky Trail. It is expected to attract around 50,000 visitors per year from 2025.
- 6.5 The Council's financial contribution was conditional on the full funding package of £10.5m to meet the then expected cost of the scheme being secured. The following package was confirmed by the project sponsor in January 2021 with the three public sector elements subject to bespoke grant funding agreements:

<b>Original Funding Package, January 2021</b>	
<b>Funding source</b>	<b>Amount</b>
Bank loan	£5.9m
<b>Private sector funding sub-total</b>	<b>£5.9m</b>
Borderlands Growth Deal	£3.0m
NE Rural Growth Network	£1.0m
County Council	£0.6m
<b>Public sector funding sub-total</b>	<b>£4.6m</b>
<b>Total cost</b>	<b>£10.5m</b>

### **Progress on site and cost implications**

6.6 The project commenced in February 2021 with all remnants of the derelict old haulage yard quickly removed and the building construction commencing within weeks of grant approval being given. Since then, the project has been moving at a rapid pace. However, in line with most other building projects, the project is facing disruption in supply of both goods and labour. This has led to increased costs and the expenditure profile has deviated from the original estimation.

6.7 The main reasons for the cost variances can be summarised as:

- General increased prices due to delayed start of the build (pending the approval of funding from the Borderlands Inclusive Growth Deal)
- Steel costs have increased dramatically
- Timber prices have suffered high increases
- Uncertainty regarding supply has forced earlier than expected procurement, which includes some of the distillery costs
- Disruption in labour supply due to Covid has resulted in additional time being required, and some weekend working to allow other parts of the build to proceed with both factors have an adverse impact on price
- The site for the bore hole and it's monitoring chambers have had to be altered following geological surveys
- Lighting costs have increased

6.8 As a result, it has become apparent that the project spend will exceed the original budget. The current forecast is a total capital spend in the region of £13.5 million if the original quality of the submission is not to be compromised.

6.9 The changes to the expenditure profile are as follows:

<b>Revised Expenditure Profile</b>			
<b>Budget Head</b>	<b>Jan 2021</b>	<b>Nov 21</b>	<b>Difference</b>
Building and construction	£7.151m	£9.210m	+£2.059m

Retention of above	£0.109m	£0.118m	+£0.009m
Interior design/Furniture	£0.650m	£1.311m	+£0.661m
Distillery and Barrel store	£2.394m	£2.395m	+£0.001m
Fees	£0.200m	£0.477m	+£0.277m
<b>Total</b>	<b>£10.504m</b>	<b>£13.511m</b>	<b>+£3,007m</b>
Some items in respect of the exhibition build have been reclassified from construction costs to interior/exhibition design costs. This is largely due to expertise, supervision and quality control.			

- 6.10 Whilst some of the increased cost of £3 million can be absorbed by Ad Gefrin Ltd, a further public sector contribution of £1 million has been requested by them to guarantee the completion of the project.
- 6.11 Within this context, it should be noted that, despite the above challenges, it is still anticipated that the build time will remain at 72 weeks. This will enable the Visitor Centre and Distillery to open in the autumn 2022 and thereby be in a position to generate revenue by consumer spending from the lucrative Christmas season.

### **Proposed revised funding strategy**

- 6.12 As highlighted above, the Visitor Centre and Distillery proposal received funding from three public sector sources. However the North East Rural Growth Network programme resourced through the LEP's Local Growth Fund has since come to an end.
- 6.13 The Borderlands Inclusive Growth Deal has a fixed funding allocation of £200 million to be invested in England regardless of unforeseen increases to project costs. However, it is possible to seek an additional funding ask for an approved project if this is considered to be the most appropriate action relative to the loss of funding for another initiative located in Northumberland.
- 6.14 The Borderland's allocation of £3 million for Ad Gefrin was drawn from the Business Infrastructure programme of the Growth Deal. Within this programme, there is a residual, indicative allocation of £5 million for Northumberland. The expectation is that this will be deployed to bring forward a future strategic site for inward investment but there is no specific proposal at this point in time.
- 6.15 Given this scenario, it is considered that the release of a further £1 million from the Growth Deal to the Ad Gefrin project could be accommodated without significantly prejudicing the delivery of a further project in the county or the wider Deal. This is on the basis that a residual amount of £4 million would be sufficient to take forward a second business infrastructure project in the county, particularly given that such an initiative could potentially attract

funding contributions from the LEP (as in this case) or the North of Tyne Combined Authority. This in turn would mean there was little impact on the projected outputs and outcomes within the Deal and the integrity of the original programme would remain intact.

6.16 The Council could have also considered supplementing its original financial contribution to the Visitor Centre and Distillery. However, as outlined below there is a need to improve the visitor infrastructure in and around the town to future proof its capacity. As this work largely relates to the public realm, the only potential funder is the County Council.

6.17 This £1 million funding request will subsequently need to be approved by the Borderlands Partnership Board at its next meeting in March 22 and then validated by the UK Government. Any such request will be made on the basis that due diligence had been undertaken on the new expenditure profile and confirmation had been received from the project sponsor that the subsidy control advice remains valid.

6.18 The revised profile as set out below will then be reflected in a revised suite of grant funding agreements issued by the Council in its role as Accountable Body.

<b>Proposed Revised Funding Package, November 2021</b>		
<b>Funding source</b>	<b>Amount</b>	<b>Difference</b>
Bank loan/Private sector	£7.9m	+£2.0m
<b>Private sector funding sub-total</b>	<b>£7.9m</b>	
Borderlands Growth Deal	£4.0m	+£1.0m
NE Rural Growth Network	£1.0m	
County Council	£0.6m	
<b>Public sector funding sub-total</b>	<b>£5.6m</b>	
<b>Total cost</b>	<b>£13.5m</b>	<b>+£3.0m</b>

### **Increasing visitor impact on Wooler**

6.19 Wooler obviously acts as an important gateway to the Northumberland National Park, with Wooler Common, College Valley and Ingram Valley in the eastern Cheviots all within easy reach of the town. Over the past 18 months, the number of visitors attracted to the area for day trips, short breaks and holidays has steadily grown following the impact of the Covid pandemic. The appeal of “staycations” is likely to continue as is the desire of more residents to explore their local countryside more often.

6.20 This access obviously has to be accommodated and managed in a way that protects the natural assets whilst also respecting the needs of both local

residents and visitors. The ability to travel via net zero modes of transport will also become increasingly important. With this in mind, preliminary discussions have been held with the National Park with a view to commissioning a comprehensive Visitor Travel and Access Strategy for the Glendale area that would set out the framework for progressively future proofing the capacity needs of the area.

- 6.21. However, the opening of the new Visitor Centre and Distillery in around 9 months creates an immediate pressure that warrants a response in advance of the Travel Strategy being prepared. This is because the current evidence – based on media interest and tour operator enquiries – is that the visitor numbers are likely to be higher than first anticipated at the point of opening.
- 6.22. It is also evident from the enquiries received, that a significant proportion of the visitors planning to go to the Visitor Centre and Distillery will want to travel four miles north to the archaeological site of the original Ad Gefrin settlement on the B6351 and undertake an associated walk within the National Park. At this location, the visitor infrastructure is limited to an interpretation board in a layby with space for three or four cars.
- 6.23. The current lack of facilities and infrastructure for visitors would obviously detrimentally impact upon the ability of the Visitor Centre and Distillery to act as a catalyst for the wider regeneration of north Northumberland. It is therefore considered that the following infrastructure improvements need to be undertaken over the next six to nine months:
- Refurbishment of the public toilets at Wooler bus station
  - Provision of an “overflow” car parking facility close to the town centre to accommodate demand at peak times
  - Creation, in partnership with the National Park and Ad Gefrin Trust, of a new “country park” car park adjacent to the Ad Gefrin archaeological site which the Park would subsequently maintain.

### **CSG Recommendation**

- 6.24 The Group supported the proposal and recommends Cabinet to support an application for a further £1million contribution to the Ad Gefrin Visitor Centre and Distillery from the Borderlands Inclusive Growth Deal. The Group also recommends Cabinet to approve an allocation of £650,000 from the Strategic Regeneration Reserve within the Council’s 2021-24 Medium Term Financial Plan to invest in an initial phase of visitor infrastructure improvements in and around the town of Wooler. A further report will be presented to Cabinet to request approval to commence the works once detailed feasibility work has been undertaken and costings received.

## **7. Blyth Cycle Improvement Scheme**

- 7.1 The Group were requested to support a grant award of £336,000 for walking and cycle improvements to be utilised in improving the Waterloo /Renwick road junction in Blyth supported by a contribution of £86,000 from the Council's Cycling and Walking Infrastructure Budget.

### **Key Issues**

- 7.2 Although Blyth generally offers a range of cycling and walking facilities, the cycling specific offering becomes more limited when accessing the town centre. Gaps in the cycling network create road safety concerns, particularly where they need to interact with motor vehicle traffic at junctions.
- 7.3 The funding being sought will enable the construction of a Toucan crossing and a Parallel crossing (Cycle Zebra) in the vicinity of Waterloo Road and Renwick Road in Blyth. The proposed crossing points will be connected by a section of shared use footway / cycleway.

### **Background**

- 7.4 The Department for Transport (DfT) released funding to promote walking and cycling. The fund is called the Active Travel Fund and the allocation for the North East is administered by Transport North East (TNE) on behalf of the North East Joint Transport Committee. The funding available to Northumberland from the Active Travel Fund amounts to £336,000. The funding is for walking and cycling schemes with preference given to schemes identified through the Local Cycling and Walking Infrastructure Plans (LCWIPs) process. All local authorities in England have been encouraged to produce LCWIPs to identify priorities for funding opportunities. The scheme needs to be completed by end May 2022 as part of the general conditions of TNE / DfT.
- 7.5.1 Council officers have developed LCWIPs for all the main towns in Northumberland, including Blyth, to a draft stage. The Waterloo Road / Renwick Road junction provides a key crossing location for LCWIP routes in Blyth. Renwick Road presents a barrier to cyclist and pedestrian movements between the town centre and all residential housing areas to the west of Renwick Road, as well as Blyth Sports Centre. The Renwick Road / Waterloo Road junction is a key interchange for developing the 3 main corridors identified for the Blyth LCWIP, including potential cycleways from Blyth Town Centre to Bebside (which forms one of the Blyth Town Deal projects) and Blyth Town Centre to South Newsham. The existing junction of Waterloo Road and Renwick Road is a roundabout with a toucan crossing on the north approach of Renwick Road.

## Proposed Scheme

7.6 The proposed scheme involves the introduction of a combined zebra pedestrian and cycling parallel crossing on the Waterloo Road approach to the roundabout and a new toucan crossing on the A193 Renwick Road south leg in the vicinity of Bondicar Terrace and Lynn Street. In addition, the existing footway will be widened to 3m to enable shared use and connect the existing toucan (north of the roundabout on the A193) to the new parallel crossing and new toucan crossing. See Figure 1.



**Figure 1: Shared use footway Cycleway with Toucan Crossing and Parallel Crossing preferred option**

7.7 The scheme is being designed to the standards required in the DfT Local Transport Note 1/20, which is a strict requirement of the funding. The proposed scheme including contingencies is expected to cost £422,000. £336,000 of the funding will be provided by the Active Travel Fund, which is a capped grant, therefore the remaining £86,000 will be funded from the allocation for Local Cycling and Walking Infrastructure included in the Council's 2021/22 Medium Term Financial Plan.

7.8 The proposed works need to be completed by 31<sup>st</sup> May 2022. Design work is expected to be completed by 31 January 2022 and works are expected to commence in 1<sup>st</sup> March 2022, which will allow completion by the end of May. Given the location as a busy through route, there will inevitably be traffic disruption caused during the works, although this will be minimised wherever possible through Early Contractor Involvement (ECI), effective traffic

management, notification of alternative routes and off peak working where possible.

- 7.9 It should be noted that a previous proposal was developed and consulted upon earlier this year. This involved replacing the roundabout with a fully signalised traffic junction. This would have removed the roundabout and existing toucan crossing to the north of the junction, then signalised the junction with pedestrian and cycling facilities to enable non-motorized users to move through the junction in a safe manner. Further modelling of this previous signalised junction proposal indicated that the lengths of the forecast traffic queues would reach an unacceptable level. Public feedback on the signalised junction proposal was also very negative, with concerns about delays to traffic caused by the signals. The current proposal was therefore developed at a lower cost, which will provide the cyclist and pedestrian crossing facilities required to improve access for sustainable travel.

### **CSG Recommendation**

- 7.10 The Group supported the proposal and recommends Cabinet to accept the grant of £336,000 from the Active Travel Fund and approve the allocation of £86,000 from the Local Cycling and Infrastructure Budget in the 2021- 24 Medium Term Plan to enable the works to proceed.

## **8. Industrial Washing Machine Joint Equipment Loan Warehouse (JELS)**

- 8.1 The Group were asked to approve expenditure of £125,000 to replace the washing/disinfection industrial machine in the Council's Joint Equipment Loan (JELS) warehouse, which is used to clean and disinfect daily living equipment to support the re-use of these items.

### **Background**

- 8.2 The JELS service is a jointly funded service between the Council and the CCG which has recently moved from Northumbria Healthcare Trust to the Council following the ending of the Partnership Arrangement between the council and the Trust at the beginning of October.
- 8.3 The equipment is used to wash and disinfect as many daily living pieces of equipment as possible in order for them to be re-used by other clients such as commodes, toilet frames, bathing items etc.
- 8.4 Without a machine to clean and disinfect items, all daily living equipment returned to stores would need to be destroyed. The operating model of the JELS service is reliant on a large proportion of equipment being recycled and reused. The service aims to recycle as many items as it possibly can. From

1<sup>st</sup> January 2021 to date (approx. 11 months) JELS have had 32,420 items returned of which 27,756 (86%) were recycled back into stock and 4,664 (14%) were scrapped.

- 8.5 Not being able to disinfect and recycle equipment would render the business model unaffordable in its current form. It would also mean additional disposal costs and an increase in landfill waste.
- 8.6 The present washer/disinfectant machine is over 18 years old and at risk of breaking down beyond economical repair with electronics for this equipment now obsolete. Having the continued ability to clean items on site is essential for providing a quick turnaround which enables clients to receive the necessary equipment in a timely manner. Most fundamentally though, without the ability to recycle the cost of the service to the Council and the CCG would rise significantly.
- 8.7 The CCG have agreed to fund the new equipment at a cost of £125,000 as they have available funds this year and both parties have agreed a review of the service now that it has come under Council direct management to look for further efficiency in operation. Ongoing annual maintenance costs of £2,634 p.a will be funded from the Joint Equipment Loan service budget within the funding allocation already in place between the Council and the CCG.

### **CSG Recommendation**

- 8.8 The Group supported the proposal and recommends Cabinet to approve capital expenditure of £125,000 funded by the CCG to replace the washing and disinfection industrial machine in the Council's Joint Equipment Loan (JELS) warehouse.

## **9. Borderlands Carlisle University**

- 9.1 The Group received a request to accept a £50,000,000 capital grant award from the Department of Levelling-up, Housing and Communities (DLUHC) for the Carlisle Citadels project in accordance with the Council's role as accountable body for the Borderlands Inclusive Growth Deal.

### **Background**

- 9.2 The Borderlands Partnership submitted the proposal for the Borderlands Inclusive Growth Deal to both the UK and Scottish Governments in September 2018. The Heads of Terms Agreement for the Growth Deal were announced on 1 July 2019 and subsequently the full Deal agreed on the 18<sup>th</sup> March 2021.

- 9.3 This Agreement confirms a commitment to a financial package of £350 million of capital investment, with £200 million to be invested on the English side of the Border for projects over a ten-year period.
- 9.4 The Governance for the Partnership is enshrined in a formal Collaboration Agreement between the five participating local authorities. This Agreement sets out the role of the two Accountable Bodies for the Growth Deal, with Dumfries and Galloway Council providing that function for the Scottish Government funding, and Northumberland County Council for the UK Government funding to be invested in England.
- 9.5 As the Accountable Body for funding in England, the County Council is responsible for administering the effective spend of the £200 million capital investment allocation assigned to England. In accordance with the Council's financial procedures, each of the proposed programmes and projects will be added to the capital programme and accounted for as part of the Medium-Term Financial Plan.
- 9.6 As part of the Deal delivery arrangements, DLUHC will be responsible for the approval of projects within the Borderland Inclusive Growth Deal. Following project approval DLUHC will make payment(s) to the Council via a s31 Capital Grant determination. The payments will be based on the financial profile agreed at project approval.
- 9.7 Following project approval, the Council will enter into a grant funding agreement with the project lead organisation which for the Carlisle Citadels project is the University of Cumbria. The s31 funding will be held by the Council and will subsequently be paid to the University of Cumbria upon receipt of grant claims and in accordance with the grant terms and conditions. The Council will not be expected to undertake any borrowing for the project.

### **Carlisle Citadels Project**

- 9.8 The £77.5m project is being led by the University of Cumbria with £50m to be provided through the Borderlands Inclusive Growth Deal and the remaining funding being secured by the University of Cumbria from a range of sources including their own resources and the Carlisle Town Deal.
- 9.9 The project was approved by DLUHC on the 25<sup>th</sup> October 2021 following approval by the Borderlands Partnership Board in September 2021, The s31 Grant Determination will be issued to Northumberland County Council by DLUHC.
- 9.10 The project aims to redevelop the historic Citadels buildings and surrounding 1.25-hectare site into a new campus for the University of Cumbria creating a new 11,500sqm facility at the heart of Carlisle City Centre and next to the existing investment in the Carlisle Station Gateway. This will provide a new,

more visible, and more accessible location. This is the largest single scheme supported by the Borderlands Deal.

- 9.11 This investment is intended to cement the role of the University of Cumbria as a major anchor institution in Carlisle city centre and support the wider place-making of Carlisle as a major, visible location. In doing so this will enhance the skills provision across the wider region with the new facilities designed to provide a wider range of learning opportunities.
- 9.12 The scheme will revitalise a series of heritage building and build new additional facilities on the remainder of the site. This will include:
- High quality and fully digital enabled teaching spaces including a 200-seater multi-purpose lecture theatre
  - 800sqm of business interaction space (funded through the Town Deal)
  - University administration and support services
  - New creative and cultural facilities including exhibition space
  - A new public square at the centre of the campus available for pop-up events.
- 9.13 The expenditure profile for the project is set out below:
- |       |             |
|-------|-------------|
| 21-22 | £1,872,667  |
| 22-23 | £1,077,516  |
| 23-24 | £9,062,515  |
| 24-25 | £14,304,687 |
| 25-26 | £23,682,615 |

### **CSG Recommendation**

- 9.14 The Group supported acceptance of the £50m capital grant award from the Department of Levelling-up, Housing and Communities (DLUHC) for the Carlisle Citadels project and recommends Cabinet to approve in accordance with the Council's role as accountable body for the Borderlands Inclusive Growth Deal.

## Implications

<b>Policy</b>	The capital programme is part of the Medium-Term Financial Plan 2021-24. The plan supports the Corporate Plan.
<b>Finance and value for money</b>	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.
<b>Legal</b>	There are no direct legal implications other than those associated with accountable body status.
<b>Procurement</b>	In line with all other capital expenditure, the additional spend will be subject to the Council's recognised procurement procedures.
<b>Human Resources</b>	Not applicable.
<b>Property</b>	The properties affected by the proposals are identified in the main body of the report.
<b>Equalities</b> (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Not applicable.
<b>Risk Assessment</b>	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.
<b>Crime &amp; Disorder</b>	There are no Crime and Disorder implications.
<b>Customer Consideration</b>	There are no Customer Considerations.
<b>Carbon reduction</b>	Carbon Reduction measures have been considered within each project.
<b>Health &amp; Wellbeing</b>	There are no Health and Wellbeing implications.

<b>Wards</b>	All wards
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**Background Papers:**

Medium Term Financial Plan 2021-24

**Report sign off:**

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

	<b>Name</b>
Monitoring Officer/Legal	Helen Lancaster
Executive Director of Finance and S151 Officer	Jan Willis
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