



Capital Update Report KEY DECISION NO. FCR P94	
CABINET MEETING DATE 16 Sept 2019	CLASSIFICATION: Open If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED All Wards	
CABINET MEMBER Philip Glanville, Mayor of Hackney	
KEY DECISION Yes REASON Spending or Savings	
GROUP DIRECTOR Ian Williams Finance and Corporate Resources	



1. CABINET MEMBER'S INTRODUCTION

- 1.1 This report on the capital programme for 2019/20 updates members on the capital programme agreed in the 2019/20 budget, and includes capital project approvals for Finance and Corporate Resources and Neighbourhoods and Housing (Non) and Housing.
- 1.2 It includes £200K development funding to increase the capacity of our local Primary Care Estate, to ensure Hackney has modern facilities needed to keep-up with the growing demand for health and social care services. This project includes one new build primary care surgery and plans to convert and expand listed buildings, together the projects will accommodate practices in better facilities in Stoke Newington and Clapton.
- 1.3 But this report shows how we are also prioritising the health and wellbeing of Hackney in other ways, like encouraging the use of the borough's parks, 27 of which now have Green Flag status. This report recommends £875K to several projects to maintain and improve our parks, including £375K to the maintenance and refurbishment of park pathways, fences, walls, park bins, bench replacements, repairs to paddling pools, sports pavilions and play areas. It also specifically highlights £200K to maintain park trees – a vital part of our commitment to do everything we can to stop a climate emergency. Trees encourage the sequestration of carbon emissions, trap harmful pollutants and generate oxygen for our atmosphere, and we have committed to planting at least 1000 new trees in the borough, while maintaining our existing stock as this report shows. Haggerston Park play area will also see a refurbishment, and I am pleased that the Fairfields Gardens – currently suffering from a number of antisocial issues including drug dealing, street drinking, rough sleeping and fly tipping – will see an investment to improve the access, infrastructure and celebrate the site's heritage.
- 1.4 This report also recommends significant investment into the borough's highways, including £320K from the Pothole Action Fund with grant funding from the Department of Transport, £280K into bridge maintenance, and £280K into surface water drainage improvements to make our roads and pavements more attractive to walking and cycling. It also recommends £1.4m into eight Hostile Vehicle Mitigation sites to keep pedestrians safe at key sites in the borough.
- 1.5 Finally, the report recommends a £1.35m investment into upgrading and replacing our streetlights and highways lighting with modern, energy efficient LED lighting. This contributes to meeting our commitment of replacing all of the borough's streetlights with LED lighting by 2022, all part of our wider commitment to stop the climate emergency and achieve a net-carbon neutral Council as soon as possible. So far this work has reduced the Council's energy consumption through streetlights by 60%. LED lighting also reduces sky-glow

and night-time pollution, while better lighting our streets and highways – helping achieve a safer and more sustainable borough.

2. GROUP DIRECTOR'S INTRODUCTION

2.1 This report updates Members on the current position of the Capital Programme and seeks spending and resource approval as required to enable officers to proceed with the delivery of those schemes as set out in section 9 of this report.

3. RECOMMENDATION(S)

3.1 **That the schemes for Finance and Corporate Resources as set out in section 9.2 be given approval as follows:**

NHS Estate: Resource and spend approval of **£200k (£37k in 2019/20 and £163k in 2020/21)** to fund the feasibility and project management costs to develop Hackney's Primary Care Estate.

3.2 **That the schemes for Neighbourhoods and Housing (Non) as set out in section 9.3 be given approval as follows:**

Park Trees 2019/20: Spend approval of **£200k in 2019/20** is requested to undertake essential work on diseased and dangerous trees borough wide.

Highways Surface Water Drainage 2019/20: Spend approval of **£280k in 2019/20** is requested to facilitate the delivery of the 2019/20 water drainage programme at various locations across the borough.

Bridge Maintenance Schemes 2019/20: Spend approval of **£250k in 2019/20** is requested for the continuation of the 5 year Bridge Maintenance Programme in the borough.

Planned Bridge Height Signs 2019/20: Spend approval of **£11k in 2019/20** is requested to install advance warning signs for low height bridges at various sites within the borough.

Local Highway Maintenance - Pothole Action Fund: Resource and spend approval of **£320k in 2019/20** is requested for the continued repair of potholes at various sites within the borough.

Street Lighting Upgrades 2019/20: Spend approval of **£100k in 2019/20** is requested to upgrade the existing street lights located across the entire borough.

Highways Street Lighting LED Upgrades 2019/20: Spend approval of **£1,250k in 2019/20** is requested to upgrade the highways street lighting located across the entire borough.

Hostile Vehicle Mitigation: Spend approval of **£1,401k in 2019/20** is requested to install Hostile Vehicle Mitigation (HVM) to 8 sites across the borough.

Parks Infrastructure 2019/20: Spend approval of **£375k in 2019/20** is requested to fund essential maintenance and refurbishments to the existing parks infrastructure.

Fairfields Gardens & Haggerston Play: Resource and spend approval of **£300k in 2019/20** is requested to fund the redevelopment of Fairchild's Gardens and the refurbishment of the play area in Haggerston Park.

3.3 **That the S106 schemes as set out in section 9.4 and summarised below be given resource and spending approval as follows:**

S106	2019/20
	£'000
Capital	187
Total S106 Resource and Spend Approvals	187

3.4 **That the schemes outlined in section 9.5 be noted.**

4. REASONS FOR DECISION

4.1 The decisions required are necessary in order that the schemes within the Council's approved Capital programme can be delivered as set out in this report.

4.2 In most cases, resources have already been allocated to the schemes as part of the budget setting exercise but spending approval is required in order for the scheme to proceed. Where however resources have not previously been allocated, resource approval is requested in this report.

5. DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

None.

6. BACKGROUND

6.1 Policy Context

The report to recommend the Council Budget and Council Tax for 2019/20 considered by Council on 25 February 2019 sets out the original Capital Plan

for 2019/20. Subsequent update reports considered by Cabinet amend the Capital Plan for additional approved schemes and other variations as required.

6.2 **Equality Impact Assessment**

Equality impact assessments are carried out on individual projects and included in the relevant reports to Cabinet or Procurement Committee, as required. Such details are not repeated in this report.

6.3 **Sustainability**

As above, but much of this new investment contributes to improving the sustainability of the borough.

6.4 **Consultations**

Relevant consultations have been carried out in respect of the projects included within this report, as required. Once again details of such consultations would be included in the relevant detailed reports to Cabinet or Procurement Committee.

6.5 **Risk Assessment**

The risks associated with the schemes detailed in this report are considered in detail at individual scheme level. Primarily these will relate to the risk of the projects not being delivered on time or to budget. Such risks are however constantly monitored via the regular capital budget monitoring exercise and reported to cabinet within the Overall Financial Position reports. Specific risks outside of these will be recorded on departmental or project based risk registers as appropriate.

7. **COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

7.1 The gross approved Capital Spending Programme for 2019/20 currently totals **£356.858m (£185.579m non-housing and £171.279m housing)**. This is funded by discretionary resources (borrowing, government grant support, capital receipts, capital reserves (mainly Major Repairs Reserve and revenue contributions) and earmarked funding from external sources.

7.2 The financial implications arising from the individual recommendations in this report are contained within the main report.

7.3 If the recommendations in this report are approved, the revised gross capital spending programme for 2019/20 will total **£357.977m (£186.757m non-housing and £171.239m housing)**.

Directorate	Revised Budget Position	Sept 2019 Cabinet Update	Updated Budget Position
	£'000	£'000	£'000
Children, Adults and Community Health	28,267	-	28,267
Finance and Corporate Resources	118,481	444	118,924
Neighbourhoods & Housing	38,831	735	39,566
Total Non-Housing	185,579	1,179	186,757
Housing	171,279	(40)	171,239
Total	356,858	1,139	357,997

8. COMMENTS OF THE DIRECTOR OF LEGAL

- 8.1 The Group Director, Finance and Corporate Resources is the officer designated by the Council as having the statutory responsibility set out in section 151 of the Local Government Act 1972. The section 151 officer is responsible for the proper administration of the Council's financial affairs.
- 8.2 In order to fulfil these statutory duties and legislative requirements the Section 151 Officer will:
- (i) Set appropriate financial management standards for the Council which comply with the Council's policies and proper accounting practices, and monitor compliance with them.
 - (ii) Determine the accounting records to be kept by the Council.
 - (iii) Ensure there is an appropriate framework of budgetary management and control.
 - (iv) Monitor performance against the Council's budget and advise upon the corporate financial position.
- 8.3 Under the Council's Constitution although full Council set the overall Budget it is the Cabinet that is responsible for putting the Council's policies into effect and responsible for most of the Councils' decisions. The Cabinet has to take decisions in line with the Council's overall policies and budget.
- 8.4 The recommendations include requests for spending approvals. The Council's Financial Procedure Rules (FPR) paragraphs 2.7 and 2.8 cover the capital programme with 2.8 dealing with monitoring and budgetary control arrangements.
- 8.5 Paragraph 2.8.1 provides that Cabinet shall exercise control over capital spending and resources and may authorise variations to the Council's Capital Programme provided such variations: (a) are within the available resources (b) are consistent with Council policy.
- 8.6 With regard to recommendation 3.3 and paragraph 9.4 where Cabinet is being invited to approve the allocation of monies from agreements under section 106 of the Town and Country Planning Act 1990, s.106 permits anyone with an interest in land to enter into a planning obligation enforceable by the local

planning authority. Planning obligations are private agreements intended to make acceptable developments which would otherwise be unacceptable in planning terms. They may prescribe the nature of the development (for example by requiring that a percentage of the development is for affordable housing), secure a contribution to compensate for the loss or damage created by the development or they may mitigate the development's impact. Local authorities must have regard to Regulation 122 of the Community Infrastructure Levy Regulations 2010. Regulation 122 enshrines in legislation for the first time the legal test that planning obligations must meet. Hackney Council approved the Planning Contributions Supplementary Planning Document on 25 November 2015 under which contributions are secured under S106 agreements. Once completed S.106 agreements are legally binding contracts. This means that any monies which are the subject of the Agreement can only be expended in accordance with the terms of the Agreement.

9 CAPITAL PROGRAMME 2019/20 AND FUTURE YEARS

9.1 This report seeks spending approval for schemes where resources have previously been allocated as part of the budget setting process, as well as additional resource and spending approvals for new schemes where required.

9.2 Finance and Corporate Resources:

9.2.1 **NHS Estate:** Resource and spend approval of **£200k (£37k in 2019/20 and £163k in 2020/21)** is requested to fund the feasibility and project management costs to develop Hackney's Primary Care Estate. This capital project will improve the quality and capacity of the Hackney primary care estate in accordance with the City and Hackney Clinical Commissioning Group (CCG) Estates Strategy as supported by the Council. The projects will aim to deliver up to four increased capability primary care assets whilst delivering a commercial return to the Council. This capital project will enable the Council to provide high quality health and adult social care through increased capacity and modern facilities. It will also enable the Council to secure much needed income from sites that currently are either not in use or greatly underutilised. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 1 'A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth' and Priority 5 'A borough with healthy, active and independent residents'. This approval will have no net impact as the resources are funded by the Community Infrastructure Levy (CIL) funds held by the authority.

9.3 Neighbourhood and Housing (Non):

9.3.1 **Parks Trees 2019/20:** Spend approval of **£200k in 2019/20** is requested to undertake essential work on diseased and dangerous trees borough wide. This continued work is needed within Parks to ensure we are protecting, maintaining and enhancing the tree resource for the future. This capital expenditure will significantly benefit the successful maintenance of the London Borough of

Hackney's 58 parks and open spaces totalling 282 hectares, of which 27 currently are Green Flag award winners. Hackney prides itself on these high quality green spaces and they greatly contribute to the identity of the borough. Hackney is the third most densely populated area in the country (after Islington and Kensington and Chelsea), and this can put pressure on there availability of the green space that residents use for leisure, relaxation and sports, all of which contributes to good emotional and physical wellbeing and creates opportunities for social interaction. The multitude of positive environmental services provided by trees are invaluable to Hackney and enrich the lives of people in the local area. From the sequestration of carbon and the production of oxygen to the trapping of harmful pollutants Hackney's parks trees contribute to the overall air quality experienced by the borough's human population. Their ability to naturalise the urban environment through the provision of food and habitat for wildlife and normalisation of the hydrological cycle contributes to an improved quality of life for the local area. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

- 9.3.2 **Highways Surface Water Drainage 2019/20:** Spend approval of **£280k in 2019/20** is requested to facilitate the delivery of the 2019/20 water drainage programme at various locations across the borough. This capital resource will enhance the environment and contribute to the green infrastructure of the borough ensuring the area is accessible and welcoming. All sections of the community will benefit from an improved streetscene. Walking and cycling will be more attractive and therefore car use should be reduced leading to a healthier community. A better environment will lead to more people out and about which in turn will lead to an improved economy. Improvements to walking will also assist people with disabilities making travelling around the borough more attractive. Safety improvements will lead to less accidents and less casualties, helping the Council meet our national and local accident reduction targets. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

Highways Surface Water Drainage		
Road Name	Location	Ward
Alexandra Grove	34b	Brownswood
Queens Drive	64	Brownswood
Alkham Road	33-35	Cazenove
Alkham Road	61	Cazenove
Cazenove Road	J/w Chardmore	Cazenove
Aden Grove	30	Clissold
Aden Terrace	38	Clissold
Londesborough Road	34-44	Clissold

Spenser Grove	24	Clissold
Stoke Newington Church Street	117	Clissold
Parkholme Road	8	Dalston
Beechwood Road	38	Dalston
Ridley Rd Market	20-22	Dalston
Bradbury Street	2	Dalston
Cecilia Road	J/w Montegue	Dalston
Wilton Way	43	Hackney Central
Downs Park Road	80	Hackney Central
Evering Road	160	Hackney Downs
Cassland Road	18	Hackney Wick
Kenton Road	Opp Hoxton PH	Hackney Wick
Wallis Road	62	Hackney Wick
Queensbridge Road	101	Haggerston
Waterloo Close	1 Near Churchill Walk	Homerton
Brenthouse Road	57b	Homerton
Clarence Mews	51	Homerton
Poole St	Gainsborough Studios	Hoxton East & Shoreditch
Hoxton Street	70	Hoxton East & Shoreditch
Worship Street	79	Hoxton East & Shoreditch
Bethnal Green Road	Tea building	Hoxton East & Shoreditch
Hoxton Street	119	Hoxton East & Shoreditch
Evelyn Walk	LC2	Hoxton West
Millfields Road	284	Kings Park
Millfields Road	201	Kings Park
Lea Bridge Road	112	Leabridge
St Philips Road	8b	London Fields
Albion Drive	55	London Fields
Shrubland Road	86	London Fields
Middleton Road	27	London Fields
Frederick Terrace	306	London Fields
Pellerin Road	80-82	Shacklewell
Barretts Grove	12	Shacklewell
Barretts Grove	22	Shacklewell
Sach Road	2	Springfield
Craven Close	1	Springfield
West Bank	13	Stamford Hill West
West Bank	13	Stamford Hill West
Amhurst Park	29	Stamford Hill West
Bethune Road	1	Stamford Hill West
Lordship Park	91	Stamford Hill West
Defoe Road	Opp 37	Stoke Newington
Kersley Road	16	Stoke Newington
Morpeth Road	Opp Jo Morpeth Grove	Victoria
Victoria Park Road	Opp 61	Victoria
	Total	53 Gullies

9.3.3 **Bridge Maintenance Schemes 2019/20:** Spend approval of **£250k in 2019/20** is requested for the continuation of the 5 year Bridge Maintenance Programme in the borough. This capital resource will significantly help in reducing long-term maintenance on these structures, which is required to maintain and improve the Streetscene for the people that live, work and travel in Hackney. The works to Pritchard's Road Bridge will consist of the repair of buckling and corroded steelwork on main steel girders and recoat with proactive coating. The works to Lea Bridge Road Footbridge Bridge will consist of the removal of corroded and defective steelwork, the application of anti corrosion coating to the soffit and parapets, removal of corroded and defective steelwork, removal of defective joints and installation of movement joint from ends for the Bridge deck, renewal of anti slip surfacing, and repair approach surfacing. The works to Bridport Place Bridge will include the resurfacing of the carriageway above the deck and reinstallation of the defective zebra crossing, repair to the defective footway and minor brickwork repairs. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

Planned Maintenance Bridges 2019-20	
No	Bridge/ Structure
1.	Pritchards Road Bridge
2.	Lea Bridge footbridge
3.	Bridport Place Bridge

9.3.4 **Planned Bridge Height Signs 2019/20:** Spend approval of **£11k in 2019/20** is requested to install advance warning signs for low height bridges at various sites within the borough. This will significantly help in reducing long-term maintenance on these structure, which is required to maintain and improve the Streetscene for the people that live, work and travel in Hackney. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

9.3.5 **Local Highway Maintenance - Pothole Action Fund:** Resource and spend approval of **£320k in 2019/20** is requested for the continued repair of potholes at various sites within the borough. The Pothole Action Fund was announced in the Budget 2015 to repair potholes or to stop them forming in the first place. This funding is allocated by formula shared by local highway authorities. This capital expenditure has been received as supplementary funding from the Department for Transport to improve the conditions for all road users. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which

is prepared for the future'. This approval will have no net impact on the capital programme as the resources are funded by grant.

9.3.6 **Street Lighting Upgrades 2019/20:** Spend approval of **£100k in 2019/20** is requested to upgrade the existing street lights located across the entire borough. The works will consist of the replacement of traditional high pressure sodium luminaires with modern LED street lighting technologies. This lighting improvement scheme will reduce energy consumption and carbon emissions; reduce sky glow and night time pollution; and improve lighting levels. This demonstrates the Council's focus to lead growth in the social environment and night time economy and to help to reduce crime and fear of crime for all users. It will make it safer to walk, spend time and play on our streets. This will make our streets safer, welcoming, more accessible and more inclusive for disabled people, older people and families with young children. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

9.3.7 **Highways Street Lighting LED Upgrades 2019/20:** Spend approval of **£1,250k in 2019/20** is requested to upgrade the highways street lighting across the entire borough. This capital expenditure is continuing the street lighting upgrade programme to remove inefficient high energy consuming items. The new lighting will improve the distribution, quality and colour of light, improving visibility and object detection for both motorised and sustainable forms of transportation. With the expansion of cycling links across London, the new lighting will also make it safer to cycle on our streets and encourage more people to use this form of transport to reduce car dependency and improve the air quality and general health and wellbeing of our residents. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

Highways Street Lighting LED Upgrade 2019-20	
Ward	Numbers
Brownswood	121
Cazenove	138
Clissold	115
Dalston	117
De Beauvoir	116
Hackney Central	138
Hackney Downs	133
Hackney Wick	116
Haggerston	115

Homerton	118
Hoxton East and Shoreditch	148
Hoxton West	120
Kings Park	9
Lea Bridge	123
London Fields	124
Shacklewell	76
Springfield	123
Stamford Hill West	121
Stoke Newington	122
Victoria	117
Woodberry Down	141
Total	2451

9.3.8 **Hostile Vehicle Mitigation:** Spend approval of **£1,401k in 2019/20** is requested to install Hostile Vehicle Mitigation (HVM) to 8 sites across the borough. The Council assessed 8 sites across the borough to assess the level of risk and mitigation required. The assessment was undertaken by independent consultants and their findings resulted in these proposals to install HVM at the sites set out in the table below. The Council will continue to work with a wide-range of partners and multi-agency teams to reduce crime around our town centres, shopping streets and markets. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 4 'An open, cohesive, safer and supportive community'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

No.	Site Address
1	Narrow Way
2	Kingsland Market
3	Chatsworth Road Market
4	Hoxton Square
5	Hoxton Street Market
6	Broadway Market
7	Ridley Road

- 9.3.9 **Parks Infrastructure 2019/20:** Spend approval of **£375k in 2019/20** is requested to fund essential maintenance and refurbishments to the existing infrastructure in the Borough's Parks. This capital expenditure will significantly benefit the successful maintenance of the London Borough of Hackney's 58 parks and open spaces totalling 282 hectares, of which 27 are currently Green Flag award winners. The capital works include repairs, maintenance and refurbishments to pathways, fences, walls, parks depots, sports pavilions, play area, park bins, bench replacements and repairs to paddling pools. Parks and green spaces play an important role in providing facilities for residents and visitors to the borough. The works will ensure the existing parks infrastructure is maintained to an acceptable standard. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.
- 9.3.10 **Fairfields Gardens & Haggerston Play:** Resource and spend approval of **£300k in 2019/20** is requested to fund the redevelopment of Fairchild's Gardens and the refurbishment of the play area in Haggerston Park. Fairchild's Garden, previously known as Hackney Road Recreation Ground, is the old burial ground for St Leonard's Church Shoreditch, which is located nearby. The space is particularly unwelcoming and rarely used. It suffers from a number of antisocial issues including drug dealing, street drinking, rough sleeping and fly tipping. Work will be undertaken to improve the condition and facilities in the site to make it more welcoming. The improvements to the space will improve access to the site; increase usage of the site; improve the infrastructure of the site enabling events to be held and income generated; and celebrate the heritage of the site. This demonstrates the Council's commitment to maximise the opportunities for safe play and outdoor activities on our estates, parks, adventure playgrounds, new developments and open spaces so that children and their families can more easily explore and discover the world around them. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources are funded from discretionary resources held by the authority.
- 9.4 S106 Capital Approvals:**
- 9.4.1 Capital Resource and Spend approval is requested for **£187k in 2019/20** in respect of the projects detailed below, to be financed by S106 contributions. The works to be carried out are in accordance with the terms of the appropriate S106 agreements.

Planning Site No.	Project Description	Agreement Development Site	2019/20 £'000
2007/2889	Healthcare Improvements for Local Residents (0014-18)	Haggerston & Kingsland Estates Regeneration	187
Total Capital S106 Approvals			187

9.5 For Noting:

- 9.5.1 A delegated powers report dated 25 June 2019 approved the acceptance and spend of the capital grant awarded from the National Grid for the sum of **£75k in 2019/20** and approved spend of the capital contribution from the Council's Housing Service for **£40k in 2019/20** on the **reinstatement of the Millfields Park play area**. The Council is committed to continuing to deliver improvements to its parks and green spaces, and in partnership with the Council's Housing Service (who own Millfields Estate) and Clapton park Management Organisation (who manage Millfields Estate). The play area adjoins Millfields Park and has stood derelict for many years and currently brings no play value to local people. This capital expenditure will demonstrate the Council's commitment to help reduce childhood obesity, ensure easy access to open spaces where people can come together, spend time and interact, promote healthy living. This will encourage community cohesion and reduce social isolation which would serve local estate residents and park users alike. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future', Priority 4 'An open, cohesive, safer and supportive community' and Priority 5 'A borough with healthy, active and independent residents'. This approval will have no net impact on the capital programme as part of the resources is funded by grant and the remaining part from earmarked Housing capital contributions already form part of the capital programme.
- 9.5.3 A cabinet report dated 15 July 2019 approved and granted two third party loans from the Council - **£20k in 2019/20 to Rio Centre (Dalston) Ltd** and **£200k in 2019/20 to Hackney Co-operative Developments (HCD)**. The Rio Centre (Dalston) Ltd which operates the **Rio Cinema at 107 Kingsland High Street** has been granted this loan to convert the basement storage space into a workable bar and associated lounge area. Rio Centre (Dalston) Ltd occupy the property under a sub-lease from 1986, expiring in 2037. The Council holds a similar headlease interest which is co-terminus with the tenant's sublease. The Hackney Co-operative Developments (HCD) has been granted this loan to meet part of the cost of refurbishing and extending **3-10 Bradbury Street** to improve significantly the existing affordable workspace, and provide new affordable workspace, principally on a mezzanine floor. The remaining costs will be funded from the Unity Trust Bank and GLA (via the London Regeneration Fund). HCD is one of the Council's approved list of workspace

providers, to provide a business hub for a mixed portfolio of businesses at Woodberry Down, with a mixture of self-contained office units and open plan workspace. HCD will provide discounted occupational costs and business support services to tenants and will target local start-ups. This refurbishment forms part of the wider Greater London Authority funded project to delivery more affordable workspace in the borough. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 2 'A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life'. This approval will have no net impact on the capital programme as part of the resources is funded from discretionary resources held by the authority.

APPENDICES

None.

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required.

None.

Report Author	Samantha Lewis- tel: 020 8356 2612 Senior Accountant (Capital) Samantha.lewis@hackney.gov.uk
Comments of the Group Director of Finance and Corporate Resources	Michael Honeysett- tel: 020 8356 3332, Director Financial Management Michael.honeysett@hackney.gov.uk
Comments of the Director of Legal	Dawn Carter-McDonald- tel: 020 8356 4817 Head of Legal and Governance dawn.carter-mcdonald@hackney.gov.uk