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STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

Day: Monday
Date: 10 July 2017
Time: 2.00 pm
Place: Lesser Hall 2 - Dukinfield Town Hall

Item No.	AGENDA	Page No
1.	APOLOGIES FOR ABSENCE	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 13 March 2017 to be signed by the Chair as a correct record (Minutes attached).	1 - 8
4.	CAPITAL MONITORING OUTTURN 2016/17 To consider the attached report of the Assistant Executive Director, Finance.	9 - 34
5.	VISION TAMESIDE To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	35 - 48
6.	CORPORATE ASSET MANAGEMENT PLAN UPDATE To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	49 - 58
7.	EDUCATION CAPITAL PROGRAMME UPDATE To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	59 - 66
8.	DEVELOPER CONTRIBUTIONS To consider the attached report of the Assistant Executive Director, Development Growth and Investment.	67 - 72
9.	ENGINEERING CAPITAL PROGRAMME 2017/18 To consider the attached report of the Assistant Executive Director, Environmental Services.	73 - 90
10.	REVISED PROTOCOL RE: SALE OF LAND To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	91 - 106

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Carolyn Eaton, Senior Democratic Services Officer, to whom any apologies for absence should be notified.

Item No.	AGENDA	Page No
11.	ACTIVE TAMESIDE - CAPITAL INVESTMENT PROGRAMME UPDATE To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	107 - 114
12.	URGENT ITEMS To consider any additional items the Chair is of the opinion shall be dealt with as a matter of urgency.	

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Carolyn Eaton, Senior Democratic Services Officer, 0161 342 3050 or carolyn.eaton@tameside.gov.uk to whom any apologies for absence should be notified.

Agenda Item 3

STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

13 March 2017

Commenced: 2.00pm

Terminated: 2.35pm

Present: Councillor J Fitzpatrick (in the Chair)
Councillors Cooney, Dickinson, Fairfoull, McNally and Taylor

Chief Executive: Steven Pleasant

Monitoring Officer: Sandra Stewart

Section 151 Officer: Ian Duncan

Also in attendance: Damien Bourke and Ian Saxon

Apologies for Absence: Councillors K Quinn and B Holland

26. DECLARATIONS OF INTEREST

Members	Subject Matter	Type of Interest	Nature of Interest
Councillor Taylor	Agenda Item: 8 – Active Tameside Capital Programme Update	Prejudicial	Chair of Active Tameside

Councillor Taylor left the room during consideration of the above and took no part in the voting or discussion thereon.

27. MINUTES

The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 28 November 2016 were signed by the Chair as a correct record.

28. CAPITAL MONITORING REPORT – QUARTER 3 2016/17

Consideration was given to a report of the First Deputy (Performance and Finance)/Assistant Executive Director (Finance) summarising the capital monitoring position at 31 December 2016. The report showed projected capital investment of £42.375 million by March 2017. This was £20.381 million less than the current programmed spend. Re-phasing of £15.475 million into the next financial year was therefore proposed.

Details of the capital expenditure to date and projected outturn 2016/17 were shown by service area and Section 3 of the report referred to the most significant scheme variations.

Particular reference was also made to: compulsory purchase orders, indemnities and potential liabilities, the changes to the approved 3 year capital programme, capital receipts and prudential indicators and it was –

RESOLVED

- (i) That the re-phasing to reflect up-to-date investment profiles be approved;**
- (ii) That the changes to the capital programme be approved;**
- (iii) The updated Prudential indicator position be approved;**
- (iv) That the current capital budget monitoring position be noted;**
- (v) That the resources currently available to fund the capital programme be noted;**
- (vi) That the current position in regard to Compulsory Purchase Orders (CPOs) and Indemnities be noted;**
- (vii) That the updated capital receipts position is noted; and**
- (viii) That the intention not to proceed with the purchase of additional shares in InspiredSpaces (Tameside) Ltd be noted.**

29. HIGHWAY CONDITION – SUSTAINABILITY OPTIONS – TRANSPORT ASSET MANAGEMENT PLAN (TAMP)

The Assistant Executive Director, Environmental Services, submitted a report identifying key issues with regard to ensuring the highway network could be maintained in a financially sustainable manner in order that it could continue to deliver a reliable and resilient asset base for residents, businesses and visitors.

It was explained the road network was the Borough's single most valuable asset. However, the continuing shortfall between the funds available to maintain Tameside's highways to an appropriate standard both in terms of its condition and reliability and also being financially sustainable in the medium term required addressing if the wider desires of improving transport infrastructure, strengthening the local business communities and town centres and attracting inwards investment, were to be delivered.

The report made reference to the Tameside Transport Asset Management Plan (TAMP) and the TAMP Policy and Strategy which identified highway assets and condition and a strategy framework to which the Council should aspire in order to manage and maintain its highway network in a sustainable way.

The report also provided options to implement a medium term strategy to improve the condition on the Borough's highway network (footways and carriageways).

Panel Members were informed that, to address the current deterioration before the network condition fell to unacceptable levels and to provide an improvement in the Borough's footway and carriageway network a model of investment had been determined that would show improvements to the assets as detailed in the report delivered via a total additional investment of £20 million, over 4 years, which would be required to achieve these improvements to the Borough's roads and footways.

If agreed, the availability of resources would be considered alongside other requests for funding at a future meeting of the Panel.

RESOLVED

- (i) That the Tameside TAMP Policy and Strategy be adopted as a primary document to support the policy, financial and maintenance management of the Highway Network;**
- (ii) That the principle for additional capital investment to address the current network deterioration on the Borough's footways and carriageways be supported; and**
- (iii) The amount to be included in the capital investment programme be considered in a future report alongside all other requests for funding.**

30. VISION TAMESIDE PHASE 2 PROGRESS UPDATE

A report of the Assistant Executive Director, Development Growth and Investment, was considered providing a progress update on project development and delivery, costs and funding, delivery timescales and risks associated with the Vision Tameside Phase 2 Programme.

It was reported that, since the last report to the Strategic Planning and Capital Monitoring Panel on 11 July 2016, substantial progress had been made with key elements of the Programme as follows:

- Demolition contract completed on 12 September 2016;
- Enabling works for construction commenced on 13 September 2016;
- Piling works commenced on 19 September 2016;
- Construction contract awarded on 22 November 2016; and
- Steel beam signing ceremony had been held on 6 December 2016.

Members were informed that, overall, the project was making good progress with the position against projected programme currently being maintained. Current works on site included; foundation construction and steel frame erection with installation of upper floor structures due to start in the next month.

Pro-active communication was being maintained with local stakeholders to keep them up to date on progress and mitigate against the town centre disruption created by the construction works. The demolition phase of the project was recently nominated for a National Site Award 2017 under the Considerate Constructors scheme.

It was explained that, following previous Council approvals a Streetscape Improvement (previously described as public realm) project had been included within the scope and funding for the Vision Tameside Phase 2 programme. Concept designs were approved in October 2016 subject to detailed proposals and funding.

In respect of the recant plan, a detailed Vision Tameside Recant Plan was currently being developed to form part of a wider Council Office Accommodation Strategy, which would be implemented when the new Shared Service Centre was completed in Summer 2018.

The new Shared Service Centre had been designed to operate as a corporate 'Head Office' hub for the Council accommodating the Single Commissioning Management Team, Directorates, front of house services, dispersed administration and professional staff.

With regard to Fixtures, Fittings and Equipment (FF&E), it was reported that an analysis of furniture, fittings and equipment, for all elements of the scheme, was completed as part of the Stage 2 submission. The original £1.5 million budget for the Council and partners had been confirmed to be sufficient at Stage 2.

The last report to the Strategic Planning and Capital Monitoring Panel on 11 July 2016, highlighted that the projected FF&E contribution from the DWP and CCG, was anticipated to be £432,000. However due to negotiations still underway with NHS Property Services, acting on behalf of the CCG, and recent design changes requested by the DWP this contribution would need to be reviewed once Heads of Terms were agreed with both organisations.

In terms of risk management, it was explained that the Vision Tameside Phase 2 programme had a comprehensive risk register and issues log which was pro-actively managed by the Project team.

In conclusion it was reported that, delivery of the Vision Tameside Phase 2 programme was key to the achievement of the Council's overall strategic priorities and a new exciting future for Tameside attracting new businesses, creating new jobs and future opportunities for Tameside residents.

It was important that the outstanding lease negotiations were progressed urgently to provide certainty around projected income and FF&E contributions.

Careful monitoring of the construction programme was required to ensure no further slippage thereby ensuring that the building could be open for business in September 2018.

The latest independent external monitoring of the project for the Skills Funding Agency in January 2017 identified the Council's implementation of the change management system on the project as representing good practice.

Budget monitoring was critical to the successful delivery of this project to ensure costs were contained within the budget envelope. It was essential that any potential changes to the design of the building were instructed urgently to minimise the impact on cost and programme.

Improvement to the public realm was critical to the success of the Vision Tameside programme and although good progress continued to be made with the design of the scheme the delay in securing an appropriate funding package from external partners was putting the streetscape project at risk.

Good progress was being on the development of a Recant Plan which would also help inform the Council's Office Accommodation Strategy. No budget had been identified for this critical piece of work so this would be the subject of a future report. Continuing to maximise opportunities for local employment apprenticeships and work placements was contributing to economic prosperity in the Borough.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet:

- (i) That the progress with the delivery of the overall Vision Tameside Phase 2, specifically with lease negotiations, development of a recant plan and Employment and Skills initiatives, be noted;**
- (ii) That the emerging risk associated with the delay in securing an appropriate funding package for the Streetscape Improvement project, be noted;**
- (iii) That the budget variations and virements identified in Section 7 of the report, be approved; and**
- (iv) That the progress being made to drawdown the £4 million Skills Capital Funding, be noted.**

31. EDUCATION CAPITAL PROGRAMME UPDATE

Consideration was given to a report of the Assistant Executive Director (Development, Growth and Investment) advising Members of the Panel on the latest position with the Council's Education Capital Programme 2016/17 and sought approval for various recommendations as set out in the report.

The report gave details of:

- Funding allocation;
- Basic Need Schemes progress update, including requests for additional funding allocations;
- School Condition and Capital Maintenance progress update, including request for funding amendments;
- Procurement and value added; and
- Risk Management.

The report concluded that there had been significant capital investment in schools over the recent past to support the Council's delivery of its statutory responsibilities connected with the provision of sufficient and suitable places. The work identified would enable the Council to meet its statutory duties.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet:

- (i) The allocation of Basic Need grant funding schemes as outlined in Section 3 and Appendix 1 of the report be agreed; and**
- (ii) The allocation of School Condition and Maintenance funding schemes as outlined in Section 4 and Appendix 2 of the report be agreed.**

32. CORPORATE ASSET MANAGEMENT UPDATE

Consideration was given to a report of the Assistant Executive Director, Development, Growth and Investment, detailing the progress on the disposal of the Council's surplus assets, anticipated capital receipts that would be realised and investment that was required to maintain those buildings being occupied and retained or dilapidated arising from the termination of leases.

With regard to the disposal of assets, it was reported that the Asset Disposal process continued with a figure of £2,937,890 achieved since 1 April 2016.

Planning, Public Consultations and Section 77 consultations were underway on the five larger school sites and a process of active marketing was also on track. Work was underway on master planning the large site at Windsor Road in Denton and discussions around a potential disposal were ongoing.

It was reported that continued focus was being placed on future auctions with eight sites being submitted for February 2017 and work was ongoing for a number of sites to be potentially sold at future auctions.

Properties being actively marketed for sale or lease would be advertised on the Council's website, in addition to the marketing agents' sites. Where potential disposals would impact on tenants, for example sale of garage or garden plots, which had become too expensive to administer, written notification would be given to tenants in advance for the proposed sale.

With regard to leased buildings, as reported at previous meetings of the Panel, the Council's policy was to terminate leases it had for buildings owned by others and to relocate services to surplus space in Council owned properties, where this delivered value for money, to reduce the revenue cost of operating and occupying buildings.

With regard to investment in civic and corporate buildings, it was reported that there was no reactive maintenance budget included within the corporate landlord budgets and any emergencies or upgrading of buildings required a request for additional investment to be made to the Panel for approval by Cabinet. In the past few months, a number of requests had been received for repairs for civic and operational buildings for which there was no revenue or capital budget allocation. Analysis of capital spends for October 2016 to January 2017 was £100,526, and an estimation for February 2017 of £25,000 totalling £125,526. In addition, there had been spend of £132,000 in regard of revenue type spend in the same period.

An analysis of the capital investment required in respect of health and safety/essential operational repairs was detailed in the report. In some cases, repairs had already been undertaken to allow the buildings to remain operational.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet THAT :

- (i) the list of disposals identified in Appendix 1 to the report be approved; and**
- (ii) the allocation of £125,526 to undertake building condition replacement/repair projects as detailed in the report, be approved.**
- (iii) the current Disposal Policy be amended for approval at the next meeting to address the process for dealing with objections.**

33. SMARTLY POOLED SECTION 106 AGREEMENTS AND DEVELOPER CONTRIBUTIONS

Consideration was given to a report of the Assistant Executive Director, Development, Growth and Investment, summarising the current position with regard to receipts received from Section 106 Agreements and Developer Contributions and made comments for each service area.

It was reported that the summary position as at 20 February 2017 for Section 106 Agreements totalled £505,000, with Developer Contributions totalling £234,000. The balance of unallocated section 106 funds and developer contributions were as follows:-

- Services for Children and Young People - £241,000 (s106) and £79,000 developer contributions;
- Community Services (Operations and Greenspace) - £233,000 (s106) and £132,000 developer contributions; and
- Engineering Services - £31,000 (s106) and £22,000 developer contributions.

A section 106 agreement had been made for an application at Clarendon College Sixth Form Centre, Clarendon Road, Hyde, planning reference 15/00986/OUT. The outline planning application, sought consent for the redevelopment of the site, including demolition of existing buildings for approximately 96 new dwellings and associated works. A playing field contribution of £70,144.08 plus VAT had been agreed and would be used for the upgrading and maintenance of playing fields at Victoria Street (1 pitch) and Garden Street (2 pitches).

A section 106 agreement had been made for an application at the site of the former Conservative Social Club, Vernon Street, Ashton-under-Lyne, planning reference 15/00063/FUL. The full planning application sought consent for the erection of 24, two bedroom apartments in one 3 storey block with further accommodation in the roof space, means of access, refuse storage, landscaping and parking provision. A green space contribution of £20,632.37 had been agreed and would be used for improvements to King George's Park, Cedar Park and Smallshaw Fields to include new bins and benches, new play equipment and more sustainable planting. In addition, a highways contribution of £16,482.24 had been agreed and would be used for improvements to cycle and pedestrian links between Ashton and Queens Road/Palace Road.

In respect of requests to draw down funding, Operations and Greenspace had requested the drawdown of a combined £13,705.39 of section 106 funds in relation to planning applications 15/00425/FUL (£5,000) and 12/01025/FUL (£8,705.39) relating to approvals at Hart Mill, Lees Road, Mossley. The monies would be used to fund new fencing at Egmont Street Playing Fields which would enhance the appearance and quality of the site.

Operations and Greenspace had requested the drawdown of £60,000 of developer contributions for funding infrastructure improvements across a number of sites including improvements to the path network across Council owned greenspace to increase access and visitor experience.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet:

- That the content of the report be noted; and**
- That authority be given to release funds from available resources for the following projects:**

Section 106

£13,705.39 for the provision of new fencing at Egmont Street Playing Fields to enhance the appearance and quality of the site.

Developer Contributions

£60,000 for funding infrastructure improvements across a number of sites including improvements to path networks across Council owned greenspace.

34. DESIGNATION OF DENTON SOUTH NEIGHBOURHOOD AREA AND FORUM

The Assistant Executive Director, Development, Growth and Investment, submitted a report explaining that the opportunity for Neighbourhoods to influence the future of their area was a principle established in the National Planning Policy Framework (NPPF). It was recognised that the establishment of neighbourhoods and areas was a positive step in engaging local areas to influence how development growth could be accommodated.

Members were informed that on 29 November 2016, Full Council approved the policies and procedures that needed to be in place in order to receive, process and determine applications for designation of Neighbourhood Forums and Areas.

In accordance with these arrangements and regulations an application to establish a Neighbourhood Forum and Area had been made and processed for the Denton South Area and the decision whether to designate the Forum and Area must be made.

Details of the Denton South application were given, including the outcome of the advertisement period. Members were informed, that no further comments had been received beyond that stated in the report and there were no objections.

The report concluded that, it was considered that the proposed arrangements for the Denton South Neighbourhood Forum and the Area of benefit complied with the requirements of the appropriate legislation and regulations as well as the Council's approved procedures and should be designated accordingly.

RESOLVED

- (i) That the content of the report be noted;**
- (ii) That the designation of Denton South Neighbourhood Forum on the basis of the submitted constitution and terms of reference (attached in the appendices to the report), for a period of five years from this decision date, be approved; and**
- (iii) That the Denton South Neighbourhood Area (as shown in the appendices to the report), be designated as the area of influence within which the Denton South Neighbourhood Forum would operate.**

35. FORMALISATION AND CREATION OF c.500 CAR PARKING SPACES IN AND AROUND T&GICFT (TAMESIDE & GLOSSOP INTEGRATED CARE FOUNDATION TRUST)

A report of the Assistant Executive Director, Environmental Services, was submitted, outlining the proposal to introduce five new car parks in and around the Hospital. The Council and Tameside & Glossop Integrated Care Foundation Trust were willing to enter into an agreement to increase the car parking provision in and around the Hospital.

It was reported that demand for parking in and around the Hospital had been an issue for many years with demand for spaces far exceeding supply, this has led to historical on street parking issues within the area combined with the expansion of Ashton 6th Form College and the redevelopment of Stamford Park.

As a result of this, the Council had introduced several residents parking schemes mainly to the north of the Hospital, however, the demand for parking in the area was increasing year on year with on street parking now being an issue to the residential streets to the south of Darnton Road.

It was explained that the proposal had identified five areas for consideration; two of the areas were wholly within the grounds of the Hospital, two areas were on land owned by both TMBC and T&GICFT and one area was within land owned wholly by TMBC.

The scheme would provide an additional 325 car parking spaces and would deliver the revenue from a total of 500 car parking spaces.

The report gave details of the costs and pay-back period and proposed a phased introduction of the new car parks on a programmed basis.

RESOLVED

- (i) That approval be given to the Council's s151 officer to agree the financial arrangements with Tameside & Glossop Integrated Care Foundation Trust and the Executive Director (Place) in formalising all other arrangements with Trust to ensure that the Council achieves the necessary returns, which will ensure it meets the legal test of delivering value for money, efficient and effective use of resources;**
- (ii) That the indicative figures within the report, which are still under consideration in respect of sharing the costs and the proceeds of the investment, be noted; and**
- (iii) That approval be given to the inclusion of £950,000 (£930,380 plus contingencies) in the Council's capital investment programme to enable the construction of the car parks as outlined in the report.**

Having declared a prejudicial interest, Councillor Taylor left the meeting during consideration of the following item and paid no part in the voting or decision thereon.

36. ACTIVE TAMESIDE – CAPITAL INVESTMENT PROGRAMME UPDATE

A report was submitted by the Assistant Executive Director, Development Growth and Investment providing a summary of progress to date with the delivery of the Council's capital investment programme into improving sports and leisure facilities in Tameside.

Individual elements of the programme were highlighted in the report as follows:



- Active Copley Heating Replacement (£0.369m)
- Active Copley Pitch Replacement (£0.177m)
- Active Medlock Roof Replacement (£0.120m)
- Active Hyde Wave Machine Replacement (£0.060m)
- Active Hyde Pool Extension (£2m)
- New Denton Wellness Centre (£14.7m)
- Active Dukinfield (ITRAIN) (£2.3m)
- Active Longdendale (Total Adrenaline) (£0.600m)

The report concluded that, overall, good progress was being maintained with the delivery of the Council's capital investments programme to improve sports and leisure facilities.

RESOLVED

That the content of the report be noted.

CHAIR

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	10 July 2017
Reporting Officer:	Ian Duncan – Assistant Executive Director (Finance)
Subject:	CAPITAL MONITORING REPORT – OUTTURN
Report Summary	<p>This report summarises the capital monitoring position at 31 March 2017.</p> <p>The report shows total capital investment of £35.288m in 2016/17.</p> <p>Some schemes have been delivered earlier than planned whilst others will be delivered later, as this is set out in the report.</p>
Recommendations:	<p>Members are asked to note the following recommendations to Executive Cabinet:</p> <ul style="list-style-type: none">(i) The reprofiling to reflect up to date investment profiles.(ii) The revised Capital Programme (including changes).(iii) The Capital Financing statement for 2016/17. <p>Members are asked to note:</p> <ul style="list-style-type: none">(i) The 2016/17 Capital Outturn position.(ii) The current position in regards to compulsory purchase orders (CPOs) and indemnities(iii) The capital receipts position
Links to Community Strategy:	The Capital Programme ensures investment in the Council's infrastructure is in line with the Community Strategy.
Policy Implications:	In line with Council Policies.
Financial Implications: (Authorised by the Section 151 Officer)	This is the subject of the report.
Legal Implications: (Authorised by the Borough Solicitor)	It is a statutory requirement for the Council to set a balanced budget. It is important that the capital expenditure position is regularly monitored to ensure we are maintaining a balanced budget and to ensure that the priorities of the Council are being delivered.
Risk Management:	Failure to properly manage and monitor the Council's budget will lead to service failure and a loss of public confidence.
Access to Information:	<p>The background papers relating to this report can be inspected by contacting Tom Austin, Financial Management by:</p> <p> phone: 0161 342 3857</p> <p> e-mail: thomas.austin@tameside.gov.uk</p>

1. INTRODUCTION

- 1.1 This is the final capital monitoring report for 2016/17, summarising the position as at 31 March. All Capital Monitoring reports are submitted to the Strategic Planning and Capital Monitoring Panel, Executive Cabinet and Overview (Audit) Panel.
- 1.2 The report incorporates an update on major capital schemes and an update on Compulsory Purchase Orders (CPOs), indemnities, and potential liabilities.

2. KEY POINTS

- 2.1 The Council spent a total of £35.288m on capital investment in 2016/17; this is £15.870m less than the total programmed spend for the year (£51.158m) and is detailed in Section 3. There has been no loss of resource as a result of the underspend position.
- 2.2 Section 3 also details schemes with an in-year variation in excess of £0.100m and seeks approval to re-profile the capital expenditure of each project into 2017/18. An explanation for the need to re-profile the capital expenditure is also provided.
- 2.3 Table 1 below provides a high level summary of capital expenditure by service area.

Table 1: Overall capital monitoring statement Outturn 2017

CAPITAL MONITORING STATEMENT - OUTTURN 2016/17			
	Annual Budget	Actual	Outturn Variation
	£000	£000	£000
<u>PEOPLE</u>			
Children's Services	658	533	(125)
Active Tameside	4,253	4,002	(251)
Adult's Services	918	247	(671)
<u>PLACES</u>			
Asset Investment			
Partnership Management	16,855	11,022	(5,832)
Stronger Communities	181	145	(36)
Development & Investment	3,908	3,529	(379)
Digital Tameside	658	483	(175)
Engineering Services	9,230	8,673	(557)
Environmental Health	472	31	(441)
Operations	182	161	(21)
Transport	2,520	1,548	(972)
Education	8,401	4,834	(3,567)
<u>Exchequer</u>	90	80	(10)
Unallocated	2,832	0	(2,832)
Total	51,158	35,288	(15,870)

2.4 Of the total variation of £15.870 million, it is recommended that £12.929 million is re-profiled into the following financial year. This is identified within the individual service area tables below.

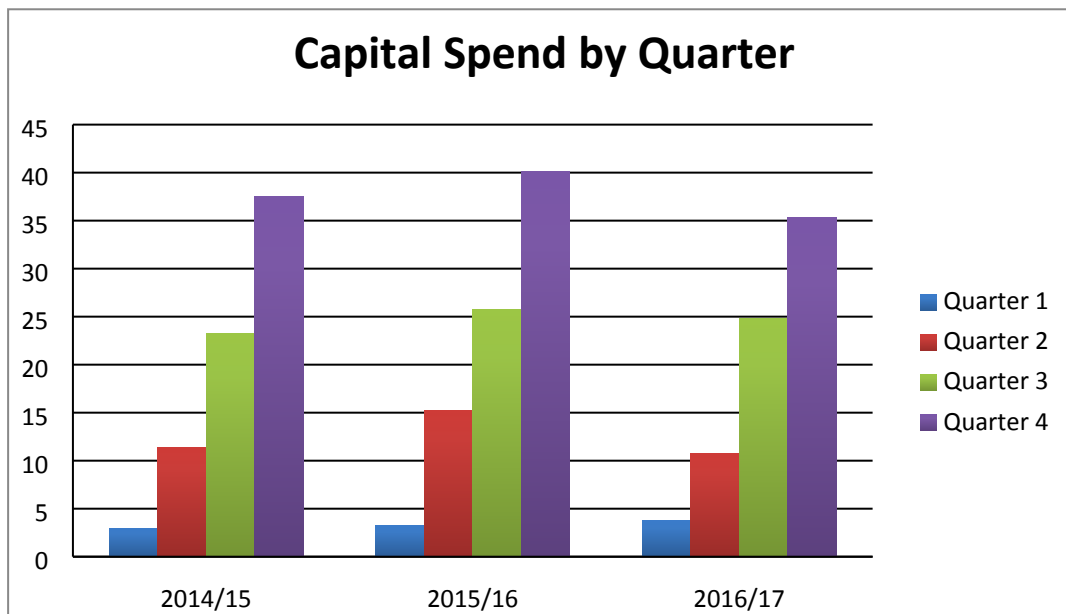
2.5 Table 2 below shows the resources used to finance 2016/17 Capital spend.

Table 2: Funding statement 2016/17

Resources	£000
Grants & Contributions	13,520
Revenue Contributions	560
Corporate:	
- Prudential Borrowing	0
- Reserves / Capital Receipts	21,208
Total	35,288

2.6 The chart below shows a year on year comparison of capital expenditure on a quarterly basis.

Table 3: Comparison of quarterly capital spend levels 2014/15 - 2016/17



3. CAPITAL EXPENDITURE OUTTURN 2016/17

3.1 This section of the report provides an update of capital expenditure along with details of re-profiling to be approved and the overall outturn position of the various projects.

Education

- 3.2 The table below outlines the projected investment for Education services. An explanation has also been provided for the requested re-profiling.

Table 4a: Detail of Education Capital Investment Programme

Education Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Cromwell Enhancements (note 1)	1,441	829	(612)	1,441
Building Schools For The Future Reserve - Funding Stream	683	0	(683)	683
Hyde Targeted Basic Need New School	673	828	155	0
Livingstone Remodelling/Extension	544	419	(125)	125
Devolved Schools Capital	473	473	0	0
Greenside Lighting, Fire Alarm and Small Power	428	412	(16)	16
Specific Capital Reserve	403	0	(403)	403
Two Year Old Entitlement Grant - Funding Stream	264	51	(213)	213
St Damian's Classroom Alterations	246	252	6	0
St James' Hattersley - Additional Classroom	220	160	(60)	60
St Georges CE Primary School	197	0	(197)	197
Livingstone Heat Emitters And Pipework	193	171	(22)	22
Gorse Hall Small Power	189	174	(15)	15
Basic Need - Funding Stream	180	0	(180)	10
Aldwyn Primary Additional Accommodation	135	135	0	0
Wildbank Primary School – Main Scheme	120	0	(120)	120
Discovery Academy - Remodelling/Furniture	115	89	(26)	26
Broadoak Primary External Areas	100	0	(100)	100
St Anne's Denton Flat Roofs	100	0	(100)	100
Hollingworth Kitchen & Dining Refurbishment	62	0	(62)	62
School Condition Related Works Contingency	22	2	(20)	20
Arlies Fan Convectors, Controls and Radiator Covers	11	11	0	0
Other Minor Schemes	1,602	830	(772)	837
Total	8,401	4,836	(3,565)	4,446

Notes:

1. The cost of the scheme is partly financed from insurance proceeds which will be used to finance 2016/17 expenditure. Therefore the full budget is recommended for re-profiling.

Table 4b: Education Capital Investment Programme – Re-profiling

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Education	Cromwell Enhancements	This contract is currently on site and is due for completion in September 2017.	1,441
Education	Unallocated Schools Funding Streams	Amount unallocated in year will be re-profiled into 2017/18 and allocated to appropriate schemes.	1,299
Education	St Georges CE Primary School	£197k approved at the March 2017 Strategic Planning and Capital Investment Panel. We are currently liaising with the Diocese who will be carrying out the works.	197
Education	Livingstone Remodelling/Extension	This new two classroom extension was handed over to the Council in February 2017. The work is completed and the final invoices are currently awaited.	125
Education	Wildbank Primary School – Main Scheme	£120k approved at the March 2017 Strategic Planning and Capital Investment Panel and the works are planned for Summer 2017.	120

Children's Services

- 3.3 The table below outlines the projected investment for Children's services. Explanations are also provided for requested re-profiling.

Table 5: Detail of Children's Services Investment Programme

Children's Services Investment Programme				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Purchase Of Two Children's Homes	658	533	(125)	125
Total	658	533	(125)	125

Table 5b: Children's Services Investment Programme Re-profiling.

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Children's Service	Purchase Of Two Children's Homes	Delays due to on-going adaption works and asbestos removal. The remaining funding will be utilised in the first half of 2017/18.	125

Stronger Communities

- 3.4 The table below outlines the projected investment for Stronger Communities. Only minor re-profiling has been requested.

Table 6: Detail of Stronger Communities Capital Investment Programme

Stronger Communities Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Re-profiling to be approved
Libraries In The 21 st Century	142	115	(27)	27
Safe And Secure Project (Alleygating and Burglary Reduction)	38	27	(11)	0
Supporting Customer Experience and Contact	1	0	(1)	1
Street Art In The Community	0	3	3	0
Total	181	145	(36)	28

Active Tameside

- 3.5 The table below outlines the projected investment for Public Health. An explanation has also been provided for the requested re-profiling.

Table 7a: Detail of Active Tameside Capital Investment Programme

Active Tameside Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Re-profiling to be approved
Active Tameside Wellness Centre & Wider Investment	3,814	3,580	(234)	234
Hyde United FC	415	415	0	0
Droylsden Youth Centre	24	7	(17)	0
Total	4,253	4,002	(251)	234

Table 7b: Active Tameside Capital Investment Programme – Re-profiling

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Active Tameside	Active Tameside Wellness Centre & Wider Investment	Delayed procurement due to limited interest in the development from the Construction market has led to a delayed start for the scheme	234

Adult Services

- 3.6 The table below outlines the projected investment for Adult Services. No re-profiling is required at this time.

Table 8: Detail of Adult Services Capital Investment Programme

Adult Services Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-phasing
CCTV Dukinfield Town Hall	139	153	14	0
Integrated Care Organisation Capital Investment	94	94	0	0
Unallocated Funding	685	0	(685)	0
Total	918	247	(671)	0

Asset Investment Partnership Management (AIPM)

3.7 The table below outlines the projected investment for AIPM. An explanation has also been provided for the requested re-profiling.

Table 9a: Detail of AIPM Capital Programme

AIPM Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Vision Tameside	10,142	9,994	(148)	148
Purchase of Freehold, Whitelands Road	5,400	1	(5,399)	5,399
Building Fabric Works	566	565	(1)	0
Opportunity Purchase Fund (Individual Approval Required)	500	5	(495)	0
Tame Street Emergency Generators	93	83	(10)	10
Development Of Former Stamford High School Site	50	48	(2)	0
Mottram Showground	2	2	0	0
Wellington Works	0	156	156	0
Ashton Town Hall Roof Repairs	0	27	27	0
Public Realm	102	140	38	(38)
Total	16,855	11,021	(5,834)	5,519

Table 9b: AIPM Capital Investment Programme – Re-profiling

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
AIPM	Purchase of Freehold, Whitelands Road	Contracts have been exchanged and will be completed in October 2017.	5,399
AIPM	Vision Tameside	This variation takes into account some contingency budget that was allocated in 2016/17 for potential additional costs. As these have not been met it is required that this is re-profiled into 2017/18.	148

Development and Investment

- 3.8 The table below outlines the projected investment for Development and Investment. An explanation for requested re-profiling is provided below.

Table 10a: Detail of Development and Investment Capital Programme

Development and Investment Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Disabled Facilities Grants	1,547	1,461	(86)	73
Ashton Town Centre & Civic Square	1,094	1,492	398	(398)
Ashton Old Baths	916	537	(379)	379
Grant Funding to be Allocated	259	0	(259)	259
St Petersfield Development	65	36	(29)	29
Longlands Mill	24	3	(21)	21
Ashton Market Hall Incubator Units	3	0	(3)	3
Total	3,908	3,529	(379)	366

Table 10b: Development and Investment Capital Programme – Re-profiling

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Development and Investment	Ashton Town Centre & Civic Square	The outturn variance is due to the purchase of materials and the demolition of stalls in preparation for the start of Phase 2 works scheduled in 2018. The overspend in 2016/17 will be funded from budget currently in 2017/18 and will not result in an increase to the overall scheme.	(398)
Development and Investment	Ashton Old Baths	This scheme is running slightly behind schedule. Practical completion was achieved in March 2017	379
Development and Investment	Grant Funding to be Allocating	Housing capital grant monies not yet allocated, as no relevant schemes have been identified. Funding will be required in 2017/18	259

Digital Tameside

- 3.9 The table below outlines the projected investment for Digital Tameside. Only minor re-profiling is required.

Table 11: Detail of Digital Tameside Capital Investment Programme

Digital Tameside Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Working Differently - ICT Hardware & Software	181	140	(41)	41
Town Centre Wi-Fi	171	121	(50)	0

ICT - Enablement Project	137	105	(32)	32
Digital By Design	124	81	(43)	43
Disaster Recovery Site	45	37	(8)	8
Total	658	484	(174)	124

Engineering Services

- 3.10 The table below outlines the projected investment for Engineering Services. An explanation has also been provided for the requested re-profiling.

Table 12a: Detail of Engineering Services Capital Investment Programme

Engineers Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Highways Maintenance Funding	2,408	2,327	(81)	81
LED Street Lighting Investment	2,304	2,303	(1)	1
Challenge Funding	1,247	1,190	(57)	57
Denton Link Road	1,053	1,008	(45)	45
Pothole Funding	1,000	993	(7)	7
King Edward Road Retaining Wall	300	291	(9)	9
Ashton Northern Bypass - Stage 2	279	179	(100)	100
Ashton Canal Links	180	29	(151)	151
Link to Velodrome	176	18	(158)	158
Hattersley Station Passenger Facilities	50	18	(32)	32
Dukinfield Corridor	30	43	13	(13)
Other Minor Schemes	203	274	71	17
Total	9,230	8,673	(557)	645

Table 12b: Detail of Engineering Services Capital Programme – re-profiling

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Engineering Services	Ashton Northern Bypass – Stage 2	There is a contingency allocation of £100k for Part 1 claims that cannot be closed down until 7 years after the bypass has opened. This contingency needs to remain until the expiry of this period.	(100)
Engineering Services	Ashton Canal Links	The spend profile was based on the legal agreements being signed between the Council and TfGM (Transport for Greater Manchester). The delay in signing the agreement by	151

		TfGM means that the scheme has not been able to start.	
Engineering Services	Link to Velodrome	The spend profile was based on the legal agreements being signed between the Council and TfGM) The delay in signing the agreement by TfGM means that the scheme has not been able to start..	158

Environmental Services

- 3.11 The table below outlines the projected investment for Environmental Services. An explanation has also been provided for the requested re-profiling.

Table 13a: Detail of Environmental Services Capital Investment Programme

Environmental Services Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Guide Lane Former Landfill Site	465	24	(441)	441
Retrofit (Basic Measures)	7	7	0	0
Total	472	31	(441)	441

Table 13b: Detail of Environmental Services Capital Programme – Re-profiling.

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Environmental Services	Guide Lane Former Landfill Site	The outturn variation of £441k is as a result of anticipated spend for the voluntary acquisition of properties and landscaping works being delayed into 2017/18 following negotiations. The remaining budget allocated of £197k is required to cover any further unforeseen costs associated with this scheme; and to ensure that the council's statutory duties required under Part 2A of the Environmental Protection Act 1990, which are to remediate the land if there is a significant risk of harm to persons or property, in accordance with statutory guidance issued by the Secretary of State, are met.	(441)

Operations

- 3.12 The table below outlines the projected investment for Operations. Only minor re-profiling is required.

Table 14: Details of Operations Capital Investment Programme

Operations Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Stamford Park Infrastructure	20	20	0	0
Dukinfield Park Improvements	20	15	(5)	5
Silver Springs Infrastructure	20	18	(2)	2
Sunnybank Park - Landscaping	19	17	(2)	2
Rocher Vale & Hulmes and Hardy Wood	15	19	4	(4)
Allotment Railings and Infrastructure Improvement	14	13	(1)	1
Tree Planting Programme	10	10	0	0
War Memorials	10	9	(1)	1
Other Minor Schemes	54	41	(13)	12
Total	162	142	(20)	19

Transport

- 3.13 The table below outlines the projected investment for Transport. An explanation has also been provided for the requested re-profiling.

Table 15a: Detail of Transport Capital Investment Programme

Transport Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-phasing
Procurement of Fleet Vehicles	2,442	1,509	(933)	933
Purchase of Mowers	39	39	0	0
Light Vans	39	0	(39)	39
Total	2,520	1,548	(972)	972

Table 15b: Explanations of Transport Capital Investment Programme – re-profiling.

Explanation of Re-profiling			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Transport	Procurement of Fleet Vehicles	The variance is as a result of the delay in the procurement of one set of vehicles from this scheme. New, Euro 6 engine classification became legislation after the order was raised. However, the tender stipulated that prior to build the vehicles had to comply with the changes in European emission legislation. The new engine for these vehicles initially failed type approval and a subsequent submission had to be re-designed. We have, however, now been given assurances that this is going to be approved mid-June and the vehicles should be ready for delivery mid-August.	933

Exchequer

- 3.14 The Table below outlines the projected Investment for Exchequer. No re-profiling has been requested.

Table 16: Detail of Exchequer Capital Investment Programme

Exchequer Capital Programme Statement				
Capital Scheme	2016/17 Budget	Outturn	Outturn Variation	Recommended Re-profiling
Online Forms	90	80	(10)	10
Total	90	80	(10)	10

4. COMPULSORY PURCHASE ORDERS, INDEMNITIES AND POTENTIAL LIABILITIES

Redmond Close

- 4.1 All even numbered properties on Redmond Close have now been purchased and the final phase of the project to make the contaminated land safe as statutorily required is underway, well within the agreed financial envelope.

Wellington Works

- 4.2 This was a complex compulsory purchase compensation matter, which has now been resolved. All final costs incurred will be managed within the Council capital budget.

Denton Link Road

- 4.3 A General Vesting Declaration (GVD) has been executed for land required within the CPO in relation to Denton Link Road and so the Council has now assumed responsibility for the same, by registering its legal title to the land with HM Land Registry.

- 4.4 The Council has completed a variation to the CPO Indemnity and Development Agreement to enable the delivery of the link road.

Hattersley CPO

- 4.5 The Council approved the making of a compulsory purchase order in respect of the one outstanding property in June 2015 in order to facilitate the final phase of the new District

Centre for Hattersley and continues to work with its partners, Peak Valley Housing Association and the Homes and Communities Agency. Peak Valley Housing Association have indemnified the Council's CPO costs through a CPO Indemnity Agreement. The CPO has now been made and submitted to the National Casework Unit for confirmation.

5 CHANGES TO THE APPROVED 3 YEAR CAPITAL PROGRAMME

- 5.1 Since it was approved in February 2017, there has been an increase in the programme totalling £0.267m over the period 2016/17 – 2018/19. Full details are listed in **Appendix 1**.

6. CAPITAL RECEIPTS

- 6.1 With the exception of capital receipts earmarked as specific scheme funding, all other capital receipts are retained in the Capital Receipts Reserve and utilised as funding for the Council's corporately funded capital expenditure, together with any other available resources identified in the medium term financial strategy.
- 6.2 £11.3m of BSF Capital Receipts are to be repaid corporately, to repay temporary corporate funding of the Schools Capital Programme.
- 6.3 Receipts of £4.2m were generated from the disposal of Council assets in 2016/17.

7. PRUDENTIAL INDICATORS

- 7.1 The revised capital programme is shown at **Appendix 3**, and includes requirements for re-profiling and other required changes.

APPENDIX 1

Changes to the Capital Programme

SERVICE	SCHEME	SOURCE OF FUNDING	BUDGET CHANGES 2016/17 £000	BUDGET CHANGES 2017/18 £000	BUDGET CHANGES 2018/19 £000	TOTAL £000
Capital Programme Quarter 3 2016/17			62,756	74,073	11,964	148,793
A) Increases to the Programme						
Environmental Services	Hospital Parking	Corporate funding		950		950
Adults	Integrated Care Organisation	Capital Investment	RCCO	94		94
Education	Hollingworth Kitchen & Dining	Refurbishment	Grant	(56)	118	62
Education	Gorse Hall Drainage		Grant	10		10
Active Tameside	Active Tameside Wellness Centre & Wider	Investment	RCCO		10	10
Education	Asbestos Surveys Phase 1		Grant	7		7
Education	Broadbottom CE Remedial Works		Grant	5		5
			60	1,078	0	1,138
B) Reductions in Programme						
Environmental Services	Green Space Improvements - Hyde	Contribution		(16)		(16)
			(194)	0	0	(194)
C) Funding Transfers in Programme following Q3 Monitoring						
Development And Investment	Ashton Town Centre And Civic Square	Corporate funding/Grant	(1,958)	1,958		0
Education	Aldwyn Primary Additional Accommodation		Grant	(1,057)	1,057	0
Education	Alder Buy Out Fitness Centre		Grant	(1,000)	1,000	0

Engineering Services	Challenge Funding	Grant	(952)	952	0
AIPM	Vision Tameside	Corporate funding	(858)	858	0
Education	Education Grants Reprofiled	Grants	(549)	549	0
Community Services	Libraries In The 21st Century	Corporate funding	(417)	417	0
Engineering Services	Junction Improvements on M60	Grant	(359)	359	0
Environmental Services	Retrofit (Basic Measures)	Grant	(322)	322	0
Engineering Services	Highways Maintenance Funding	Grant	(314)	314	0
Environmental Services	Carbon Reduction - Invest To Save Schemes Approval Required	Corporate funding	(311)	311	0
Engineering Services	Denton Link Road	Corporate funding /Grant/Capital Contributions	(300)	300	0
Engineering Services	Access To Metrolink Stops	Grant	(300)	300	0
Education	Primary Capital Programme - Russell Scott	Grant	(256)	256	0
Engineering Services	Hattersley Station Passenger Facilities	Grant	(254)	254	0
Active Tameside	Active Tameside Wellness Centre & Wider Investment	Corporate funding	(250)	250	0
Digital Tameside	ICT - Vision Tameside	Corporate funding	(240)	240	0
Digital Tameside	Working Differently - IT Hardware & Software	Corporate funding	(230)	230	0
Engineering Services	Ashton-Stalybridge Cycle Route	Grant	(224)	224	0
Engineering Services	Ashton Town Centre Access Improvements	Grant	(191)	191	0
Engineering Services	Huddersfield Narrow Canal	Grant	(180)	180	0
Digital Tameside	Digital by Design	Corporate funding		178	178
Community Services Development And Investment	Supporting Customer Experience	Corporate funding	(178)		(178)
Engineering Services	St Petersfield	Corporate funding	(164)	164	0
Engineering Services	Dukinfield Corridor	Grant	(130)	130	0
Education	Waterloo Boiler And Heat Emitters	Grant	(119)	119	0
AIPM	Prep of Outline Planning Applications / Review of Playing Field Provision	Corporate funding	(116)	116	0
Education	Cromwell Upgrade	Grant	(114)	114	0
Development And Investment	Godley Hill Development And Access Road	Corporate funding	(110)	110	0

AIPM	Public Realm	Corporate funding	102	(102)	0
Education	Seed Challenge: St James' CE - Remodelling	Grant	(73)	73	0
Education	St James Ashton	Grant	(65)	65	0
AIPM	Dukinfield Crematoria Clock Tower	Corporate funding	(54)	54	0
Education	BSF Droylsden Academy	Specific Capital Receipts	(33)	33	0
Education	Wildbank Lighting And Power	Grant	(32)	32	0
Education	Broadoak Primary School	Grant	(31)	31	0
Education	St James' CE Health & Safety	Grant	(30)	30	0
Education	Greswell Walls And Windows	Grant	(25)	25	0
Education	Russell Scott Primary Seed Challenge	Grant	(25)	25	0
Development And Investment	Hyde Town Centre	Corporate funding	(23)	23	0
Education	Linden Road Children's Centre - Refurbishment And Electrical	Grant	(17)	17	0
Education	Furniture And Equipment Contributions - Basic Needs Schemes	Grant	(16)	16	0
Environmental Services	Stamford Park Infrastructure	RCCO	10	(10)	0
Community Services	Street Art In The Community	RCCO	(8)	8	0
Education	St Damian's Classroom Alterations	Grant	(4)	4	0
Education	Longdendale Science Laboratories	Grant	(2)	2	0
Reprofiling recommended in this report					
Children's Services			(125)	125	0
Active Tameside			(234)	234	0
AIPM			(5,519)	5,519	0
Stronger Communities Development & Investment			(28)	28	0
Digital Tameside			(366)	366	0
Engineering Services			(124)	124	0
Environmental Health			(645)	645	0
Operations			(441)	441	0
Transport			(19)	19	0
Education			(972)	972	0
Education			(4,446)	4,446	0

Exchequer	(10)	10		0
	(24,399)	24,399	0	0
Net Changes to Programme	(24,533)	24,800	0	267
Capital Programme 2016/17 Outturn	38,223	98,873	11,964	149,060

RCCO - "Revenue Contribution to Capital Outlay" describes where capital investment is funded from revenue sources.

AIPM - Asset Investment Partnership Management.

Education changes agreed as part of Education Capital Programme Progress update at March Strategic Planning & Capital Monitoring Panel.

APPENDIX 2

Capital Financing Statement

	Annual Budget £000	Actual Expenditure £000	Borrowing £000	Grants & Other Contributions £000	Capital Receipts £000	RCCO & Reserves £000	Total £000
<u>PEOPLE</u>							
Adults	918	247	0	0	0	247	247
Children's	658	533	0	0	0	533	533
Community Services	181	145	0	0	0	145	145
Public Health	4,253	4,002	0		415	3,587	4,002
<u>PLACES</u>							
Asset and Investment Partnership Management	16,855	11,022	0	2,117	0	8,906	11,022
Development & Investment	3,908	3,529	0	1,464	0	2,065	3,529
Digital Tameside	658	483	0	0	0	483	483
Education	8,401	4,834	0	3,945	4	56	4,834
Engineering Services	9,230	8,673	0	5,066	0	3,607	8,673
Environmental Health	472	31	0	7	0	24	31
Operations	182	161	0	92	0	69	161
Transport	2,520	1,548	0	0	0	1,548	1,548
Exchequer Services	90	80	0	0	0	80	80
Unallocated / Contingency	2,832	0	0		0	0	0
Subtotal	51,158	35,288	0	13,520	419	21,350	35,288

APPENDIX 3

Capital Programme (after re-profiling)

	ESTIMATE 2016/17 £000	ESTIMATE 2017/18 £000	ESTIMATE 2018/19 £000	TOTAL £000
CAPITAL PROGRAMME 2016/17 - 2018/19				
Adult And Health Services				
Mental Health Project - Improving Service Access	260	0	0	260
IT Infrastructure	237	0	0	237
Transforming Adult Social Care	169	0	0	169
Autism Innovation	19	0	0	19
CCTV Dukinfield Town Hall	139	0	0	139
ICO Capital Investment	94	0	0	94
Adult And Health Services Total	918	0	0	918
Children's Services				
Purchase of Two Children's Homes	533	135	0	658
Children's Services Total	533	135	0	658
Asset and Investment Partnership Management				
Opportunity Purchase Fund (Individual Approval Required)	500	500	0	1,000
Mottram Showground	2	159	0	161
Dukinfield Crematoria Clock Tower	0	54	0	54
Vision Tameside	9,994	28,077	0	38,071
Public Realm	140	2,491	0	2,631
Document Scanning	0	158	0	158
Development of Former Stamford High School Site	50	0	0	50
Building Fabric Works	566	0	0	566
Prep of Outline Planning Applications / Review of Playing Field Provision	0	116	0	116
Tame Street Emergency Generators	83	9	0	93
Purchase of Freehold, Whitelands Road Ashton	1	5,399	0	5,400
AIPM Total	11,336	36,964	0	48,300
Community Services				
Supporting Customer Experience And Contact	0	1	0	1
Libraries In The 21 st Century	114	445	0	559

Street Art In The Community	0	8	0	8
Safe And Secure Project (Alleygating And Burglary Reduction)	38	0	0	38
Community Services Total	152	454	0	606
Education				
BSF Droylsden Academy	0	33	0	33
Milton St John Primary Seed Challenge	18	(5)	0	13
St Paul's Primary Hyde Seed Challenge	0	11	0	11
Milton St John's Fencing	0	5	0	5
St James' CE Health & Safety	2	30	0	32
Stalyhill Infants	0	5	0	5
St Thomas More Secondary Seed Challenge	25	0	0	25
Greswell Primary Drainage	17	0	0	17
Micklehurst Fire Alarm Survey & Works	40	0	0	40
Russell Scott Primary Seed Challenge	0	25	0	25
Dane Bank Primary Seed Challenge	13	1	0	14
Aldwyn Primary Additional Accommodation	135	2,247	0	2,382
Hyde Community College	7	0	0	7
New Charter Academy	10	12	0	22
Discovery Academy - Remodelling/Furniture	89	26	0	115
Seed Challenge: St James' CE - Remodel Main Entrance, Toilets And Admin	0	73	0	73
Devolved Schools Capital	473	0	0	473
Primary Capital Programme - Russell Scott	0	256	0	256
Ravensfield Primary School	4	8	0	12
Specific Capital Reserve	0	403	0	403
Basic Need - Funding Stream	170	6,582	0	6,752
Capital Maintenance - Funding Stream	14	44	0	58
Short Breaks Capital Grant - Funding Stream	0	88	0	88
Two Year Old Entitlement Grant - Funding Stream	51	213	0	264
Bradley Green Primary - Funding Stream	0	30	0	30
Building Schools For The Future Reserve - Funding Stream	0	683	0	683
St Johns CE Dukinfield	8	92	0	100
Alder Buy Out Fitness Centre	0	1,000	0	1,000

Ashton Targeted Basic Need New School	92	2	0	94
Hyde Targeted Basic Need New School	673	0	0	673
BSF ICT Capital	16	0	0	16
Universal Infant Free School Meals	0	3	0	3
St George's CE Kitchen	14	0	0	14
RCCO Reserve	0	7	0	7
Education Improvements – Developer Contributions	0	50	0	50
Broadbottom Drainage Works	6	0	0	6
Hollingworth Kitchen & Dining Refurbishment	0	180	0	180
St Annes Denton Kitchen Extension	53	0	0	53
Leigh Drainages	0	2	0	2
Milton St John Creation of Bulge Class	100	0	0	100
Livingstone Remodelling/Extension	419	125	0	544
The Heys Floor Replacement	34	25	0	59
Gorse Hall Power And Fire Alarm	10	4	0	14
Wildbank Lighting And Power	0	32	0	32
Fairfield Car Park Repairs	37	0	0	37
Linden Road Children'S Centre - Refurbishment And Electrical	0	17	0	17
Milton St John Primary - Temporary Emergency Works	14	32	0	46
Inspire Academy - Pre-Opening Costs	0	44	0	44
Broadoak Primary School Facilities	0	31	0	31
Fairfield Rd Primary	1	0	0	1
St James' Hattersley - Additional Classroom	160	60	0	220
Disabled Access Works At Hurst Knoll, Stalyhill Infants And Bradley Green	8	0	0	8
St Damian's Classroom Alterations	246	4	0	250
Broadoak Primary External Areas	0	100	0	100
Furniture And Equipment Contributions - Basic Needs Schemes	6	14	0	20
School Condition Related Works Contingency	2	21	0	23
Greenside Lighting, Fire Alarm And Small Power	412	16	0	428
Gorse Hall Small Power	174	15	0	189
Livingstone Heat Emitters And Pipework	171	22	0	193
Dowson Lower School Heat Emitters	6	0	0	6

Stalyhill Infants Heat Emitters And Pipework	67	2	0	69
Arlies Fan Convectors, Controls And LST Radiator Covers	11	110	0	121
Waterloo Boiler And Heat Emitters	0	119	0	119
Hurst Knoll Nursery Fan Convectors And Mobile Classroom Air Conditioning	0	36	0	36
Hollingworth Drainage	21	21	0	32
Milton St John's Drainage	0	25	0	25
Rosehill Flooring	18	8	0	26
Arlies Mobile Classroom Roof	31	0	0	31
St Anne's Denton Flat Roofs	0	100	0	100
Micklehurst Water Tower	22	0	0	22
Greswell Walls And Windows	0	50	0	50
Longdendale Science Labs	63	2	0	65
Mechanical & Electrical - Broadbent Fold	0	11	0	11
Mechanical & Electrical - Corrie Primary	0	28	0	28
Mechanical & Electrical - Yew Tree Primary	0	13	0	13
Mechanical & Electrical - Oakdale	0	6	0	6
Mechanical & Electrical - Buckton Vale	0	7	0	7
Safeguarding & Access - Buckton Vale	0	38	0	38
Safeguarding & Access - Waterloo	0	10	0	10
Safeguarding & Access - Cannon Burrows	0	15	0	15
Astley High School - Carpets	1	39	0	40
Inspire Academy - Play Equipment	0	40	0	40
Cromwell Enhancements	0	1,636	0	1,636
Heys Toilet Adaptations	0	5	0	5
Stalyhill Toilet Adaptation	0	5	0	5
St James Ashton Health & Safety	0	65	0	65
Cromwell M&E Upgrade	0	114	0	114
Alder Community High School	0	25	0	25
Astley Community High School	0	25	0	25
Hyde Community College	0	25	0	25
Wildbank Primary School - Main Scheme	0	120	0	120

St Georges CE Primary School	0	197	0	197
Stalyhill Safeguarding And Access Issues	0	10	0	10
Broadbottom CE Remedial Works	0	5	0	5
Micklehurst Drainage	0	10	0	10
Gorse Hall Drainage	0	10	0	10
Funding Stream - Holden Clough	0	15	0	15
Asbestos Surveys Phase 1	0	7	0	7
Education Total	3,955	15,620	0	19,575
Engineering Services				
Borough Wide Minor Works	2	4	0	6
Carriageway Structural Maintenance	18	0	0	18
The Longdendale Integrated Transport Strategy	0	480	0	480
The Longdendale Integrated Transport Strategy (Notional Element)	0	7,809	0	7,809
Ashton Northern Bypass - Stage 2	179	100	0	279
Congestion Performance Fund (Tranche 4)	4	0	0	4
Living Streets	9	0	0	9
Pothole Funding	993	7	0	1,000
Cycle City Ambition Grant	9	0	0	9
Muse Developments	0	15	0	15
Lower Bennett Street	0	16	0	16
Junction Improvements	0	359	0	359
Ashton Town Centre Access Improvemnts	2	189	0	191
LED Street Lighting Investment	2,303	2,305	0	4,608
Highways Maintenance Funding	2,327	3,153	0	5,480
Ashton-Stalybridge Cycle Route	4	224	0	228
Denton Link Road	1,008	345	0	1,353
Challenge Funding	1,190	1,509	0	2,699
King Edward Road Retaining Wall	291	109	0	400
Access To Metrolink Stops	0	300	0	300
Hattersley Station Passenger Facilities	18	732	0	750
Huddersfield Narrow Canal	20	165	0	185

Ashton Canal Links	30	150	0	180
Link To Velodrome	18	158	0	176
Dukinfield Corridor	43	117	0	160
Permanent Pothole Repair	117	0	0	117
Engineering Services Total	8,583	18,248	0	26,831
Environmental Services				
Children's Play	0	20	0	20
Dukinfield Park Improvements	15	25	0	40
Stamford Park Infrastructure	20	0	0	20
Green Space Improvements - Dukinfield	11	0	0	11
Pocket Parks	11	0	0	11
Allotment Railings And Infrastructure Improvement	13	63	0	76
Memorial Gardens Audenshaw	2	0	0	2
Scott Road Memorial Gardens, Droylsden	2	0	0	2
Sunnybank Park - Landscaping	17	2	0	19
Highway Replacement Tree Planting Access Works	6	3	0	9
Rocher Vale & Hulmes And Hardy Wood	19	10	0	29
Carbon Reduction - Invest To Save Schemes Approval Required	0	311	0	311
Retrofit (Basic Measures)	7	322	0	329
Guide Lane Former Landfill Site	24	441	0	465
Assheton Avenue Surfacing	10	0	0	10
War Memorials	9	11	0	20
Audenshaw Environmental Improvements	0	9	0	9
Tree Planting Programme	10	30	0	40
Hospital Parking	0	950	0	950
Silver Springs Infrastructure Improvements	18	2	0	20
Environmental Services Total	193	2,200	0	2,393
Transport				
Light Vans	0	39	0	39
Procurement of Fleet Vehicles	1,509	933	0	2,442
Fleet Replacement 17/18	0	2,256	0	2,256

Refuse Collection Fleet	0	3,060	0	3,060
Ransome Mowers	39	0	0	39
Transport Total	1,547	6,289	0	7,836
Digital Tameside				
Working Differently - ICT Hardware & Software	140	271	0	411
ICT – Vision Tameside	105	822	440	1,367
Disaster Recovery Site	37	8	0	45
Digital By Design	81	238	0	319
Town Centre Wi-Fi	171	0	0	171
Digital Tameside Total	533	1,340	440	2,313
Resources				
Estimated Future Borrowing Approvals / Receipts	2,225	4,262	5,000	11,487
Repayment of Prud Borrowing	607	721	0	1,328
Resources Total	2,832	4,983	5,000	12,815
Development And Investment				
Ashton Town Centre And Civic Square	1,492	1,560	0	3,052
Ashton Market Hall Incubator Units	0	3	0	3
Godley Hill Development And Access Road	0	110	0	110
St Petersfield	36	193	0	229
Hyde Town Centre	0	23	0	23
Ashton Old Baths	537	379	0	916
Longlands Mill	3	21	0	24
Disabled Facilities Grants	1,474	730	0	2,247
Grant Funding Yet To Be Allocated	0	259	0	259
Development And Investment Total	3,542	3,321	0	6,863
Public Health				
Hyde United FC	415	0	0	415
Droylsden Youth Centre	24	0	0	24
Active Tameside Wellness Centre & Wider Investment	3,580	10,174	6,524	20,278
Public Health Total	4,019	10,174	6,524	20,717

Exchequer

Online Forms 80 10 0 90

Exchequer Total 80 10 0 90

Total 38,223 99,728 11,964 149,915

Agenda Item 5

Report To: STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

Date : 10 July 2017

**Executive Member/
Reporting Officers:** Councillor Jim Fitzpatrick - First Deputy (Finance and Performance)

Damien Bourke - Assistant Executive Director (Development, Growth and Investment)

Subject: VISION TAMESIDE PHASE 2 PROGRESS UPDATE

Report Summary: This report provides a progress update on project delivery, costs and funding, delivery timescales and risks associated with the Vision Tameside Phase 2 Programme this includes the new Shared Service Centre and the Streetscape Improvement Project.

Recommendations: That the Panel consider the contents of the report and:

1. Notes the progress with the delivery of the overall Vision Tameside Phase 2.
2. Notes the emerging risk associated with the delay in securing an appropriate funding package for the Streetscape Improvement project.
3. Recommend approval of the budget, variations and virements detailed in section 7 of this report.
4. Notes the excellent progress being made to drawdown the £4 million Skills Funding Agency Capital Funding.

Links To Community Strategy: Prosperous Tameside

Policy Implications In line with approved policy

**Financial Implications:
(Authorised By The Section
151 Officer)** The overall costs of the Vision Tameside programme include the development of the Shared Service Centre. The budget for the Centre must be contained within the overall net allocation of £48,673,794, which was approved in February 2015. Also included within the programme is the Streetscape Improvement project the current estimated costs of which are identified in section 4.

Shared Service Centre

The proposed budget for the Shared Service Centre after approved virements identified in section 7.8, is shown in the table below

Budget Heading	Budget proposal March 2017 (£)
Total Demolition / Construction costs (including revised commercial offer and inflation contingency)	38,693,279
TMBC Furniture Budget	1,500,000
Approved Change Orders To Date	159,813
Additional Asbestos Costs (now	680,000

included in total demolition /
construction cost)

Total Demolition / Construction Costs	41,033,092
Less SFA grant	-4,000,000
Cost paid by partners for furniture	-432,000
2014/2015 Ryder Invoices	23,895
TMBC Construction Contingency (for dark ground)	50,000

Net Construction Costs	36,674,987
Decant / condition works	2,797,320
Co-op bank termination of lease	95,408
Programme Management	118,689
Fit out costs of temporary store re Early Lease termination – Wilkos	832,978
College Fixed Furniture and Equipment	850,000
Fit Out Costs - Early Wilko's Lease Termination	859,900
Public Realm Works	2,631,000
Document Scanning	250,000
Potential Loss of profits Wilko's	550,000
Legal Costs of Construction Works	122,832
IT Enablement	2,194,000
Programme Contingency	696,680
Total	48,673,794

Any additional costs that arise will need to be delivered from the remaining overall contingency to ensure that the project remains within the overall approved budget.

The original budget allocation for legal costs was £50,000 to date £122,832 has been paid and the difference has been vired from contingency. It will be worth considering allocating a revised budget allocation once an estimate has been obtained via the remaining contingency budget.

The contingency budget will need to be closely monitored. The virements requested in this report will give a remaining balance of £696,680.

It is important that regular stringent monitoring of the programme budget continues and that leases, with all potential occupants are completed as soon as possible so that the capital and revenue implications of the programme can be confirmed.

Within the SFA grant awarded (section 7.10) there is £60,000 to support the administration of the grant which also needs to be closely monitored.

Streetscape Investment Project

Section 4.8 of the report states there is current an estimated funding shortfall of £524,579 with options to mitigate this shortfall (section 4.11). It is stated that supporting funding allocations will be confirmed during the Autumn 2017 when a further report will be presented for consideration to ensure the project is financed within available resources.

Recant

Section 5 of the report explains that a further report on recant proposals will be presented in September 2017 for consideration. It should be noted however that there is currently no budget within the Vision Tameside funding envelope to support the recant plan. It is therefore essential that the associated financing arrangements are clarified within that report.

Legal Implications:

(Authorised By the Borough Solicitor)

There needs to be some strong project management and the continued operation of a Project Board is key to assisting in the management of deadlines and future milestones going forward.

Whilst running in conjunction with the Vision Tameside Phase 2 project, the Project Board must be mindful that the Streetscape Improvement Project (formerly referred to as the Public Realm Project) sits outside of the Vision Tameside Phase 2 funding envelope.

The Executive Cabinet report of 29 June 2016 noted The current projected costs for the Ashton Town Centre project are £9,655,383 with Council commitments of £8,191,726 of which £2,631,000 sits within the overall Vision Tameside budget. The funding package therefore relies on financial contribution from external sources including the GM Growth Deal Round 3 programme and Network Rail. A detailed business case and funding bid for £1.2 million has been submitted to TfGM and informal feedback received to date has been positive. A formal decision is expected by the end of July 2016.

The Strategic Planning and Capital Monitoring Panel report of 11 July 2016 reported that the current projected costs for the Ashton Town Centre project are £9,655,383 with Council commitments of £8,191,726 of which £2,631,000 sits within the overall Vision Tameside budget. The funding package therefore relies on financial contributions from external sources including the GM Growth Deal Round 3 programme and Network Rail. A detailed business case and funding bid for £1.2 million has been submitted to TfGM and informal feedback received to date has been positive. A formal decision is expected by the end of July 2016.

This report highlights a current funding deficit of £5,468,286 as detailed in section 4.8.

Risk Management:

The key risks, impact and mitigation proposed are included in the report at Section 8.

Access To Information:

The background papers relating to this report can be inspected by contacting the report writer Damien Bourke, Assistant Executive Director, Development, Growth and Investment by:



Telephone: 0161 342 3544



e-mail: damien.bourke@tameside.gov.uk

1. INTRODUCTION

- 1.1 The purpose of this report is to provide a progress update on project delivery, costs & funding, delivery timescales and risks associated with the Vision Tameside Phase 2 Programme.
- 1.2 The second phase of the Vision Tameside programme creates a new Advanced Skills Centre for Tameside College alongside a new Shared Service Centre for the Council and its partners.
- 1.3 Since the last report to the Strategic Planning and Capital Monitoring Panel (SPCMP), on 13 March 2017, substantial progress has been made with key elements of the Programme as set out below.

2. VISION TAMESIDE PHASE 2

- 2.1 Key progress milestones achieved to date include:
 - Demolition contract completed 12 September 2016
 - Enabling works for construction commenced 13 September 2016
 - Piling works complete commenced 19 September 2016
 - Construction contract award on 22 November 2016
 - Steel beam signing ceremony held on 6 December 2016
 - Construction of foundations complete
 - Steel frame erection complete
 - Metal decking complete
 - Topping out ceremony on 21 June 2017.
- 2.2 Overall, the project is making good progress with the position against projected programme currently being maintained.
- 2.3 Current works on site include upper floor slabs, windows, drainage installation; curtain walling, brickwork, roofing, and repairs to the rear of the town hall. It should be noted that negotiations are on-going, with related parties, to agree an appropriate insurance settlement for the damage to the rear of the town hall, which was caused during the demolition of the former Council Offices.
- 2.4 Following the recent tragedy at Grenfell Tower, assurance has been sought from the LEP and Carillion that the specifications and method of installation of the proposed cladding material for the building do not pose unacceptable levels of fire risk. A technical review is currently underway including the overall fire risk strategy for the building. A verbal update will be provided at the meeting.
- 2.5 Pro-active communication continues to take place with local stakeholders to keep them up to date on progress and mitigate against any town centre disruption created by the construction works.
- 2.6 The demolition phase of the project has received a gold award at the National Considerate Constructors Awards Ceremony in March 2017. These awards are designed to recognise the extraordinary commitment that sites, up and down the country have made to improve the image of the construction delivery.
- 2.7 Health and Safety performance has been good and several specialist site visits and quality audits undertaken to date have not identified any significant issues.

2.8 The latest independent external monitoring of the project for the Skills Funding Agency in March 2017 reported general satisfaction with the overall progress and financial status of the project.

3. PROGRAMME MANAGEMENT

Vision Tameside Working Group

3.1 The Working Group, chaired by the First Deputy (Finance and Performance), continues to meet monthly to oversee the development and delivery of the project. The Working Group also provides strategic direction to a number of Task Groups responsible for delivering the different elements of the Programme such as the streetscape improvements, working differently agenda, facilities management, employment and skills and communications.

Building Design and Scope

3.2 The overall scope and external fabric of the building has not changed since the last report. However, some design changes have been approved by the Working Group, within the project's financial envelope, following completion of the appropriate Reviewable Design Data process. This is to ensure that the building is better able to meet the Council's objectives and requirements.

3.3 In addition, new accommodation requirements for levels 01, 02, 03 and 04, reported to the Council's Executive Board on the 15 March 2017, have now been formally instructed.

Reviewable Design Data (RDD) Process

3.4 The Design & Build contract for the project allows the Council to review some detailed design data against an agreed timetable. The review process is based on the designs and costs which were approved by the Council's Executive Cabinet on 16 December 2015.

3.5 Any changes requested during this process could have an impact on cost and programme and a robust management regime is therefore being implemented to minimise risks. Relevant officers and specialist advisers are engaged to ensure an intelligent client input and that future buildings facility and asset management arrangements are included in any considerations.

3.6 A summary of the current status of the RDD process is shown in the table below:

Reviewable Design Data Process Status – June 2017		
Organisation	Number	Status
Council	31	Total number submitted to date
	9	Approved to date
	18	Approved to date subject to comment / clarification
	2	Rejected
	2	Overdue
College	23	Total number submitted to date
	6	Approved to date
	12	Approved to date subject to comment / clarification
	0	Rejected
	1	Overdue
	4	Status not required

3.7 The 2 Council RDD's which are identified as overdue relate to:

- i. Lock suiting – it has been agreed, with Carillion Building, that this review will be revisited in September 2017. This delay will not have an impact on cost or programme.
- ii. External signage – a report is due to be presented to the Council’s Board on the 13 July and the Council’s Executive Cabinet on the 30 August 2017 in order to obtain formal approval to name the new Shared Service Centre. In addition this report will make recommendations for the addition of external high level signage to the Council and College buildings. As this is a new requirement, and not part of the original vision, there will be cost implications. If instructed, the signs will be retrofitted so will not impact on programme.

3.8 The 31 RDD’s, previously signed off by the Council, are now under review to identify whether the instructed layout changes have had an impact and establish whether further changes to the RDD’s are required.

Lease Negotiations

3.9 The Council’s Legal Services, Estates and Finance teams are coordinating negotiations on leases required with Tameside College, Wilkinsons, Department of Works & Pensions and NHS Tameside & Glossop Clinical Commissioning Group for their occupation of the new building.

3.10 The current status of the negotiations is shown in the table below:

Lease Negotiations Status – June 2017			
Organisation	Heads of Terms Agreed	Agreement for Lease completed	Lease Agreement completed
Tameside College	N/A	08/12/2016	June 2018
Wilkinson’s	N/A	09/02/2015	June 2018
DWP	Awaiting HOTs	Awaiting HOTs	June 2018
Single Commissioning Team	Legal have advised that HoTs are not required. A financial arrangement will be put in place.	Legal have advised that an Agreement for Lease is not required. A financial arrangement will be put in place.	Legal have advised that a Lease Agreement is not required. A financial arrangement will be put in place

Programme

3.11 The high level programme is shown in the table below:

High Level Programme – June 2017		
Phase	Milestone	Target Date
Construction Phase	Completion	15 June 2018
Recant Phase	Recant commences	June 2018
Recant Phase	Recant completes	September 2018

4. STREETScape IMPROVEMENT PROJECT

- 4.1 Following previous Council approvals, a Streetscape Improvement (previously described as public realm) project has been included within the scope and funding for the Vision Tameside Phase 2 programme. Concept designs were approved in October 2016 subject to detailed proposals and funding
- 4.2 Progress with the development of the Streetscape Improvement project to date has included:
- a) Project scope extended along Wellington Road up to Penny Meadow junction
 - b) Liaison with TfGM on proposed works around the new Interchange including street lighting and works required to the public highway under Section 278 of the Highways Act 1980
 - c) Liaison with Network Rail Liaison on changes to proposed works at Ashton Station and design of new station plaza and totem
 - d) Traffic modelling of key junctions completed
 - e) Topographical surveys completed
 - f) Ashton Ward members briefed on the emerging plans
 - g) Consultation plan developed to ensure that all relevant groups and stakeholders are fully consulted at each stage of the design process
 - h) Funding application submitted to the DfT for NPIF funding – June 2017
 - i) Detailed design to commence - July 2017
- 4.3 The funding package for the project relies on financial contributions from external sources including the GM Growth Fund Deals.
- 4.4 In the Autumn Statement 2016, the Government announced £490 million for the local roads element of the National Productivity Investment Fund (NPIF) for 2018/19 and 2019/20, to be allocated via a competitive bidding process.
- 4.5 The local roads element of NPIF is for schemes that will increase & rebalance productivity by relieving congestion & delivering upgrades to local roads and public transport networks.
- 4.6 Based on the size of the national funding pot (£490 million), and the fact that Greater Manchester might expect at least a 7% allocation (£34 million) based on population, it is proposed to develop a bid around a central planning figure of £50 million. The existing GM priority is for a series of major schemes leaving scope, however, to include a package of minor schemes.
- 4.7 As part of the Greater Manchester minor scheme considerations, Tameside will be submitting a bid for the “Streetscape” works along Wellington Road and Albion Way. Bids have to be submitted by the end of June. Bid funding is expected to be announced in Autumn 2017.
- 4.8 The current status of the funding package is as follows:

Estimated Costs	£
Proposed works Wellington Road (based on extended scope)	8,099,286
TMBC Confirmed Budget	2,631,000
Shortfall	5,468,286
TfGM funding (subject to further business case submission to TfGM) and potential DfT NPIF funding.	4,943,707
Current GAP in Funding	524,579

- 4.9 Previous reports have highlighted the fact that not all the public realm will be completed when the new Shared Service Centre opens in 2018. However, the Public Realm Task Group is currently developing a clear plan to ensure that the public realm interface provides suitable access to the new building.
- 4.10 The Task Group is also developing a phasing plan, in advance of the Greater Manchester minor scheme announcement in Autumn, to ensure that we have a fully developed project which is ready for delivery.
- 4.11 If the Council is unable to secure an appropriate funding package then the following options will need to be considered to ensure that this critical element of the Vision Tameside programme can be delivered:
- a) Reduce project scope
 - b) Further value engineering
 - c) Re-phasing and re-programming of works
- 4.12 A further report will be provided with recommendations once the final funding position for the project is established in the Autumn.

5. RECENT PLAN

- 5.1 A detailed Vision Tameside Recant Plan is currently being developed to form part of a wider Council Office Accommodation Strategy which will be implemented when the new Shared Service Centre is completed in summer 2018.
- 5.2 The following work has been completed to date to help develop an appropriate plan:
- a) Detailed review of the new building's design
 - b) Reconciliation of staffing numbers
 - c) Development of a set of principles to help inform the Council Office Accommodation Strategy and Vision Tameside Recant Plan
 - d) Development of an initial high-level Recant Plan and consequential requirements for staff accommodation in retained buildings
 - e) Development of a project plan
 - f) Recant principles and exclusions presented to the Single Commissioning Management team
 - g) Services have provided indicative staff numbers. This information will form the basis of a detailed service layout plan for the new building and will help develop the wider recant plan for all other council owned buildings.
- 5.3 The new Shared Service Centre has been designed to operate as a corporate 'Head Office' hub for the Council accommodating the Leadership team, Directorates, front of house services, dispersed administration and professional staff.
- 5.4 A detailed report on the Recant Plan will be provided for consideration in early September.

6. EMPLOYMENT AND SKILLS

- 6.1 Partnership work continues between Carillion and the Council's Employment and Skills team to maximise opportunities for local employment, apprenticeships, work placements and local supply chains.
- 6.2 One of the successful outcomes of the contract negotiations was the inclusion of specific Employment and Skills targets in the Design and Build contract.
- 6.3 A summary of the outputs achieved to date is show in the table below:

Employment and Skills Outputs – June 2017			
Activity	Target	Total Achieved	TMBC residents
Apprenticeships	30	9	8
Ready for work placements	50	15	12
Placements for education	0	1	1
Jobs created	20	24 / 19 sustained	23
Schools / young people engagement sessions	12	9	9
Site tours / stakeholders	0	92	91

7. FINANCIAL IMPLICATIONS

Fixture, Fittings and Equipment (FF&E)

- 7.1 An analysis of furniture, fittings and equipment, for all elements of the scheme, was completed as part of the Stage 2 submission. The original £1.5 million budget for the Council and partners had been confirmed to be sufficient at Stage 2.
- 7.2 The last report to the Strategic Planning and Capital Monitoring Panel, on the 13 March 2017, highlighted that the projected FF&E contribution, from the DWP and CCG, was anticipated to be £432,000. However due to negotiations still underway following design changes requested by the DWP this contribution is under review.
- 7.3 An FF&E warehouse visit, involving representatives from the various Vision Tameside Task Groups, took place on the 23 February 2017. The main aim of this informative visit was to review product selection contained within the Stage 2 submission and value engineer costs where appropriate, whilst still delivering Grade A office accommodation. Work is ongoing to conclude this process and the outcome will be reported at a future SPCMP meeting.

Variation Notices and Impact on Contingency Budget

- 7.4 The programme currently has a contingency allowance of £824,048. In addition to administering all Variations in line with Clause 15 of the Design and Build contract a robust internal process, agreed with Legal Services and Finance, has been implemented to ensure all costs are carefully monitored and there is transparency in the decision-making process thereby reducing the Council's financial risks.
- 7.5 The table below provides details of the Council's variation notices approved, since the last SPCMP report on the 13 March, with a total value of £119,765.

- 7.6 In addition the table also provides a summary of “other” costs which exceed the previously approved budget allowance. Additional virements are therefore requested from the contingency budget for these identified overspends to a value of £127,368.
- 7.7 In summary, the proposed variations, reduce the Vision Tameside Programme contingency budget from £824,048 to £696,680.

Variation Notices and Proposed Virements March 2017 to June 2017		
Variation Notice	Amount (£)	Details
COR 033	-£31,238	Change of floor finish specification to levels 00 and 01
COR 031 A	£94,108	Layout changes to levels 02, 03 and 04 excluding FF&E changes
COR 032A	£40,482	Layout changes to level 01 excluding FF&E
COR007	£4,441	Independent expert advice on Water Board façade condition
COR 025C	15,263.79	Design costs to change GA's on levels 01, 02, 03, 04
COR 019	£8,464	Power and data changes
COR 034	-£12,916	Omitting doors/ lobby to DWP demise and replace with emergency exit doors
COR 037	£1,340	High level illuminated signage – design costs.
LEP	£-180	Heritage consultancy advice for making good rear of Ashton Town Hall
Total required	£119,765	
Current Contingency	£824,048	
Less Additional Virement Requests		
Variations as above		- £119,765
Legal costs		-£7,603
Total variations		-£127,368
Remaining Contingency		£696,680

Financial Position

- 7.8 The current financial position for the Vision Tameside Phase 2 project is shown in the table below subject to a recommendation for approval of the virements proposed in Section 7.5.

Budget Heading	Approved Budget March 2017 (£)	Projected Budget June 2017 (£)	Requested Virements at June 2017
Total Demolition / Construction costs (including revised commercial offer and inflation contingency)	38,693,279	38,693,279	0
TMBC Furniture Budget	1,500,000	1,500,000	0
Approved Change Orders To Date	40,048	159,813	119,765
Additional Asbestos Costs (now included in total demolition / construction cost)	680,000	680,000	0
Total Demolition / Construction Costs	40,913,327	41,033,092	119,765
Less SFA grant	-4,000,000	-4,000,000	0
Cost paid by partners for furniture	-432,000	-432,000	0
2014/2015 Ryder Invoices	23,895	23,895	0
TMBC Construction Contingency (for dark ground)	50,000	50,000	0
Net Construction Costs	36,555,222	36,674,987	119,765
Decant / condition works	2,797,320	2,797,320	0
Co-op bank termination of lease	95,408	95,408	0
Programme Management	118,689	118,689	0
Fit out costs of temporary store re Early Lease termination – Wilkos	832,978	832,978	0
College Fixed Furniture and Equipment	850,000	850,000	0
Fit Out Costs - Early Wilko's Lease Termination	859,900	859,900	0
Public Realm Works	2,631,000	2,631,000	0
Document Scanning	250,000	250,000	0
Potential Loss of profits Wilko's	550,000	550,000	0
Legal Costs	115,229	122,832	7,603
IT Enablement	2,194,000	2,194,000	0
Programme Contingency	824,048	696,680	-127,367
Total	48,673,794	48,673,794	0

Funding

- 7.9 A Council Key Decision in October 2014 authorised the submission of a funding bid to the Local Growth Fund for a capital contribution towards the costs of the College's demise in the new building.
- 7.10 The Council received a formal funding agreement from the Greater Manchester Combined Authority, dated 13 September 2016, for £4,060,000.
- 7.11 Details of the grant claims submitted to date are shown in the table below.

Skill Funding Agency - Claims as at June 2017		
Claim Number	Amount of Claim	Status of Claim
1 (September 2016)	£850,565	Paid to the Council
2 (December 2016)	£1,060,661	Paid to the Council
3 (March 2017)	£221,976	Paid to the Council
Total claim to date	£2,133,202	

- 7.12 A condition of the funding agreement is that an independent Project Monitor is appointed to verify that all financial claims are accurate and that appropriate project management arrangements are in place to effectively manage a project of this scale. In addition, a quarterly quality check is carried out to validate progress on site. The feedback from the independent Project Monitor to date has been extremely positive with no issues to report.

8. RISK MANAGEMENT

- 8.1 The Vision Tameside Phase 2 programme has a comprehensive risk register and issues log which is pro-actively managed by the Project team. The primary risks associated with the proposals outlined in this report are shown in the table below.

Risk	Mitigation	Status
Financial	<ul style="list-style-type: none"> Affordability confirmed against the Council's financial position Costs within affordable financial envelope Value for Money assurance from Stage 2 review Rigorous change control procedure implemented Income from subletting space 	Red
Stakeholder	<ul style="list-style-type: none"> Comprehensive communication strategy consistently delivers key messages regarding benefits 	Green
Economic	<ul style="list-style-type: none"> Economic benefits confirmed in stage 2 business case 	Green
Service Delivery	<ul style="list-style-type: none"> Flexible, fit for purpose accommodation for Council and partners Working Better Together to ensure office systems, technologies and recant strategy delivers exceptional service delivery 	Green

9. CONCLUSION

- 9.1 Delivery of the Vision Tameside Phase 2 programme is key to the achievement of the Council's overall strategic priorities and a new exciting future for Tameside attracting new businesses, creating new jobs and future opportunities for Tameside Residents.
- 9.2 It is important that the outstanding lease negotiations are progressed urgently to provide certainty around projected income and FF&E contributions.
- 9.3 Careful monitoring of the construction programme is required to ensure no further slippage thereby ensuring that the building can be open for business in September 2018.
- 9.4 Budget monitoring is critical to the successful delivery of this project to ensure costs are contained within the budget envelope.
- 9.5 It is essential that the RDD's previously approved continue to be reviewed, as a matter of urgency, following the instruction to change floor plan layouts.
- 9.6 Improvement to the public realm is critical to the success of the Vision Tameside programme and although good progress continues to be made with the design of the scheme the delay in securing an appropriate funding package from external partners is putting the streetscape project at risk.
- 9.7 Following completion of the floor plan review the work to develop a detailed Recant Plan can now be progressed. Proposals will be the subject of a future report.
- 9.8 Continuing to maximise opportunities for local employment, apprenticeships and work placements is contributing to economic prosperity in the Borough.

10. RECOMMENDATIONS

- 10.1 As stated on the report cover.

Agenda Item 6

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	10 July 2017
Reporting Officer:	Damien Bourke - Assistant Executive Director (Sustainable Growth and Assets) Ian Saxon – Assistant Director (Environmental Services)
Subject:	CORPORATE ASSET MANAGEMENT PLAN UPDATE
Report Summary:	The attached report is intended to update members of the Strategic Planning and Monitoring Capital Panel with progress on the disposal of the Council's surplus assets, anticipated capital receipts that will be realised and investment that is required to maintain those buildings being occupied and retained or dilapidations arising from the termination of leases.
Recommendations:	<p>That Strategic Capital Panel Members review the contents of the report and recommend to Executive Cabinet the:</p> <ol style="list-style-type: none">1. Approval of the list of disposals identified in Appendix 1;2. That the following schemes are financed via the Council's earmarked reserve for capital investment which is due to be considered in September 2017. The approval of £525,493 at this stage will be an initial call on the available resources.<ol style="list-style-type: none">a) Capital schemes on corporate buildings detailed in section 3.3 of the report (estimate of £25,493)b) Initial refurbishment works at the Concord Suite, Droylsden (detailed in section 3.4) of £500,000
Links to Community Strategy:	To support the delivery of the objectives of the Community Strategy.
Policy Implications:	Expenditure in line with financial and policy framework. To assist in delivering a balanced budget and support the sustainability of the local economy.
Financial Implications: (As authorised by the Section 151 Officer)	<p>Substantial work has been undertaken to vacate, market and dispose of a number of sites of land and buildings that are surplus to requirements. The schedule of 'properties for disposal but not yet completed' at Appendix 1 will allow the Council to reduce its asset portfolio further and thereby avoid ongoing revenue costs associated with these properties.</p> <p>To date it is worth noting that expenditure for these preparatory works amounts to £956,000 in relation to sites still to be disposed of. This expenditure will be carried forward into 2017/18 to be offset against the capital receipts generated from sales. All associated expenditure will need to be monitored to ensure the Council remains within the 4% maximum threshold for capitalising expenditure relating to the associated sale. Any expenditure which cannot be capitalised will need to be financed via the Council's revenue budget.</p> <p>The report details proposed capital works on corporate buildings</p>

(section 3.3) of £25,493 and the initial refurbishment of the Concord Suite, Droylsden of £500,000 (section 3.4), a total of £525,493. It is important to note that a report on the Council's overall capital investment programme will be presented in September 2017 and that the approval of £525,493 at this stage will be an initial call on the available resources

The current approach to repairs and maintenance is purely reactive which does not allow the Council to undertake works in the most efficient or effective way. A repairs and maintenance strategy should be developed, which would support condition surveys on buildings and allow for a forward plan of works to be produced. This would need to be supported with an appropriate budget which has been identified within the 2017/18 capital investment program which is due to be considered in September 2017.

Legal Implications:
(As authorised by the
Borough Solicitor)

The challenge to the Council is to ensure that its estate makes an effective contribution to improving the council's financial and business performance; the service delivery agenda; resolving the pressure on demands for estate capacity; and achieving change with minimal capital expenditure. We need to ensure that the buildings and we need are fit for purpose and congruent with strategic service delivery. Accordingly, we need to have much more clarity and understanding as to the cost of ongoing repairs and maintenance and whether they are value for money.

We need to ensure going forward that the assets set out in appendices are clearly linked to the references on the Transparency List of properties published in line with legislation as this was committed to at the last meeting and there is currently no time scale for doing so.

We need to ensure that any repairs undertaken to properties fall within benchmarking to ensure achieving value for money.

Land advertised as public open space should not be sold until any objections have been addressed. The process needs to be kept under regular review.

Risk Management:

The ownership and use of property carries with it a number of risks including health and safety, economic, financial, service delivery, statutory compliance and maintenance risks. It is therefore proposed to develop a risk register as part of the strategic review of the Councils assets to identify and manage risks.

Access to Information:

Any further information can be obtained from the report author Damien Bourke, Assistant Executive Director, Sustainable Growth who can be contacted on:



Telephone: 0161 342 3544



e-mail: damien.bourke@tameside.gov.uk

1. INTRODUCTION

- 1.1 A report detailing progress on the disposal of assets, realisation of capital receipts and assets requiring investment, was considered at the last meeting of the Strategic Capital Panel.
- 1.2 This report is intended to provide members of the Panel with a further update.

2. DISPOSAL OF ASSETS

Disposal Strategy

- 2.1 In the financial year 2016/17 the total sales achieved amounted to £3,929,550. The Asset disposal process continues at pace with a sum of £431,000 achieved since 1 April 2017.
- 2.2 A public consultation exercise for the disposal of the five larger school sites has been completed and terms are agreed subject to contract for the sale of the former Samuel Laycock site. An outline planning application has been submitted for the former Mossley Hollins school site and Section 77 consultations are nearing an end in respect of the former Two Trees School. The master planning for the Windsor Road site in Denton is now almost complete and discussions regarding a disposal are at an advanced stage.
- 2.3 Continued focus is being placed on future Auctions with 6 sites being submitted in July 2017 and work ongoing for a number of sites to be potentially sold at future Auctions.
- 2.4 Properties being actively marketed for sale or lease will be advertised on the Council's website, in addition to the marketing agents websites. Where potential disposals will impact on tenants, for example sale of garage or garden plots, which have become too expensive to administer, written notification will be given to tenants in advance for the proposed sale.
- 2.5 In accordance with section 123 of the Local Government Act 1972 land, which is to be offered for sale at Auction, where appropriate the Councils intention to dispose of such sites will be advertised for two consecutive weeks in the Tameside Reporter. The advert will provide an opportunity for the public to make representations to the Council in writing. Any representations will be considered and responded to by the Assistant Executive Director, Asset & Investment Partnership management in accordance with the key decision: 'Disposal of Council Owned Land', dated 25 March 2015.
- 2.6 Leased Buildings - As reported at previous meetings of the Panel, the Council's policy is to terminate leases it has for buildings owned by others and to relocate services to surplus space in Council owned properties, where this delivers value for money, to reduce the revenue cost of operating and occupying buildings.

Appendix 1 provides additional information in respect of properties that have been identified for disposal or where tenants have sought to acquire the freehold of the properties that they lease.

Appendix 2 lists the Capital Receipts realised as at 21 June 2017.

Appendix 3 details briefly additional property work carried out by the team and achievements of note, such as securing increase at Rent reviews in favour of the Council, serving of break notices, any lease renewals and properties of note acquired.

3. INVESTMENT IN CIVIC AND CORPORATE BUILDINGS

3.1 Burlington Street MUGA

The site at Burlington Street, Ashton consists of a small park and multi-use games area (MUGA). This is a small pocket of greenspace in an otherwise relatively built up area, and the MUGA is well used by the local community for cricket and other games. The site was developed as part of Millennium Green project and a Trust was responsible for the management of the site. The Trust is no longer in existence and has not been maintaining the site. The site is now in poor condition and work is required to bring it up to standard and reduce the risk of any injury to any person using the site, and in turn reduce the risk of claims against the Council for slips, trips and falls. The proposed works below are estimated to cost £40,000 and will be financed from the revenue repair and maintenance budget within the corporate landlord service. It should be noted that the Council is now responsible for the ongoing management of the facility.

- Repairs to fencing of the MUGA
- Repairs to entrance way to MUGA
- Remove the carpet within the MUGA
- New paving slabs on pathway through the site
- Remove redundant timber posts.

3.2 To date there has been revenue building repair and maintenance expenditure of £120,000 on corporate buildings. There are further revenue funded works required to the buildings detailed in section 3.3 estimated to cost £72,000 It is therefore important to note that by the end of the first quarter of the 2017/18 financial year a sum of £232,000 will have been expended/committed (including the sum of £40,000 within section 3.1 of the report) from the £600,000 budget available. It is therefore essential that this budget is stringently monitored for the remainder of the current financial year

3.3 In addition to the revenue funded works detailed in the table below, there are capital related schemes required on corporate buildings which are also detailed in the table. A sum of £2,000,000 is proposed within the Council's capital investment programme to finance such expenditure. A report on the Council's overall capital investment programme will be presented in September 2017 and the recommendation to approve the estimated £25,493 for the schemes listed will be an initial call on the available resources.

Building	Estimate
	£
Revenue Expenditure	
Ashton Market Hall, upgrade heating plant	286
Birch Lane Family Support Centre, upgrade roofing system	4,311
Clarence Arcade No 31 , remedial works from Fire Risk Assessment	2,159
Concord Suite, Health & Safety electrical works	627
Copley Resource Centre, essential works to underground drainage system	1,776
Denton Centre (Acre Street), essential works to drainage system	3,995
Denton Resource Centre , health and safety floor repairs	4,988
Denton Town Hall , health and safety roof repairs	691
Droylsden Cemetery, health and safety roof repairs	1,169
Dukinfield Town Hall, health and safety roof repairs and associated internals	5,597
Fairfield Community Centre , health and safety roof refurbishment	6,456
George Lawton Hall , upgrade fire safety systems	780
Hattersley Children's Centre Aka Melandra Children's Centre, shutter door upgrade	343
Hurst Resource Centre , health and safety roof repairs	661
Hyde Depot , upgrade fire safety systems	644
Hyde Town Hall & new Annex guard rail, health and safety ceiling repairs	18,571
Hyde Youth and Community Centre , upgrade fire safety systems	796
Mossley Cemetery , upgrade heating plant	344
Mossley Youth Base , fire safety door	472
Ridgehill Children's Centre, health and safety structural repairs	1,179
Ryecroft Hall and Annexe, health and safety flooring/fire door	1,474
Stamford Park , roof upgrade	650
St Peters Children's Centre ,upgrade security access	550
Tameside Central Library , health and safety fire door	488
Tame Street Transport Services door, health and safety alarm system upgrade	5,541
Tame Street Depot Health and Safety roof works	897
Two Trees , roofing upgrade / fire security	4,722
Union Street, Hyde , security upgrade	2,161
Sub Total	72,327
Capital Expenditure	
Dukinfield Cemetery and Crematorium ,upgrade heating plant	2,003
Hyde Market Hall , upgrade fire safety systems and heating plant	4,049
Jubilee Gardens Children with Disabilities Centre, upgrade fire safety systems	7,357
Loxley House, legionella remedial and electrical upgrade	8,588
Stalybridge Civic Hall, upgrade fire safety systems	1,045
St Lawrence Road Children's Home , health and safety drainage upgrade	1,142
Wilshaw House (Vision First Centre) , upgrade fire safety systems	1,308
Sub Total	25,493
Total	97,821

3.4 **Concord Suite, Droylsden**

A proposal to refurbish Concord Suite Droylsden will be considered along with the wider capital programme at the September 2017 meeting of the Strategic Capital Panel. An estimate of £1,500,000 has been included in the programme. In order to ensure a timely reoccupation of the Concord Suite it will be necessary to spend in the region of £500,000 in the current financial year (2017/18). Approval is therefore sought at this meeting, to support the initial £500,000 in advance of the overall request being considered in September 2017.

4 RECOMMENDATIONS

4.1 As stated on the report cover

APPENDIX 1

List of Property Identified for Disposal but not yet completed at 21 June 2017.

N.B. This list only includes property above the value of £50,000

Property Address	Town
Former Hartshead High School site, Lees Road	Ashton
Land off Crowthorn Road (access off Birch Street)	Ashton
Park Bridge Visitor Centre	Ashton
Land at Queens Road / Fern Lodge Drive	Ashton
Land at Newmarket Grove	Ashton
Old Street / Dale Street East, AUL	Ashton
Land at former Katherine House, Katherine Street / Bentinck Street	Ashton
Wellington Works, Wellington Road / Uxbridge Street	Ashton
Land at Cavendish Street / Moss Street East / Cotton Street East	Ashton
Land north of Lindisfarne Road	Ashton
Land at Sunnyside, rear of 236-244 Newmarket Road	Ashton
Land adj. Audenshaw Cemetery (former depot)	Audenshaw
Groby Road playing fields (off Redmond Close)	Audenshaw
Two Trees School Site	Denton
Land at Windsor Road	Denton
Land at Kynder Street / Duke Street / Market Street	Denton
Denton Plant Nursery	Denton
Land at Hawthorn Road	Denton
St. Lawrence Children's Home	Denton
Landfill sites 1, 2 & 3 Windmill Lane	Denton
Land at Morningside / Fairfield Avenue	Droylsden
Land At Mellor Street	Droylsden
Land at Greenside Lane	Droylsden
Droylsden Canalside	Droylsden
Droylsden Library, Manchester Road	Droylsden
Land at Ashton Hill Lane (adj Lazy Toad Pub)	Droylsden
Land part of Droylsden Cemetery (former depot)	Droylsden
Former Dukinfield Youth Centre, Vicarage Drive	Dukinfield
Land rear of 55-113 Bennett Street	Hyde
Land at Leigh Street	Hyde
Land at Captain Clarke Rd	Hyde
Land at Broadway	Hyde
Rydal House	Hyde
Land at Leigh Fold	Hyde
Land adjacent to 222 Manchester Road	Hyde
1 Broadway	Hyde
Land at Victoria Street, Hyde (former parking area)	Hyde
Land at Pitt Street (2)	Hyde
Land at former Flowery Fields School	Hyde
Land at Arnside Drive	Hyde
Plots A & B Hattersley IE	Hyde
Land 5th Side Hyde Rd	Longdendale

Longdendale High School Bungalow	Longdendale
Mossley Hollins, Huddersfield Road	Mossley
Land adj to 39 Uxbridge Street	Ashton
Land between Carrhill Road & Stockport Road (AKA Cosgrove Gardens)	Mossley
Land between Greaves Street, Cross Street & Stockport Road	Mossley
Melbourne Street Car Park	Stalybridge
Land at Stalyhill Drive	Stalybridge
Former Samuel Laycock school, Mereside	Stalybridge
Land at Pine Road (next to St John's)	Stalybridge
Land at Wakefield Road / Pennine View	Stalybridge
Land at High Street (west of Pine Road)	Stalybridge
Land at High Street (east of Pine Road)	Stalybridge
Land at Lake Road	Stalybridge
Land at Wakefield Road / Carter Street	Stalybridge
Grazing land	Various
Residual Garage Sites	Various
M66 Highways Settlement	Various

APPENDIX 2

Completed Sales since 01 April 2017			
Property Address	Town	Completion Date	2017/2018 Completed Sales £
Land at Oaken Clough / Oldham Road	Ashton	23/05/2017	£86,000
Land at Williamson Lane / Ashton Hill Lane	Droylsden	23/05/2017	£40,000
Land rear of 51 Wedneshough Green	Hollingworth	09/06/2017	£1,000
Land corner of Markham Street / Dow Street	Hyde	23/05/2017	£80,000
Land at Nield Street	Mossley	23/05/2017	£191,000
Land at Wakefield Road (next to 387)	Stalybridge	23/05/2017	£22,000
Land at junction of Spring Street / Stamford Street	Stalybridge	23/05/2017	£11,000
Total			£431,000

APPENDIX 3

Acquisition of Leasehold Premises

Leases Completed since 01 April 2017:

Council land/property	Location	Rental income per annum (£)
New Leases to Tenants		
Unit 1 Plantation Industrial Estate	Ashton	£21,312 pa
Unit 8a Plantation Industrial Estate	Ashton	£13,000 pa
Unit 8b Plantation Industrial Estate	Ashton	£12,350 pa
Tenant Lease renewals		

Other Transactions /works of note completed by the Estates Team since the Last Report:

- Terminal Dilapidations claim against the Council at Greencroft house, Hyde of £86,647 - Lease expired 20 April 2017. Dilapidations claim in negotiation.
- Aeroworks 5 Adair Street, Manchester – Break date of 03 June 2016 exercised on behalf of Greater Manchester Public Health Network (GMPHN). Dilapidations claim against the Council ongoing.
- “Learn” at St Annes, Burlington St. Ashton- Adult Education- Lease terminated 13 April 2017. Dilapidations claim against the Council settled at £74,750

Rent Reviews: (increases above £1,000 p.a.)

April 2017 – June 2017

Hyde Physiotherapy Centre, Parsonage Street, Hyde	Rent Review 22.05.17	£3,250 pa increase
Land at Northend Road, Stalybridge	Rent Review 17.05.17	£2,800 pa increase

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	10 July 2017
Reporting Officer:	Damien Bourke – Assistant Executive Director (Development, Growth & Investment)
Subject:	EDUCATION CAPITAL PROGRAMME 2017/18
Report Summary:	This report seeks support and recommendation to Executive Cabinet for approval of the proposals for the Council's 2017/18 Education Capital Programme set out in this report, in line with Council priorities.
Recommendations:	<p>That the Panel:</p> <ol style="list-style-type: none">1. Notes the 2017/18 education capital funding allocations as follows:<ul style="list-style-type: none">• Basic Need funding - £4,883,289• School Condition funding - £1,678,277• Devolved Formula Capital - £432,045• Total - £6,993,6102. Recommend approval to Executive Cabinet of the scheme proposal for £80,000 as set out in paragraph 3.3 to be financed from the Council's reserves.3. For School Condition grant 2017/18:<ol style="list-style-type: none">a) Note the previously approved schemes totalling £386,275 as set out in para 1.6 and Appendix A.b) Recommend approval to Executive Cabinet of scheme proposals amounting to £1,142,520 as set out in paragraph 4.2 and Appendix A.c) Note that £149,482 of School Condition grant for 2017/18 remains to be allocated.
Links to Community Strategy:	The proposals contained in this report will support the delivery of the community strategy
Policy Implications:	In line with current policy.
Financial Implications:	2017/18 School Condition Grant
(Authorised by the section 151 Officer)	<p>The Council was allocated £1,678,277 of School Condition funding to improve and maintain the school estate to be spent during the 2017/18 financial year.</p> <p>A sum of £386,275 has been previously approved leaving a residual sum of £1,292,002 unallocated to support any expenditure during the remainder of the current financial year.</p> <p>The report proposes an allocation of £1,142,520 of 2017/18 School Condition and Capital Maintenance funding which is detailed in Section 4.2.</p> <p>A residual sum of £149,482 of 2017/18 School Condition and</p>

Capital Maintenance funding will remain unallocated to support any further expenditure arising during the remainder of the current financial year.

The allocation of 2017/18 School Condition funding must be spent within the financial year to which it relates otherwise there is a risk that the amount will need to be returned to central government.

It is therefore essential further schemes are prioritised as a matter of urgency to ensure the remaining balance is utilised in the current financial year.

Recommendation 2 requests approval to Executive Cabinet of the scheme proposal for £80,000 as set out in paragraph 3.3 to be financed from Council reserves. The hire of mobile classrooms is deemed to be revenue expenditure which the reserves can finance. The grants received via the DfE are for capital expenditure only.

Legal Implications:
(Authorised by
Borough Solicitor)

the

It is a statutory requirement for the Council to set a balanced budget. It is important that the capital expenditure position is regularly monitored to ensure we are maintaining a balanced budget and to ensure that the priorities of the Council are being delivered and achieving value for money.

Risk Management:

The proposed investment will enable the Council to address the most urgent condition needs in schools and plan for additional places where most increase in demand is projected. Details of the risk management strategy can be found in section 6 of this report.

Access to Information:

The background papers can be obtained from the author of the report, Ade Alao, Head of Investment and Development, by:



Telephone: 0161 342 2795



e-mail: ade.alao@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report seeks recommendation for approval of proposals for the Council's Education Capital Programme 2017/18 in line with Council priorities.
- 1.2 The Council's powers to provide and maintain educational facilities are set out in the Education Act 1996. The Council also has a statutory duty under Section 14 of the Education Act 1996, to secure sufficient and suitable places for pupils in its area in primary and secondary schools across the borough.
- 1.3 The Education Capital programme for 2017/18 could not be presented at the Council's Strategic Planning and Capital Monitoring Panel (SPCMP) when it last met on 13 March 2017. This was because the School Condition funding allocation announcement from central government had not been made at the time.
- 1.4 The Government subsequently made the School Condition funding allocation announcement on 3 April 2017. The Council was allocated £1,678,277 of School Condition funding to improve and maintain the school estate (building and grounds), to be spent during the 2017/18 financial year.
- 1.5 A proposed allocation of the funding available, based on condition surveys, was discussed by the Asset Management Planning Advisory Group (AMPAG) at its meeting on 20 April 2017. AMPAG supported the proposed allocation.
- 1.6 An Executive Decision was taken on 23 May 2017 in respect of some urgent mechanical and electrical schemes totalling £386,275 scheduled to take place during the summer holidays 2017. This left a residual sum of £1,292,002 unallocated in the School Condition funding available to the Council for 2017/18.
- 1.7 Department for Education rules mean that the School Condition funding must be spent within the financial year for which it is allocated and so it is vital that further schemes can be progressed as soon as possible to avoid the risk of loss of funding.

2. FUNDING

- 2.1 The government allocates grant funding for school buildings under the following specific categories:
 - **Basic Need** – Funding allocated to support the development of new pupil places.
 - **School Condition Allocation (SCA)** – Allocated for the maintenance of school buildings. The funding is part formulaic (based on pupil numbers) and part reflecting recent condition surveys conducted by the Education Funding Agency. This grant used to be known as the capital maintenance grant.
 - **Devolved Formula Capital (DFC)** - Devolved formula capital grant is capital funding calculated on a formulaic basis for each educational establishment. It gives schools direct funding for the priority capital needs of its buildings and grounds and for investment in capital equipment including ICT and funding goes directly to the school.
- 2.2 The Council received an allocation of Basic Need funding for 2017/18 of £4,883,289. Due to the pressures around secondary school places, the majority of this funding is being retained until detailed project development has been completed in line with the Council's priorities for meeting this need.
- 2.3 Commitments of £386,275 have previously been approved from the £1,678,277 of School Condition Funding available for maintained schools for the 2017/18 financial year. This leaves an unallocated balance of £1,292,002.

3. BASIC NEED SCHEME PROPOSALS

3.1 The Council is reaching the end of its programme to create additional accommodation in primary schools but is at the start of the programme to increase secondary school places.

3.2 The following are on-going projects which have previously been reported to SPCMP:

a) **Aldwyn and Hawthorns** - scheme that increases capacity at Aldwyn School from a 45-pupil intake to 60 (removing mixed age classes) and includes a two-classroom extension at Hawthorns School. The scheme with an approved budget of £2,528,019 is currently awaiting a draft contract from the Tameside Investment Partnership to facilitate a start on site on the 23 July to ensure the construction works can be completed for the September 2018 term.

b) **Cromwell High School** – works to rebuild the school after fire damage are progressing well and are currently on programme to be complete and the school handed over for the start of the September 2017 term.

3.3 The following scheme is proposed for recommendation for approval to be financed by the Council's Executive Cabinet from Council reserves. The hire of mobile classrooms is deemed to be revenue expenditure which the earmarked Council reserve can finance. The grants received via the DfE are for capital expenditure only.

a) **Aldwyn Primary School Mobile Classroom (£80,000)** - The hire of modular classroom accommodation to house additional pupils for 12 months from September 2017. This is a budget estimate subject to tender.

3.4 The Council's previously approved priorities for the creation of additional secondary school places from Basic Need funding resources are:

a) **Alder Community High School additional accommodation** - Project development work is on-going up to RIBA Stage 4.

b) **Astley Community High School** - Project development work is on-going up to RIBA Stage 4.

c) **Hyde Community College** - Project development work is on-going up to RIBA Stage 4.

d) **Mossley Hollins** - Discussions are on-going with the school to reach agreement on the most appropriate options for increasing capacity.

e) **Denton Community College** - Discussions are on-going with the school to reach agreement on the most appropriate options for increasing capacity.

3.5 Scheme proposals for the creation of additional secondary school places will be presented for approval once agreement has been reached with the schools and project development works completed.

4. SCHOOL CONDITION FUNDING SCHEME PROPOSALS

4.1 A summary of the previously approved school condition schemes is shown in **Appendix A** with proposed additional schemes.

4.2 The following additional schemes are proposed for recommendation for approval by the Council's Executive Cabinet:

a) **Hollingworth Primary School Flat Roof Replacement (£200,000)** – The scheme involves the complete replacement of failed flat roofs and associated works. This is a budget estimate subject to tender.

b) **Hollingworth Primary School Kitchen and Dining Block (£60,900)** - A contribution of £60,900 has previously been approved from the Basic Need budget

however due to funding eligibility, this contribution needs to be funded from the School Condition and Capital Maintenance budget.

- c) **St Anne's Primary School Denton Roof Replacement Phase 1 (£200,000)** – The scheme is the first phase of a comprehensive roof replacement programme including associated works that is required at the school. This is a budget estimate subject to tender.
- d) **Milton St John's CE School Roof Repairs (£27,237)** - The scheme is for the partial re-covering of the roof to the Early Years block which is leaking and causing health and safety problems.
- e) **Corrie Primary School Fencing (£13,141)** – The scheme provides new fencing and associated works to include a small area of additional land within the school boundary. The additional land is being provided so that the school meets DfE's minimum area guideline for playing field land.
- f) **Greswell Primary School Window Replacement Phase 2 (£79,497)** – The scheme is the second phase of works to replace fire escapes and windows in the KS2 building. A third and final phase of the works will be required in summer 2018 subject to funding and approval.
- g) **Stalyhill Infants School Additional Toilet Facilities (£84,313)** - The scheme provides additional toilet facilities including associated works. This will ensure that the school meets minimum DfE standards for the provision of toilet facilities.
- h) **Yew Tree Primary School Boiler Replacement (£122,432)** – The scheme involves the replacement of the school's main boiler which has reached the end of its serviceable life. Further works will be required in summer 2018 to replace the heat emitters subject to funding and approval.
- i) **St James' CE Primary School Fire Alarm (£30,000)** – Replacement of the school's fire alarm system. This is a budget estimate subject to tender.
- j) **St Stephen's CE Audenshaw Disabled Adaptation (£25,000)** – Provision of changing bed in an appropriate location to support the needs of a child with additional medical needs from September 2017 term.
- k) **Asbestos survey (£50,000)**
- l) **Stock condition survey (£100,000)**
- m) **Contingency (£150,000)**

4.3 The additional scheme proposals amount to a total of £1,142,520. This leaves £149,482 of unallocated School Condition funding available in the Education Capital Programme 2017/18.

5. PROCUREMENT AND VALUE ADDED

- 5.1 In accordance with Council policy, most capital projects are procured through the Tameside Investment Partnership (TIP) subject to a price for un-costed risks being agreed prior to the contract being let or work agreed. Where the risk of price increase is taken on by the TIP, rather than being retained by the Council, it is reflected in the cost of the associated works. Alterations to PFI schools are procured through the PFI contracts.
- 5.2 In addition to a fixed price and scope being provided, the TIP has a responsibility to confirm to the Council that value for money is being delivered, either through tendering or benchmarking using independent review on the larger projects. The TIP has also committed to delivering added value in the form of using local supply chains, and providing apprenticeships and work experience opportunities.

- 5.3 Some smaller schemes are procured directly through the Council's Engineering Design and Delivery Team or the Tameside Works First initiative for local businesses.
- 5.4 Work at voluntary aided schools is generally procured directly by the relevant diocese, as they own the buildings and not the Council.

6. RISK MANAGEMENT

- 6.1 The Council has a statutory duty under the Education Act 2011, to secure sufficient and suitable places for pupils in its area in primary and secondary schools across the borough. It also has the responsibility for the maintenance of community and voluntary aided school buildings, even though it does not own voluntary aided school buildings.
- 6.2 The risk of managing the condition and suitability of community and voluntary aided school buildings has been mitigated by successful bidding for additional capital resources in the past. However, current budgetary constraints are likely to present a challenge to maintaining this position over the coming few years.
- 6.3 Previous condition surveys of a number of schools have indicated that urgent work is required to be carried out in order to address health and safety issues and prevent further deterioration. The most urgent investment schemes are proposed to address this.
- 6.4 In order to avoid disrupting education delivery, generally the most intrusive work is best carried out over the summer break, which means that plans for new projects need to take place in the summer.
- 6.5 Inflation in the building industry is also a more significant risk than previously experienced and larger schemes will be most affected. Early scoping and pricing of the works will mitigate against this and enable projects to be delivered in a timely and cost effective manner.
- 6.6 Further plans need to be developed over the next few months to consider options for the increase in capacity required in high schools to accommodate the additional pupils moving through into the secondary sector.

7. CONCLUSION

- 7.1 There has been significant capital investment in schools over the recent past to support the Council's delivery of its statutory responsibilities connected with the provision of sufficient and suitable places.
- 7.2 The work identified will enable the Council to meet its statutory duties.

8. RECOMMENDATIONS

- 8.1 As set out at the front of the report.

APPENDIX A – SCHOOL CONDITION FUNDING SCHEME PROPOSALS

Scheme	Proposed July 2017 (£)	Comments
Buckton Vale boiler replacement	61,557*	Summer 2017
Broadbent Fold boilers and fan convector replacement	96,731*	Summer 2017
Corrie boiler replacement	125,940*	Summer 2017
Hurst Knoll M & E works	17,971*	Summer 2017
Oakdale boiler replacement	84,076*	Summer 2017
Hollingworth flat roof replacement	200,000	Summer and Autumn 2017
Hollingworth kitchen and dining block	60,900	EFA
St Anne's roof replacement	200,000	Summer and Autumn 2017
Milton St John roof repairs	27,237	Summer 2017
Corrie fencing and groundworks	13,141	Summer 2017
Greswell replacement windows Phase 2	79,497	Summer 2017
Stalyhill additional toilet facilities	84,313	Summer 2017
Yew Tree boiler replacement	122,432	Summer 2017
St James fire alarms	30,000	Summer 2017
St Stephen's disabled adaptation	25,000	Summer 2017
Asbestos survey	50,000	Autumn 2017
Stock condition survey	100,000	
Contingency	150,000	
Total	£1,142,520	
Unallocated School Condition Funding at July 2017 - subject to approval of the above scheme proposals	£149,482	

*Executive Decision of 23 May 2017

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Agenda Item 8

Report to:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	10 July 2017
Reporting Officer:	Damien Bourke, Assistant Executive Director (Development, Growth and Investment)
Subject:	SECTION 106 AGREEMENTS AND DEVELOPER CONTRIBUTIONS
Report summary:	<p>The report summarises the current position with regard to receipts received from section 106 (s106) Agreements and Developer Contributions, new s106 Agreements made and any requests to draw down funding.</p> <p>The report also provides a summary of the final audit report relating to Planning Obligations which has identified a number of actions which need to be taken including provision of additional resources to assist with effective monitoring of Section 106 Agreements and Developer Contributions.</p>
Recommendations:	To note the contents of this report.
Links to community strategy:	Successfully implementing schemes funded through s106 Agreements support a number of Community Strategy priorities including supportive communities, a safe environment, a prosperous society, learning community and attractive borough.
Policy implications:	Works completed through obligations contribute to mitigating the impact of developments in three policy areas contained within the Councils adopted Unitary Development Plan, namely policy H5 Open Space Provision, H6 Education and Community Facilities and T13 Transport Investment.
Financial implications: (Authorised by Section 151 Officer)	It is important that regular monitoring is undertaken to ensure that monies are paid to the Council when due; as per the individual S106 agreements. The S106 contributions and Developer Contributions must be spent within the agreed timescales and on the purposes specified within the individual agreements. A summary position of the S106 contributions and developer contributions is included within section 2 of the report.
Legal implications: (Authorised By The Borough Solicitor)	Section 106 Obligations need to comply with the requirements of the Community Infrastructure Levy Regulations, which the adopted policy framework seeks to secure, and which, in turn, is supported by the Council's adopted Unitary Development Plan.
Risk Management:	<p>Developers will be entitled to claw back any contributions if they are not spent within timescales as per the agreements made.</p> <p>Contributions may not be received on time or at all without adequate monitoring. Any specific conditions included with agreements must also be considered to minimise the risk of developer challenges.</p>

In accordance with Audit recommendations additional resources are being secured which will include specific requirements to monitor and track Section 106 payments and expenditure.

Access to information:

The background papers can be obtained from the author of the report, Paul Moore by



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e-mail: paul.moore@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report summarises the year-end financial position at 31st March 2017 with regard to receipts for Section 106 (s106) Agreements and Developer Contributions and makes comments for each service area. This is followed by a section on new agreements made and requests to draw down funding. However it should be noted that no new agreements have been signed since the previous report,
- 1.2 In addition the report clarifies specific actions to address the draft recommendations of the draft Audit report from 2016.

2. AGREEMENTS UPDATE

- 2.1 The summary position statement at 31 March 2017 for s106 Agreements and Developer Contributions is as follows:

Section 106 Agreement Funds:

Section 106		Community Services	Engineering Services	Services for Children & Young People	Other	Total
		£000	£000	£000	£000	£000
S106 - Applied - Budget Transferred to Service Area	Balance Transferred Previous Years (2006/07 - 2015/16)	795	1,632	1,250	16	3,693
	Total	795	1,632	1,250	16	3,693
S106 - Schemes devised not yet signed off	Brought Forward from 2015/16	0	0	0	0	0
	Received Periods 1 - 3					0
	Received Periods 4 - 7					0
	Received Periods 8 - 10					0
	Received Periods 10 - Outturn					0
	Transferred to Service Area					0
	Total	0	0	0	0	0
S106 - Not yet earmarked	Brought Forward from 2015/16	(43)	(23)	(123)	0	(189)
	Received Periods 1 - 3	(14)	(8)	(17)		(39)
	Received Periods 4 - 7	(79)		(44)		(123)
	Received Periods 8 - 10	(97)		(57)		(154)
	Received Periods					0

	10 - Outturn					
	Transferred to Service Area	22				22
	Total	(210)	(31)	(241)	0	(483)
S106 - Not yet reached trigger point						
		(694)	(386)	(854)	(23)	(1,957)

2.2 The current position for s106 Agreements is £483,000 in credit as at 31 March 2017.

Services for Children and Young People

- The balance of unallocated s106 funds stands at £241,000.

2.3 **Community Services (Operations and greenspace)**

- The balance of unallocated s106 funds stands at £210,000.

2.4 **Engineering Services**

- The balance of unallocated s106 funds stands at £31,000.

Developer Contributions (Secured prior to Infrastructure Levy Regulations):

Developer Contributions	Green Space Contribution	Community Education Contribution	Integrated Transport Contribution	Totals (inc. Other)
	£000	£000	£000	£000
Brought Forward from 2015/16	(201)	(61)	(14)	(276)
Received Periods 1 - 3	0	0	0	0
Received Periods 4 - 7	0	0	0	0
Received Periods 8 - 10	(16)	(18)	(8)	(44)
Received Periods 10 - Outturn	(2)	(2)	(1)	(5)
Transferred to Service Area	29	0	0	31
Approved at previous SCP for release at year end	117	0	0	117
Total	(74)	(81)	(23)	(178)

2.5 The current position for Developer Contributions as at 31 March 2017 was £294,000 in credit, less approved allocations of £148,000 leaving a balance of £178,000.

2.6 **Services for Children and Young People.**

- The balance of available contributions stands at £81,000.

2.7 **Community Services (Operations and greenspace)**

- The balance of available contributions stands at £74,000.

2.8 **Integrated Transport**

- The balance of available contributions stands at £23,000.

New Section 106 Agreements

- 2.9 No new section 106 Legal Agreements have been entered in to since 20 February 2017, although there are a number of resolutions to grant planning permission subject to agreements being entered in to and more schemes due at Speakers Panel which will also involve the signing of new section 106 Legal Agreements. These will be reported to a future meeting of the Strategic Planning and Capital Monitoring Panel once they have been entered into and become active.

Requests to draw down funding

- 2.10 There are no outstanding requests to draw down funding but it is anticipated that these will develop significantly over the remainder of the year and a full report of requests and proposed expenditure will be provided.

3. **AUDIT REVIEW**

- 3.1 In 2016, a review was undertaken of Planning Obligations within the Development Management service. The final report was published in April 2017 and the key issues are now reported to SCP.

- 3.2 In overall terms, the audit focused on both S106 legal Agreements and the historic Developer Contributions which were collected up until 2015 when the Community Infrastructure Levy Regulations 2010 changed the rules regarding financial contributions through the planning system.

- 3.3 The report examined 6 key risks and identified 42 expected internal controls. 33 were found to be operating effectively but an overall low level of assurance was identified due to concerns principally related to the lack of monitoring of agreements. The report recognised that management have responded positively to strengthen controls but that a shortage of resources within the team has meant the effective monitoring has not been possible. It therefore recommended that urgent monitoring of these historic agreements is undertaken.

- 3.4 A recruitment exercise is currently underway for a Graduate Trainee (Planning) on a 12-month fixed term contract to assist the Council with undertaking a review of historic legal agreements and further updates will be provided to SCP over the course of the next 12-months.

- 3.5 Steps have also been taken to address a number of other recommendations within the audit report. This is included adjusting the financial contributions calculator for inflation and changes to the way finance record and account for payments.

4. **RECOMMENDATION**

- 4.1 As stated on the report cover.

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Agenda Item 9

Report To:	STRATEGIC PLANNING & CAPITAL MONITORING PANEL
Date:	10 July 2017
Reporting Officer:	Ian Saxon - Assistant Executive Director – Environmental Services
Subject:	ENGINEERING CAPITAL PROGRAMME 2017/18
Report Summary:	<p>The report sets out initial details of the 2017/18 Engineering Capital Programme for Environmental Services and sources of funding with specific reference to the Highways Structural Maintenance Programme and capital funding made available by the Council for the Tameside Asset Management Plan (TAMP) for highways.</p>
Recommendations:	<p>To support and recommend to Executive Cabinet the Engineering Maintenance Block Allocation with specific reference to the Highways Structural Maintenance Programme and the additional investment of £2.750 million required in 2017/18 via the TAMP (per section 2.12 table 3)</p> <p>Tameside Asset Management Plan highways funding for future years will be considered as part of the Council's wider capital investment programme report in September 2017.</p>
Links to Community Strategy:	<p>The schemes within the 2017/18 Engineering Capital Programme seek to provide an improved and more sustainable highway related asset for the residents and businesses of Tameside, thereby contributing to a safe environment, continuing economic regeneration and contributing to a low carbon economy; key priorities within the 2012-22 Tameside Sustainable Community Strategy.</p>
Policy Implications:	<p>The proposed funding allocation supports the Council's Corporate Plan priorities around the Sustainable Community Strategy.</p> <p>It also supports the objectives of the Greater Manchester 3rd Local Transport Plan and associated strategies thereby underpinning its aims and objectives at a regional and local level.</p>
Financial Implications: (Authorised by the Borough Treasurer)	<p>The report provides an overview of the 2017/18 Engineering Capital Programme which is detailed within Appendix 3.</p> <p>Within the programme is a sum of £2.750 million relating to the Tameside Asset Management Plan (TAMP) for highways. This sum is the year one allocation of a proposed £20 million total highway investment programme over four years which is profiled in section 2.12 table 3.</p> <p>It is important to note that a report on the Council's overall capital investment programme will be presented in September 2017 and that the approval of £2.750 million at this stage (as per the recommendation) will be an initial call on the available resources. The intention is that approved schemes be financed from the Council's earmarked reserve for capital investment.</p>

Legal Implications:

(Authorised by the Borough Solicitor)

It is important that there is close scrutiny of the budget to ensure that its use on the highway is maximised. There needs to be a clear communication strategy of the maintenance work to be undertaken and transparency as to the priority allocation.

Risk Management:

- Failure to approve the proposed Engineering Capital Programme will prevent the appropriate allocation of resources by the Authority.

A robust programme of works will be developed to ensure that the objectives underpinning the Department for Transport and other funding allocations will be met and at the same time meet the objectives contained in Tameside's Community Strategy.

- Inclement weather preventing commencement and completion of schemes.

A comprehensive programme of works will be agreed between partners to ensure completion by approved dates. However, should the programme not be achieved it may be necessary to arrange for any outstanding financial resources to be transferred into the following financial year.

- Inability of suppliers to deliver materials within a time frame to meet completion targets.

Whilst the Council's Operational Services and external contractors have access to many material suppliers, shortages of materials may necessitate alternatives to be substituted or approval will be sought to carry over the project into the following year for completion;

- The ability of the Council's own Operational Services or external contractor to implement the scheme in the current financial year.

This risk will be managed by ensuring that should Operational Services or the external contractor be unable to complete the works during the current financial year, approval will be sought to carry over the project into the following year for completion.

- Statutory procedures linked to certain schemes could delay implementation.

Should it be necessary approval will be sought to carry over the project into the following year for completion.

Access to Information:

The background papers relating to this report can be inspected by contacting the report authors, Steven Oxford



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and Alan Jackson



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e-mail: alan.jackson@tameside.gov.uk

1. BACKGROUND

1.1 In the six Metropolitan Counties outside Greater London, the duty to formulate Local Transport Plans (LTP) is the responsibility of the Integrated Transport Authority (ITA). In the case of Greater Manchester this is Transport for Greater Manchester (TfGM) reporting to the Greater Manchester Combined Authority (GMCA).

- Department for Transport (DfT) funding allocations for highway related schemes addresses a range of issues based on achieving agreed targets at a Greater Manchester and national level.
- Funding is split between: Structural Maintenance Works Principal and Non-Principal Roads, Highway Structures and Bridges and Street Lighting. The allocation for Tameside in 2017/18 is detailed below in table 1:

Table 1

Maintenance Block Allocation 2017/18	£'m
Structural Maintenance Works Principal and Non-Principal Roads	1.695
Highway Structures and Bridges	0.410
Street Lighting	0.152
Total	2.257

- The historical proportion of each of the above funding streams was changed from 2015/16 with a greater proportion allocated to roads maintenance. National formulae with local weighting are then used to agree the proportion to each element.
- Details of the Highways Structural Maintenance Works Programme delivered in 2016/17 are included at **Appendix 1**.

2. TAMESIDE CAPITAL FUNDING

LED (Light Emitting Diode) Street Lighting Replacement Programme

2.1 In 2015, the Council approved capital funding for a LED Programme, to replace 17,000 street lamps on the Borough's minor roads in a 3 year investment programme of £ 5m.

2.2 Progress to date;

Year 1 (2015/16)	2,000 LED replacements	£0.4m
Year 2 (2016/17)	7,295 LED replacements	£2.3m
Year 3 (2017/18 – current year)	7,705 LED replacements	£2.3m
Total	17,000	£5.0m

2.3 The programme of replacements by town for 2017/18 is included below in table 2 ;

Table 2

Town	Estimated Expenditure £
Dukinfield	60,000
Stalybridge	79,500
Mossley	105,000
Ashton	460,980
Droylsden	194,740

Denton	354,900
Audenshaw	200,460
Hyde	602,160
Longdendale	247,260
Total	2,305,000

2.4 Once completed, the scheme will achieve the estimated annual savings of £0.426m, via a reduction in both energy and maintenance costs.

Highways Tameside Asset Management Plan (TAMP)

2.5 The Council's Strategic Planning & Capital Monitoring Panel supported funding for the Highways TAMP in April 2017 to a value of £ 20m, over a four year period, subject to approval by Executive Cabinet.

2.6 This funding was identified as being required not only to reduce the risk of (further) deterioration to the highway network but at the same time to bring about improvements to the overall condition of the highway, whilst at the same time taking the opportunity to make improvements to the network.

2.7 The annual Structural Maintenance Works programme has traditionally, due to the limited resources available, been predominantly concerned with resurfacing. This has given little opportunity to bring about improvements to the network.

2.8 An enhanced investment programme provides the opportunity to look at a variety of improvements; additional footway crossings, re-alignment of carriageway lining to provide additional on-street parking and so forth.

2.9 This major investment the highway network (£ 20m over 4 years) will increase the highway maintenance capital programme from around £ 1.6m pa to £ 6.6m pa.

2.10 The current programme of works identified for 2017/18 is now scheduled to commence. An additional two years indicative programme based on need, with estimated costs, has now been further developed with more detailed designs and costs calculated, in order for them to be planned, added to the programme, co-ordinated and delivered during 2017/18

Staff Resources

2.11 Approval has been given to recruit to a variety of Engineers posts and the costs of these posts will be recovered from the Capital Programme.

Expenditure Profile

2.12 Due to the lead in times in terms of condition surveys, inspections, estimates and detailed designs, co-ordination and delivery, together with the availability of contractors, estimates for spend profile for the £ 20m over four years is provided in table 3 below ;

Table 3

		Spend (£m)	% spend
Year 1	2017/18	2.75	14%
Year 2	2018/19	3.87	19%
Year 3	2019/20	6.38	32%
Year 4	2020/21	7.00	35%
	Total	20.00	100%

3. MAINTENANCE PROGRAMME APPROVAL

- 3.1 The purpose of the report is to seek approval for the proposed allocation of the 2017/18 DFT allocation and specifically for the allocation amongst Tameside's principal and non-principal roads (£1.695m), together with the profiled TAMP programme (£2.750m)

Structural Maintenance Works & Highways TAMP (Principal/Non Principal Roads) (Total £4.445m [£1.695m + £2.750])

- 3.2 Highway Structural Maintenance is fundamental to extending the life of existing highways and making the best use of our assets. The proposed programme for 2017/18 includes an allocation for Principal Roads and funding for Non Principal Roads and schemes identified for 2018/19 brought forward to deliver the TAMP. Details are included in **Appendix 2**.

Highway Structures and Bridges (Total £0.410m)

- 3.3 The priorities for maintenance and or strengthening of structures are on the Primary and Strategic Routes, Principal Roads, and those which provide access to industrial areas or access to local centres.

Street Lighting – (Total £0.152m).

- 3.4 High quality Street Lighting is fundamental to both road safety and crime reduction. With new innovations, improved Street Lighting can also contribute to a reduction in carbon emissions, on-going maintenance costs, and energy costs. As identified in sections 2.1 to 2.5 above, the Council is committed to introducing LED improvements to residential streets to reduce energy and maintenance costs. Complementary to this programme will be £0.152m of Street Lighting maintenance works funded from the Department for Transport allocations for 2016/17 noted above.

4. OTHER CAPITAL WORKS

- 4.1 In addition to the above works, the full Engineering Capital Programme also includes other schemes, which are funded from a variety of sources. Full details of all capital schemes are included in **Appendix 3**.

5. COMMUNICATIONS STRATEGY

- 5.1 It is essential that these major works are communicated effectively with both Members of the Council and the citizens of the Borough in addition to the statutory co-ordination of works on the highway. To this end we will be working with the Council's Communications Team to ensure that Town Councils are made aware of any planned works and also making use of social media for the latest information.

6 RECOMMENDATIONS

- 6.1 As detailed on the report cover..

APPENDIX 1

2016/17 Works Programme Completed

Budget 1,730,000

				Expenditure £
Borough Wide Works		Strategic HRA/Drainage/PROW/Cycling etc		400,000
Town	Road	From - To	Category	
Ashton	Atlas Street	Oldham Rd to end of flats	Carriageway Micro surfacing	
	Bentinck Street	Uxbridge St to Newman Street	Carriageway Micro surfacing	
	Kelson Ave/Westbourne Dr	Sections	Footway Works	
	Manchester Road	William Street to Smith St	Carriageway Resurfacing	
	Mellor Road	Stamford Square to Darnton Rd	Carriageway Resurfacing	
	Mossley Road	Jnt Queens Rd / Jnt Darnton Rd	Carriageway Resurfacing	
	Neal Avenue	Full Length	Carriageway Resurfacing	
	Raynham Street	Full Length	Carriageway Resurfacing	
	Stanhope Street	Mossley Rd to Curzon Rd	Footway Works	
	William Street	Katherine St to Manchester Rd	Carriageway Micro surfacing	
				312,000
Audenshaw	Aldwinians Close	Full Length	Carriageway Micro surfacing	
	Hiltons Farm Close	Full Length	Carriageway Micro surfacing	
	Leech Brook Avenue	Planet Way to Aldwinians CI	Carriageway Micro surfacing	
	Leech Brook Close	Full Length	Carriageway Micro surfacing	
	Legh Drive	Full Length	Footway Works	
	Park Road	Full Length	Carriageway Micro surfacing	
	Planet Way	Full Length	Carriageway Micro surfacing	
	St.Hildas View	Full Length	Carriageway Micro surfacing	
				45,000

Denton

Bembridge Road	Full Length	Carriageway Micro surfacing
Belmont Avenue	Full Length	Carriageway Micro surfacing
Brandon Avenue	Full Length	Carriageway Resurfacing
Freshwater Drive	Full Length	Carriageway Micro surfacing
Gibraltar Lane	Haughton Gr Rd to Newport Rd	Carriageway Micro surfacing
Grassmead	Full Length	Carriageway Micro surfacing
Newport Road	Full Length	Carriageway Micro surfacing
Ryde Avenue	Full Length	Carriageway Micro surfacing
Sandown Drive	Full Length	Carriageway Micro surfacing
Shanklin Close	Full Length	Carriageway Micro surfacing
Ventnor Close	Full Length	Carriageway Micro surfacing

83,000

Droylsden

Arbor Grove	Full Length	Carriageway Micro surfacing
Dawlish Avenue	Full Length	Carriageway Micro surfacing
Edge Lane	Chatsworth Road to North Road	Carriageway Resurfacing
Elm Grove	Full Length	Carriageway Micro surfacing
Fairfield Road	Edge Lane to Gransmoor Road	Carriageway Resurfacing
Fold Ave	Full Length	Carriageway Micro surfacing
Franklyn Road	Full Length	Carriageway Resurfacing
Garden Ave	No 5 to Fold Ave	Carriageway Micro surfacing
Gorsefields	Full Length	Carriageway Micro surfacing
Hampshire Road	Sections	Carriageway Resurfacing
Lines Road	Full Length	Carriageway Resurfacing
Luke Road	Full Length	Carriageway Micro surfacing
Palm Street	Edge Lane - Lewis Road	Carriageway Micro surfacing
Redesmere Close	Full Length	Carriageway Micro surfacing
Saddle Grove	Full Length	Carriageway Micro surfacing
Somerset Road	Section inc Parts of Lancaster	Carriageway Resurfacing
The Stables	Full Length	Carriageway Micro surfacing
Tree Avenue	Full Length	Carriageway Micro surfacing

	Vale Road	Full Length	Footway Works	362,000
Dukinfield	Cheetham Hill Road	Mostyn St to No 71	Carriageway Resurfacing	
	Chester Avenue	Full Length	Carriageway Micro surfacing	
	Dewsnap Lane	Clinic to Armadale Rd	Carriageway Resurfacing	
	Lodge Lane	Sections	Footway Works	
	Lodge Lane	Full Length	Carriageway Micro surfacing	
	Sandringham Drive	Full Length	Carriageway Micro surfacing	
	Thornccliffe Avenue	Full Length	Carriageway Micro surfacing	
	Tower Street	No 34 to Sandy Lane	Carriageway Micro surfacing	
Hyde				225,000
	Acresfield Road	Talbot Road to No29	Carriageway Micro surfacing	
	Arnold Road	Full Length	Carriageway Micro surfacing	
	Brookside Close	Full Length	Carriageway Micro surfacing	
	Church Avenue	Full Length	Footway Works	
	Church Street	Gt.Norbury St to Holme St	Carriageway Micro surfacing	
	Edna Street	Albert Rd to Henry St	Carriageway Micro surfacing	
	Green Hill Road	Full Length	Carriageway Micro surfacing	
	Holme Street	Full Length	Carriageway Micro surfacing	
	Sheffield Road	High St to No 39	Carriageway Micro surfacing	
	Station Road	Mottram Rd to Almond Way	Carriageway Micro surfacing	
	Sydall Street	Parsonage St to Holme St	Carriageway Micro surfacing	
	Talbot Road	Acresfield Rd to Bradley Green Rd	Carriageway Resurfacing	
Longdendale				162,000
	Bucklow Close	Full Length	Carriageway Micro surfacing	
	Woolley Lane	Cross St to Lord St	Carriageway Resurfacing	
Mossley				43,000
	Stamford Street	Lancaster St to Arundel St	Carriageway Resurfacing	
				28,000

Stalybridge

Crowhill
Crowwood Drive
Huddersfield Rd
Springs Lane

Full Length
Huddersfield Rd to Woodside St
St.Pauls Ch to Copley Park Mews
Park Close to Lakes Rd

Carriageway Micro surfacing
Carriageway Micro surfacing
Carriageway Resurfacing
Carriageway Micro surfacing

70,000

Total

1,730,000

APPENDIX 2

2017/18 Works Programme

Budget 4,445,000

**Estimate
£**

Borough Wide Works

Strategic HRA/Drainage/PROW/Cycling
etc

345,000

	Road	From - To	Category	Estimate
Ashton	Beaufort Road	Mossley Rd to Stamford Sq	Carriageway Micro surfacing	
	Botany Lane	Full Length	Carriageway Micro surfacing	
	Broadoak Road	Alt Lane to Lees Road	Carriageway Micro surfacing	
	Broadoak Road	Ladbroke Rd to Broadoak Cr	Carriageway Micro surfacing	
	Egerton Street	Whiteacre Rd to Romney St	Carriageway Resurfacing	
	Exeter Drive	Full Length	Carriageway Micro surfacing	
	Greenhurst Road	Full Length	Carriageway Micro surfacing	
	Hereford Close	Full Length	Carriageway Micro surfacing	
	Langham Street	Rock St to Wks Entrance	Carriageway Resurfacing	
	Lees Road	St Albans Ave to Greenhurst Road	Carriageway Resurfacing	
	Mill Brow	Alt Hill Rd to Old Post Office	Carriageway Resurfacing	
	Nottingham Dr inc Castle Ct	Full Length	Carriageway Micro surfacing	
	Park Parade	William Street to Welbeck St South	Carriageway Resurfacing	
	Queens Road	Palace Road to Hurst Garage	Carriageway Resurfacing	
	Raynham Street	Whiteacre Rd to Ripon St	Carriageway Micro surfacing	
	Salisbury Crescent	Full Length	Carriageway Micro surfacing	
	Smallshaw Lane	Ladbroke Rd to Heginbottom Cres	Carriageway Micro surfacing	
	Stanhope Street	Mossley Rd to Curzon Rd	Footway Works	
	Taunton Road	Knowle Ave to Ambleside Ave	Carriageway Micro surfacing	
	Truro Avenue	Full Length	Carriageway Micro surfacing	
	Whitelands Road	Plantation St to Junction Estate	Carriageway Resurfacing	
				910,000

Audenshaw

Alandale Avenue	Full Length	Carriageway Micro surfacing
Audenshaw Road	Manor Road to Rail Bridge	Carriageway Resurfacing
Cemetery Road	Shepley Rd to Howard St	Carriageway Micro surfacing
Eldon Close	Full Length	Carriageway Micro surfacing
Grobby Road	Audenshaw Rd to Woodbridge Av	Carriageway Resurfacing
Hopkinson Avenue	Corporation Rd to Egerton St (Sections)	Footway Works
Telford Close	Full Length	Carriageway Micro surfacing
The Hawthorns	Full Length	Carriageway Micro surfacing

270,000

Denton

Bacon Avenue	Full Length	Carriageway Micro surfacing
Bentley Road	Hyde Rd to St Lawrence Rd (Sections)	Footway Works
Brierley Close	Full Length	Carriageway Micro surfacing
Burnham Road	Full Length	Footway Works
Byron Road	Full Length	Carriageway Micro surfacing
Chaucer Avenue	Full Length	Carriageway Micro surfacing
Corrie Close	Full Length	Carriageway Micro surfacing
Hewitt Ave	Full Length	Carriageway Micro surfacing
Keats Avenue	Full Length	Carriageway Micro surfacing
Kingsley Close	Town Ln to Ruskin Av	Carriageway Micro surfacing
Kipling Avenue	Full Length	Carriageway Micro surfacing
Manchester Road	Ann Street to Christ Church	Carriageway Resurfacing
Manor Road	Haughton Green Rd to School Entrance	Carriageway Micro surfacing
Ruskin Avenue	Town Ln to Auburn Rd	Carriageway Micro surfacing
Shakespeare Ave	Full Length	Carriageway Micro surfacing
St Annes Drive	Full Length	Carriageway Micro surfacing
Stockport Road	Two Trees Lane to Tib Street	Carriageway Resurfacing
Stockport Road	Smith Street to Cemetery Road	Carriageway Resurfacing
Tame Street	Ashton Rd to Edward St	Carriageway Micro surfacing
Tatton Road	Full Length	Carriageway Micro surfacing
Tennyson Avenue	Full Length	Carriageway Micro surfacing
Town Lane	Circular Rd to Acres St	Carriageway Micro surfacing

	Wordsworth Road	Full Length	Carriageway Micro surfacing	
	Worths Lane	Full Length	Carriageway Micro surfacing	
	Wynne Grove/Close	Full Length	Carriageway Micro surfacing	
Droylsden				490,000
	Abbey Road	Coronation Rd to Springfield Rd	Carriageway Micro surfacing	
	Annable Road	Full Length	Carriageway Resurfacing	
	Briarwood Ave	Full Length	Carriageway Resurfacing	
	Buckingham Road	Lewis Rd to Edge Ln	Carriageway Micro surfacing	
	Coronation Road	Abbey Rd to St Georges Rd	Carriageway Micro surfacing	
	Dorset Road	Full Length	Carriageway Micro surfacing	
	Edge Lane	North Rd to Buckingham Road	Carriageway Resurfacing	
	Edge Lane	Wheeler Street to Fairfield Road	Carriageway Resurfacing	
	Essex Avenue	Full Length	Carriageway Micro surfacing	
	Fairfield Road	Gransmoor Road to Latrobe Street	Carriageway Resurfacing	
	Godfrey Ave	Full Length	Carriageway Micro surfacing	
	Haddon Hall Road	Lewis Road to Lydgate Road	Carriageway Resurfacing	
	Hampshire Road	Cypress Rd to No 60 Hampshire Rd	Carriageway Micro surfacing	
	Lancaster Road	Sunnyside Rd to Somerset Rd	Carriageway Micro surfacing	
	Leicester Avenue	Sunnyside Rd to Lancaster Rd	Carriageway Micro surfacing	
	Marina Road	Luke Rd to Market St	Carriageway Resurfacing	
	Repton Avenue	Full Length	Carriageway Micro surfacing	
	Rutland Road	Full Length	Carriageway Resurfacing	
	Somerset Road	Lancaster Rd to Gloucester Rd	Carriageway Micro surfacing	
	Springfield Rd	Full Length	Carriageway Micro surfacing	
	St.Georges Road	Full Length	Carriageway Micro surfacing	
	The Crescent	Full Length	Carriageway Micro surfacing	
	Windsor Road	Manor Rd to Nelson Dr	Carriageway Micro surfacing	
Dukinfield				710,000
	Angel Close	Full Length	Carriageway Micro surfacing	
	Atlas Street	Full Length	Carriageway Micro surfacing	
	Bates Street	Grenville St to Russell St	Carriageway Micro surfacing	

Hyde

Capesthorne Road	Full Length	Carriageway Micro surfacing	
Chapel Street	King St to Brunswick St	Carriageway Resurfacing	
Cheetham Hill Road	Mostyn St to Gorse Hall Rd (Continuation)	Carriageway Resurfacing	
Hitchen Drive/Close	Full Length	Carriageway Micro surfacing	
Kenyon Avenue	Brownville Gr to No 68	Carriageway Micro surfacing	
King Street	West Street to Cavendish Street	Carriageway Resurfacing	
Liston Street	Lord St to Cheetham Hill Rd	Carriageway Micro surfacing	
Lodge Lane	Cheetham Hill Rd to Oxford Rd (Sections)	Footway Works	
Lord Street	Gorse Hall Rd to Mostyn St	Carriageway Micro surfacing	
Mostyn Street	Lord St to Laburnum Av	Carriageway Micro surfacing	
Oval Drive	Full Length	Carriageway Micro surfacing	
Richmond/Birchall Close	Full Length	Carriageway Micro surfacing	
Silver Close	Full Length	Carriageway Micro surfacing	
Wharf Street	King St to Crescent Rd	Carriageway Resurfacing	
			450,000
Albert Road	Edna St to Croft St	Carriageway Micro surfacing	
Blue Bell Close	Full Length	Carriageway Micro surfacing	
Commercial Brow	Commercial St to High St	Carriageway Resurfacing	
Gloucester Road	Full Length	Carriageway Micro surfacing	
Grange Rd North	Walker Lane to Mansfield Road	Carriageway Resurfacing	
Grange Road South	Peel St to Allen Av	Carriageway Micro surfacing	
Talbot Road	Acresfield Rd to Bradley Green Rd (Cont.)	Carriageway Resurfacing	
Hough Lane/Lyne View	Full Length	Carriageway Micro surfacing	
Mottram Old Rd	High Bank to 40m past Green Ln	Carriageway Resurfacing	
Mottram Road	Ellis St to St Pauls Hill Rd	Carriageway Resurfacing	
Railway Street	Croft St to Great Norbury St	Carriageway Micro surfacing	
St.Mary's Road	Harbour Farm Rd to Acresfield Ave	Carriageway Micro surfacing	
Thorpe Hall Grove	Full Length	Carriageway Micro surfacing	
Windsor Road	Dowson Rd to Knott Ln	Carriageway Micro surfacing	
			475,000

Longdendale

Hillend Lane	Mottram Rd to Home Farm Ave	Carriageway Resurfacing
Lower Market Street	Bostock Road to Besthill Bridge	Carriageway Resurfacing
Market Street	Full Length	Carriageway Resurfacing
Mottram Road	Etherow Centre to St Anns	Carriageway Resurfacing
Roe Cross Road	Old Road to Roe Cross Green	Carriageway Resurfacing
Underwood Road	Stockport Rd to Hattersley Rd East	Carriageway Resurfacing

280,000

Mossley

Dean Street	Arundel St to No6	Carriageway Micro surfacing
Dyson Street	Arundel St to No9	Carriageway Micro surfacing
Earl Street	Arundel St to No26	Carriageway Micro surfacing
Huddersfield Road	Richmond Cres to Abney Grange	Carriageway Resurfacing
Lees Road	Gorsey Bank to Butt Farm	Carriageway Micro surfacing
Lees Road	Quick Edge Road to Arundel Street	Carriageway Resurfacing
Manchester Road	Adjacent to Three Counties Road	Footway Works
Under Lane	Butt Lane to Oldham Bndry	Carriageway Resurfacing
Waggon Road	Sections / Repairs	Carriageway Resurfacing
Waterton Lane	122-136, 154-168, 143-173	Carriageway Micro surfacing

305,000

Stalybridge

Ashes Close	Full Length	Carriageway Micro surfacing
Ashes Lane	Old Rd to Quarry Clough	Carriageway Micro surfacing
Besom Lane	Huddersfield Road to No 59	Carriageway Resurfacing
Darnton Road	Jct Ash Grove to Ridge Hill Lane	Carriageway Resurfacing
Fox Hill Drive	Full Length	Carriageway Micro surfacing
French Avenue	Full Length	Carriageway Micro surfacing
Heaps Farm Court	Full Length	Carriageway Micro surfacing
Huddersfield Road	Copley Park Mews to Reindeer Pub	Carriageway Resurfacing
Mottram Road	Fern Bank to o/s 281	Carriageway Resurfacing
Quarry Clough	Full Length	Carriageway Micro surfacing
Ridge Hill Lane	Stamford Street to Harrison Street	Carriageway Resurfacing
Shaw Moor Ave	Full Length	Carriageway Micro surfacing

Springbank
Stocks Gardens
Valley Way

Hough Hill Road to Oak Tree Cres
Full Length
Full Length

Carriageway Resurfacing
Carriageway Micro surfacing
Carriageway Micro surfacing 210,000

Total 4,445,000

APPENDIX 3

Scheme	Funding Source	2017/18 Budget £
STRATEGIC TRO'S	Engineering Maintenance Block/slippage	30,000
PEDESTRIAN CROSSING IMPROVEMENTS	Engineering Maintenance Block	10,000
ROAD MARKING & WARNING SIGN IMPROVEMENT PROGRAMME	Engineering Maintenance Block/slippage	30,000
SUSTAINABLE TRAVEL	Engineering Maintenance Block/slippage	50,000
INCENTIVE FUND	Engineering Maintenance Block Element	193,000
MINOR WORKS	SM	313,000
PRINCIPAL / GENERAL BRIDGE INSPECTIONS	Engineering Maintenance Block/slippage	100,000
ASSET MANAGEMENT PLAN	Engineering Maintenance Block	30,000
MOSSLEY ROAD RETAINING WALL CONTINUATION SCHEME	Engineering Maintenance Block	25,000
MANCHESTER ROAD CANAL BRIDGE	Engineering Maintenance Block	5,000
RICHMOND STREET BRIDGE	Engineering Maintenance Block	219,150
HUDDERSFIELD ROAD RETAINING WALL	Engineering Maintenance Block	150,000
KING EDWARD ROAD RETAINING WALL	Engineering Maintenance Block	180,000
LORD SHELDON WAY BRIDGE JOINT	Engineering Maintenance Block	60,000
POTENTIAL ADDITIONAL WORKS MOSSLEY RD	Engineering Maintenance Block	57,850
BRIDGES & STRUCTURES	Includes Individual Scheme Slippage (417,000)	827,000
ASSET MANAGEMENT PLAN	Engineering Maintenance Block	30,000
NETWORK PERFORMANCE/RESILIENCE	Engineering Maintenance Block	108,000
STRATEGIC DRAINAGE	Engineering Maintenance Block	30,000
STRATEGIC HRA	Engineering Maintenance Block	50,000
STRATEGIC SURFACE IMPROVEMENTS	Engineering Maintenance Block	20,000
TOWN CENTRE E70/BLOCK PAVING	Engineering Maintenance Block	10,000
PRINCIPAL/NONPRINCIPAL ROADS -	Engineering Maintenance Block	1,130,000
TAMP	TAMP	2,750,000
ROADS	SM	4,128,000

STREET LIGHTING	Engineering Maintenance Block	152,000
	Sub-Total	5,420,000
BOROUGH WIDE MINOR WORKS	Engineering Maintenance Block - SM	4,000
POTHOLE FUNDING		7,000
THE LONGDENDALE INTEGRATED TRANSPORT STRATEGY		8,289,000
ASHTON NORTHERN BYPASS - STAGE 2 claims	TfGM	100,000
HENRIETTA ST. ASHTON	Casualty reduction partnership	82,000
WHITEACRE ROAD /CURZON ROAD JUNCTION IMPROVEMENTS 16/17 (allocate to Dukinfield/Mill Lane)	CASUALTY REDUCTION PARTNERSHIP	53,000
LOWER BENNETT STREET s106	s106 contribution	16,000
M60 J23 Pinch Point	TfGM c/fwd	359,000
Access to Ashton Town Centre	TfGM c/fwd	189,000
LED STREET LIGHTING INVESTMENT	CAP BID	2,305,000
Ashton to Stalybridge (reallocated to other CCAG areas)	CCAG2	225,000
Crown Point Link Road completion	GF2	410,000
Schemes to be determined	Funding Schemes	120,000
Challenge Fund structural repairs	DfT	1,509,000
Ashton Public Realm	TfGM c/fwd	300,000
Access to Metrolink Stops	TfGM c/fwd	300,000
Hattersley Station passenger facilities	TfGM	732,000
Huddersfield Narrow Canal	TfGM c/fwd	325,000
Ashton Canal Links	CCAG2	151,000
Link to Velodrome	CCAG2	178,000
DUKINFIELD CORRIDOR CRP	Casualty Reduction Partnership	117,000
	Sub-Total	15,771,000
TOTAL		21,191,000

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	10 July 2017
Reporting Officer:	Damien Bourke – Assistant Executive Director (Development, Growth & Investment)
Subject:	REVISED PROTOCOL RE: SALE OF LAND
Report Summary:	This report seeks approval for the revised protocol for the sale of council land. An Equality Impact Assessment (EIA) is attached to this report and should be read in conjunction with the report
Recommendations:	That the revised Protocol for the sale of Land is approved.
Links to Community Strategy:	The proposals contained in this report will support the delivery of the community strategy
Policy Implications:	In line with current policy.
Financial Implications: (Authorised by the section 151 Officer)	<p>Whilst there are no direct financial implications arising from the report at this stage, it is essential that the impact of all related implications on any land sale are clearly articulated, monitored and resourced (where applicable), alongside assumptions included within the Council's budget and medium term financial strategy.</p> <p>Such financial implications can included the disposal receipt, associated expenditure relating to the disposal, a reduction to recurrent operational revenue expenditure, additional recurrent revenue either via annual business rates or council tax together with additional new homes bonus grant should this be applicable.</p>
Legal Implications: (Authorised by the Borough Solicitor)	It is good practice for the Council to have a policy on disposal of its land as this will help it to demonstrate that it is making its decisions lawfully and taking into account rational, reasonable and material considerations when doing so, in line with its policy. As well as being happy with the policy, members must read, understand and have regard to the Equalities Impact Assessment which attaches to it before they make their decision.
Risk Management:	The risk to the Council of not adopting a formal policy for the disposal of land is that it falls foul of compliance with statutory obligations and potentially not receiving best value for money from disposals. The revised Protocol clarifies the procedures.
Access to Information:	The background papers can be obtained from the author of the report, David Absolon, Head of Estates, by:
	 Telephone: 0161 342 2215
	 e-mail: david.absolon@tameside.gov.uk

1. BACKGROUND

- 1.1 The Council owns a range of properties which are either, occupied by and in connection with the business of the Council (occupational properties) or by third parties (investment properties).
- 1.2 The Council periodically reviews both occupational and investments properties in order to ascertain whether they are required for the Council's purposes and in response to the need to significantly reduce expenditure in respect of operational buildings.
- 1.3 This is the first review following the Key Decision of March 2015 with particular reference to the procedure adopted in respect of the sale of land via Auction.
- 1.4 The Council also receives unsolicited applications from existing occupiers of investment properties and from unrelated third parties enquiring as to the availability of Council land and assets.
- 1.5 When land is deemed to be surplus to requirements or, if a third party makes an offer which is considered acceptable, the Council sells the land.
- 1.6 The process has been managed in accordance with the Key Decision taken 25 March 2015 and via the Strategic Planning and Capital Monitoring Panel.
- 1.7 Until now the process has been managed on an informal basis employing a number of different techniques, relying upon the skill and expertise of the officers and advisers engaged in the process and reporting planned disposals to the Strategic Planning and Capital Monitoring Panel. In addition, not all Applications to acquire land are made to the Corporate Landlord, with other services being approached initially, which means a consistent policy is not being implemented.
- 1.8 The disposal of Council land is closely regulated by law and it is this, together with a desire to ensure consistency and therefore fairness, that has highlighted the need for the Council to adopt a formal policy setting out how it will make decision on disposals of land in the future.

2. THE CORPORATE POLICY – DISPOSAL OF COUNCIL OWNED LAND

- 2.1 Attached at **Appendix 1** is the proposed Corporate Policy – Disposal of Council Owned Land. The policy sets out a formal application procedure for parties who are interesting in purchasing land off the Council and then, depending upon the category of property, prescribes the process for considering the application and ultimately disposing of the land.
- 2.2 The policy, if adopted will lead to a clear and consistent approach to the disposal of Surplus Land and also best value being achieved, however, the policy also takes account of:
- 2.3 **Special Purchasers**, a buyer who has a special reason for paying more than the market value, for instance if the land is adjoining their existing property or provides the only viable option to a buyer in relation to the project or scheme they are pursuing which requires them to acquire the Land;
- 2.4 **Disposal for Community Ownership** - for example, a community centre, hall, village hall, community or sports pavilion, sold for the benefit of the community aimed at bringing people from different backgrounds together;

- 2.5 **State Aid** - an advantage given by the Council benefiting particular industrial sectors or individual undertakings and which may affect or distort competition.
- 2.6 **Disposal at Undervalue** - disposal at less than market value and where such disposal:
- secures the promotion or improvement of the economic, social or environmental well-being of Tameside Metropolitan Borough pursuant to the Council's "Well-Being Powers"; and
 - is subject to voluntary conditions which have a direct or indirect monetary value to the Council.
- 2.7 **Well Being Powers** - the powers given to Local Authorities pursuant to Section 2 subject to the restrictions contained in Section 3 of the Local Government Act 2000, to do anything the Council considers likely to promote the economic, social and environmental well-being of its area, unless explicitly prohibited elsewhere in legislation and may encompass cultural well-being and the promotion or improvement of the health of its residents and visitors.
- 2.8 The checklist below is proposed to be adopted as part of the policy:

Question		Response	
		Yes	No
1.	Is the Property held under the correct powers?	Proceed to 2	Discuss with Legal
2.	Does the transaction fall within General Consent exemptions?	Proceed to 4	Proceed to 3
3.	Does the transaction fall within General Consent exclusions?	Proceed to 4	Proceed to 4
4.	Are there any other special considerations?	Proceed to 5	Proceed to 6
5.	Have the provisions of the special considerations been complied with?	Proceed to 6	Comply with provisions and proceed to 6
6.	Does the Council have a valuation?	Proceed to 7	Obtain valuation then proceed to 7
7.	Is the transaction at an undervalue?	Proceed to 8	Proceed to 10
8.	Is the undervalue less than or equal to £2m?	Proceed to 10	Proceed to 9
9.	Has a Specific Disposal Consent been obtained?	Proceed to 10	Obtain Consent then proceed to 10
10.	Is the Council granting assistance, directly or through resources?	Proceed to 11	Proceed to 18
11.	Does the assistance give an advantage to one or more undertakings over others?	Proceed to 12	Proceed to 18
12.	Does the assistance distort or have the potential to distort competition?	Proceed to 13	Proceed to 18
13.	Does the assistance affect trade between Member States?	Proceed to 14	Proceed to 18
14.	Can the transaction be redesigned so that any of the elements in 10 to 13 do not apply?	Proceed to	Proceed to 15
15.	Is the assistance less than €200k over 3 years?	Following communication procedure and proceed to 18	Proceed to 16
16.	Does the assistance fit into the GBER exemptions?	Proceed to 18	Proceed to 17
17.	Has approval been obtained?	Proceed to 18	Obtain

				approval and proceed to 18
18.	Proceed with transaction			

3 FINANCIAL IMPLICATIONS

- 3.1 The Council has a responsibility to ensure that it complies with section 123 of the Local Government Act 1972, which gives the statutory duty to local authorities to achieve best value in the context of land disposals. Subject to compliance with the other obligations of a local authority it may dispose of land held by it providing it is not for a consideration less than the best that can reasonably be obtained unless the Secretary of State consents to the disposal.
- 3.2 Central government policy is that under-utilised publicly owned assets should be disposed of to reduce the level of revenue public spending on maintaining and operating surplus or unused assets and also so that they are capable of being used by others to support the economic regeneration of local areas.
- 3.3 Tameside Council's policy is also that assets and land operation and retention should be regularly reviewed to reduce operational revenue costs.
- 3.4 Disposal of land and assets to others often results in additional revenue to the Council in form of increased Business Rates, where developed or used for commercial activity and Council Tax and potentially New Homes Bonus if developed for housing.
- 3.5 The useable proportion of a Capital Receipt will be placed in the General Fund unless it has been otherwise agreed in advance.

4 RISK

- 4.1 The risk to the Council of not adopting a formal policy for the disposal of land is that it falls foul of any or all of the following statutory obligations:
- a. It is the responsibility of the Council to satisfy itself that the land is held under powers which permit it to be disposed of under the terms of the 1972 Act and, if not, to take action to appropriate it (for example, under section 122 of the 1972 Act). In this regard, authorities are reminded that the terms of the general consent to dispose of land do not extend to proposals to dispose of land under section 233 of the 1990 Act, for which specific consent is still required. Nor does the general consent to dispose of land apply to the disposal of land held under powers derived from the Housing Act 1985, upon which authorities should seek advice from the Housing Directorate.
 - b. It is the responsibility of the Council to undertake any further procedures which may be necessary to enable it to dispose of any particular area of land. For example, sections 123(2A) and 127(3) of the Local Government Act 1972 and section 233(4) of the Town and Country Planning Act 1990 ("the 1990 Act") require a local authority wishing to dispose of open space under those powers to advertise its intentions in a local newspaper for two consecutive weeks and to consider objections. Authorities should carry out these procedures before making any final decisions about disposal as the public response to the notices may be material to any such decision. It could also be an important factor in any determination by the Secretary of State of an application for specific consent.
 - c. It is the responsibility of the Council to ensure that it complies with section 123 of the Local Government Act 1972 which enshrines the statutory duty on local authorities to

achieve best value in the context of land disposals. Subject to compliance with the other obligations of a local authority it may dispose of land held by it providing it is not for a consideration less than the best that can reasonably be obtained unless the Secretary of State consents to the disposal.

4.2 There is a general duty on local authorities to act reasonably in the exercise of their powers.

4.3 Some property transactions might amount to State Aid. It is unlawful to give assistance which distorts competition in a way that is harmful to the citizens and companies in the EU.

5 CONCLUSION

5.1 This report sets out why the Council should consider updating the existing formal policy.

5.2 The risks of falling foul of legal requirements both in terms of prescribed rules and the duty to act reasonably mean that a formal policy is both necessary and desirable.

6 RECOMMENDATION

6.1 As set out at the front of the report.

APPENDIX 1

CORPORATE POLICY

Disposal of Council Owned Land

1 INTERPRETATION

“Applicant”	a party who has directly or indirectly (via an agent) expressed an interest whether formally or informally in purchasing Land.
“Application”	An application by an Applicant for the Disposal of Surplus Land which must include a plan showing the area which is subject to the request and details of the proposed use of the Land together with any other information considered appropriate to enable a fully informed decision to be made by the Council. The request may be rejected if insufficient information has been given and the Applicant may be asked to resubmit their Application with the relevant information.
“Community Asset”	a community centre, hall, village hall, community or sports pavilion.
“Community Organisation”	(a) a party that is independent of the Council and whose governing board or committee includes a majority of community representatives of people living in the Borough; or (b) one or more of the Council’s public sector or voluntary sector partners whose objective is to provide a social or community benefit.
“Community Ownership”	a Community Asset owned or managed for the benefit of the community aimed at bringing people from different backgrounds together.
“Disposal”	to sell either the Council’s freehold interest in Land; or to grant at a premium a leasehold interest to a buyer with the Council retaining its freehold interest in the land; or to enter into an agreement to give effect to this (including granting an option or right of pre-emption).
“Formal Tender”	offers that are invited giving a firm closing date. Offers received are to be submitted in sealed envelopes and not opened but opened together at a published date and time.
“Informal Tender”	a process whereby offers are invited without necessarily giving a firm closing date. As offers are received they are opened as they are received. Bidders may be invited to increase their bids, possibly having been informed that a higher bid has been received following a closing date for initial bids. The invitation to submit further bids shall be subject to a final bid closing date. Should a higher bid be received after the final bid closing date the Council makes its position clear that in this event any higher offer being received before completion of the sale, the Council may be obliged to consider it.
“Land”	land owned by the Council, which may or may not have any building or buildings or other structures erected on it.
“Private Treaty”	negotiations that are carried out between the Council (or its agents) and the prospective buyer (or their agents) privately, normally without a limit on the time within which they must complete the negotiations.
“Public Auction”	a process whereby a sale is conducted in public through an appropriate auction house with the sale proceeding to the highest bidder.

“Special purchaser”	a buyer who has a special reason for paying more than the market value, for instance if the land is adjoining their existing property or provides the only viable option to a buyer in relation to the project or scheme they are pursuing which requires them to acquire the Land.
“State Aid”	an advantage given by the Council benefiting particular industrial sectors or individual undertakings and which may affect or distort competition.
“Surplus Land”	Land which falls into any of the following categories: (a) retention of the Land would not meet the Council’s corporate aims and objectives; (b) there is no justification for retaining the Land; (c) the Land is surplus to the Council’s requirements; or (d) management of the Land is suitable for community ownership.
“Undervalue”	disposal at less than market value and where such disposal: (a) secures the promotion or improvement of the economic, social or environmental well-being of Tameside Metropolitan Borough pursuant to the Council’s “Well-Being Powers”; and (b) is subject to voluntary conditions which have a direct or indirect monetary value to the Council.
“Valuer”	a suitably qualified Surveyor acting on behalf of the Council.
“Well-Being Powers”	the powers given to Local Authorities pursuant to Section 2 subject to the restrictions contained in Section 3 of the Local Government Act 2000 to do anything the Council considers likely to promote the economic, social and environmental well-being of its area unless explicitly prohibited elsewhere in legislation and may encompass cultural well-being and the promotion or improvement of the health of its residents and visitors.

2 GENERAL

- 2.1 The Council shall continuously review the sufficiency, suitability, condition and cost of retaining Land.
- 2.2 The Council may dispose of Surplus Land.
- 2.3 Where the Council disposes of Surplus Land it will normally seek to achieve the best price.
- 2.4 Surplus Land shall be referred to Members for a determination as to whether to dispose of or retain the Surplus Land where:
 - a) it has significant development potential;
 - b) the Executive Director of Place considers that its disposal should be determined by Members;
 - c) the Applicant is a Member; or
 - d) it is intended for Community Ownership.
- 2.5 A decision to dispose of Surplus Land that does not fall within paragraph 2.4 above may be made by the Assistant Executive Director, Asset & Investment Partnership Management.
- 2.6 Surplus Land shall not be disposed of at an undervalue, unless in accordance with the guidance set out in Circular 06/03 Local Government Act 1972: General Disposal Consent

(England) 2003 and with this Policy.

- 2.7 An Application from a member of the public which will result in a Community Asset, shall at first instance be considered by the Assistant Executive Director, Place.
- 2.8 A Disposal to a Special Purchaser shall be at the best price the Council can achieve
- 2.9 The Council shall as part of its decision making process consider whether a Disposal will cause or have an impact upon a minority group or individuals who currently benefit from the Land that cannot be accommodated elsewhere.
- 2.10 The Council has an obligation to fulfil their fiduciary duty in a way which is accountable to local people and in doing this needs to ensure that if there is a Disposal at an Undervalue the Disposal secures the wellbeing of the Borough pursuant to the Council's "Well Being Powers", and having regard to the priorities identified in the Council's corporate aims and objectives.

3 POLICY

- 3.1 The Council shall consider all genuine Applications.
- 3.2 If the Land has development potential or community amenity value the Application may be declined and the Applicant will be informed in writing.
- 3.3 Land having development potential may still be disposed of but the development potential must be reflected in the sale price.
- 3.4 Disposal of Land for Community Ownership shall be considered by the Council as part of its strategic approach to asset management and may be disposed of at an Undervalue subject to the procedure set out in paragraph 4.3 below.
- 3.5 The Council shall impose such conditions, covenants or restrictions upon a Disposal as it considers necessary and appropriate to protect the public purse and/or amenity of the area.
- 3.6 Upon receipt of an Application the Council may appoint a valuer to value the land the cost of which may be met by the Applicant whether or not the transaction proceeds to completion.
- 3.7 A Disposal which does not exceed £10,000 or is to a Special Purchaser and is intended to be used by the buyer:
 - i. as an extension to their garden; or
 - ii. for the erection of a separate building associated with their existing property; or
 - iii. extension associated with their existing property;
shall be by Private Treaty.
- 3.8 A Disposal which is to a Special Purchaser who is the lessee of the Land subject to the Disposal shall be by Private Treaty.
- 3.9 A Disposal which is expected not to exceed £100,000 and the provisions of paragraph 3.7 do not apply shall be disposed of by Public Auction, Private Treaty or Informal Tender as determined under paragraph 4.2.5 below.
- 3.10 A Disposal which is expected to exceed £100,000 shall be disposed of by Public Auction,

Informal Tender or Formal Tender as determined under paragraph 4.2.5 below.

- 3.11 A Disposal shall follow the procedure set out in paragraph 4 below.
- 3.12 Where there is a Disposal for less than the best price the Council can achieve it will only do so in accordance with the guidance set out in Circular 06/03 Local Government Act 1972: General Disposal Consent (England) 2003 (as amended or superseded).
- 3.13 Where there is a Disposal for less than the best price the Council can achieve or where the disposal is subsidised by the Council the Executive Director of Place must consider in consultation with the Borough Solicitor and section 151 Officer whether such disposal amounts to State Aid.
- 3.14 Where the Disposal forms part of a mixed transaction involving the procurement of public “works”, “supply” or “services”, the Executive Director of Place must consider in consultation with the Borough Solicitor and section 151 Officer whether the disposal amounts to procurement rather than a simple land transaction in which case the Council’s Contract Procedure Rules and EU Procurement Regulations may apply.
- 3.15 Disposals shall only take place upon such terms and conditions as considered appropriate by the Borough Solicitor.
- 3.16 The Borough Solicitor shall negotiate the most advantageous legal terms and conditions to the Council with the Applicant and is authorised to enter into a Contract with the Applicant on behalf of the Council.

4 PROCEDURE

- 4.1 Following a genuine Application the Assistant Executive Director, Place, shall consider the Council’s Asset Management Plan and a review carried out as to the sufficiency, suitability, condition and cost of retaining the Land in the light of the Council’s corporate aims and objectives and service provision to determine whether the Land is Surplus Land.
- 4.2 If the Land does not meet the criteria for retaining the Land and is deemed Surplus Land:
 - a) The views of the Local Planning Authority as to any development potential of the Land shall be sought if appropriate and the Local Planning Authority’s views taken into consideration in reaching a decision as to whether or not to dispose of Land.
 - b) The Assistant Executive Director, Asset & Investment Partnership Management shall liaise with the Borough Solicitor and the Executive Member for Finance and Performance, consider the Council’s title deeds to ascertain any restrictive covenants or obligations on the Council which may affect the value or disposal of the e.g. if the land was compulsorily purchased and whether it has to be offered back to the original seller.
 - c) A valuation of the Land shall be sought from the Council’s valuer where appropriate to ascertain the market value of the land.
 - d) The Section 151 Officer may carry out a financial appraisal as to whether or not the Disposal would be financially viable for the Council. The details of such financial appraisal shall remain confidential to the S151 Officer or their duly appointed representative until such time as evaluation of all applicable Applications has been undertaken.

- e) The Assistant Executive Director, Place, and the Executive Member for Finance and Performance shall identify, after seeking appropriate professional advice, the appropriate method of sale suitable for the land, whether it be by Private Treaty, Informal Tender, Formal Tender or Public Auction, such decision being made in the best interests of the Council and in accordance with this Policy.
- f) The Assistant Executive Director, Place, shall prepare a written report incorporating, if appropriate, the observations of the S151 Officer, Borough Solicitor and Executive Director of Place and the Executive Member of Finance and Performance to enable a fully informed decision to be made as to whether or not to dispose of the Land.
- g) Where appropriate the Council will advertise its intention to dispose of land for two consecutive weeks in a local newspaper and then consider any objections received
- h) A Disposal may be subject to the buyer being responsible for the Council's Surveyors fees, Legal Costs and Advertising Costs (if any) and also subject to such other terms and conditions as the Borough Solicitor considers appropriate. The expectation is that each party bears their own costs.
- i) Negotiations between an Applicant and the Council shall take place either orally or in writing or at a venue to be agreed between the Council and the Applicant by the Council to attend any meeting and such negotiations shall be recorded in writing.
- j) Following determination, if Land is to be disposed of the matter will be passed to the Borough Solicitor for processing.
- k) Following completion of a Disposal any unsuccessful Applicants may, if appropriate, be informed in writing of completion of the disposal.

4.2 Procedure for selling via Auction:

- (a) Potential surplus sites that are being considered for sale via Auction are presented to the Executive Member for Finance and Performance, the Executive Director Place and the Assistant Executive Director Place for approval
- (b) Once approval is received and, if appropriate, the intention to sell is advertised for two consecutive weeks in the local press in accordance with the requirements of s123 of the Local Government Act 1972.
- (c) Any objections received are logged and considered by the Executive Member for Finance and Performance, the Executive Director Place and the Assistant Executive Director Place. Objectors are notified of the decision reached.
- (d) If a sale is approved each site is placed for sale via a reputable Auction House

4.3 A Disposal for Community Ownership shall follow the following procedure:

4.3.1 The Community Organisation shall prepare a business plan setting out the benefits to the community and evidence of how it intends to manage and operate the Land for the benefit of the community which plan should include by way of example:

- (a) use of the Land for community groups benefiting local people and organisations as a "community anchor";
- (b) providing social and economic support to minority groups in the community; or
- (c) promoting start up enterprises and fostering innovation and entrepreneurship through social enterprise.

4.3.2 The Assistant Executive Director, Place, shall liaise with the Borough Solicitor and consider the Council's title deeds to ascertain any restrictive covenants or obligations on the Council which may affect the value or disposal of the e.g. if the land was compulsorily purchased and whether it has to be offered back to the original seller.

4.3.3 A valuation of the land shall be sought from the Council's valuer where appropriate to ascertain the market value of the land and any potential undervalue.

4.3.4 The S151 Officer may carry out a financial appraisal as to whether based upon the business plan the Disposal is acceptable to the Council.

4.3.5 The Executive Director of Place:

- (a) Identify any risks involved in the Land to the Community Organisation from the business plan and other;
- (b) How these risks may be mitigated and managed;
- (c) Identify the benefits of Community Management and ownership and whether the benefits and opportunity costs outweigh the risks;
- (d) Seek any further information necessary from the Community Organisation to enable the Council to make a fully informed decision.

4.3.6 The Executive Director of Place shall identify any ongoing resource implications to the Council as a result of the Disposal including lifecycle costs.

4.3.7 The Assistant Executive Director, Place, shall, if appropriate, prepare a written report incorporating the observations of the Council's Section 151 Officer, Borough Solicitor and the Executive Member for Finance and Performance and Executive Director of Place to enable a fully informed decision to be made as to whether or not to dispose of the land.

4.3.8 Following consideration of the report Members shall determine whether or not to approve in principle for the Disposal upon such terms and conditions the Borough Solicitor considers appropriate.

4.3.9 Following a decision in principle by Member to approve a Disposal negotiations between an Community Organisation and the Council shall take place either orally or in writing or at a venue to be agreed between the Council and the Community Organisation but two Council officers shall be appointed by the Council to attend any meeting and such negotiations shall be recorded in writing and shall include:

- (a) benefits to the community;
- (b) market value and proposed Undervalue;
- (c) risks and management and mitigation of those risks; and
- (d) ongoing future partnership working between the Council and the Community Organisation and monitoring of the benefits to the community as a result of the disposal.

4.3.10 Following determination, if Land is to be disposed of the matter will be passed to the Borough Solicitor for processing.

4.4 When processing an application all officers will ensure that they consider and comply with the Disposal Checklist attached at **Appendix 2**.

APPENDIX 2

DISPOSAL CHECKLIST

Question		Response	
		Yes	No
18.	Is the Property held under the correct powers?	Proceed to 2	Discuss with Legal
19.	Does the transaction fall within General Consent exemptions?	Proceed to 4	Proceed to 3
20.	Does the transaction fall within General Consent exclusions?	Proceed to 4	Proceed to 4
21.	Are there any other special considerations?	Proceed to 5	Proceed to 6
22.	Have the provisions of the special considerations been complied with?	Proceed to 6	Comply with provisions and proceed to 6
23.	Does the Council have a valuation?	Proceed to 7	Obtain valuation then proceed to 7
24.	Is the transaction at an undervalue?	Proceed to 8	Proceed to 10
25.	Is the undervalue less than or equal to £2m?	Proceed to 10	Proceed to 9
26.	Has a Specific Disposal Consent been obtained?	Proceed to 10	Obtain Consent then proceed to 10
27.	Is the Council granting assistance, directly or through resources?	Proceed to 11	Proceed to 18
28.	Does the assistance give an advantage to one or more undertakings over others?	Proceed to 12	Proceed to 18
29.	Does the assistance distort or have the potential to distort competition?	Proceed to 13	Proceed to 18
30.	Does the assistance affect trade between Member States?	Proceed to 14	Proceed to 18
31.	Can the transaction be redesigned so that any of the elements in 10 to 13 do not apply?	Proceed to	Proceed to 15
32.	Is the assistance less than €200k over 3 years?	Following communication procedure and proceed to 18	Proceed to 16
33.	Does the assistance fit into the GBER exemptions?	Proceed to 18	Proceed to 17
34.	Has approval been obtained?	Proceed to 18	Obtain approval and proceed to 18
18.	Proceed with transaction		

See next page for guidance.

1 Is the Property held under the correct powers?

It is the responsibility of the authority to satisfy itself that the land is held under powers which permit it to be disposed of under the terms of the 1972 Act and, if not, to take action to appropriate it (for example, under section 122 of the 1972 Act). In this regard, authorities are reminded that the terms of the Consent do not extend to proposals to dispose of land under section 233 of the 1990 Act, for which specific consent is still required. Nor does the Consent apply to the disposal of land held under powers derived from the Housing Act 1985, upon which authorities should seek advice from LAH 5 Division in the Housing Directorate, ODPM, Zone 2/D2, Eland House, Bressenden Place, London, SW1E 5DU.

2 Does the transaction fall within General Consent exemptions?

The grant of a tenancy for a term not exceeding seven years or the assignment of a term which, at the date of assignment, has less than seven years to run is exempt and can be granted at an undervalue.

3 Does the transaction fall within General Consent exclusions?

Consent may not be required in the following circumstances:

3.1 The local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area:

3.1.1 the promotion or improvement of economic well-being;

3.1.2 the promotion or improvement of social well-being;

3.1.3 the promotion or improvement of environmental well-being; and

3.2 The difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).

4 Are there any other General Consent special considerations?

It is the responsibility of the authority to undertake any further procedures which may be necessary to enable it to dispose of any particular area of land. For example, sections 123(2A) and 127(3) of the Local Government Act 1972 and section 233(4) of the Town and Country Planning Act 1990 ("the 1990 Act") require a local authority wishing to dispose of open space under those powers to advertise its intentions in a local newspaper for two consecutive weeks and to consider objections. Authorities should carry out these procedures before making any final decisions about disposal as the public response to the notices may be material to any such decision. It could also be an important factor in any determination by the Secretary of State of an application for specific consent.

5 Have the provisions of the special considerations been complied with?

Having considered question 4 the Council must ensure that any special considerations are complied with before finalising any transaction.

6 Does the Council have a valuation?

The Council should obtain a valuation in instances where it believes a transactions might be at an undervalue – it is advised that valuations are obtained in any event. *Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003 disposal of land for*

less than the best consideration that can reasonably be obtained contains requirements which must be satisfied in any valuation.

7 Is the transaction at an undervalue?

If the consideration for a transaction is less than the best value of the land in question then there is an undervalue.

8 Is the undervalue less than or equal to £2m?

The General Consent permits disposals at an undervalue provided the difference between the best value and the actual consideration is £2m or less. Only if the difference is more than £2m will the matter need to be referred to the Secretary of State.

9 Has a Specific Disposal Consent been obtained?

If the difference between best value and actual consideration is more than £2m then the Council will need to apply to the Secretary of State for approval. The Circular (referred to at 5 above contains guidance on making such applications).

10 Is the Council granting assistance, directly or through resources?

State resources is broad, including tax exemptions, Lottery funding and the EU Structural Funds over which the state has significant control are all included.

11 Does the assistance give an advantage to one or more undertakings over others?

11.1 An “undertaking” is any organisation engaged in economic activity.

11.2 This is about activity rather than legal form, so non-profit organisations, charities and public bodies can all be undertakings, depending on the activities they are involved in.

11.3 Support to an organisation engaged in a non-economic activity isn't state aid, e.g. support to individuals through the social security system is not state aid.

11.4 This can also include operators and ‘middlemen’ if they benefit from the funding

11.5 “Economic activity” means putting goods or services on a market. It is not necessary to make a profit to be engaged in economic activity: if others in the market offer the same good or service, it is an economic activity.

11.6 An “advantage” can take many forms: not just a grant

11.7 Grant, loan or tax break, but also use of a state asset for free or at less than market price. Essentially, it is something an undertaking could not get in the normal course of business.

12 Does the assistance distort or have the potential to distort competition?

If the assistance strengthens the recipient relative to its competitors then the answer is likely to be “yes”. The “potential to distort competition” does not have to be substantial or significant: may include relatively small amounts of financial support and firms with modest market share.

13 Does the assistance affect trade between Member States?

The interpretation of this is broad: it is enough that a product or service is tradeable between Member States, even if the recipient does not itself export to other EU markets.

14 Can the transaction be redesigned so that any of the elements in 10 to 13 do not apply?

Complying with the state aid rules can add time to your project and mean that you are limited in the size of award you can make. Can you use other mechanisms to achieve your goal?

15 Is the assistance less than €200k over 3 years?

15.1 A useful approved EU mechanism for state aid is the de minimis regulation, based on the Commission's view that small amounts of aid are unlikely to distort competition.

15.2 The De Minimis Regulation allows small amounts of aid – less than €200,000 over 3 fiscal years – to be given to an undertaking for a wide range of purposes.

15.3 If you use this mechanism, you don't need to notify or get approval, but records of aid granted must be kept and all the rules of the de minimis regulation must be followed.

15.4 The State Aid Manual gives more detail and standard text for communications.

16 Does the assistance fit into the GBER exemptions?

16.1 The General Block Exemption Regulation ("GBER") is a useful mechanism. It provides a simple way of providing assistance for a range of aid measures considered not to unduly distort competition.

16.2 If you use this mechanism, you don't need prior approval, but you must notify the Commission using the online system (SANI) within 20 working days of giving the aid.

16.3 It is important to meet the terms and maximum aid amounts set out in the regulation.

16.4 These are different for each of the 26 areas it covers. The most relevant areas are:

16.4.1 Aid for Environmental Protection

16.4.2 Aid for Research, Development and Innovation

16.4.3 Aid to Disadvantaged and Disabled Workers

16.4.4 Regional Aid

16.4.5 Risk Capital Aid

16.4.6 SME Aid

16.4.7 Training and Employment Aid

17 Has approval been obtained?

Follow regulations for obtaining approval.

18 Proceed with transaction

Proceed with transaction but keep under review.

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Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	10 July 2017
Executive Member	Damien Bourke – Assistant Executive Director, Development, Growth and Investment
Subject:	ACTIVE TAMESIDE - CAPITAL INVESTMENT PROGRAMME UPDATE
Report Summary:	<p>This report provides a summary of progress to date in relation to the delivery of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet in March 2016. In addition, this report seeks support for the approval for a revised budget of £3.096 million for the extension of Active Hyde and the award of a contract as outlined in section 3 of this report.</p>
Recommendations:	<p>That Strategic Planning and Capital Monitoring Panel :</p> <ul style="list-style-type: none">(a) notes the content of this report;(b) supports and recommends to Executive Cabinet the approval of an additional £1.096m to the previously approved budget of £2.0 million for the Active Hyde scheme;(c) recommends to Executive Cabinet that a permanent financing arrangement for this additional cost be explored and reported back as part of the capital investment programme review which is due in September.
Links to Community Strategy:	<p>The Community Strategy 2012-22 (and the Corporate Plan 2013-18) outlines the priorities for improving the Borough of Tameside.</p> <p>This proposal directly links to the Tameside Sustainable Community Strategy objective of 'Healthy Tameside'.</p>
Policy Implications:	<p>This proposal supports the Tameside Health and Wellbeing Strategy and, specifically the strategic priority pertaining to reducing physical inactivity and improved physical activity levels across Tameside.</p>
Financial Implications: (Authorised by the Section 151 Officer)	<p>The Executive Cabinet approved a £20 million leisure facility investment budget on 24 March 2016 which included £2 million for the Active Hyde pool extension scheme. The revised cost for the scheme is £3.096 million, an increase of £1.096 million.</p> <p>Discussions are ongoing with Sport England about potential grant funding of approximately £1.5 million towards the Denton Wellness Centre project which should clearly be progressed. In order to stay within the overall cost envelope of £20 million for all facilities, officers are exploring whether some of the potential grant can be used to free up the Council's original planned investment at Denton, which can</p>

then to be utilised for Active Hyde so that the overall investment in facilities is not compromised as a result of the increased costs that have now become evident.

The outcome of these discussions are not yet known and therefore Elected Members should acknowledge that the additional investment of £1.096 million required for Active Hyde will become an initial priority resource requirement and the implications of this would have to be considered in the capital investment programme update in September.

Legal Implications:
(Authorised by the Borough Solicitor)

Officers need to ensure that through robust project management techniques the project referred to in the report is delivered within the available budget and time frame. Clearly any variations over £100k will need clear and transparent governance.

Officers need to ensure that they comply with the Council's existing procurement framework, making use of the LEP where appropriate. Members should note that the Active Hyde pool project has been tendered to third party contractors.

Risk Management:

Risk management is considered in section 4 of this report.

Access to Information:

The background papers can be obtained from the author of the report, Ade Alao, Head of Investment and Development, by:



Telephone: 0161 342 2795



e-mail: ade.alao@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report provides a summary of progress to date in relation to the delivery of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet in March 2016. The £20m investment programme will provide high quality sports and leisure facilities creating a platform to reduce physical inactivity and supporting the development of a sustainable funding model for Active Tameside.
- 1.2 In addition, the report seeks approval for a revised budget of £3,096,000 for the extension of Active Hyde and the award of a contract as outlined in section 3 of this report.
- 1.3 Additional benefits from the programme include a reduction in dependence on other Council and health services, increased participation in community life and improved quality of life for all residents including the most vulnerable.
- 1.4 Once implemented in full, the proposals will enable revenue investment in Active Tameside to be reduced from £1.865 million in 2015/16 to £0.715 million by 2019/20 (a reduction of £1.150 million or 62%), and to £0.441 million by the end of the contract in 2023/24 (a reduction of £1.424 million or 76%).
- 1.5 Approval for any capital re-phasing highlighted in this report will be dealt with in the Capital Monitoring Report – Quarter 1 (2017/18).

2. CAPITAL INVESTMENT PROGRAMME UPDATE

- 2.1 The investment programme is comprised of a number of individual projects;
- 2.2 **Active Copley Heating System Replacement (£0.369m)** - The heating system installation at Active Copley has been completed and is now fully operational.
- 2.3 **Active Copley Pitch Replacement (£0.177m)** - The synthetic turf pitch installation at Active Copley has been completed. The pitches are now fully operational.
- 2.4 **Active Medlock Roof Replacement (£0.120m)** - The roof replacement scheme has been completed.
- 2.5 **Active Hyde Pool Extension (£2m)** – The progress update for the Active Hyde pool extension is set out in section 3 of this report.
- 2.6 **Active Hyde Wave Machine Replacement (£0.060m)** - The Wave Machine installation at Active Hyde will require a two-week partial facility closure due to the need to drain the pool tank to facilitate the installation. With Active Hyde also needing to close for a week to integrate the new pool extension, it is proposed to carry out the works simultaneously thereby minimising service disruption to customers. It is anticipated that the fitness suite and spa will remain open throughout.
- 2.7 **New Denton Wellness Centre (£14.7m)** – The Denton Wellness Centre scheme is progressing based on the Council Key Decision of 27 April 2017. Discussions continue with Sport England to determine the nature and value of a capital funding bid to support the project.
- 2.8 **Active Dukinfield (iTRAIN) (£2.3m)** - The Active Dukinfield (iTRAIN) development is now complete and the facility is fully operational.
- 2.9 **Active Longdendale (Total Adrenaline) (£0.600m)** - The new play centre (Total Adrenaline) opened to the public on 19 November 2016.

2.10 Overall, good progress is being maintained with the delivery of the Council's capital investment programme to improve sports and leisure facilities.

3. ACTIVE HYDE SCHEME

3.1 In March 2016, Executive Cabinet approved a recommendation to add a conventional swimming pool facility as an extension to existing facilities at the current Active Hyde site.

3.2 At the time the projected cost to progress the scheme was £2.0m and approval formed part of the £20m investment programme.

3.3 The proposed facility comprises:

- 25m x 6 lane swimming pool designed to Sport England specifications
- Cubicle changing accommodation, group changing rooms for schools and a "changing places" room for individuals with special needs
- Spectator seating.

3.4 The pool extension, which has full planning permission, will be serviced by the existing Active Hyde car park, entrance and reception desk along with catering and other ancillary facilities.

3.5 The cost of the scheme has increased significantly from that estimated in the March 2016 Executive Cabinet Report. The original budget estimate for the scheme was based on limited building survey information which made a number of assumptions about the feasibility of extending the existing mechanical, electrical and pool filtration systems at the existing facility. When establishing the likely cost of the scheme it was envisaged that much of the existing mechanical, electrical and pool filtration infrastructure could be adapted to support the new conventional pool installation keeping costs to a minimum. Extensive surveys of the existing systems, commissioned since the Executive Cabinet report, have confirmed that services cannot be integrated as planned due to positioning, capacity and condition issues. This has directly resulted in a cost increase of £1,096,000.

3.6 Invitations to tender were issued to 4 specialist contractors resulting in the return of 3 competitive tenders. The tenders were scored using the following criteria; 60% price and 40% quality.

3.7 Table 1 provides a breakdown of the total project cost for the best value tender:

Table 1

Work Element	Tender Cost (£)
Main Build	2,495,117
Prelims, OH&P, provisional sums	358,681
Contingency	30,000 (+25,000 including in main build cost)
Fees	212,202
Total Project cost	3,096,000

3.8 The financial implications of the additional funding requirement on the overall leisure investment programme are set out in table 2;

Table 2

Element	Original Budget £m	Actual Budget £m	Status
Redevelopment of Active Dukinfield (ITRAIN)	2.300	2.300	Completed

Redevelopment of Active Longdendale (Total Adrenaline)	0.800	0.600	Completed – Active Tameside reduced their borrowing by 0.200m
Denton Wellness Centre	13.674 1.050	13.674 1.050	Governance in place to spend at this level. The value of the scheme could increase with a contribution from Sport England.
Active Medlock - New Roof	0.120	0.120	Complete
Active Copley – New Heating System	0.219	0.219	Complete
Active Hyde Wave Machine replacement	0.060	0.060	To be installed this year. The Council is responsible for the replacement of major plant as required by the Lease.
Active Copley Pitch Replacement	0.177	0.177	Completed
Active Hyde Pool Extension	2.000	3.096	Pending
Total capital budget requirement	£20,400,000	£21,496,000	The actual budget figure includes a notional spend of 0.800m on the Active Longdendale Scheme.

3.9 There are no opportunities to reduce spend in other areas to account for the additional cost of the Hyde Scheme. In addition, Sport England has confirmed that the Active Hyde scheme is not eligible for Strategic Facilities funding and as such they will not be soliciting a funding bid from the Council for this element of the investment programme.

3.10 If approved, the project will be delivered in line with the programme shown in Table 3:

Table 3

Key Milestone	Target Date for Completion
Council approval to proceed	July 2017
Build start	August 2017
Build completion	April/May 2018
New facility open	May 2018

3.11 Table 4 sets out the options which have been considered for the Active Hyde scheme. Options 1 and 2 have been rejected as they do not deliver the projects benefits identified in the report;

Table 4

Option	Reason
1. Do not progress with the scheme	The project is an essential element of the Tameside swimming pool rationalisation programme which includes the redevelopment of Active Dukinfield into a 24/7 fitness centre. £0.140m has been expended on design fees. This will be

	<p>an abortive cost if the scheme does not progress beyond this point.</p> <p>The management fee paid to Active Tameside is being reduced to take account of the income generated by the addition of a pool at Active Hyde. The reduction in the management fee would need to be re-profiled resulting in additional costs to the Council.</p> <p>The health outcomes projected for the scheme will not be delivered leading to a negative impact on health improvement targets.</p> <p>The Council may suffer reputational damage if the scheme does not go ahead. Specifically from swimming and other aquatic clubs displaced from Active Dukinfield.</p>
<p>2. Redesign the scheme and reduce the pool size from 6 lanes to 4 lanes</p>	<p>This would result in a net loss of water space. In addition, much of the saving achieved by the reduction of two lanes would be taken up in additional design fees required to remodel the entire building.</p> <p>Remodelling the building would result in lengthy redesign period and a new planning application resulting in long delays.</p> <p>The management fee paid to Active Tameside is being reduced to take account of the income generated by the addition of a conventional pool at Active Hyde. A reduction in the number of available lanes would impact on Active Tameside's ability to generate the levels of income established in their original business plan.</p> <p>A reduced scheme would not meet the needs of local swimming clubs and could result in a negative reaction.</p>
<p>3. Progress with the scheme as designed</p>	<p>This is the preferred option - The pool has been designed to Sport England design standards.</p> <p>The design has been value engineered providing an economical design solution in terms of build cost and ongoing operation. There is no further scope for cost reduction other than reducing the specification as set out in Option 2.</p> <p>The scheme, as designed, will meet the needs of swimmers displaced due to the redevelopment of Active Dukinfield. The health outcomes projected for the scheme will be delivered.</p> <p>The scheme is ready to start on site with a short lead-in period.</p>

4. RISK MANAGEMENT

4.1 The major risks associated with all capital schemes include increasing costs and time delays occurring during the development and delivery phases. The Council continues to manage and monitor schemes using robust project management methodology and governance to mitigate these risks

4.2 The primary risks associated with the Active Hyde scheme if option 3 is not progressed are set out in table 5:

Table 5

Risk	Impact	Status
Financial	<p>A delay in the delivery of the scheme or a reduction in the specification will continue to impact on Active Tameside's business plan for the scheme resulting in a financial cost to the Council. This would be mitigated by delivering the scheme as planned.</p> <p>The price of the preferred tender is set until August when the current price offer expires. A delay in obtaining a decision could result in the preferred tender being repriced resulting in additional cost. It may be prudent to take an urgent Key Decision to adjust the capital programme rather than report the decision of SPCMP to Executive Cabinet in August.</p>	Red
Stakeholder	Not proceeding with the scheme or implementing a reduced scheme would not meet the needs of local swimming clubs and could result in a negative reaction from clubs.	Red
Economic	The intention is for the scheme to be delivered by a regional SME who intend to recruit local labour and use local sub-contractors. This opportunity will be lost if the scheme does not progress in line with Option 3.	Amber
Health	The redevelopment of Active Dukinfield and the displacement of swimmers from the facility is putting strain on the remaining water space managed by Active Tameside. This could result in a reduction in participation due to customer dissatisfaction. This could have a negative impact on health outcomes if the scheme does not progress as planned.	Amber

5. RECOMMENDATIONS

5.1 As detailed on the report cover.

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