

## STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

**Day:** Monday  
**Date:** 2 September 2019  
**Time:** 2.00 pm  
**Place:** Committee Room 2 - Tameside One

Item No.	AGENDA	Page No
1.	<b>APOLOGIES FOR ABSENCE</b> To receive any apologies for the meeting from Members of the Panel.	
2.	<b>DECLARATIONS OF INTEREST</b> To receive any declarations of interest from Members of the Panel.	
3.	<b>MINUTES</b> The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 8 July 2019 to be signed by the Chair as a correct record (Minutes attached).	1 - 6
4.	<b>CAPITAL MONITORING Q3 2019/20</b> To consider the attached report of the Executive Member for Finance and Economic Growth/Director of Finance.	7 - 38
5.	<b>EDUCATION CAPITAL PROGRAMME</b> To consider the attached report of Deputy Leader and Executive Member for Children's Services/Executive Member for Lifelong Learning, Equalities, Cultural and Heritage/Assistant Director of Children's Services.	39 - 50
6.	<b>GROWTH CAPITAL PROGRAMME</b> To consider the attached report of the Executive Member for Finance and Economic Growth/Director of Growth.	51 - 58
7.	<b>OPERATIONS AND NEIGHBOURHOODS CAPITAL PROGRAMME</b> To consider the attached report of the Executive Member for Neighbourhoods, Community Safety and Environment/Assistant Director of Operations and Neighbourhoods.	59 - 74
8.	<b>LEISURE ASSETS CAPITAL INVESTMENT PROGRAMME</b> To consider the attached report of the Executive Member for Adult Social Care and Population Health/Director of Population Health	75 - 82

Item No.	AGENDA	Page No
-------------	--------	------------

**9. 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 Michael Garraway, Democratic Services, to whom any apologies for absence should be notified.

## STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

8 July 2019

**Present:** Councillors Warrington (Chair), Cooney, Dickinson, Fairfoull, Feeley, McNally, and Ryan

**In Attendance:**

Sandra Stewart	Director of Governance & Pensions
Kathy Roe	Director of Finance
Jayne Traverse	Director of Growth
Emma Varnam	Assistant Director of Operations & Neighbourhoods
Tom Wilkinson	Assistant Director of Finance

**Apologies for Absence:** Councillors Newton and Reid

### 1 DECLARATIONS OF INTEREST

There were no declarations of interest.

### 2 MINUTES

Consideration was given to the minutes of the meeting of the Strategic Commissioning Board held on 11 March 2019.

#### RESOLVED

**That the minutes of the meeting of the Strategic Commissioning Board held on 11 March 2019 be approved as a correct record and signed by the Chair.**

### 3 VISION TAMESIDE PHASE 2 - PROGRESS UPDATE

Consideration was given to a report of the Director (Operations & Neighbourhoods) seeking a recommendation of approval for virements relating to Vision Tameside and updating Members on the successful completion of the Vision Tameside Phase 2 development.

The Director of Operations advised Members of the budget position for the Vision Tameside Phase 2 programme and the required virements to ensure that the overall spend of the programme stayed within approved funding.

Following the liquidation of Carillion a revised funding envelope was agreed at Executive Cabinet in March 2019 for the overall Vision Tameside project. The revised budget approved was £62.99m, including the remaining construction costs, public realm and contingency costs.

The project had been managed through the Council's contract with Inspired Spaces Tameside Limited and externally validated by Cushman and Wakefield who undertook Value for Money Assessments and Project Monitoring, thus ensuring the Council's fiduciary duty to the public purse was protected.

#### RESOLVED

**That Executive Cabinet be recommended to approve the virements and the revised budget set out in paragraph 4.4 and Table 1 in section 4 of the submitted report.**

## **4 CAPITAL OUTTURN 2018/19**

Consideration was given to a report of the Executive Member for Finance & Economic Growth / Director of Finance summarising the 2018/19 capital expenditure monitoring position at 31 March 2019, based on information provided by project managers. The report detailed actual capital investment in 2018/19 of £51.545m at March 2019. This was significantly less than the original budgeted capital investment for 2018/19, and is in part due to project delays that are being experienced following the temporary pause to the Capital Programme.

Service areas had spent £51.545m on capital investment in 2018/19, which was £5.899m less than the current capital budget for the year. This slippage was spread across a number of areas, and was in part due to project delays now being experienced as a result of the temporary pause on the capital programme and the liquidation of Carillion who, through the Local Education Partnership (LEP) had been delivering or managing a number of key projects.

The Director of Finance advised Members that at the meeting of Executive Cabinet held on 26 June 2019 approval had been given to the re-profiling of £5.810m into the next financial year as identified within the individual service area tables in Appendix 3 to the report. Once re-profiling has been taken into account, capital investment was forecast to be £0.089m less than the capital budget for the year.

### **RESOLVED**

- (i) That the reprofiling of £5.810m of capital budgets as set out in Appendix 3 to reflect up to date investment profiles be approved.**
- (ii) That the changes to the Capital Programme as set out in Appendix 1 be approved.**
- (iii) The updated Prudential Indicator position set out in Appendix 5 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 updated capital receipts position be noted.**

## **5 FINANCE AND IT CAPITAL UPDATE 2018/19**

Consideration was given to a report of the Executive Member for Finance and Economic Growth / Director of Finance summarising progress in relation to the delivery of the Council's capital investment programme in the Finance and IT Directorate.

The Director of Finance informed Members that all areas of spend were within budget, specifically highlighting that the finance investments in Manchester Airport were delivering revenue benefits to the Council which support the Medium Term Financial Plan.

Members were advised that the Digital Tameside Investment programme was on target to meet required deadlines. The programme included significant approved and anticipated grant funding from the Department of Digital, Culture, Media and Sport. The grant funding required the Council to submit quarterly returns to the Department and to comply with the terms and conditions of grant, which was time limited. Failure to progress schemes and drawdown grant within the agreed timescales may result in a loss of available funding.

### **RESOLVED**

**That the report be noted.**

## **6 CAPITAL PROJECTS - GROWTH**

Consideration was given to a report of the Executive Member for Finance and Economic Growth / Director of Finance providing an update on Growth Directorate capital programmes and seeking a recommendation to Executive Cabinet for the inclusion of additional items to be included within the

Council's capital programme. The Director of Growth advised Members of an additional recommendation to the submitted report, seeking £0.100m of the £10.000m earmarked budget for Ashton Town Hall to be released to fund further market testing and feasibility works.

The Director of Growth informed Members that £4,251,885 including the current financial year's allocation from Ministry of Housing, Communities and Local Government of £2,511,180 was available for the Disabled Facilities Grant and Other Related Adaptations. The Capital programme budget for 2019/2020 included funding allocated to Housing Adaptations and financial support for three schemes being promoted by Adult Services. To fund this expenditure £1,508,000 had been re-profiled from 2018/2019 and £1,137,000 of the 2019-20 allocation from MHCLG would be added to the capital programme. The total budget for non-adaptation works was £999,289 including repayments from previous capital schemes. The Director of Growth proposed two new discretionary repair schemes be allocated £100,000 each from within the budget, an over 65 Stay Put Scheme and a Home Repair Assistance for vulnerable families.

The Director of Growth provides details of the corporate landlord capital expenditure in regard to statutory compliance repairs on the Councils buildings totalling £155,723.84. The works had been required to ensure compliance which had been informed during monitoring checks of the sites.

Members were advise that as at 30 April 2019 the position of section 106 Agreements was £1,182,000 in credit. The position for Developer Contributions was £131,000 in credit, less approved allocations of £42,000, leaving a balance of £89,000. The Director of Growth advised that £69,480 was requested to be drawn down from the Community Education Developer Contribution fund in relation to the expansion of primary school places at Yew Tree School.

#### **RESOLVED**

**That Executive Cabinet be recommended:**

- (i) That a sum of £1.137m of 2019/2020 funding from Ministry of Housing, Communities and Local Government for adaptations as detailed within the submitted report be approved.**
- (ii) That a sum of £0.200m for non-adaptations as set out in sections 2.7 and 2.9 of the submitted report be approved.**
- (iii) That the corporate landlord capital expenditure associated with statutory compliance capital work of £0.156m as detailed within section 2.22 of the submitted report, be approved.**
- (iv) That the section 106 education contribution of £0.069m as detailed in 2.30 of the submitted report be approved.**
- (v) That £0.100m of the £10.000m earmarked budget for Ashton Town Hall is released to fund further market testing and feasibility works**

## **7 INVESTING IN CHILDREN'S PLAYGROUNDS**

Consideration was given to a report of the Executive Member of Neighbourhoods, Community Safety and Environment / Assistant Director for Operations and Neighbourhoods setting out improvements required to children's playgrounds across Tameside and seeking approval of £600,000 spend to the play equipment, safety surfacing, and infrastructure of playgrounds across the Borough

The Assistant Director for Operations and Neighbourhoods advised that all 37 play areas would see some benefits and there would be reduced risk of successful claims against the Council.

#### **RESOLVED**

**That Executive Cabinet be recommend to approve the £600,000 spend for the children's playgrounds as detailed within the report.**

## **8 LEISURE ASSETS CAPITAL INVESTMENT PROGRAMME**

Consideration was given to a report of the Executive Member for Adult Social Care and Population Health / Director of Population Health summarising the delivery of the Council's capital investment programme to improve sports and leisure facilities and seeking a recommendation for the approval of a Floodlight Replacement scheme to be included within the Council's capital programme for 2019/20.

The Director of Population Health advised Members that the athletic facility, off Richmond Street in Ashton, is owned by the Council and leased to East Cheshire Harriers Athletic Club. The lease, which runs until 2031, places the onus on the club to maintain the facility and keep the grounds in good order. The floodlights, which illuminate the running track and infield were circa 35 years old and had reached the end of their useful life and need to be replaced. The replacement of the floodlights was the responsibility of the Club under the terms of the existing lease but they need to obtain landlord's consent. In keeping with the lease, the Club intended to replace the 8 floodlights, including the 17m columns using its own financial resources supplemented by a grant from Sport England.

The Club did not have the technical expertise to deliver the floodlight replacement scheme, which included a 3 phase 415v power supply that needed specialist input. Consequently the Club approached the Council as Landlord to deliver the scheme on their behalf. The cost to the Council would be in relation to providing technical support to deliver the scheme.

Members sought clarification as to the number of Tameside residents who benefit from and use the facilities. The Director of Population Health undertook to ensure that the catchment area of the club maximised availability to residents of Tameside.

The Director of Population Health advised Members that in relation to the replacement of the Active Hyde Wave machine a technical assessment is under way to determine if the installation can take place without draining the pool thereby maintaining attendances and associated income levels for Active Tameside.

In relation to the Active Hyde Pool Extension tenders were being evaluated and would be reported in due course. Members were advised that the Tameside Wellness Centre scheme was progressing well and expected completion on schedule. The Active Medlock synthetic turf pitch replacement scheme was being evaluated and would be reported in due course.

### **RESOLVED**

**That Executive Cabinet be recommended to approve the floodlight replacement scheme off Richmond Street in Ashton subject to funding from Sport England and East Cheshire Harriers being provided as detailed within the submitted report.**

## **9 EDUCATION CAPITAL PROGRAMME - UPDATE**

Consideration was given to a report of the Deputy Executive Leader and Executive Member / Director of Children's Services advising the Strategic Planning and Capital Monitoring Panel on the latest position with the delivery of the Council's Education Capital Programme and seeking the recommendation to Executive Cabinet of proposed changes to the Education Capital Programme.

The Strategic Planning and Capital Monitoring Panel were informed that work is currently on-going to ensure that sufficient places are available in both Primary and High Schools for September 2018 and September 2019 and whilst delays were experienced as a result of the liquidation of Carillion, contingency plans had been developed in partnership with schools to ensure there is minimal disruption to learning where it is evident that schemes could not be delivered within the timescales available.

Members were informed the Council had £13,995,524 of Basic Need Funding available to spend in 2019/20. Notification has been received of an additional allocation of £4,842,699 for 2019/20 to be added to the Council's capital programme and nil allocation for 2020/21. The grant had been earmarked for schemes totalling £7,751,324, which have previously been reported to Strategic Planning and Capital Monitoring Panel and are included on the Council's capital programme. The submitted report identified proposed changes of £1,322,000 bringing the total value of earmarked schemes to £9,073,324.

In relation to the School Condition Allocation funded the Council had £2,377,774 of School Condition funding available to be spent during the 2019/20 financial year, to improve and maintain the school estate. The Director of Children's Services identified that grant had been earmarked for schemes totalling £1,444,000.

#### **RESOLVED**

**That the Executive Cabinet be recommended**

- (i) To approve the proposed changes to the Education Capital Programme, as outlined in Appendix 1 (Basic Need Funding Schemes) and Appendix 2 (School Condition Allocation Funding Schemes) of the submitted report.**
- (ii) That the risks highlighted in Section 5 of the report are noted.**
- (iii) To approve additional Devolved Formula Capital of £685,902 for 2018/19 and £344,294 2019/20 Devolved Formula Capital to be added to the Council's capital programme and thereon made available to schools on request, as referenced in section 2.9 of the submitted report.**
- (iv) To approve £4,842,699 2019/20 Basic Need allocation and £1,153,000 of 2019/20 School Condition grant to be added to the Council's capital programme, as referenced in section 2.4 and 2.7 respectively of the submitted report.**

## **10 OPERATIONS AND NEIGHBOURHOODS CAPITAL**

Consideration was given to a report of the Executive Member for Neighbourhoods / Assistant Director of Operations and Neighbourhoods which updated Members on the 2019/20 Operations and Neighbourhoods Capital Programme and sought a recommendation that additional grant funding from the Department for Transport Highways Maintenance Grant, Incentive Fund and Pothole Fund be added to the Council's Capital Programme to deliver the highway works programme.

The Assistant Director of Operations and Neighbourhoods advised Members that the Department for Transport Highways Maintenance Grant was allocated to each highways authority is based on the length of the local road network. For Tameside MBC the allocation was £1.029m for use in 2019/20. The Department for Transport roads element, along with the 2019/20 Transport Asset Management Plan allocation of £5.250m would be used to deliver the highway works programme as set out in Appendix 1 of the submitted report. Any schemes not completed due to adverse weather conditions or for programming decisions in relation to traffic management issues will be re-programmed to be completed as soon as possible.

#### **RESOLVED**

**That Executive Cabinet be recommended that the additional capital grant funding set out in paragraph 3.7, Table 4 of the submitted report.**

**CHAIR**

This page is intentionally left blank



# Agenda Item 4

<b>Report to:</b>	<b>STRATEGIC PLANNING AND CAPITAL MONITORING PANEL</b>
<b>Date:</b>	2 September 2019
<b>Executive Member/Clinical Lead/Reporting Officer:</b>	Councillor Ryan – Executive Member for Finance & Economic Growth Kathy Roe – Director of Finance
<b>Subject:</b>	<b>CAPITAL MONITORING PERIOD 3 2019/20</b>
<b>Report Summary:</b>	<p>This report summarises the 2019/20 capital expenditure monitoring position at 30 June 2019, based on information provided by project managers.</p> <p>The report shows projected capital investment in 2019/20 of £58.756m by March 2020. It has been necessary to re - profile some schemes within Engineers and Education capital schemes, resulting in the need to transfer £2.468m from 2019/20 into 2020/21.</p> <p>The report was considered at Executive Cabinet on 28 August 2019.</p>
<b>Recommendations:</b>	<p>Members are asked to note the following:</p> <ul style="list-style-type: none"><li>(i) The reprofiling of £2.468m of capital budgets as summarised in Table 2 and set out in <b>Appendix 3</b> to reflect up to date investment profiles.</li><li>(ii) The changes to the Capital Programme as set out in <b>Appendix 1</b>.</li><li>(iii) The updated Prudential Indicator position set out in <b>Appendix 5</b> was approved by Council in February 2019.</li><li>(iv) £0.150m additional budget for the Tameside Wellness Scheme as set out in paragraph 4.17.</li><li>(v) Removal of £0.136m remaining budgets of capital schemes which have come to an end as set out in paragraph 7.1.</li><li>(vi) The current capital budget monitoring position.</li><li>(vii) To note the approval of a further £1.5 million contribution towards this project from the Greater Manchester Combined Authority at its Capital Programme meeting on the 26 July 2019.</li><li>(viii) The resources currently available to fund the Capital Programme</li><li>(ix) The updated capital receipts position.</li></ul> <p>The timescales for review of the Council's three year capital programme.</p>
<b>Corporate Plan:</b>	The Capital Programme ensures investment in the Council's infrastructure is in line with the Corporate Plan.
<b>Policy Implications:</b>	In line with Council Policies.

**Financial Implications:**  
(Authorised by the statutory  
Section 151 Officer & Chief  
Finance Officer)

These are the subject of the report. In summary:

- The forecast outturn for 2019/20 is £58.746m compared to the 2019/20 revised budget of £60.228m
- Re-profiling of £2.468m into future year(s) to match expected spending profile has been requested.
- Additional budget of £0.150m for the Tameside Wellness Centre funded from within unallocated capital resources

Demand for capital resources exceeds availability and it is essential that those leading projects ensure that the management of each scheme is able to deliver them on plan and within the allocated budget.

Close monitoring of capital expenditure on each scheme and the resources available to fund capital expenditure is essential and is an integral part of the financial planning process. The liquidation of Carillion has resulted in significant delays to a number of projects, resulting in slippage in the programme.

There is very limited contingency funding set aside for capital schemes, and any significant variation in capital expenditure and resources, particularly the delivery of capital receipts, will have implications for future revenue budgets or the viability of future capital schemes.

**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. Capital is one off spend on infrastructure and need to be replenished by selling assets in the absence of grant monies from Government to enable a capital programme. Every project also has ongoing running as well as lifecycle costs which need to be factored into it.

**Risk Management:**

The Capital Investment Programme proposes significant additional investment across the borough. Failure to properly manage and monitoring the Council's Capital Investment Programme could lead to service failure, financial loss and a loss of public confidence.

The liquidation of Carillion is having a significant adverse impact on the progression of a number of key schemes, including the Vision Tameside project and a number of key Education programmes to deliver additional school places.

Funding of the Capital Programme assumes the realisation of some significant Capital Receipts from land and property sales which if not achieved will require the reassessment of the investment programme.

**Background Information:**

The background papers relating to this report can be inspected by contacting Heather Green, Finance Business Partner by:



Telephone: 0161 342 2929



e-mail: [heather.green@tameside.gov.uk](mailto:heather.green@tameside.gov.uk)

## 1. INTRODUCTION

- 1.1 This is the first capital monitoring report for 2019/20, summarising the forecast outturn based on the financial activity to 30 June 2019.
- 1.2 Executive Cabinet approved a revised capital programme on 26 March 2019 which set the three year capital programme budget at £112.579m. Executive Cabinet also approved an additional budget for the laptop replacement programme on 24 April 2019 that increased this budget to £113.267m. This budget is split between schemes that have been fully approved of £62.874m, and capital sums earmarked towards schemes valued at £50.393m.
- 1.3 The detail of this monitoring report is focused on the budget and forecast expenditure for fully approved projects in the 2019/20 financial year. The approved budget for 2019/20 is £60.228m. Additional schemes will be added to future detailed monitoring reports once business cases have been approved by Executive Cabinet.

## 2. CHANGES SINCE THE LAST MONITORING REPORT

- 2.1 There have been changes to the 2019/20 Capital Programme to the value of £11.750m since the start of the financial year. This includes slippage from 2018/19 of £5.812m. Additional changes are due to the approval of the Highways Asset Management plan of £5.250m and £0.688m for the new laptop replacement scheme. A full breakdown of the changes can be found in **Appendix 1** of this report.
- 2.2 A Capital Programme Review was presented at Executive Cabinet on 25 July 2018 which outlined how the proposed programme, along with additional emerging pressures, needs to be reprioritised in line with current available resources. A reprioritisation exercise has now been completed in order to determine which schemes that have been earmarked but not fully approved should proceed, and which should be temporarily placed on hold.
- 2.3 On 26 March 2019, Executive Cabinet approved the prioritisation of the capital programme. **Appendix 1** of this report summarises the number and total value of approved and earmarked schemes based on the current capital programme. **Appendix 2** shows the current shortfall the Council of £25.7m faces with the available resources based on the current approved capital programme.
- 2.4 In March 2019 the Tameside One building was completed. This is the main construction of the Vision Tameside project. There continues to be evaluation and scrutiny to ensure that any defects are remedied. Payments are made on an open book cost plus arrangement and are being independently verified to confirm they are comparable within the market. Costs have been maintained within the approved funding envelope.

## 3. SUMMARY

- 3.1 The current forecast is for service areas to have spent £58.746m on capital investment in 2019/20, which is £1.482m less than the current capital budget for the year. This variation is spread across a number of areas, and is made up of a number of additional costs due to overspends against a number of specific schemes (£0.986m) less the rephrasing of expenditure in some other areas (£2.468m).
- 3.2 It is proposed that the capital investment programme is re-profiled to reflect current information. Proposed re-profiling of £2.468m into the next financial year is identified within the individual service area tables in **Appendix 3**.

3.3 Once re-profiling has been taken into account, capital investment is forecast to be £0.986m more than the capital budget for this year. This forecast overspend is due to:

- DCMS Wave 2 work commencing forecast to spend £260k in advance of the grant of £2,120k being agreed including a £10k overspend on CCTV. It is expected that this grant will be received which will reduce this overspend, but until contracts are signed it is flagged as an overspend.
- Fairlea, Denton and Greenside Lane Droylsden land slip work will overspend by £400k due to more complexities on the site.
- Hospital Car Parking overspend of £216k due to redesign to comply with the Disabled Access Regulations.
- Retrospective approval of Statutory Compliance works of £156k

3.4 Section 4 of this report summarises the key messages from the period 3 capital monitoring exercise. There are no individual significant variances where project spend is expected to significantly exceed budgeted resources, although there are some minor variations across a number of schemes, resulting in the overall forecast of £0.986m in excess of budget. These changes are illustrated in Table 1.

**Table 1: Capital Monitoring Reconciliation**

<b>CAPITAL MONITORING RECONCILIATION</b>		
	<b>Scheme</b>	<b>£000</b>
<b>Projected Outturn Variation</b>		<b>1,482</b>
Corporate Landlord	Statutory Compliance	156
<b>Overspends</b>		
Engineers	Hospital Car Parking	216
Environmental Services	Fairlea, Denton and Greenside Lane Droylsden	400
Digital Tameside	DCMS Fibre	250
Digital Tameside	CCTV Fibre	10
<b>Underspends</b>		
Children	Minor Schemes (Under £100k)	(46)
<b>Sub-total of Underspends/Overspends</b>		<b>986</b>
<b>Re-profiling Requested</b>		<b>2,468</b>

3.5 Table 2 below provides a high level summary of capital expenditure by service area.

**Table 2: Overall capital monitoring statement April 2019 – June 2019**

<b>CAPITAL MONITORING STATEMENT – JUNE 2019</b>					
	<b>2019/20 Budget</b>	<b>Actual to 30 June 2019</b>	<b>Projected 2019/20 Outturn</b>	<b>Projected Outturn Variation</b>	<b>Re-profiling requested</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Growth</b>					
Vision Tameside	7,204	811	7,204	0	0
Investment & Development Estates	6,560	529	6,560	0	0
	716	0	716	0	0
Corporate Landlord	265	8	421	(156)	0
<b>Operations and Neighbourhoods</b>					
Engineers	12,322	2,619	10,843	1,479	(1,695)
Environmental Services	3,749	28	4,149	(400)	0
Transport (Fleet)	260	69	260	0	0
Stronger Communities	27	0	27	0	0
<b>Children's</b>					
Education	11,224	27	10,405	819	(773)
<b>Finance &amp; IT</b>					
Digital Tameside	2,597	258	2,857	(260)	0
<b>Population Health</b>					
Active Tameside	15,030	1,780	15,030	0	0
<b>Adults</b>					
Adults	583	0	583	0	0
<b>Total</b>	<b>60,228</b>	<b>6,126</b>	<b>58,756</b>	<b>1,482</b>	<b>(2,468)</b>

3.6 Table 3 below shows the current proposed resources funding the 2019/20 approved projects.

**Table 3: Funding statement for 2019/20 approved projects**

<b>Resources</b>	<b>£000</b>
Grants & Contributions	21,760
Revenue Contributions	57
<b>Corporate:</b>	
- Prudential Borrowing	12,200
- Reserves & Receipts	26,211
<b>Total</b>	<b>60,228</b>

3.7 The resourcing structure, however, is not final and the Director of Finance will make the best use of resources available at the end of the financial year as part of the year end financing decisions.

3.8 A breakdown of resources by service area is included in **Appendix 2**.

#### 4. CAPITAL EXPENDITURE TO DATE AND PROJECTED OUTTURN 2019/20

- 4.1 This section of the report provides an update of capital expenditure to date in 2019/20, along with details of significant schemes and schemes with significant projected variations. A detailed breakdown of all schemes within each service area is included in **Appendix 3** of this report.

##### Growth

- 4.2 The table below outlines the projected 2019/20 investment for Growth. A detailed breakdown of all schemes within Growth, including prior year spend on significant projects, future budgets and re-profiling is set out in **Appendix 3**.

**Table 4: Detail of Growth Capital Investment Programme**

Capital Scheme	2019/20 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000
<b>Vision Tameside Capital Programme</b>				
Vision Tameside Public Realm	4,698	15	4,698	0
Vision Tameside	2,348	796	2,348	0
Document Scanning	158	0	158	0
<b>Total</b>	<b>7,204</b>	<b>811</b>	<b>7,204</b>	<b>0</b>
<b>Investment and Development Capital Programme</b>				
Ashton Old Baths Annex	2,435	51	2,435	0
Disabled Facilities Grant	1,508	448	1,508	0
Ashton Town Centre & Civic Square	1,504	0	1,504	0
Other Schemes individually below £1m	1,113	30	1,113	0
<b>Total</b>	<b>6,560</b>	<b>529</b>	<b>6,560</b>	<b>0</b>
<b>Estates</b>				
Other Schemes individually below £1m	716	0	716	0
<b>Total</b>	<b>716</b>	<b>0</b>	<b>716</b>	<b>0</b>
<b>Corporate Landlord</b>				
Other Schemes individually below £1m	265	8	421	(156)
<b>Total</b>	<b>265</b>	<b>8</b>	<b>421</b>	<b>(156)</b>
<b>Grand Total – Growth</b>	<b>14,745</b>	<b>1,348</b>	<b>14,901</b>	<b>(156)</b>

- 4.3 The most significant capital project within the Growth directorate is Vision Tameside. This project is currently forecasting that expenditure in 2019/20 will be in line with budgeted resource. Regular detailed reports on progress with the Vision Tameside project are considered by the Strategic Planning and Capital Monitoring Panel.
- 4.4 On the 26 July 2019 the GMCA approved an additional contribution of £1.5 million towards the Vision Tameside project following the demise of Carillion mid project. The GMCA and Council are currently in discussion regarding the grant funding draw down process. This funding will not increase the overall budget of the project and will allow the realignment of Council resources.

- 4.5 The variance on the corporate landlord capital programme has arisen due to works being completed when required to ensure that the council's buildings provide a safe and effective environment. Approval to draw down on earmarked resources will be presented to panel on 2nd September 2019.
- 4.6 Further detail on all the schemes within Growth, including prior year spend, future budgets and re-profiling is set out in **Appendix 3**. Regular detailed reports on progress with the Development and Investment capital programme are considered by the Strategic Planning and Capital Monitoring Panel.

#### **Operations and Neighbourhoods**

- 4.7 Table 5 outlines the projected 2019/20 investment for Operations and Neighbourhoods. A detailed breakdown of all schemes within Operations and Neighbourhoods, including prior year spend on significant projects, future budgets and re-profiling is set out in **Appendix 3**.

**Table 5: Detail of Operations and Neighbourhoods Capital Investment Programme**

Capital Scheme	2019/20 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000
<b>Engineers Capital Programme</b>				
Roads	7,016	2,389	7,016	0
Street Lighting	1,779	62	1,779	0
Retaining Walls	243	120	243	0
Other Schemes individually below £1m	3,284	48	1,805	1,479
<b>Total</b>	<b>12,322</b>	<b>2,619</b>	<b>10,843</b>	<b>1,479</b>
<b>Environmental Services Capital Programme</b>				
Replacement of Cremators	2,500	0	2,500	0
Other Schemes individually below £1m	1,249	28	1,649	(400)
<b>Total</b>	<b>3,749</b>	<b>28</b>	<b>4,149</b>	<b>(400)</b>
<b>Transport Capital Programme</b>				
Other Schemes individually below £1m	260	69	260	0
<b>Total</b>	<b>260</b>	<b>69</b>	<b>260</b>	<b>0</b>
<b>Stronger Communities Capital Programme</b>				
Other Schemes individually below £1m	27	0	27	0
<b>Total</b>	<b>27</b>	<b>0</b>	<b>27</b>	<b>0</b>
<b>Grand Total – Ops and Neighbourhoods</b>	<b>16,049</b>	<b>2,713</b>	<b>14,970</b>	<b>1,079</b>

- 4.8 The most significant element of the Operations and Neighbourhoods Capital Investment Programme is the Engineers department, which is currently projecting spend in 2019/20 of £1.479m less than budgeted resource. This variation has arisen due to Highways England providing a specific grant of £1.950m to the council to provide facilities that promote sustainable travel options between Hyde and Hattersley. This grant covers the financial years up to 2020/21. During 2019/20 financial year, £0.250m is available for the feasibility,

design and consultation elements of this project. £1.695m will be available in 2020/21 for construction and commissioning.

- 4.9 There are additional costs for hospital car parking due to a condition being put in place by the planning department. The design team was asked to relocate the proposed access to the Darnton Road Car Park away from the existing nearby houses. This has resulted in a complete level redesign to comply with Disabled Access Regulations. The additional construction costs for Car Park 2 and 2A does not have a 2019/20 capital budget for this scheme and the source of funding is yet to be agreed.
- 4.10 Re-profiling of budget of £1.695m into 2020/21 has been requested. Regular detailed reports on progress with the Engineers Capital Programme are considered by the Strategic Planning and Capital Monitoring Panel.
- 4.11 The variance on the Environmental Services capital programme relate to Fairlea, Denton and Greenside Lane Droylsden being over budget. The budget is being re-evaluated due to complexities. The amount will be confirmed once all options have been evaluated and a further report will be submitted for approval.
- 4.12 Further detail on all the schemes within Operations and Neighbourhoods, including prior year spend on significant projects, future budgets and re-profiling is set out in **Appendix 3**.

#### Children's Services

- 4.13 Table 6 outlines the projected 2019/20 investment for Children's Services. A detailed breakdown of all schemes within Children's services, including prior year spend on significant projects, future budgets and re-profiling is set out in **Appendix 3**.

**Table 6: Detail of Children's Services Capital Investment Programme**

Capital Scheme	2019/20 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000
<b>Education Capital Programme</b>				
Aldwyn Primary School	2,644	8	2,644	0
Alder Community High School	1,688	0	1,688	0
Hyde Community College	1,200	4	900	300
St John's Dukinfield	1,144	0	1,144	0
Other Schemes individually below £1m And unallocated funding	4,548	15	4,029	519
<b>Total</b>	<b>11,224</b>	<b>27</b>	<b>10,405</b>	<b>819</b>

- 4.14 Regular detailed reports on progress with the Education Capital Programme are considered elsewhere on the Strategic Planning and Capital Monitoring Panel agenda. The Education Capital Programme is currently forecasting that outturn will be £0.819m less than budgeted resources. This is due to a combination of delay on a number of schemes and some unallocated funding. Re-profiling of £0.773m of budget into 2020/21 has been requested.

#### Finance and IT

- 4.15 Table 7 outlines the projected 2019/20 investment for Finance and IT. A detailed breakdown of all schemes within Finance and IT, including prior year spend on significant projects, future budgets and re-profiling is set out in **Appendix 3**.



**Table 7: Detail of Finance & IT Capital Investment Programme**

Capital Scheme	2019/20 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000
<b>Digital Tameside Capital Programme</b>				
Schemes individually below £1m	2,597	258	2,857	(260)
<b>Total</b>	<b>2,597</b>	<b>258</b>	<b>2,857</b>	<b>(260)</b>

- 4.16 The variance on the Finance and IT capital programme has arisen due to Wave 2 works undertaken by our Engineers team for which there is no approved capital budget. The Wave 2 Grant has been delayed due to the wider bid gateway reviews that relate to other Greater Manchester authorities. It is expected to be finalised in Quarter 3. A detailed breakdown of all schemes within Finance and IT, including prior year spend on significant projects, future budgets and re-profiling is set out in **Appendix 3**.

#### **Population Health**

- 4.17 Table 8, below, outlines the projected 2019/20 investment for Population Health. A detailed breakdown of all schemes within Population Health, including prior year spend, future budgets and re-profiling is set out in **Appendix 3**.

**Table 8: Detail of Population Health Capital Investment Programme**

Capital Scheme	2019/20 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000
<b>Active Tameside Capital Programme</b>				
New Denton Facility	11,680	1,755	11,680	0
Extension to Hyde Leisure Pool	3,290	2	3,290	0
Wave Machine at Hyde Leisure	60	23	60	0
<b>Total</b>	<b>15,030</b>	<b>1,780</b>	<b>15,030</b>	<b>0</b>

- 4.18 Regular detailed reports on progress with the Active Tameside Capital Programme are considered by the Strategic Planning and Capital Monitoring Panel and are elsewhere on this agenda. A detailed breakdown of Active Tameside programme, including prior year spend, future budgets and re-profiling is set out in **Appendix 3**.
- 4.19 The Tameside Wellness Centre scheme is progressing well following a Council key decision on 27 April 2017. The Tameside Wellness Centre's total scheme value is £16.224m.
- 4.20 However, we are now experiencing pressure on costs, which requires an additional contingent budget of £0.150m to ensure the scheme isn't delayed unduly resulting in extension of time claims. This represents a cost increase of 1% on the overall scheme. Examples of unbudgeted costs include; enhanced cycle storage facilities and parking control measures. Any unspent contingency will be returned to the Capital Programme at the end of the scheme.

- 4.21 If approved the total value of the scheme in the Capital Programme will increase from £16.224m to £16.374m.

#### **Adults**

- 4.22 A breakdown of the Adults Capital Programme is provided in **Appendix 3**. A detailed breakdown including prior year spend, future budgets and re-profiling is set out in **Appendix 3**.

### **5. CAPITAL RECEIPTS**

- 5.1 With the exception of capital receipts earmarked as specific scheme funding, all other capital receipts are held 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 plan.
- 5.2 As per section 2.2 of this report, a reprioritisation exercise has been completed and earmarked schemes have been prioritised. There is a current funding gap of £26m, if all earmarked capital schemes were to be progressed, and this gap will increase further if anticipated receipts are not achieved.
- 5.3 Further information on capital receipts can be found in **Appendix 4**.

### **6. PRUDENTIAL INDICATORS**

- 6.1 The CIPFA Prudential Code for Finance in Local Authorities was introduced as a result of the Local Government Act (2003) and was effective from 1 April 2004. The Code sets out indicators that must be monitored to demonstrate that the objectives of the Code are being fulfilled.
- 6.2 The initial Prudential Indicators for 2019/20 and the following two years were agreed by the Council in February 2019. The Capital Expenditure indicator has been updated to reflect the latest position.
- 6.3 The latest Prudential Indicators are shown in **Appendix 5**.

### **7. CAPITAL SCHEMES - NO SPEND**

- 7.1 There are a number of schemes which have been monitored over the financial year 2018-19 which have incurred no spend. There have been no requests made to slip these schemes into financial year 2019-20. These schemes totalling £0.136m will now be removed from the capital programme and returned to be used for capital funding and schemes in prioritisation.
- 7.2 A breakdown of the schemes with no spend can be viewed in **Appendix 6**.

### **8. RECOMMENDATIONS**

- 8.1 As detailed at the start of the report.

# Contents Page

- Appendix 1- Programme Changes and Summary (Slide 2-4)
- Appendix 2 Financing- Approved Schemes (Slide 5)
- Appendix 2- Financing Prioritisation Shortfall (Slide 6)
- Appendix 3- Service Area Detail (Slide 7-18)
- Appendix 4- Receipts (Slide 19)
- Appendix 5- Prudential Indicators (Slide 20-21)
- Appendix 6- Capital No Spend (Slide 22)

# Appendix 1 - Programme Changes and Summary

Changes to the Capital Programme	2019/20	2020/21	2021/22	Total
	£000	£000	£000	£000
Opening 2019/20 Approved Capital Programme	48,478	2,636	0	51,124
2018/19 Re-Profiling to 19/20	5,812			5,812
<b>Changes per Executive Cabinet 27 March 2019</b>				
- Highways Asset Management Plan (Additional Budget)	5,250			5,250
<b>Changes per Executive Cabinet 24 April 2019</b>				
- Laptop Replacement & Windows 10 Deployment (New Scheme)	688			688
<b>Period 3 Fully Approved Capital Programme</b>	<b>60,228</b>	<b>2,636</b>	<b>0</b>	<b>62,864</b>

Status	Number of Schemes	2019/20 Budget	2020/21 Budget	2021/22 Budget	Total Budget
Approved	134	60,228	2,636	0	62,864
Earmarked	21	44,393	6,000	0	50,393
Total	155	104,621	8,636	0	113,257

# Programme Changes and Summary

## TOTAL APPROVED AND EARMARKED CAPITAL PROGRAMME- JUNE 2019

	2019/20 Projected Outturn	2019/20 Budget (Approved)	2019/20 Budget (Earmarked)	2020/21 Budget (Approved)	2020/21 Budget (Earmarked)	2021/22 Budget (Approved)	2021/22 Budget (Earmarked)
	£000	£000	£000	£000	£000	£000	£000
<b>Growth</b>							
Vision Tameside	7,204	7,204	0	0	0	0	0
Investment & Development	6,560	6,560	10,000	275	0	0	0
Estates	716	716	1,400	0	0	0	0
Corporate Landlord	421	265	8,093	0	0	0	0
<b>Operations and Neighbourhoods</b>							
Engineering Services	10,843	12,322	6,250	2,150	6,000	0	0
Environmental Services	3,840	3,440	1,300	0	0	0	0
Transport	260	260	0	0	0	0	0
Stronger Communities	27	27	200	0	0	0	0
<b>Children's</b>							
Education	10,405	11,224	0	211	0	0	0
Children's	0	0	950	0	0	0	0
<b>Finance &amp; IT</b>							
Finance	0	0	500	0	0	0	0
Digital Tameside	2,857	2,597	3,000	0	0	0	0
<b>Population Health</b>							
Active Tameside	15,030	15,030	0	0	0	0	0
<b>Adults</b>							
Adults	583	583	12,700	0	0	0	0
<b>Total</b>	<b>58,746</b>	<b>60,228</b>	<b>44,393</b>	<b>2,636</b>	<b>6,000</b>	<b>0</b>	<b>0</b>

# Programme Changes and Summary- After Re-profiling

## TOTAL APPROVED AND EARMARKED CAPITAL PROGRAMME- JUNE 2019

	2019/20 Projected Outturn	2019/20 Budget (Approved)	2019/20 Budget (Earmarked)	2020/21 Budget (Approved)	2020/21 Budget (Earmarked)	2021/22 Budget (Approved)	2021/22 Budget (Earmarked)
	£000	£000	£000	£000	£000	£000	£000
<b>Growth</b>							
Vision Tameside	7,204	7,204	0	0	0	0	0
Investment & Development	6,560	6,560	10,000	275	0	0	0
Estates	716	716	1,400	0	0	0	0
Corporate Landlord	421	265	8,093	0	0	0	0
<b>Operations and Neighbourhoods</b>							
Engineering Services	10,843	10,627	6,250	3,845	6,000	0	0
Environmental Services	4,149	3,440	1,300	0	0	0	0
Transport	260	260	0	0	0	0	0
Stronger Communities	27	27	200	0	0	0	0
<b>Children's</b>							
Education	10,405	10,451	0	984	0	0	0
Children's	0	0	950	0	0	0	0
<b>Finance &amp; IT</b>							
Finance	0	0	500	0	0	0	0
Digital Tameside	2,857	2,597	3,000	0	0	0	0
<b>Population Health</b>							
Active Tameside	15,030	15,030	0	0	0	0	0
<b>Adults</b>							
Adults	583	583	12,700	0	0	0	0
<b>Total</b>	<b>58,746</b>	<b>57,760</b>	<b>44,393</b>	<b>5,104</b>	<b>6,000</b>	<b>0</b>	<b>0</b>

# Appendix 2 - Financing (Approved Schemes)

Service Area	Grants and Contributions	Revenue Contributions	Prudential Borrowing	Reserves	Receipts	Total
<b>Growth</b>						-
Vision Tameside	1,363	0	0	5,841	0	7,204
Investment and Development	2,464	0	0	4,096	0	6,560
Estates	0	0	0	716	0	716
Corporate Landlord	309	0	0	(44)	0	265
<b>Operations and Neighbourhoods</b>						-
Engineers	3,181	0	0	9,141	0	12,322
Environmental Services	86	57	0	3,297	0	3,440
Transport	0	0	0	260	0	260
Stronger Communities	0	0	0	27	0	27
<b>Children</b>						-
Education	11,224	0	0	0	0	11,224
<b>Finance</b>						-
Digital Tameside	150	0	0	2,447	0	2,597
<b>Population Health</b>						-
Active Tameside	2,550	0	12,200	280	0	15,030
<b>Adults</b>						-
Adults	433	0	0	150	0	583
<b>Total</b>	<b>21,760</b>	<b>57</b>	<b>12,200</b>	<b>26,221</b>	<b>0</b>	<b>60,228</b>

# Appendix 2 – Financing

P3	
	£000
Corporate	79,009
RCCO	0
Borrowing	12,200
Contribution	1,553
Grant	20,418
S106	57
<b>Budgeted Financing</b>	<b>113,257</b>
<b>Available Corporate Funding</b>	
Capital Reserve	16,287
Available Receipts	37,000
<b>Total Available Corporate Funding</b>	<b>53,287</b>
Total Approved Schemes requiring Corporate Funding	28,646
<b>Surplus after Financing Approved Schemes</b>	<b>24,641</b>
Earmarked Schemes requiring Corporate Funding	50,393
<b>Shortfall of Funding Available to Finance Earmarked Schemes</b>	<b>(25,752)</b>

As illustrated in the above table, there is currently a shortfall of £25.7m. A prioritisation exercise has been completed in order to determine which earmarked schemes can be progressed.



# Appendix 3 - Service Area Detail

## Growth

Vision Tameside Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Vision Tameside Public Realm	454	4,698	0	0	15	4,698	0	0	4,698	0	0
Vision Tameside	54,682	2,348	0	0	796	2,348	0	0	2,348	0	0
Document Scanning	0	158	0	0	0	158	0	0	158	0	0
<b>Total</b>	<b>55,136</b>	<b>7,204</b>	<b>0</b>	<b>0</b>	<b>811</b>	<b>7,204</b>	<b>0</b>	<b>0</b>	<b>7,204</b>	<b>0</b>	<b>0</b>

Investment and Development Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Ashton Old Baths Annex	44	2,435	275	0	51	2,435	0	0	2,435	275	0
Disabled Facilities Grant		1,508	0	0	448	1,508	0	0	1,508	0	0
Ashton Town Centre and Civic Square		1,504	0	0	0	1,504	0	0	1,504	0	0
Hattersley Station Passenger Facilities	28	676	0	0	0	676	0	0	676	0	0
Godley Garden Village		259	0	0	0	259	0	0	259	0	0
Godley Hill Development		110	0	0	0	110	0	0	110	0	0
Ashton Town Hall	58	39	0	0	27	39	0	0	39	0	0
Longlands Mill		21	0	0	0	21	0	0	21	0	0
St Petersfield		8	0	0	3	8	0	0	8	0	0
<b>Total</b>	<b>130</b>	<b>6,560</b>	<b>275</b>	<b>0</b>	<b>529</b>	<b>6,560</b>	<b>0</b>	<b>0</b>	<b>6,560</b>	<b>275</b>	<b>0</b>

Estates Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Opportunity Purchase Fund		500	0	0	0	500	0	0	500	0	0
Mottram Showground (OPF)		114	0	0	0	114	0	0	114	0	0
Review of Playing Field Provision		102	0	0	0	102	0	0	102	0	0
<b>Total</b>		<b>716</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>716</b>	<b>0</b>	<b>0</b>	<b>716</b>	<b>0</b>	<b>0</b>

Corporate Landlord Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Statutory Compliance	341	(122)	0	0	5	34	(156)	0	(122)	0	0
Retrofit (Basic Measures)		309	0	0	3	309	0	0	309	0	0
Building Fabric Works		78	0	0	0	78	0	0	78	0	0
<b>Total</b>	<b>341</b>	<b>265</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>421</b>	<b>(156)</b>	<b>0</b>	<b>265</b>	<b>0</b>	<b>0</b>

## Statutory Compliance – Projected Variation (£0.156m)

Statutory compliance works are completed when required, to ensure the council's buildings provide a safe and effective environment. Approval to draw on earmarked resources will be presented to panel 2<sup>nd</sup> September 2019.

# Operations & Neighbourhoods

Engineers Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Street Lighting		1,779	2,000	0	62	1,779	0	0	1,779	2,000	0
Principal Roads- Ashton		1,483	0	0	607	1,483	0	0	1,483	0	0
Principal Roads- Stalybridge		1,204	0	0	395	1,204	0	0	1,204	0	0
Principal Roads- Droylsden		792	0	0	99	792	0	0	792	0	0
Principal Roads- Denton		673	0	0	141	673	0	0	673	0	0
Principal Roads- Dukinfield		669	0	0	155	669	0	0	669	0	0
Principal Roads- Hyde		619	0	0	167	619	0	0	619	0	0
Principal Roads- Audenshaw		570	0	0	263	570	0	0	570	0	0
Principal Roads- Longendale		504	0	0	313	504	0	0	504	0	0
Principal Roads- Mossley		434	0	0	221	434	0	0	434	0	0
Retaining Walls/Mottram & Hollingworth		243	0	0	120	243	0	0	243	0	0
Bridges & Structures		90	0	0	15	90	0	0	90	0	0
Roads- Borough Wide		68	0	0	28	68	0	0	68	0	0
Car Parking	920	0	0	0	6	216	(216)	0	0	0	0
Other Schemes		3,194	150	0	27	1,499	1,695	(1,695)	1,499	1,845	0
<b>Total</b>	<b>920</b>	<b>12,322</b>	<b>2,150</b>	<b>0</b>	<b>2,619</b>	<b>10,843</b>	<b>1,479</b>	<b>(1,695)</b>	<b>10,627</b>	<b>3,845</b>	<b>0</b>

# Engineers- Reprofilng/Variation Narrative

## **Reprofilng Requested:**

### **Hyde to Mottram and Hollingworth Cycle Scheme - (£1.695m)**

Highways England have provided a specific grant of £1.950m to Tameside MBC to provide facilities that promote sustainable travel options (walking and cycling) between Hyde and Hattersley. This grant covers the financial years up to 2020/21. During 2019/20 financial year, £0.250m is available for the feasibility, design and consultation elements of this project. £1.695m will be available in 2020/21 for construction and commissioning.

### **Hospital Car Parking – Projected Variation (£0.216m)**

This overspend is due to a condition placed by Tameside Planning. After the initial detailed budget, the design team was asked to relocate the proposed access to the Darnton Road Car Park away from the existing nearby houses. This has resulted in a complete level redesign to comply with Disabled Access Regulations and in excess of 400m<sup>3</sup> of extra spoil was taken off site. Further costs included Japanese Knotweed which had to be disposed of in a specialist tip which has had a knock on effect on the programme. The construction costs for Car Park 2 and 2A will be funded by a revenue contribution. The additional construction costs for Car Park 2 and 2A does not have a 2019/20 capital budget for this scheme and the source of funding is yet to be agreed.

18/09/20

# Operations & Neighbourhoods

Environmental Services Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Replacement of Cremators		2,500	0	0	0	2,500	0	0	2,500	0	0
Fairlea, Denton and Greenside Lane Droylsden	70	580	0	0	4	980	(400)	0	580	0	0
Retrofit (Basic Measures)		309	0	0	3	309	0	0	309	0	0
Cemetery Boundary Walls		207	0	0	21	207	0	0	207	0	0
Oxford Park Play Area		40	0	0	0	40	0	0	40	0	0
Green Space Infrastructure 2019		36	0	0	0	36	0	0	36	0	0
Highway Tree Planting 2019		25	0	0	0	25	0	0	25	0	0
Sam Redfern Green		17	0	0	0	17	0	0	17	0	0
Dukinfield Park Improvements		10	0	0	0	10	0	0	10	0	0
Audenshaw Environmental Improvements		9	0	0	0	9	0	0	9	0	0
Infrastructure Improvements		8	0	0	0	8	0	0	8	0	0
Rocher Vale & Hulmes and Hardy Wood		6	0	0	0	6	0	0	6	0	0
Egmont St Fencing		2	0	0	0	2	0	0	2	0	0
<b>Total</b>	<b>70</b>	<b>3,749</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>4,149</b>	<b>(400)</b>	<b>0</b>	<b>3,749</b>	<b>0</b>	<b>0</b>

## Fairlea, Denton and Greenside Lane Droylsden – Projected Variation (£0.400m)

The budget for Greenside Lane, Droylsden is being re-evaluated as due to complexities it is expected to overspend. This will be confirmed once all options have been evaluated and a further report will be submitted for approval.

# Operations & Neighbourhoods

Transport Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Transport Services- Fleet Replacement		260	0	0	69	260	0	0	260	0	0
<b>Total</b>		<b>260</b>	<b>0</b>	<b>0</b>	<b>69</b>	<b>260</b>	<b>0</b>	<b>0</b>	<b>260</b>	<b>0</b>	<b>0</b>

Page 30

Stronger Communities Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Libraries In The 21 <sup>st</sup> Century		27	0	0	0	27	0	0	27	0	0
<b>Total</b>		<b>27</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>0</b>



# Children

Education Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Unallocated Funding Streams		2,029	211	0	0	2,029	0	0	2,029	211	0
Aldwyn Primary School		2,644	0	0	8	2,644	0	0	2,644	0	0
Alder Community High School	721	1,688	0	0	0	1,688	0	0	1,688	0	0
Hyde Community College	546	1,200	0	0	4	900	300	(300)	900	300	0
St John's Dukinfield		1,144	0	0	0	1,144	0	0	1,144	0	0
Rayner Stephens Academy		473	0	0	0	0	473	(473)	0	473	0
Mossley Hollins High	720	361	0	0	0	361	0	0	361	0	0
Russell Scott Primary		320	0	0	3	320	0	0	320	0	0
Gorse Hall Primary		182	0	0	0	182	0	0	182	0	0
Stalyhill Infants		105	0	0	0	105	0	0	105	0	0
Audenshaw High School		100	0	0	0	100	0	0	100	0	0
Denton Community College		100	0	0	0	100	0	0	100	0	0
Stock Condition Survey		100	0	0	0	100	0	0	100	0	0
Minor Schemes (Under £100K)		778	0	0	12	732	46	0	778	0	0
<b>Total</b>	<b>1,987</b>	<b>11,224</b>	<b>211</b>	<b>0</b>	<b>27</b>	<b>10,405</b>	<b>819</b>	<b>(773)</b>	<b>10,451</b>	<b>984</b>	<b>0</b>

## Reprofiling Requested:

### Rayner Stephens Academy- (£0.473m)

Original proposals have been paused pending a further review of the accommodation at the school. This has resulted from the development of the sixth form provision at Cromwell, which has impacted upon room use at Rayner Stephens.

### Hyde Community College- (£0.300m)

Current programme indicates a start on the works in Autumn 2019 and completion in Summer 2020. Further costs will be identified at reported at the next strategic capital panel.

# Finance

Digital Tameside Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Tameside Data Centre		819	0	0	0	819	0	0	819	0	0
Laptop Replacement and Windows 10 Deployment		688	0	0	21	688	0	0	688	0	0
ICT- Vision Tameside	786	678	0	0	135	678	0	0	678	0	0
Tameside Digital Infrastructure	149	130	0	0	0	130	0	0	130	0	0
DCMS Fibre	1,938	120	0	0	100	370	(250)	0	120	0	0
CCTV Fibre		97	0	0	1	107	(10)	0	97	0	0
Working Differently- IT Hardware & Software		34	0	0	0	34	0	0	34	0	0
Digital by Design		31	0	0	1	31	0	0	31	0	0
<b>Total</b>	<b>2,873</b>	<b>2,597</b>	<b>0</b>	<b>0</b>	<b>258</b>	<b>2,857</b>	<b>(260)</b>	<b>0</b>	<b>2,597</b>	<b>0</b>	<b>0</b>

## DCMS Fibre – Projected Variation (£0.250m)

The overspend relates to Wave 2 works undertaken by our Engineers team. The Wave 2 Grant has been delayed due to the wider bid gateway reviews that relate to other Greater Manchester authorities. It is expected to be finalised in Quarter 3.

# Population Health

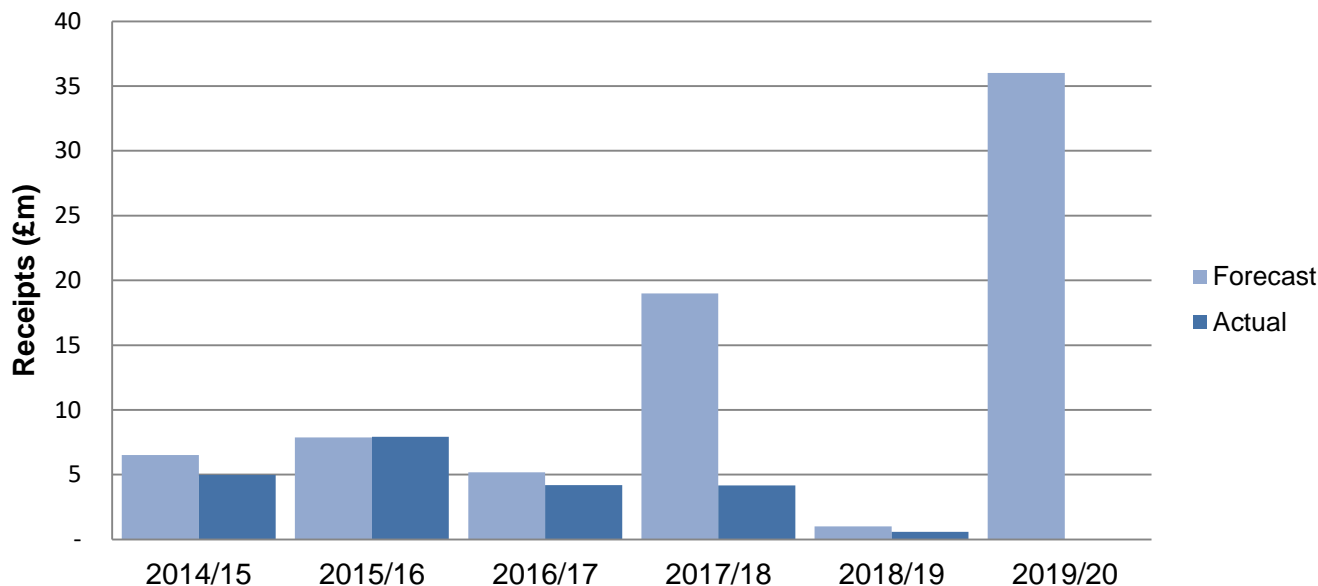
Active Tameside Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
New Denton Facility	4,399	11,680	0	0	1,755	11,680	0	0	11,680	0	0
Extension to Hyde Leisure Pool		3,290	0	0	2	3,290	0	0	3,290	0	0
Wave Machine at Hyde Leisure		60	0	0	23	60	0	0	60	0	0
<b>Total</b>	<b>4,399</b>	<b>15,030</b>	<b>0</b>	<b>0</b>	<b>1,780</b>	<b>15,030</b>	<b>0</b>	<b>0</b>	<b>15,030</b>	<b>0</b>	<b>0</b>

# Adults

Adults Capital Programme									Re-profiled Budgets		
Capital Scheme	Spend in prior years £000	2019/20 Budget £000	2020/21 Budget £000	2021/22 Budget £000	2019/20 Actual to date £000	2019/20 Projected Outturn £000	2019/20 Projected Outturn Variation £000	Re-profiling to be approved £000	2019/20 £000	2020/21 £000	2021/22 £000
Oxford Park Development	22	433	0	0	0	433	0	0	433	0	0
4C Capital Grants		150	0	0	0	150	0	0	150	0	0
<b>Total</b>	<b>22</b>	<b>583</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>583</b>	<b>0</b>	<b>0</b>	<b>583</b>	<b>0</b>	<b>0</b>

# Appendix 4 - Receipts

## Forecast and Actual Receipts from Fixed Asset Disposals



Page 35

Officers are continuing with the disposal of development sites that have already been approved or agreed for development and sale, and which are mainly based around the legacy school sites following the Building Schools for the Future along with the sites identified for development by Matrix Homes. These development sites are anticipated to realise approximately £37m in capital receipts over the next 2-3 years.

A review of surplus non-operational Council assets is being undertaken to identify other sites for disposal. Disposals of any further sites are currently on hold pending the approval of the disposals policy.

Receipts achieved in year to 30<sup>th</sup> June are £0.347m.

# Appendix 5- Prudential Indicators

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Operational Boundary for External Debt	200,356	111,838	(88,518)
Authorised Limit for External Debt	220,356	111,838	(108,518)

- The Authorised Limit for External Debt sets the maximum level of external borrowing on a gross basis (i.e. excluding investments) for the Council.
- The operational boundary for External Debt comprises the Council's existing debt plus the most likely estimate of capital expenditure/financing for the year. It excludes any projections for cash flow movements. Unlike the authorised limit breaches of the operational boundary (due to cash flow movements) are allowed during the year as long as they are not sustained over a period of time.
- These limits include provision for borrowing in advance of the Council's requirement for future capital expenditure. This may be carried out if it is thought to be financially advantageous to the Council.

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Upper Limit for fixed	182,611	4,186	(178,425)
Upper Limit for variable	60,870	(60,905)	(121,775)

- These limits are in respect of the Council's exposure to the effects of changes in interest rates.
- The limits reflect the net amounts of fixed/variable rate debt (i.e. fixed/variable loans less fixed/variable investments). These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates.

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Capital Financing Requirement	182,611	182,611	-

- The Capital Financing Requirement (CFR) measures the Council's underlining need to borrow for capital purpose, i.e. its borrowing requirement. The CFR is the amount of capital expenditure that has not yet been financed by capital receipts, capital grants or contributions from revenue.
- The CFR increases by the value of capital expenditure not immediately financed, (i.e. borrowing) and is reduced by the annual Minimum Revenue Provision for the repayment of debt.

# Prudential Indicators

	Limit	Actual	Amount within limit
	£000s	£000s	£000s
Capital expenditure	93,255	6,126	87,129

- This is the estimate of the total capital expenditure to be incurred.

Gross borrowing and the capital financing requirement	CFR @ 31/12/18 + increase years 1,2,3	Gross borrowing	Amount within limit
	£000s	£000s	£000s
	182,611	111,838	(70,773)

- To ensure that medium term debt will only be for capital purposes, the Council will ensure that the gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement (CFR).

Maturity structure for borrowing 2019/20			
Fixed rate			
Duration	Limit	Actual	
Under 12 months	0% to 15%	0.30%	
12 months and within 24 months	0% to 15%	0.31%	
24 months and within 5 years	0% to 30%	4.46%	
5 years and within 10 years	0% to 40%	3.18%	
10 years and above	50% to 100%	91.75%	

- These limits set out the amount of fixed rate borrowing maturing in each period expressed as a percentage of total fixed rate borrowing. Future borrowing will normally be for periods in excess of 10 years, although if longer term interest rates become excessive, shorter term borrowing may be used. Given the low current long term interest rates, it is felt it is acceptable to have a long maturity debt profile.

# Appendix 6- Capital No Spend at 30<sup>th</sup> June

	2019/20 Budget	Proposals
	£000	
<b>Growth</b>		
Investment & Development		
• Hyde Town Centre	12	Capital Scheme ended, removed from programme
<b>Estates</b>		
• Review of Playing Field Provision	102	Capital Scheme ended, removed from programme
<b>Operations and Neighbourhoods</b>		
Environmental Services		
Corporate Landlord		
• Dukinfield Crematoria Clock Tower	8	Capital Scheme ended, removed from programme
<b>Stronger Communities</b>		
• Street Art In The Community	4	Capital Scheme ended, removed from programme
<b>Governance</b>		
Executive		
• Online Forms	10	Capital Scheme ended, removed from programme
<b>Total</b>	<b>136</b>	



# Agenda Item 5

<b>Report to:</b>	<b>STRATEGIC PLANNING AND CAPITAL MONITORING PANEL</b>
<b>Date:</b>	2 September 2019
<b>Report of:</b>	<p>Councillor Bill Fairfoull Deputy Executive Leader (Children's Services)</p> <p>Leanne Feeley, Executive Member of Lifelong Learning, Equalities, Cultural and Heritage.</p> <p>Tim Bowman – Assistant Director of Children's Services</p>
<b>Subject:</b>	<b>EDUCATION CAPITAL PROGRAMME</b>
<b>Report Summary:</b>	This report advises members of the Panel on the latest position with the delivery of the Council's Education Capital Programme and seeks the recommendation of various approvals as set out in the report.
<b>Recommendations:</b>	<ol style="list-style-type: none"><li>1. That approval of the proposed changes to the Education Capital Programme, as outlined in <b>Appendix 1</b> (Basic Need Funding Schemes) and <b>Appendix 2</b> (School Condition Allocation Funding Schemes) be recommended to Executive Cabinet.</li><li>2. That the risks highlighted in Section 5 of the report are noted.</li><li>3. That approval is given to work identified in the report.</li></ol>
<b>Corporate Plan:</b>	The proposals contained in this report will support the delivery of the Corporate Plan.
<b>Policy Implications:</b>	In line with approved policy.
<b>Financial Implications:</b>	<b>Basic Need Grant</b>
<b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The Council has £13,995,524 of Basic Need Grant available to spend in 2019/20. This is a balance of unspent grant from previous years - the Council didn't receive any allocation in 2018/19. Notification has been received of an additional allocation of £4,842,699 for 2019/20 and nil for 2020/21.</p> <p><b>Appendix 1</b> of this report identifies that grant has been earmarked for schemes totalling £9,073,000 which have previously been reported to Strategic Planning and Capital Monitoring Panel and are included on the Council's capital programme. <b>Appendix 1</b> identifies proposed changes of £1,705,000 bringing the value of earmarked schemes to £10,778,000. The period 3 capital monitoring report includes re-profiling requests totalling £773,000. There is a balance of unallocated Basic Need funding shown in 2.3 of £3,217,524 and plans are being developed with schools to utilise these funds to provide the additional capacity requirement from September 2019 onwards.</p> <p><b>School Condition Grant</b></p> <p>The Council has £2,377,774 of School Condition funding available to be spent during the 2019/20 financial year, to improve and maintain the school estate. <b>Appendix 2</b> identifies that grant has been earmarked for schemes totalling £1,922,000 which have previously been reported to Strategic Planning and Capital Monitoring Panel and are included in the Council's capital programme. <b>Appendix 2</b> identifies proposed changes of £51,000</p>

bringing the total value of earmarked schemes to £1,973,000. There is a balance of unallocated School Condition funding shown in 2.8 of £404,774.

A detailed review of all earmarked schemes in 2019/20 continues to be undertaken and it is anticipated that resource will be identified from other earmarked schemes where costs are expected to be less than budgeted. The allocation of 2019/20 School Condition funding must be spent within the financial year to which it relates to otherwise there is a risk that the amount will need to be returned to government.

### **Russell Scott School**

The works outlined in paragraphs 3.35 to 3.37 at Russell Scott have yet to be fully costed. There are two aspects to this scheme, with the external works to the school playing field already having approved budgets of £366k, plus a contribution from the school of £133k.

The internal works have been more problematic, with an initial estimated cost of resolving all roofing, heating and ventilation issues within the premises, likely to cost in excess of the available budget.

The school needed replacing during the BSF programme and has been subject to a repair and remodelling approach, so it will be necessary to consider over the life of the school which is better value for money a new build and the 25 year maintenance and lifecycle costs compared with current increasing year on year maintenance and part renewal costs.

Further work is required to assess what the available options are and the cost of these potential options. A separate more detailed report is required to fully consider the requirements of the school.

### **Legal Implications: (Authorised by the Borough Solicitor)**

The Council has a statutory duty to provide sufficient and suitable provision whilst ensuring it achieves a balanced budget and any expenditure delivers value for money. This report is provided to enable members to ensure this is being achieved and where efforts need to be focussed or to understand why further budget necessary.

### **Risk Management:**

Risk management is addressed within the body of the report.

### **Background Information:**

The background papers can be obtained from Nicola Turner, Interim Head of Investment and Development:



Telephone: 0161 342 2623



e-mail: [nicola.turner1@tameside.gov.uk](mailto:nicola.turner1@tameside.gov.uk)

## 1. INTRODUCTION

- 1.1 This report provides an update on the latest position with the Council's Education Capital Programme and seeks recommendation for approval of various proposals 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 primary and secondary schools in its area.
- 1.3 The government allocates funding for school buildings under a number of categories, the three main ones are described in Section 2 of this report.
- 1.4 Strategic Planning and Capital Monitoring Panel (SPCMP) is requested to note the content of the report and to make recommendations to Executive Cabinet in respect of the proposed allocation of funding.

## 2. FUNDING AND FINANCIAL POSITION

- 2.1 The government allocates ring fenced capital grant funding for school buildings under the following main categories:

### **Basic Need Funding**

- 2.2 Basic Need Funding is allocated to each local authority to create new places in schools.
- 2.3 The table below sets out the amount of Basic Need Funding held by the Council, allocated in prior years, which is available to spend in 2019/2020:

<b>Basic Need Funding</b>	<b>Amount £</b>
Basic Need funding available to spend in 2018/19	£13,995,524
Earmarked Schemes for 2019/20	£9,073,000
Proposed Changes	£1,705,000
Unallocated as at 31 July	£3,217,524

- 2.4 On 5 October 2017, the Government announced that the 2019/2020 allocation of Basic Need Funding for Tameside Council would be £4,842,699.
- 2.5 On 29 May 2018, the Government announced the 2020/2021 allocation of Basic Need Funding. It should be noted that Tameside Council received no further allocation.
- 2.6 The balance of the Basic Need funding is profiled to be spent during the next year in order to deliver the required additional school places by September 2019 and 2020.

### **School Condition Allocation (SCA) Funding**

- 2.7 This grant is 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 and Skills Funding Agency (ESFA). The 2019/20 School Condition Allocation is £1,153,000.
- 2.8 The table below sets out the amount of School Condition Allocation available to spend in 2019/2020. Full details of proposed schemes are set out in **Appendix 2**.

<b>School Condition Allocation (SCA) Funding</b>	<b>Amount £</b>
SCA funding available to spend in 2019/20	£2,377,774
Earmarked schemes for 2019/20	£1,922,000
Proposed Changes	£51,000
Unallocated as at 31 July	£404,774

### **Devolved Formula Capital (DFC) Funding**

- 2.9 Devolved Formula Capital is direct funding for individual schools to maintain their buildings and fund small scale capital projects. It is calculated on a formulaic basis, using the school census dataset and schools make their own arrangements for works to be undertaken. DFC funding available in Tameside in 2019/20 is £344,294 for Maintained Local Authority and £180,889 for Voluntary Aided schools. The Council received £685,902 of additional Devolved Formula Capital in February 2019 relating to financial year 2018/19.

## **3. PROGRAMME UPDATE**

### **Basic Need Funded Schemes 2019/2020**

- 3.1 The current focus of the Council's Basic Need programme is to create additional places in secondary schools where forecasts have indicated a requirement.
- 3.2 Work is currently on-going to ensure that sufficient places are available in both Primary and Secondary Schools for September 2019 and September 2020 where forecasts have indicated a requirements and following previous Council decisions. A summary of the major schemes is set out below:
- Aldwyn and Hawthorns**
- 3.3 This scheme increases capacity at Aldwyn School from a 45-pupil intake to 60 and includes a two-classroom extension at Hawthorns School. There have been significant and ongoing delays to the project for a number of reasons including the collapse of Carillion and the challenges in finalising contractual arrangements.
- 3.4 Two temporary modular classrooms have previously been provided to accommodate additional pupils from September 2017 and September 2018. A third mobile for Aldwyn was approved at the last meeting of the Panel and this was provided over the summer holidays. Limited works to relocate the Hawthorns staffroom, thereby creating an additional classroom, were carried out over the summer 2018 but the school is continuing to face problems of overcrowding because of a high demand for its specialist provision. Panel at its July meeting agreed to support additional temporary accommodation at Hawthorns. This is being financially supported from the Basic Need grant but is being procured directly by the school. It is expected to be in place by the end of September 2019. Arrangements have been made to accommodate school operations on a temporary basis until this is in place.
- 3.5 Revised costs were agreed by Panel at its last meeting and we are now finally nearing a conclusion on the outstanding contractual issues, which should see works recommence during September 2019.
- 3.6 Should contracts be finalised before the start of the new school term in September 2019 it is anticipated that the permanent extensions to the schools will be completed in June 2020.
- 3.7 On completion of the permanent extension the three mobile units on hire at Aldwyn will be removed.

**RAG Status: RED**

### **St John's CE Dukinfield**

- 3.8 The scheme provides a two-classroom extension, increasing the school's intake from 30 to 45 throughout. This follows on from previous alterations to increase the numbers in KS1. Agreement was reached with the school, as a contingency plan, to reconfigure the use of the existing facilities to accommodate additional pupils from September 2018.
- 3.9 The LEP, via Robertson, is working to complete the design and tender stages. Panel agreed at its last meeting to add a two-classroom mobile in advance of September 2019 until the permanent extension can be completed. Panel is requested to recommend the allocation of a further £130,000 for the temporary accommodation now required.
- 3.10 The LEP has now provided a cost estimate of £1,212,755 for the construction (including fees, contingency and other associated costs). Panel has previously approved £1,193,000 for the main scheme. However, given the size of the project it must be delivered through a design and build process so this must be factored into the cost. Additional budget of £150,000 is being requested to meet these additional costs and the costs of the mobile accommodation as referenced in **Appendix 1**.

### **RAG Status: RED**

### **Alder Community High School**

- 3.11 The works will increase pupil intake from 155 to 180 and are being procured through Pyramid Schools (now known as Albany), a PFI Special Purpose Vehicle (SPV). Significant internal alterations were carried out over summer 2018 to enable the first year of additional pupils to be suitably accommodated.
- 3.12 Members of the Panel will recall the problems encountered in procuring this traditionally-built four-classroom extension. The financial instability at the time of Interserve meant that it was decided not to progress with them. The next tenderer took some weeks to consider their position but then declined the invitation to build the extension. Discussions then took place with all parties to identify an alternative solution to accommodate the increase in pupils from September 2019. The outcome from this discussion is that a modular four-classroom building will be procured which will have a 25 year life span guarantee.
- 3.13 The SPV through Elite Systems are overseeing the procurement of a standalone four-classroom modular block over summer 2019, which should be ready for occupation from the start of the September 2019 term. A second phase to link the block directly to the school will be procured at a later stage along with works to improve the security at the main entrance and also to provide canopies to provide additional dining space.
- 3.14 Costs are being finalised but high-level estimates suggest that the modular block and associated costs will be within budget estimates already approved.

### **RAG Status: AMBER**

### **Hyde Community College**

- 3.15 The scheme increases the school's intake from 210 to 240 and is being overseen by Amber Infrastructure, a PFI Special Purpose Vehicle. Work on the internal alterations commenced in August 2018 with the bulk completed by October 2018. Remaining internal works will be scheduled with the Phase 2 works to the construction shed.
- 3.16 A scope and programme of works, to convert the former construction shed into five Classrooms was agreed with the school but because of the structure of the construction shed was found impossible to build. Further discussion is ongoing with architects to secure a compromise proposal. Further details will be reported to the next meeting. Because of the delay to completing these works Panel agreed to support the provision of a four-classroom mobile block. The cost of this has increased from the high-level budget previously reported. Final costs have been inflated because of significant additional civil

engineering work to connect up drains and electricity supply. The final figure also provides for new furniture and ICT whiteboards which will be transferred to the construction shed when the works are completed. Panel is requested to allocate an additional £135,000 to this scheme which was completed over summer and ready for occupation on 1 September 2019.

**RAG Status: AMBER**

**Mossley Hollins High School**

- 3.17 The scheme increased the school's intake from 156 to 180 and a new four-classroom modular building was erected over the summer of 2018 and was ready for occupation in time for the new school year.
- 3.18 The school requested that the Council considers funding some additional works to remodel a technology area in advance of the original plan. Following further discussions with the school it has been agreed to carry out these works over summer 2019. The existing budget will be sufficient to this end and a report on final costs will be submitted to the next meeting.

**RAG Status: GREEN**

**Rayner Stephens High School / Cromwell Special School**

- 3.19 The scheme aims to increase the school's intake from 150 to 180 places. A further review of the proposed works is required because of new proposals to expand the adjacent Cromwell Special School to include post 16 provision. It is therefore now unlikely that work will commence before summer 2020. A further report will be presented at a future meeting.

**RAG Status: GREEN**

**Audenshaw School**

- 3.20 Discussions have taken place with Audenshaw School to carry out internal remodelling so the school can offer additional places from September 2020. The school previously operated a sixth form and some remodelling of this area is proposed to create additional classrooms. Additional specialist laboratory space is also required.
- 3.21 The project is in the early stages of development and a more detailed update will be presented at the next meeting. At this stage Panel is requested to recommend the allocation of a further £900,000 to the scheme – which will cover the first phase of remodelling the former sixth form centre.

**RAG Status: GREEN**

**Denton Community College**

- 3.22 Discussions are underway to provide additional temporary accommodation at Denton Community College from September 2019. This will take the form of a new temporary six-classroom block with toilets and staff workroom along with significant internal remodelling to create additional teaching spaces. Panel has previously allocated £850,000 towards the scheme based on high-level estimates for initial scoping and design costs and the six-classroom block which is the most urgent of the works. Since the July Panel meeting further feasibility studies have been undertaken in regards to the remodelling of existing accommodation in the main school. Updated estimates are now available and with the inclusion of a £100,000 client contingency the current estimate for all works in this phase is now £1,366,647. Panel is asked to recommend the allocation of a further £520,000 from the Basic Need budget to ensure these works can be completed.

**RAG Status: AMBER**

### **All Saints RC High School**

- 3.23 Discussions have recently started with the school to expand their Published Admission Number by 30 pupils in each of the years 2021, 2022 and 2023. The project is in the early stages of development and so a more detailed update will be presented at the next meeting.

### **RAG Status: GREEN**

- 3.24 Virements and approval within approved budgets under £100,000 are approved under delegated authority in accordance with the Council's Constitution.
- 3.25 **Appendix 1** provides a financial update with details of Basic Need funding projects over £100,000, previously approved, including proposed changes to scheme funding.

### **School Condition Allocation (SCA) Schemes 2019/2020**

- 3.26 The following sets out further detail about the larger schemes in the current year's capital programme.
- 3.27 **Appendix 2** provides a financial update with details of School Condition Allocation funded projects over £100k, previously approved, including proposed changes to scheme funding.
- 3.28 A summary of the major schemes is provided below:

### **Hollingworth Primary School – Kitchen and Dining Block and Re-wire**

- 3.29 The Council was successful in obtaining a Priority Schools Rebuilding Programme (PSBP2) allocation from the DfE to rebuild the school's dining hall and kitchen. The scheme which was procured directly by the DfE is now largely complete and should be open to pupils in the next two weeks.
- 3.30 The slight delay from the original handover date is a result of programming problems between the DfE's main contractor, Electricity North West who have had to boost the electricity supply to the whole site, and N-Power, the utility supplier, who also were required to install a new meter.
- 3.31 In tandem with the works to the new kitchen the school's entire electrical system – small power, lighting and fire-alarms are also being renewed. This work commenced over the summer holidays and will be completed, working over weekends, throughout the autumn term. Final costs will be £260,650 and Panel had previously approved a high-level budget of £250,000. The additional £11,000 is requested to be devoted to the scheme from unallocated School Condition Allocation.

### **St Anne's Primary School Denton – Playground and Re-wire**

- 3.32 As reported to the panel in July the resurfacing of the school playground was carried out over the summer holidays.
- 3.33 Works to completely re-wire the small power and lighting at the school also commenced over the summer holidays. The majority of this work is now complete with full completion later this month.
- 3.34 A proposal to extend the school into the unused side road is due to be considered through the Planning applications process and an update will be given to a future meeting.

### **Russell Scott Primary School**

- 3.35 The Council's Design and Delivery team have been undertaking remedial and further funded works at the school following a major remodelling and extension in 2015. These works have focused on two main issues:

- a) External works which will ultimately result in specialist works to renew sports pitches – this work has been tendered via STAR/the Chest and submissions are currently being evaluated.
- b) Internal works – significant remedial works have been identified following an independent review.

3.36 Heavy early summer rainfall has resulted in the rapid deterioration of the roof and its subsequent failure. The failure of the roof has compromised the fire alarm and electrics.

3.37 An independent review of internal works in relation to the above is now complete and a report addressing the all works required, both internal and external, is being developed for governance.

#### **Stalyhill Infant School**

3.38 The school has an insufficient number of pupil toilets in the Early Years section of the school and Panel agreed two years' ago to carry out a remodelling of the classroom and associated toilets to ensure that sanitary facilities were increased and upgraded. The scheme requires significant internal alterations with wholesale rearrangement of services and distribution pipes, new drainage and a relocation of fire escapes.

3.39 The works have been re-tendered and now that asbestos surveys have been returned and the works will result in the need to remove asbestos that will be uncovered as part of the alterations. An additional £22,000 on top of the previously agreed £131,000 is recommended to be allocated to the project. The amount is available from the unallocated School Condition allocation.

#### **Condition Surveys**

3.40 A condition survey of all schools is now shortly to be progressed, via the LEP, to provide accurate and up to date information on school condition and inform better targeting of increasingly scarce capital resources.

3.41 We are awaiting a final cost and programme and intend to undertake the surveys over the autumn term 2019. The outcome of the surveys will form the basis of an updated Education Capital Asset Management Plan which will prioritise spending on urgent works across the school estate in a clear and transparent manner. It is intended that this updated Plan will be available by spring 2020 to inform spending decisions on major projects over summer 2020 and beyond.

#### **Asbestos Management Surveys**

3.42 A previous decision was taken to carry out updated asbestos management surveys at the remaining community and VA schools built before the year 2000. The majority of these surveys have now been completed with the remaining four schools to be completed shortly.

3.43 The surveys have identified no major issues with all standard maintenance and condition works being approved.

#### **Special Educational Needs - Cromwell School**

3.44 As reported to panel at its July meeting it is proposed to create new post 16 provision at Cromwell School. This additional provision will provide more choice for Tameside families, enabling some young people who currently attend the school to continue their leaning post 16 at the school. This provision is in demand from parents and will prevent young people having to travel out of borough for similar placements. Initially it is proposed to use two rooms at Rayner Stephen's High School which are directly adjacent to Cromwell School. The two rooms are currently used by the School Library Service. Some expenditure to bring the rooms back to classroom standard, and additional ICT and furniture is required. A replacement home for the Library Service will also need to be identified and this may incur some additional costs. In the short term this is likely to be an alternative location within



Rayner Stephens. The costs for this work will be allocated from the Council's Special Provision Fund which is a government grant of £211,254 for 2019/2020.

#### **4. PROCUREMENT AND ADDED VALUE**

- 4.1 In accordance with Council policy, most capital projects are procured through the Tameside Investment Partnership (LEP) subject to a price for un-costed risks being agreed prior to the contract being let or work agreed. Alterations to PFI schools are procured through the PFI contracts.
- 4.2 In addition to a fixed price and scope being provided, the LEP 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 LEP has also committed to delivering added value in the form of using local supply chains and providing apprenticeships and work experience opportunities.
- 4.3 Following the Council's Executive Cabinet decision on 20 June 2018 to review the current arrangements with the LEP by 31 July 2019, there will be a need to ensure that a longer term sustainable solution for the delivery of the Education Capital Programme forms part of the consideration of that review.
- 4.4 Some smaller schemes are procured directly through the Council's Engineering Design & Delivery, and Disabled Adaptation teams, or through the Tameside Works First initiative for local businesses.
- 4.5 Capital projects at Voluntary Aided schools are generally procured directly by the relevant diocese as they own the buildings.

#### **5. RISK MANAGEMENT**

- 5.1 The specific risks and mitigation plans, associated with each of the projects, have been identified in the main section of the report.
- 5.2 The majority of the Council's Education Capital Programme is procured through the Tameside Investment Partnership – a Local Education Partnership (LEP). The LEP previously engaged Carillion as their main sub-contractor. There were unavoidable delays to the programme following the liquidation of Carillion on 15 January 2018. Robertson was subsequently appointed as a replacement but not until the 30 July 2018. This meant there was little time to tender, mobilise and carry out schemes over summer 2018.
- 5.3 During this unstable period alternative delivery options have been progressed, where appropriate, for a limited number of schemes especially where they related to urgent health and safety works or to provide necessary school places. Schemes, where appropriate, were procured through the Council's Engineering and Disabled Adaptations teams and via other third-party arrangements.
- 5.4 Contingency plans were also developed, in partnership with schools, to ensure there was minimal disruption to learning where it was evident that schemes could not be delivered within the timescales available. Schools have been particularly understanding in these instances to engage in identifying and agreeing pragmatic contingency measures.
- 5.5 Although the collapse of Carillion and the delay in appointing a new FM contractor have put the Education Capital Programme under pressure the programme is now largely back on track, following the delivery of a number of SCA schemes, over the summer holidays.

- 5.6 Engagements with identified schools have already commenced in order to start to develop new projects, in a timely manner, thereby ensuring the effective delivery of additional school places by September 2020.
- 5.7 Capacity within the Council, specifically for project management, continues to be a challenge and contributes significantly to programme delays. Interim capacity has now been secured and recruitment to vacant posts is in progress.
- 5.8 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, incorporating appropriate contingency will mitigate against this and enable projects to be delivered in a timely and cost-effective manner.

## **6. RECOMMENDATIONS**

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

# APPENDIX 1

## Basic Need Funding Schemes - Financial Update

The table below provides details of Basic Need funded projects, previously approved, including requirements for additional funding.

BASIC NEED SCHEMES	Existing 2019/20 Scheme Budget	Re-profiling requested at P3	2019/20 Budget following re-profile
Aldwyn Primary School	2,794,000	0	2,794,000
Alder Community High School	1,688,000	0	1,688,000
Hyde Community College	1,400,000	(300,000)	1,100,000
St John's CE Dukinfield	1,193,000	0	1,193,000
Denton Community College	850,000	0	850,000
Rayner Stephens Academy	473,000	(473,000)	0
Mossley Hollins High	361,000	0	361,000
Hawthorns Primary School	180,000	0	180,000
Audenshaw High School	100,000	0	100,000
St Georges Mossley	34,000	0	34,000
<b>Total</b>	<b>9,073,000</b>	<b>(773,000)</b>	<b>8,300,000</b>

BASIC NEED SCHEMES	2019/20 Budget following re-profile	Proposed Changes	Total Scheme Budget
Aldwyn Primary School	2,794,000	0	2,794,000
Alder Community High School	1,688,000	0	1,688,000
Hyde Community College	1,100,000	135,000	1,235,000
St John's CE Dukinfield	1,193,000	150,000	1,343,000
Denton Community College	850,000	520,000	1,370,000
Rayner Stephens Academy	0	0	0
Mossley Hollins High	361,000	0	361,000
Hawthorns Primary School	180,000	0	180,000
Audenshaw High School	100,000	900,000	1,000,000
St Georges Mossley	34,000	0	34,000
<b>Total</b>	<b>8,300,000</b>	<b>1,705,000</b>	<b>10,005,000</b>

<b>Total unallocated Basic Need remaining should the above changes be approved</b>	<b>£3,217,524</b>
--	-------------------

## APPENDIX 2

### School Condition Allocation Schemes - Financial Update

The table below provides details of School Condition Allocation funded projects over £100k, previously approved, including requirements for additional funding.

SCHOOL CONDITION SCHEMES	Existing 2019/20 Scheme Budget	Re-profiling requested at P3	2019/20 Budget following re-profile
Hollingworth Primary	329,000	0	329,000
Russell Scott Primary	320,000	0	320,000
St Anne's Denton Primary	200,000	0	200,000
Stalyhill Infants	131,000	0	131,000
Stock Condition Survey	100,000	0	100,000
School Condition Related Works Contingency	100,000	0	100,000
Other Schemes Individually below £100K	742,000	0	742,000
<b>Total</b>	<b>1,922,000</b>	<b>0</b>	<b>1,922,000</b>

SCHOOL CONDITION SCHEMES	2019/20 Budget following re-profile	Proposed Changes	Total Scheme Budget
Hollingworth Primary	329,000	11,000	340,000
Russell Scott Primary	320,000	0	320,000
St Anne's Denton Primary	200,000	0	200,000
Stalyhill Infants	131,000	22,000	153,000
Stock Condition Survey	100,000	0	100,000
School Condition Related Works Contingency	100,000	0	100,000
Other Schemes Individually below £100K	742,000	18,000	760,000
<b>Total</b>	<b>1,922,000</b>	<b>51,000</b>	<b>1,973,000</b>

<b>Total unallocated School Condition Allocation remaining should the above changes be approved</b>	<b>£404,774</b>
---	-----------------


<b>Report to:</b>	<b>STRATEGIC PLANNING AND CAPITAL MONITORING PANEL</b>
<b>Date:</b>	2 September 2019
<b>Executive Member / Reporting Officer:</b>	Councillor Ryan Executive Member for Finance and Economic Growth Jayne Traverse, Director of Growth
<b>Subject:</b>	<b>CAPITAL PROGRAMME - GROWTH</b>
<b>Report Summary:</b>	This report provides an update on the 2019/2020 Growth Capital Programme. The report sets out, in Section 2, details of the major approved capital schemes in this Directorate.
<b>Recommendations:</b>	That Strategic Capital Panel Members note the report.
<b>Corporate Plan:</b>	The schemes, set out in this report, support the objectives of the Corporate Plan.
<b>Policy Implications:</b>	In line with policy.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p><b>Disabled Facilities Grant</b></p> <p>There is £2.000m included in the 18/19 Capital Programme for adaptations. As of 29 July 2019 there has been expenditure incurred of £0.632m with a further £0.427m committed purchases as shown in the table in section 2.2.</p> <p>Following approval at Executive Cabinet on 24 July 2019, £0.250m was added to the Capital Programme for a Disability Assessment Centre and £0.375m for a Single Handed Care Scheme, as these projects are in the early stages, there has not yet been any expenditure incurred.</p> <p><b>Section 106 Agreements and Developer Contributions</b></p> <p>The S106 agreements must be spent within a specified deadline, the agreement will also detail the purpose of the contribution, and a record of this is maintained within financial management. A breakdown of the funds currently held is shown in detail in <b>Appendix 1</b>.</p> <p><b>Ashton Town Hall</b></p> <p>The Capital programme included an earmarked resource of £10.000m for Ashton Town Hall. On the 24<sup>th</sup> July 2019, Executive Cabinet approved the release of £0.100m of the earmarked budget to fund further market testing which has now been added to the Programme, leaving an earmarked balance of £9.900m.</p>
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	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. Capital is one off spend on infrastructure and needs to be replenished by selling assets in the absence of grant monies from Government to enable a capital programme. Every project also has ongoing running as well as lifecycle costs, which need to be factored into it. This report refers to high level project for which there need to be clear business cases and project plans for

delivery.

**Risk Management:** This is covered in the reports on individual projects.

**Access to Information:** The report is to be considered in public.

**Background Information:** The background papers relating to this report can be inspected by contacting

 Telephone: 0161 342 2623

 e-mail: nicola.turner1@tameside.gov.uk

## 1. INTRODUCTION

- 1.1 This report provides an update on the major capital projects, within the Capital Programme managed by the Growth Directorate. It also provides an update on the prioritisation of business cases yet to be approved and formally included in the Capital Programme.
- 1.2 The Capital Programme delivers a number of the Council's objectives ranging from statutory responsibilities to regeneration ambitions. Education and leisure projects are covered in separate reports but also form part of the Council's capital programme.

## 2. APPROVED CAPITAL PROJECTS

### Disabled Facilities Grant and Other Related Adaptation Funding

- 2.1 The total budget for adaptations as reported previously is £4,251,885 comprising funding for Adaptations £2,000,000; Pilot for Single Handed Care scheme £375,000; Disability Assessment Centre £250,000; and the Brain in Hand Project £20,000. Estimated expenditure will be £2,645,000 with the remainder carried forward to underpin possible reduction in funds or for new initiatives.
- 2.2 Disabled Facilities Grants and other major adaptations – the information reported below for adaptations is valid as of 29 July 2019.

Referrals received in year	63	Urgent and substantial	From Adults and Children's Services
Approved schemes	159	Urgent and Substantial	54 carried over from 18/19
Completions to date	84	Urgent and Substantial	
Budget committed	£1,132,117	Value of approved schemes	Major adapts only
Expenditure to date	£632,071	As per Agresso – includes minor works and fees	£426,580 committed purchases
Referrals awaiting allocation	27	Current waiting list for Substantial	Allocation due in August
Referrals cancelled	5	Various reasons	2 cancelled following approval of grant

### Funds Transferred to Adult Services

- 2.3 Disability Assessment Centre - this will provide a facility in which residents of the borough can be assessed by an Occupational Therapist or other professional using typical equipment set up in mock home situations ( bathrooms/ bedrooms/ stairs/ lighting/ assistive technology). This will enable individual assessments to be more precise and allow the client to gain first-hand experience of what is being recommended for their assessed needs.
- 2.4 The Adult Services' 'Living Well at Home' programme aims to support people to remain as independent as possible, whilst ensuring that safe practice and effective, high quality of care is maintained. As part of our review, it was found that there is scope for safe, more person centred single handed approaches to double handed manual transfers. To carry this out would involve dedicated resources to train staff teams and raise awareness in terms of equipment specific training, work with stakeholders across health and social care to develop an effective approach to risk assessment and re-assess service users currently with two care staff to identify if equipment could be used safely by one care staff member instead.

- 2.5 Capital funding has therefore been agreed for the establishment of a single handed care team that will be tasked with instigating whole system change with the aim of reducing the instances of double up staffing, in order to undertake safe manual handling activities associated with the provision of care and support. The posts will be community-based, but with close links to the hospital practitioner teams, manual handling team and other services and will have the sole function of embedding safe, single handed care as normal practice across all sectors within the TMBC footprint. The single handed care team will provide clinical and project leadership as well as providing additional capacity. The team will be employed on a two year fixed term basis.
- 2.6 The business case was presented to the Strategic Commissioning Board in June 2019, and approval given at Executive Cabinet on 24 July 2019 for an investment of £0.375 million of Disabled Facilities Grant phased over 2019/20 to 2021/22. This will be a two year project financed over the three years due to the commencement of the posts projected to be 1 October 2019. The breakdown of the monies is outlined in the table below:

#### **Single Handed Care Team – Estimated Investment Profile**

<b>2019/20 £'000</b>	<b>2019/20 £'000</b>	<b>2019/20 £'000</b>	<b>Total £'000</b>
92	186	97	375

Further updates will be brought to the Strategic Planning and Capital Monitoring Panel once the project has commenced, and posts have been recruited to.

#### **Non Adaptations/ Discretionary Schemes**

- 2.7 The new Housing Financial Assistance Policy introduced two new non adaptation schemes: Over 65 Stay Put Scheme and Home Repair Assistance. Both schemes are centred upon dealing with health & safety issues and disrepair issues for owner-occupiers where disrepair is likely to lead to ongoing or new health related problems. The number of enquiries at this early stage is low but this is expected to rise.
- 2.8 The total budget for non-adaptation works is £999,289 with £200,000 being earmarked for schemes during this first year. This budget uses repayments from previous capital grants.
- 2.9 The table below provides a high level summary of the key project risks.

<b>Risk</b>	<b>Mitigation</b>	<b>Status</b>
Financial – prioritisation of DFG funding	Prioritise this element of budget	AMBER
Partnership working	Ensure close working arrangements are in place with Adult and Children's services to achieve agreed output targets	GREEN

#### **Corporate Landlord – Capital Expenditure**

- 2.10 Corporate landlord capital expenditure in regard to statutory compliance repairs on the Council's buildings is charged retrospectively and will be available in the next report..

#### **Section 106 Agreements and Developer Contributions**

- 2.11 This section of the report summarises the financial position as it stood on 30 June 2019 with regard to receipts for Section 106 (s106) Agreements and Developer Contributions and



makes comments for each service area. This is followed by clarification on new agreements made until this date and any requests made to draw down funding.

#### **Section 106 Agreement Funds:**

2.12 The current position for s106 Agreements is £1,029,000 in credit as at 30 June 2019 comprising:

- Community Services:  
The balance of unallocated s106 funds stands at £156,000;
- Engineering Services:  
The balance of unallocated s106 funds stands at £161,000; and,
- Services for Children and Young people:  
The balance of unallocated s106 funds stands at £698,000.

#### **Developer Contributions (secured prior to Community Infrastructure Levy regulations)**

2.13 The current position for Developer Contributions as at 30 June 2019 was £89,000 in credit comprising:

- Green Space Contributions:  
The balance of available contributions stands at £0.
- Community Education Contribution  
The balance of available contributions stands at £73,000.
- Integrated Transport Contribution  
The balance of available contributions stands at £17,000.

#### **New Section 106 Agreement(s):**

2.14 17/00012/OUT – Amenity Area Adjacent 25 Grosvenor Street, Stalybridge.

This application was considered by Speakers Panel on 13 February 2019, with a decision date of 7 June 2019.

#### **S106 Purpose:**

- Highways Contribution - £347.98 1-bed units, £835.16 for others, for installation of electric vehicle charging points in car parks in Stalybridge.
- Open Space Contribution: £798.42 per unit for improvements to Cheetham's Park playground.
- Provision of on-site Affordable Housing.

#### **Requests to draw down funding**

2.15 No requests have been made to draw down funding.

#### **Other schemes**

2.16 Works are ongoing on other approved capital schemes including the Godley Green development, Ashton Old Baths Phase 3 and Hattersley Station. Updates on these schemes will be provided in future reports.

### **3. EARMARKED SCHEMES**

3.1 The table below provides a summary of the approved earmarked schemes which are managed in the Growth Directorate.

- 3.2 The purpose of the table is to identify all earmarked schemes, within the Growth Directorate, and identify the current status and anticipated timescales for obtaining business case approval.

<b>Capital Scheme</b>	<b>Target Date for Approval of Business Case by Executive Cabinet</b>
Statutory Compliance	18 December 2019
Woodend Chimney	TBC
Refurbishment of Ashton Town Hall	June 2020
Pension Fund Building	TBC
Property- Refurbishment of Capital Assets	Subject to building condition surveys and strategy
Hyde Indoor Market	TBC
Hyde Town Hall Roof	TBC
Asset Management Software	TBC
Active Medlock	25 September 2019
Union Street Health Hub	TBC

#### **Ashton Town Hall**

- 3.3 In June 2017 Executive Cabinet received a report on the plans for the development of Ashton Town Hall and approved a development budget for the initial design and planning work. In July 2018, a pause was placed on the Capital Programme and a prioritisation exercise undertaken, which was then approved by Executive Cabinet in March 2019. The prioritised schemes included a £10.000m earmarked budget for Ashton Town Hall.
- 3.4 The initial plans drawn up in 2017 developed a model for Ashton Town Hall which delivered the objectives of the Council but with a significant ongoing revenue cost. In the context of the ongoing financial pressures facing the Council, further market testing is required to consider alternative models which could deliver revenue benefits or reduce the revenue costs to the Council. On the 24 July 2019 Executive Cabinet approved the recommendation from SPCMP; that £0.100m of the £10.000m earmarked budget for Ashton Town Hall is released to fund further market testing and feasibility works.
- 3.5 This work is now being undertaken.

## **4. RECOMMENDATIONS**

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

# APPENDIX 1

## SECTION 106 AGREEMENTS – FINANCIAL UPDATE

Section 106		Community Services	Engineering Services	Services for Children & Young People	Other	Total
		£000	£000	£000	£000	£000
S106 - Not yet earmarked	Brought forward from 2018/19	(295)	(161)	(712)	(14)	(1,182)
	Received 2019/20	(22)		(55)		(77)
	Approved at previous SCP and included on Capital Programme	161		69		230
	<b>Total</b>	<b>(156)</b>	<b>(161)</b>	<b>(698)</b>	<b>(14)</b>	<b>(1,029)</b>
S106 - Not yet reached trigger point		<b>(631)</b>	<b>(306)</b>	<b>(540)</b>	<b>(12)</b>	<b>(1,489)</b>

## DEVELOPER CONTRIBUTIONS (SECURED PRIOR TO COMMUNITY INFRASTRUCTURE LEVY REGULATIONS)

Developer Contributions	Green Space Contribution	Community Education Contribution	Integrated Transport Contribution	4% Administration Charge	Totals
	£000	£000	£000	£000	£000
Brought forward from previous years	(42)	(73)	(17)	1	(131)
Received 2019/20	0	0	0	0	0
Approved at previous SCP and included on Capital Programme	42	0	0	0	42
<b>Total</b>	<b>0</b>	<b>(73)</b>	<b>(17)</b>	<b>1</b>	<b>(89)</b>

This page is intentionally left blank

<b>Report To:</b>	<b>STRATEGIC PLANNING AND CAPITAL MONITORING PANEL</b>
<b>Date:</b>	02 September 2019
<b>Executive Member/Reporting Officer:</b>	Cllr Warren Bray - Executive Member (Transport and Connectivity) Emma Varnam – Assistant Director – Operations & Neighbourhoods
<b>Subject:</b>	<b>CAPITAL PROJECTS – OPERATIONS AND NEIGHBOURHOODS</b>
<b>Report Summary:</b>	<p>The report provides an update on the 2019/20 Operations and Neighbourhoods Capital Programme. <b>Section 2</b> of the report details the major approved capital schemes in the Operations and Neighbourhoods Directorate for 2019/20.</p> <p>In addition, <b>Section 3</b> of the report provides an update on the Council's bid to the GM Mayor's Challenge Fund for Walking and Cycling and on the progress of the Council's bid into the Department for Transport's (DfT) Safer Roads Scheme and other successful bids.</p>
<b>Recommendations:</b>	<p>To note the report and the details of the status of the schemes in the programme.</p> <p>To recommend to Executive Cabinet that:</p> <ul style="list-style-type: none"><li>i) The additional capital grant funding of £0.200m from the DfT's Safer Roads Fund is added to the Council's Capital Programme.</li><li>ii) The additional funding for roads of £1.029m announced by the Chancellor in October 2018 is £0.771 for potholes (revenue) and the remainder of £0.258m for structures and street lighting is added to the Council's Capital Programme.</li><li>iii) Next year's 2020/2021 indicative LTP grant of £2.258m is approved for addition to Council's Capital Programme.</li></ul>
<b>Links to Community Strategy:</b>	<p>The schemes within the 2019/20 Highways 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> <p>Development of work on improving the walking and cycling infrastructure supports a healthier borough and a move away from the reliance on cars as the first choice of transport.</p> <p>Other schemes have been prioritised as they support the Council's strategies for the borough.</p>
<b>Policy Implications:</b>	<p>The funding allocation for the Highways Capital Programme supports the Council's Corporate Plan priorities around the Sustainable Community Strategy.</p> <p>It also supports the objectives of the Greater Manchester 3<sup>rd</sup> Local</p>

Transport Plan and associated strategies thereby underpinning its aims and objectives at a regional and local level, including walking and cycling strategies, reducing congestion and improving air quality.

**Financial Implications:**  
**(Authorised by the Section**  
**151 Officer)**

**Slope Stability Works – Fairlea, Denton and Greenside Lane, Droylsden**

The total budget for the Fairlea element of the slope stability works is £0.350m, this scheme is currently on budget and expected to be complete in 18/19. The budget for Greenside Lane is £0.300m, the scheme is being re-evaluated due to complexities and the project is now expected to overspend by approximately £0.350m. Once the evaluation has been completed, a further report will be submitted to request additional funding.

**Replacement of Cremators and Mercury Abatement, Filtration Plant and Heat Recovery Facilities**

A budget of £2.500m was approved in October 2018, the estimated cost was based on quotations received from other organisations. The procurement process has now been completed and the contract awarded at a cost of £1.537m, which would be a saving of £0.963m. This will be monitored as the works begin and updated throughout the year. If the final cost is in line with the successful tender, the saving would be available to fund other capital investment.

**Local Highways Maintenance Capital block funding 2019-20**

The Council received an additional one off £1.029m funding from Department for Transport (DfT) for 2019-20. Using the agreed national formula funding £0.258m has been allocated to Bridges Structures and Street Lighting capital works and £0.772m allocated to fund reactive works in revenue. The allocation is set out in Table 1 of this report. This report seeks approval for £0.258m to be added to the Council's 2019-20 capital programme.

**Local Highways Maintenance Capital block funding 2020-21**

Council has received an indicative approval of Highways Maintenance grant of £2.258m for 2020-21. The grant has been allocated in accordance with the national formula and is set out in table 2 of this report. This report seeks approval for £2.258m to be added to the Council's 2020-21 capital programme. A schedule of works will be reported to Capital panel in March 2020.

**Department for Transport - Safer Roads Fund**

Details of a successful bid for £0.200m to the Safer Roads Fund is set out in section 3.12 of this report. This report seeks approval for £0.200m to be added to the Council's 2019-20 capital programme

**Highways Tameside Asset Management Plan 2019-20**

The Tameside Asset Management Plan (TAMP) for 2017-20, identified a funding requirement of £13.250m. Approval of

expenditure totalling £8m was approved and added to the Council's capital programme for the two year period 2017-18 and 2018-19. The remaining capital funding of £5.250m was requested and approved by Executive Cabinet in March 2019 for 2019-20. Additional funding requirements for future years will be considered as part of the 20/21 budget and Medium Term Financial Planning process, and then presented to members for approval.

### **The Greater Manchester Mayor's Cycling and Walking Challenge Fund (MCF)**

Details of the Council's bids for MCF funding are set out in section 3 and Appendix 5 of this report. The combined value of the schemes approved at Programme Entry is £12.5m (with one scheme still awaiting approval valued at £2.2m, which if approved takes the total value to £14.7m). Due to the requirements for joint funding arrangements, the bid for grant funding totals £9.399m, with the balance from other external grants.

The MCF governance around these schemes allows for scheme design costs to be claimed once an identified scheme gains Programme Entry and a monthly return on progress and profiled spend must be submitted. In addition, in order to access these funds a quarterly MCF Forecast is required to be submitted by the Project Manager and the Council's S151 Officer.

### **Legal Implications:**

**(Authorised by the Borough Solicitor)**

The Council has a statutory duty to maintain adopted highways and highway structures for which it is the highway authority under section 41 of the Highways Act 1980. The Cabinet approve the programme within the budget set by Council and the Panel are required to monitor to ensure it is being delivered efficiently effective on time and within budget. This report is intended to assist with that and members should ask for such information they require to assure themselves of delivery.

### **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.*
- Mayor's Challenge Fund Bids.  
*Failure to deliver the programme after securing funding will impact on the future success of bids from this source.*
- Other Schemes.  
*Failure to deliver the programme after securing funding will impact on the future success of bids from this source.*

**Access to Information:**

The background papers relating to this report can be inspected by contacting:

Alan Jackson, Head of Highways and Transport



Telephone: 0161 342 2818



e-mail: [alan.jackson@tameside.gov.uk](mailto:alan.jackson@tameside.gov.uk)



## 1. BACKGROUND INFORMATION

- 1.1 This report provides an update on current projects and schemes in the 2019/20 year, including the governance currently in place and updates on prioritisation of business cases produced for identified business critical systems and bids for external grants.

## 2. APPROVED SCHEMES

### **Highways: Transport Asset Management Plan (TAMP)**

- 2.1 The Tameside Transport Asset Management Plan for 2017-2021 identified proposals to invest £20.000m in the Council's highways over a four year period; financial years 2017/18 - 2020/21.
- 2.2 For years 2017/18 and 2018/19, £8.000m was approved. An allocation of £5.250m capital funding in 2019/20 for the TAMP has also been approved. The remaining £6.750m (2020/21) will be considered as part of the prioritisation of capital resources and is included in the Operations and Neighbourhoods five year capital requirements. A further report on future financial requirements is currently being drafted.
- 2.3 Since approval of the programme, Engineers have commenced works and the works programme is progressing as per schedule, with the programme front-loaded and scheduled to coincide with school summer holidays.
- 2.4 Included in **Appendix 1** is a borough wide plan, showing the carriageways with a condition rating of red or amber. **Appendix 2** shows the impact of the improvement programme on the carriageway condition, with those streets completed now in a green condition.
- 2.5 Included in **Appendix 3** are before and after photographs of a selection of streets.

### **Flooding: Flood Prevention and Consequential Repairs**

- 2.6 Following flooding in late 2016 and again in 2017, statutory 'Section 19' reports were produced as required by the Flood and Water Management Act 2010. These highlighted a number of flood and drainage assets that were substandard from a maintenance, access and performance point of view and required improvement to help increase resilience across the Borough.
- 2.7 Works have been completed at Cartwright Street, Hyde, Ney Street and Store Street, Ashton-under-Lyne. Interim access and safety improvements have been made at a number of locations, for example Demesne Drive, Stalybridge Screen 1. Full detailed design work has been commissioned from specialist design consultants for the most complex locations.
- 2.8 Examples of before and after culvert grating improvements are shown in **Appendix 4** (Demesne Drive 1, access and safety improvements, and Cartwright Street).

### **Slope Stability Works – Fairlea, Denton and Greenside Lane, Droylsden**

- 2.9 On 12 December 2018 Executive Cabinet approved a sum of £0.650m for the remedial slope stability works required at Fairlea and Greenside Lane. This figure is split £0.350m for Fairlea, and £0.300m for Greenside Lane.
- 2.10 The construction of the retaining structure at Fairlea commenced on site on 29 April 2019. The works to install the sheet Pile Retaining wall is complete and the stone protection to the stream bed is nearing completion. The slope drainage will be the final stage of work which is expected to be completed around the middle of August 2019. Works by United Utilities (UU) to replace sections of the damaged pipework, which runs through the gardens to several of the properties, is due to commence 2 August 2019. On the completion of the drainage repairs UU has agreed to make good all gardens affected by the work to the

satisfaction of residents. Discussions have already taken place with Greenspaces staff to review the replanting of the embankment and former compound area, who will be devising a re-planting scheme. The cost of the works and design/supervision is estimated at £0.350m, and this project is currently on budget.

- 2.11 Options for the scheme at Greenside Lane are being re-evaluated by the Council's consultant and specialist geotechnical advisors. The scheme is complicated by the presence of the overhead power cables, the proximity of the homes, and the effects of the erosion of the embankment at the toe by the River Medlock. A Planning application is in the process of being made, and the documents for tender being developed. Following due process it is expected that the contract will be awarded October 2019 and the project completed by early 2020.
- 2.12 Due to the complexity of the scheme at Greenside Lane costs are expected to exceed the approved budget. Until all options for Greenside Lane have been assessed we do not currently know the shortfall in funding, however we envisage this to be in the region of £0.350m and a further report will be required to secure additional funding.

### **Replacement of Cremators and Mercury Abatement, Filtration Plant and Heat Recovery Facilities**

- 2.13 £2.500m was earmarked in the capital programme to fund this project. This scheme was marked as business critical and was approved by Executive Cabinet on 24 October 2018. The estimated £2.500m cost of this scheme is based on quotations from other organisations.
- 2.14 STaR were engaged with the procurement of this project. Submissions were invited for the contract via The Chest, with the submission deadline being the 12 April 2019. Three interested companies submitted tenders by the deadline and the evaluation process took place on 29 April 2019.
- 2.15 Further financial analysis was carried out as a result of the evaluation meeting and clarification was sought on various aspects of the submissions to ensure risk to the Council was eliminated. Due to this, the original commencement date of May 2019 slipped slightly.
- 2.16 Following the evaluation process against the criteria published in the invitation to tender document, The Award Decision Notice was issued on 11th July 2019 to Matthews Environmental Solutions Ltd of Hyde as their offer was determined to be the most economically advantageous tender to the Council and they were therefore identified as the Council's current Preferred Bidder. Following the mandatory Standstill Period, which ended on 22 July 2019 with no appeals submitted, Matthews Environmental Solutions Ltd have now been formally awarded the contract. Work on site is to commence imminently.
- 2.17 All spend is anticipated to be spent during the financial year 2019/2020 as planned. The current £1.537m total cost, from a budget of £2.500m, would provide a saving of £0.963m.

## **3. EXTERNAL BIDS AND GRANTS**

### **The Greater Manchester Mayor's Cycling and Walking Challenge Fund Programme**

- 3.1 The Mayor's Cycling and Walking Challenge Fund (MCF) has been established to deliver on the Greater Manchester Cycling and Walking Commissioner's 'Made to Move' report. The aim is that Greater Manchester becomes a city region where walking and cycling are the natural choices for shorter journeys, as set out in the Greater Manchester Transport Strategy.

- 3.2 The MCF is split into two funding categories, namely 'Active Centres and Corridors' and 'Active Neighbourhoods' and Tameside MBC have submitted a number of bids to each of these funds.
- 3.3 The intention of the MCF is to invite proposals to be submitted on a regular three monthly basis and, unlike many bidding funds, proposals can be amended to incorporate additional elements and further improvements through agreement with officers from the Mayor's office and TfGM.
- 3.4 Tameside is continuing to prepare bids for submission into the fund. These are discussed with the Mayor's team in advance.
- 3.5 Funding allocation is subject to ratification by the Greater Manchester Combined Authority (GMCA) and all schemes are subject to elements of joint funding arrangements, with a rigorous process in place by TfGM for the governance of the funding.
- 3.6 To date there has been six rounds of funding under the MCF. Tameside has been successful in getting eleven schemes approved at the Programme Entry stage (with a final scheme still awaiting the outcome from the latest round of funding) and these are listed in **Appendix 5**.
- 3.7 The combined value of the schemes approved at Programme Entry is £12.5m (with the scheme still awaiting approval valued at £2.2m).
- 3.8 The MCF governance around these schemes allows for scheme design costs to be claimed once an identified scheme gains Programme Entry and a monthly return on progress and profiled spend must be submitted. In addition, in order to access these funds a quarterly MCF Forecast is required to be submitted by the Project Manager and the Council's S151 Officer.
- 3.9 Officers from Operations and Neighbourhoods are busy developing these schemes so that a full business case can be submitted to the GMCA for final approval. All works are programmed to be completed by end of financial year 2021/2022.

#### **Highways England – Designated Funds Scheme**

- 3.10 The Highways England Designated Funds Scheme was established in order to reduce the severance effect of motorways and trunk roads on local communities. One of the motorways identified as having this impact is the M67.
- 3.11 Tameside has been successful in securing £1.950m to create a cycle route that runs parallel to the M67 between the centres of Hyde and Hollingworth. Route options are currently being considered. Works must be completed during the financial year 2020/2021. This has already been added to the Council's Capital Programme.

#### **Department for Transport – Safer Roads Fund**

- 3.12 Following confirmation by the DfT that our bid for £0.200m joint bid with Oldham MBC into the above fund for the A670 corridor, Mossley Road Ashton, was successful the Council now needs to approve this allocation to be added to the Council's Capital Programme.
- 3.13 The scheme includes for the introduction of a signal controlled pedestrian crossing at St. George's Primary School, together with enhanced road markings, variable message signs and enhanced street lighting. Scheme details are currently being drawn up and associated Traffic Regulation Orders will be advertised for consultation as required.
- 3.14 Tameside MBC are actively working with Oldham MBC together to provide a seamless scheme, cross border, which will provide a safer user experience for all.

- 3.15 The detailed design is progressing and the financial arrangement between Oldham and Tameside has been formally addressed.

**Department for Transport – Highways Maintenance Grant, Incentive Fund and Pothole Fund**

- 3.16 In October 2018, the Chancellor announced in the Budget that the Government was allocating a further £420m of new money for local highways maintenance. This additional resource was allocated using the highways maintenance funding formula and is for the repair of roads (including potholes), bridges and local highways infrastructure generally.
- 3.17 The funding for each highways authority is based on the length of the local road network. For Tameside MBC the allocation is £1.029m for use in 2019/20. This additional funding is subject to the national formula with regards to the different highway assets.
- 3.18 The DfT funding is for roads, bridges & structures and Street Lighting is apportioned using a national formula, shown below in Table 1.

**Table 1 – Additional DfT Allocation for Roads 2019/2020**

Highway Asset	Allocation % (National Formula)	Additional DfT Allocation
Roads	75	£0.771m
Bridges & Structures	18	£0.186m
Street Lighting	7	£0.072m
Total	100	£1.029m

- 3.19 Please note that the £0.771m above for 'Roads' is counted as a revenue funding and not capital.
- 3.20 The Council's annual settlement for the Local Transport Plan is provided from the DfT and the funding is for roads, bridges & structures and street lighting, and is apportioned using the same national formula. Tameside's indicative allocation for 2020/2021 is £2.2580m, shown below in Table 2 and apportioned as per the formula. This is made up of £1.869m maintenance allocation and £0.389m incentive fund.

**Table 2 – Indicative Allocation for LTP 2020/21**

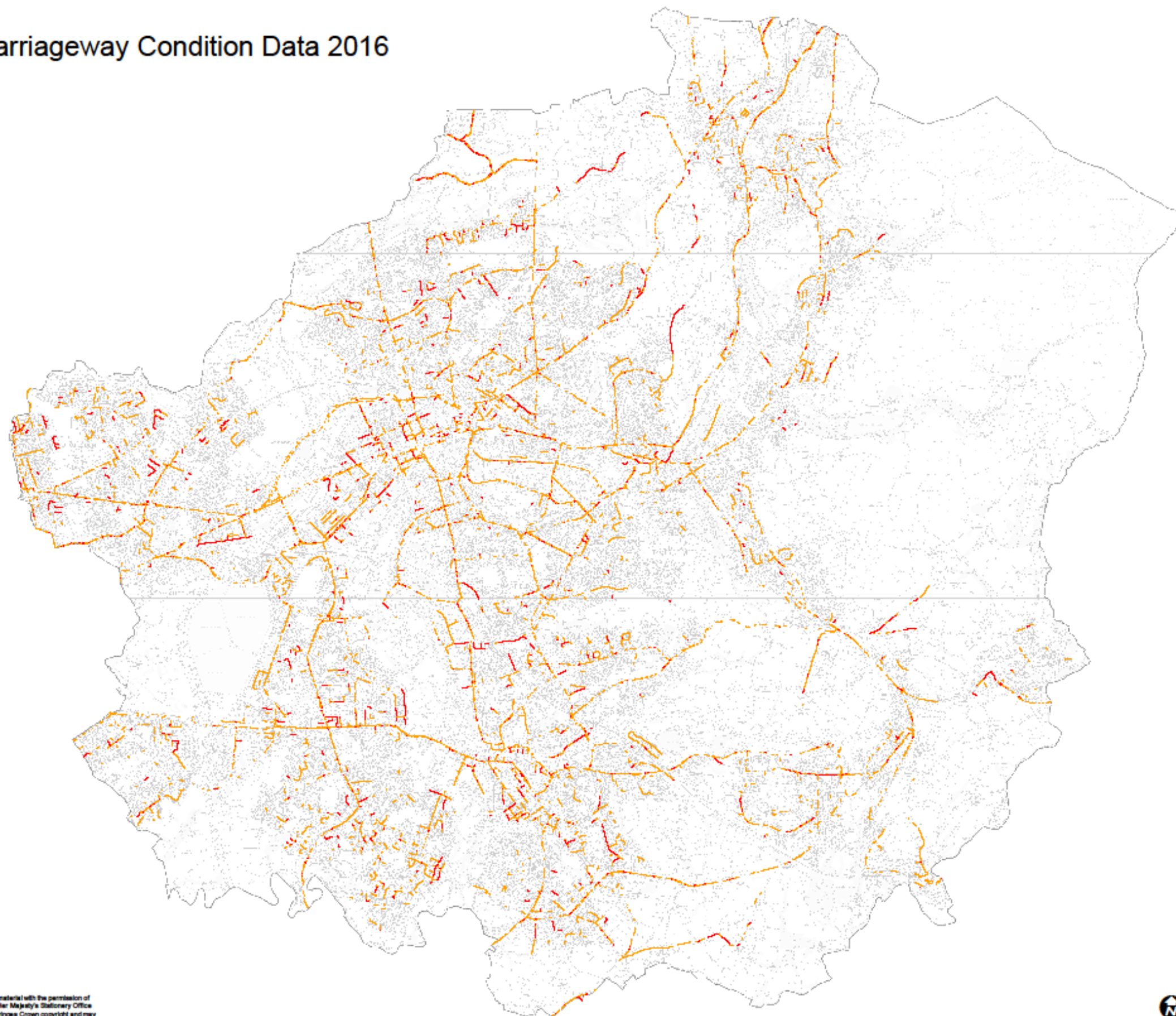
Highway Asset	Allocation % (National Formula)	DfT 2020/21 Allocation
Roads	75	£1.6935m
Bridges & Structures	18	£0.4065m
Street Lighting	7	£0.1580m
Total	100	£2.2580m

- 3.21 Approval will be sought from Executive Cabinet for grant funding to be added to 2020/21 capital funding.
- 3.22 A schedule of works will be reported to panel in March 2020.

#### **4. RECOMMENDATIONS**

- 4.1 As detailed on the front page of this report.

Appendix 1  
Tameside Carriageway Condition Data 2016




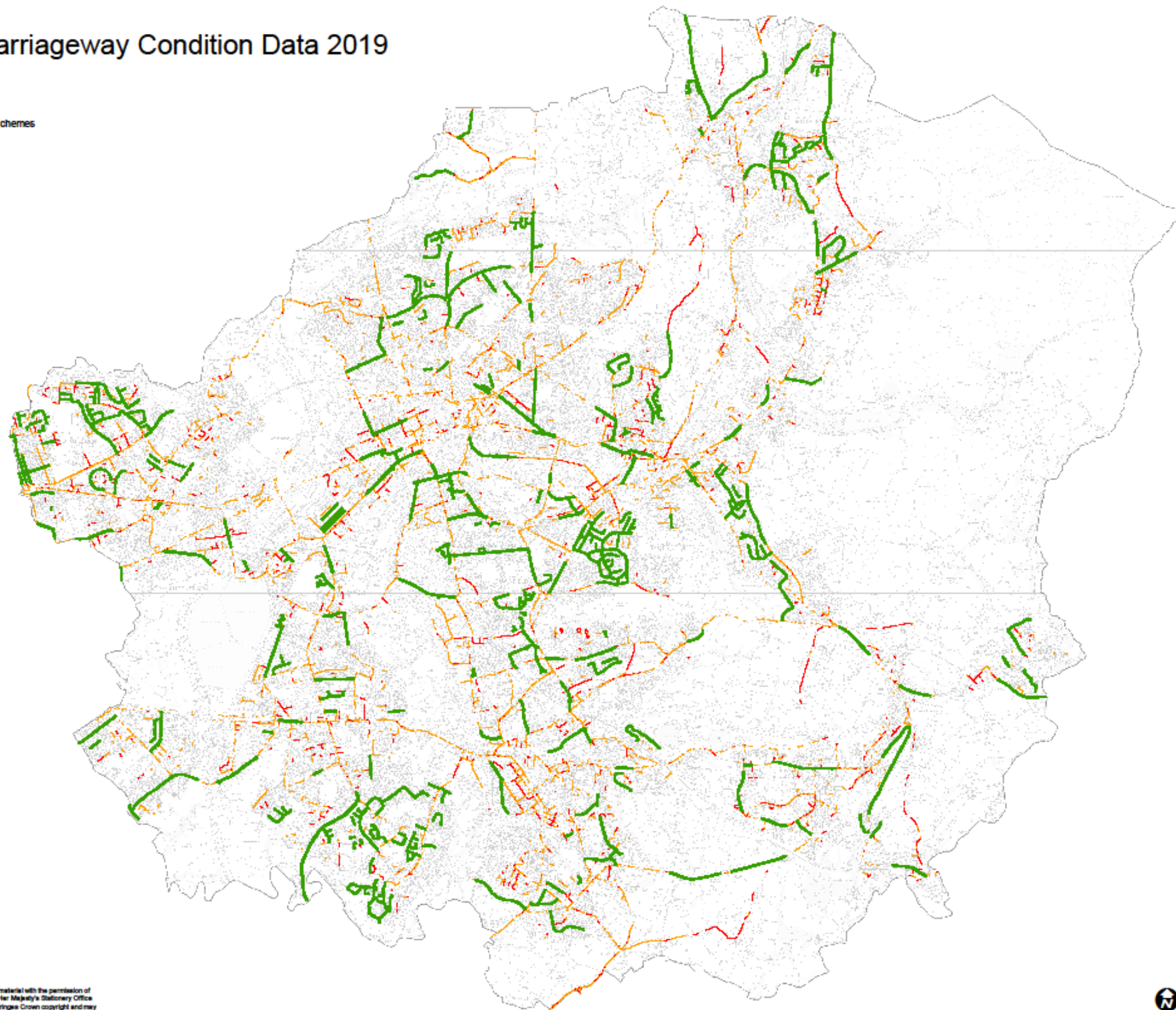
This map is reproduced from Ordnance Survey material with the permission of  
Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office  
© Crown copyright. Unauthorised reproduction infringes Crown copyright and may  
lead to prosecution or civil proceedings. LA100022697 2005.



## Appendix 2 Tameside Carriageway Condition Data 2019

### Legend

 Completed TAMP Schemes



## APPENDIX 3 – BEFORE AND AFTER PICTURES OF HIGHWAYS IMPROVEMENT WORKS 2019/2020

### Footways

#### Enville Street, Audenshaw



#### Ellen Street, Droylsden





## Carriageways

### Stockport Road, Denton





## Rassbottom Street, Stalybridge





## APPENDIX 4 – IMPROVEMENTS TO CULVERT GRATINGS

Demesne Drive, Stalybridge

Before:



After:





**Cartwright Street, Hyde**

Before:



After:



## APPENDIX 5- THE GM MAYOR'S CYCLING AND WALKING CHALLENGE FUND (MCF)

### Tameside MBC Programme Entry Schemes

Ref	Scheme Name	Town(s)	Description	Total Est (£,000)	Joint Funding Element (£,000)	Category
T1.0 06	Hill Street	Ashton-under-Lyne	Contraflow cycle lane, punch through and cycle improvements	220*		Active Neighbourhoods
T1.0 07	Clarendon Road	Audenshaw	Cycle connectivity and crossing improvements	3.3*		Active Neighbourhoods
T1.0 09	Stamford Park	Stalybridge	Path widening, link to schools and hospital, traffic free route and quiet streets	150*		Active Neighbourhoods
T1.0 10	Stamford Drive	Ashton-under-Lyne, Stalybridge	Quiet street route (2km) and crossings	110*		Active Neighbourhoods
T1.0 20	Rayner Lane	Denton	Surface existing footpaths, bridleways and low trafficked roads linking with existing facilities at ends and at Metrolink stop	275*		Active Centres and Corridors
T1.0 23	Warrington Street	Ashton-under-Lyne	Contraflow, punch through x 2, route through pedestrian area	14*	<b>*Total Joint Funding 606</b>	Active Centres and Corridors
T1.0 26	Ross Lave Lane	Denton	Improve surface to allow use for commuters. Crosses M60 and avoids use of Windmill Lane. Part of the TPT and NCN 62	440*		Active Centres and Corridors
T4.0 35	Crown Point	Denton	Package of measures to improve pedestrian crossing movements. Cycle provision with protected space reduced carriageway widths with fully segregated routes on the A57. Review of vehicle movements to restrict right hand turns	2,542		Active Centres and Corridors
T5.0 01	Ashton North (Vision Tameside Phase 3)	Ashton-under-Lyne	Streetscape scheme though town (Wellington Road / Albion Way). Segregated cycle facilities and improved pedestrian access	6,000	2,500	Active Centres and Corridors
T5.0 36	Manchester Road (Snipe) Road Bridge	Ashton-under-Lyne	New pedestrian / cycle bridge over Manchester Road and Metrolink	1,382		Active Neighbourhoods
T5.0 48	Ashton Town Centre South	Ashton-under-Lyne	Pedestrian public realm improvements and east / west cycle connectivity	1,369		Active Centres and Corridors
			<b>Sub-total (Schemes at Programme Entry)</b>	12,505.3	3,106	<b>Total Funding Bid (£,000) 9,399.3</b>
T6. 051	A57 Denton-Hyde	Denton & Hyde	Creation of segregated cycle facilities along the A57 between Denton and Hyde. New crossing points with cycle bypasses of traffic junctions.	2,174	-	Active Centres and Corridors
			<b>Sub-total (Schemes awaiting Programme Entry)</b>	2,174	-	
			<b>TOTAL</b>	<b>14,679.3</b>		

<b>Report to:</b>	<b>STRATEGIC PLANNING AND CAPITAL MONITORING PANEL</b>
<b>Date:</b>	2 September 2019
<b>Executive Member / Reporting Officer:</b>	Councillor Allison Gwynne Executive Member – Neighbourhoods, Community Safety & Environment Jeanelle de Gruchy, Director of Population Health.
<b>Subject:</b>	<b>LEISURE ASSETS CAPITAL INVESTMENT PROGRAMME</b>
<b>Report Summary:</b>	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 on 24 March 2016.
<b>Recommendations:</b>	<p>That Members note the content of this report and that the following recommendations are made to Executive Cabinet for approval;</p> <ol style="list-style-type: none"><li>1. That the name of the new Wellness Centre facility be acknowledged formally as the Tameside Wellness Centre – Denton; and</li><li>2. that car parking at the Tameside Wellness Centre be regulated as Pay and Display (Zone 1) in accordance with council off street parking regulations..</li></ol>
<b>Corporate Plan:</b>	The Community Strategy 2012/22 (and the Corporate Plan Our People Our Place Our Plan) outlines the priorities for improving the Borough. The Leisure Assets Capital Investment Programme directly links to the Tameside Sustainable Community Strategy objective of 'Healthy Tameside'
<b>Policy Implications:</b>	The Leisure Assets Capital Investment Programme supports the Tameside Corporate Plan and specifically the 'Increase Levels of Physical Activity' priority.
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p><b>Proposed Floodlight Replacement Scheme</b></p> <p>A report outlining a £0.1m investment to replace the floodlights was approved on 24 July 2019 at Executive Cabinet and an adjustment has been made in the 2019/20 Capital Programme. The council is currently waiting on confirmation for the funding from Sport England and confirmation from East Cheshire Harriers before the project can commence.</p> <p><b>Tameside Wellness Centre, Denton –</b> The scheme value is £16.224m. It should be noted that there is a delay to the drawdown of the Sport England grant. The delay is due to a pre-drawdown requirement to have a "restriction of title" in place. The situation is being managed and monitored by the Council's Legal team and should all be resolved in the upcoming months.</p> <p>The costs of the Wellness Centre Scheme are being well managed however 7 months into the contract there are some minor costs that will require additional contingent budget of £0.150m which has been detailed in the Period 3 Capital Monitoring report to be presented to SPCMP on 2 September 2019. The additional costs are the building works for the Tameside Wellness Centre Car Park facility including the Pay and Display infrastructure. The Car Park</p>

will have a number of benefits as it will provide low cost parking for customers. The income expected to be generated from the car park will offset the cost of managing and monitoring the site. However the income stream is yet to be determined.

On 27 March 2019, Executive Cabinet authorised the Director of Growth to permanently close and demolish Active Denton (Denton Pool) at a cost of £0.250m when the new Tameside Wellness Centre is scheduled to open in early 2020.

#### **VAT implications**

Active Tameside will be issued with a Deed of Variation/Amendment to their existing lease, which will seek to substitute the existing facility with the new facility on the same terms and conditions until the existing lease comes to an end in March 2024. As previously reported, Financial Management have been reassured by the Council's VAT advisors that there will be no negative VAT consequences for the Tameside Wellness project. However this advice was based on the Council leasing the facility on a peppercorn rent and receiving no other consideration from the lessee. If this arrangement changes, the Council's ability to reclaim VAT on the land transaction or the development and construction of the building would be put at risk.

**Active Hyde Pool Extension** - The current scheme budget is £3.465m. As set out in section 3.1.2 of this report there have been ongoing delays and procurement issues which have increased the project costs. A further report is currently being drafted which will be presented at a subsequent meeting.

**Active Medlock** – On 27 March 2019 Executive Cabinet approved a report prioritising a number of projects. The Active Medlock synthetic turf pitch replacement scheme was one of those schemes as it has reached the end of its useful life and will cost £0.120m. The business case will be considered on 25<sup>th</sup> September 2019.

#### **Legal Implications: (Authorised by the Borough Solicitor)**

It is important to manage the Council's leisure offer effectively to ensure it provides value for money and properly supports the health and wellbeing needs of the borough. The monitoring of the capital investment programme by Members plays a key role in doing so. Members need clear oversight in providing strategic direction when balancing competing priorities, whilst ensuring the Council's fiduciary duties to the public purse continue to be met. Consideration needs to be given as to whether this report provides necessary assurance that projects being managed on time and on budget and whether risks being managed and mitigated, which may impact on cost and delivery.

#### **Risk Management:**

Risk management is considered in section 4 of this report

#### **Background Information:**

The background papers relating to this report can be inspected by contacting Nicola Turner, Interim Head of Development and Investment.



Telephone: 0161 342 2623



e-mail: [nicola.turner1@tameside.gov.uk](mailto:nicola.turner1@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 on 24 March 2016. The investment programme is now providing high quality sports and leisure facilities creating a platform to increase physical activity and supporting the development of a sustainable funding model for Active Tameside.
- 1.2 Additional benefits from the programme include a reduction in dependence on other Council and health related services, increased participation in community life and improved quality of life for all residents including the most vulnerable.
- 1.3 Once implemented in full, the proposals will enable repayment of outstanding prudential borrowing that is owed by Active Tameside, alongside a sustainable reduction in the management fee paid by the Council.
- 1.4 Approval for any capital re-phasing highlighted in this report will be dealt with in the Capital Monitoring Report presented to the Executive Cabinet.

## **2. PROGRAMMME UPDATE – COMPLETED SCHEMES**

- 2.1 The Leisure Assets Capital Investment Programme comprises a number of individual projects. The following schemes have been completed:
  - a. Active Copley heating system replacement (£0.369m).
  - b. Active Copley pitch replacement scheme (£0.177m).
  - c. Active Medlock roof replacement scheme (£0.120m).
  - d. Active Dukinfield development (ITRAIN) – (£1.3m Council investment & £1m repayable loan by Active Tameside).
  - e. Active Longdendale Development (Total Adrenaline) – (£0.600m repayable loan by Active Tameside).

## **3. PROGRAMMME UPDATE – LIVE SCHEMES**

### **Active Hyde Pool Extension**

- 3.1 Active Hyde Pool Extension (£3.465m) – A revised budget of £3.096m for the extension of Active Hyde was recommended for approval by Strategic Planning and Capital Monitoring Panel back in July 2017. In addition, a further £88,280 was approved by Executive Cabinet on 21 March 2018 to increase the capital allocation to £3,185,000 in the 2018-2019 Capital Programme. It was envisaged that the additional capital would enable work to start on site in May 2018 subject to contract. The budget for the Hyde pool scheme, approved by Executive Cabinet on the 12 December 2018, was increased by £280,000 to £3.465m. This increase was due to the need to revisit the tenders after the withdrawal of the preferred contractor just before the signing of contracts.
- 3.2 The contracts for the Hyde Pool scheme were due to be exchanged late December 2018. Days before the signing date the preferred contractor withdrew its interest blaming the risks posed by volatility in the local supply chain. This is the second time the scheme has suffered from the withdrawal of the main contractor immediately before contract signing. The explanation provided by the main contractor is as follows: The construction supply chain in the North West is extremely busy which means that sub-contractors for things like ground works, steel and other trades can pick and choose their contracts. The surplus of work means that sub-contractors can inflate their quotes and can dictate start and completion dates impacting on programme. The risk imposed by likely post contract cost increases and programme delays were too great for the main contractor in this instance and as a consequence they withdrew their interest in the scheme.

- 3.3 In order to progress the development the Council (via the LEP) has retendered the scheme for the third time. The tenders are now being evaluated. The contractors have been asked to review the contract documentation which may lead to further delay if they seek any kind of amendment. Due to the ongoing delays and procurement issues the cost of the scheme is increasing which means that further governance is required which sets out the latest position and the options available to members. However, at the time of writing this report the value of the cost increase has not been reported by the LEP so target dates for governance are yet to be confirmed. Regular updates continue to be requested.
- 3.4 **Tameside Wellness Centre**  
Tameside Wellness Centre (£16.224m) - The Tameside Wellness Centre scheme is progressing well following a Council Key Decision of 2 May 2017. Construction began in November 2018 with completion scheduled for early spring 2020. Work to facilitate an early delivery of the scheme continues to be progressed with the developer and the main contractor Willmott Dixon. The Tameside Wellness Centre's total scheme value is £16.224m.
- 3.5 On 27 March 2019, Executive Cabinet authorised the Director of Growth to permanently close and demolish Active Denton (Denton Pool) when the new Tameside Wellness Centre opens in early 2020. An options paper for the disposal of the site is being prepared and will be presented to Executive Cabinet for consideration.
- 3.6 Cost control for the Wellness Centre scheme is being well managed with only marginal changes being experienced to this point, 7 months into the contract. However, we are now experiencing some very minor pressure on costs, which requires an additional contingent budget of £0.150m to ensure the scheme isn't delayed unduly, resulting in extension of time claims. This represents a cost increase of 1% on the overall scheme. Any unspent contingency will be returned to the Capital programme at the end of the scheme. If approved the total value of the scheme in the Capital programme will increase from £16.224m to £16.374m. The funding request is set out in the Capital Monitoring Report (Period 3) presented to SPCMP on 2 September 2019.
- 3.7 The Tameside Wellness Centre, Denton derives its name from the type of facility it is (now commonly known by local authorities as a wellness centre) and the fact that it's a facility that will serve the whole of Tameside rather than a more local town based catchment. Given that the name is now embedded it is proposed that the building will continue to be known as the Tameside Wellness Centre - Denton. Active Tameside has confirmed that they can successfully assimilate the proposed name into their service branding.
- 3.8 The Tameside Wellness Centre benefits from on-site parking facilities including 109 parking bays and a coach/bus bay situated off Lance Corporal Andrew Breeze Way. It is proposed that vehicular parking at the site be regulated with the introduction of a "Pay and Display" system from the first day of operation. The Council's other town centre leisure facility, Active Ashton, is also successfully regulated and operates as a Zone 1 parking facility. The current Zone 1 charges are as follows;

Zone 1

- Up to 1/2 hour 50p
- Up to 3 hours £1.00
- All day £2.00
- Evening charges: 6pm - midnight £1.00
- Sunday charges 8 am till 6pm £1.00
- Between 6pm and midnight (evening charge) £1.00
- Maximum period for which vehicles may wait 10 hrs
- 6pm to Midnight and Sundays - No Limit



The introduction of Pay and Display Parking at the Tameside Wellness Centre has a number of benefits, specifically:

- Zone 1 parking provides a low cost parking solution for customers. Therefore the cost of parking should not have a detrimental impact on the number of visitor to the site.
- The parking scheme will be introduced from “day one” so customers do not experience a change a parking arrangements at the venue.
- The parking system will be managed and regulated by the Council to ensure sufficient parking places for visitors to the site.
- Zone 1 charges at Active Ashton provides evidence that a Pay and Display parking solution works well in a town centre location and that there is consistency of charging policy in town centre locations.
- Sport England, has confirmed they have no evidence to suggest that charging to park at leisure sites has a detrimental impact on participation.
- The income derived from Pay and Display at the site will be used to offset the cost of managing and monitoring the site by the Council. The value of the income stream is yet to be determined.

The cost of introducing pay and display infrastructure will be met from the capital schemes contingent budget.

#### **Active Medlock Synthetic Turf Pitch Replacement**

- 3.9 Active Medlock Synthetic Turf Pitch Replacement (£0.120m earmarked) – The synthetic turf pitches at Active Medlock are 19 years old and have reached the end of their useful life. The pitches need to be resurfaced if they are to continue to operate beyond this winter.
- 3.10 In July 2018 Executive Cabinet received a report setting out the capital pressures facing the Council. The report recommended that the programme, as approved in October 2017, would need to be reprioritised, and noted that the size of the capital programme would be dependent on the level of capital receipts realised. Following approval of the Capital Programme Methodology for Prioritisation at Executive Cabinet on 27 March 2019, this scheme was approved for progression to the full business case stage.
- 3.11 The business case, which recommends that the Council approves the inclusion of £0.120m in the 2019/20 Capital Programme for the replacement of pitch surfacing at Active Medlock will be considered by Executive Cabinet on the 25 September 2019.

#### **Richmond Street Ashton - Floodlight Replacement Scheme**

- 3.12 Floodlight Replacement Scheme – (£0.100m). On the 24 July 2019, Executive Cabinet approved an adjustment to the 2019/20 Capital Programme for the floodlight replacement at Richmond Street Ashton, home of East Cheshire Harriers. The scheme has been tendered and the cost of the scheme is in keeping with the original budget projection. In line with Executive Cabinet approval the contract will only be left when all the necessary funding is in place. At the time of writing this report the Council was awaiting confirmation of funding from Sport England.

#### **Active Ashton Pool Condition Survey**

- 3.13 Active Ashton Pool Condition Survey – Approval to undertake a condition survey at Active Ashton was given by Executive Cabinet on 27 March 2019. The LEP has been commissioned to undertake the condition survey which is scheduled to take place during August 2019. The outcome of the survey will be reported to the next scheduled meeting of SPCMP. The cost of the condition survey will be met from revenue budgets.

#### **4. RISK MANAGEMENT**

- 4.1 The major risks associated with all capital schemes include funding, 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 A decision was made by Executive Cabinet on 23 January 2019 to re-profile the annual revenue investment payable by the Council to Active Tameside due to delays to capital schemes with revised operational opening dates of October 2020 for Active Hyde and April 2020 for Wellness Centre, Denton. The management fee payable was re-profiled for the financial years 2018/19, 2019/20 and 2020/21.

Active Tameside are amenable to agreeing a gain share arrangement if performance at Active Denton and Active Hyde exceeds the level of assumed operating surplus in 2020/21, whereby the management fee would be reduced in subsequent years.

The related report approved by the Executive Cabinet is available via the following link (agenda item 8a) :

<https://tameside.moderngov.co.uk/ieListDocuments.aspx?CId=134&MId=3243&Ver=4>

A further report will be presented to Members during 2020/21 to consider the value of management fee payable for the years 2021/22 to 2023/24 (the end of the existing lease term), in light of the performance of the newly operational sites.

- 4.3 There is a clear risk to both the Council and Active Tameside that delays to facility completion dates will impact on the opportunity for Active Tameside to realise the expected levels of revenue which will subsequently enable the Council to reduce the level of annual revenue investment payable during the existing contract period. The context of the additional revenue that would not be realised for each month a facility completion is delayed is an estimated sum of £35,000 for the Tameside Wellness Centre and an estimated sum of £6,000 for Hyde Pool.
- 4.4 The risk register for the Leisure Asset Investment Programme is attached at **Appendix 1**.

#### **5. CONCLUSIONS**

- 5.1 Good progress is being made in relation to the remaining live schemes. Governance arrangements are now in place for the decisions required in order to progress the Hyde Pool scheme, the Active Medlock Pitch replacement scheme and the options for the disposal of the Active Denton site.

#### **6. RECOMMENDATIONS**

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

# APPENDIX 1

## Risk Register at August 2019

	Risk Description	Mitigation Plan	Raw Consequence	Raw Likelihood	Raw Risk Level	Actions	Residual Consequence	Residual Likelihood	Residual Risk Level
1 Wellness Centre	Cost increase due to design changes and/or programme delays.	The Council has employed the services of an independent client advisor to support programme and cost management.	3	3		Ongoing monitoring	2	2	4
2 Hyde Pool	Cost increase due to delays owing to inability to secure a contractor.	Work with the preferred contractor to reduce costs where possible	4	4	16	Continued dialogue with the contractor via the LEP	4	4	16
3 Hyde Pool	User group dissatisfaction	Comms Plan	4	4	16	Develop & deliver Comms compliant with Sports England Lottery Funding grant conditions	4	4	16
4 Active Tameside	Ongoing delays impact on Active Tameside's revenue position. There is an estimated impact of £35,000 per month of reduced revenue that will be realised by Active Tameside beyond the project completion date for the Wellness Centre. In addition there is an estimated impact of £6,000 per month of reduced revenue that will be realised by Active Tameside beyond the project completion date for Hyde Pool.	Ongoing discussions with Active Tameside in order to minimise the impact of lost income generated from the new and improved facilities	4	4	16	Continued dialogue with Active Tameside	4	4	16

This page is intentionally left blank