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STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

Day: Monday
Date: 11 July 2016
Time: 2.00 pm
Place: Lesser Hall 2 - Dukinfield Town Hall

Item No.	AGENDA	Page No
1.	APOLOGIES FOR ABSENCE To receive any apologies for the meeting from Members of the Panel.	
2.	DECLARATIONS OF INTEREST To receive any declarations of interest from Members of the Panel.	
3.	MINUTES The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 14 March 2016 to be signed by the Chair as a correct record (Minutes attached).	1 - 14
4.	CAPITAL MONITORING REPORT - OUTTURN 2015/16 To consider the attached report of the Assistant Executive Director, Finance.	15 - 40
5.	VISION TAMESIDE To consider the attached report of the Assistant Executive Director, Development Growth and Investment.	41 - 52
6.	ASSET MANAGEMENT UPDATE To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	53 - 62
7.	DEVELOPER CONTRIBUTIONS To consider the attached report of the Assistant Executive Director, Development, Growth and Investment.	63 - 68
8.	ENGINEERING CAPITAL PROGRAMME 2016/17 To consider the attached report of the Assistant Executive Director, Environmental Services.	69 - 76
9.	IMPLEMENTATION OF ON-LINE INTEGRATED FORMS To consider the attached report of the Assistant Executive Director Exchequer Service.	77 - 84

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

10. URGENT ITEMS

To consider any additional items the Chair is of the opinion shall be dealt with as a matter of urgency.

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

STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

14 March 2016

Commenced: 2.00pm

Terminated: 3.20pm

Present: Councillor K Quinn (Chair)
Councillors Cooney, Dickinson, J Fitzpatrick, B Holland, McNally and Taylor

Chief Executive: Steven Pleasant

Monitoring Officer Sandra Stewart

Section 151 Officer: Peter Timmins

Also in attendance: Robin Monk, Stephanie Butterworth, Angela Hardman, Damien Bourke, Paul Moore, Ian Saxon, Tim Rainey, Roger Greenwood and Beverley Stephens.

Apologies for Absence: Councillor Fairfoull

35. DECLARATIONS OF INTEREST

There were no declarations of interest submitted by Members.

36. MINUTES

The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 30 November 2015 were signed by the Chair as a correct record.

Further to Minute 28, in respect of the application by Astley Sports College for a capital grant to fund the development of a 3G football pitch on its grounds, clarification was sought with regard to the current situation and if the outstanding issues had been resolved. It was explained that the matter had been considered by Executive Cabinet on 16 December 2015 (minutes 37 refers) and the Assistant Executive Director, Sustainable Growth and Investments, explained that outstanding issues had been resolved and funding had been applied for.

37. CAPITAL STRATEGY AND PROGRAMME 2016/17

Consideration was given to a report of the First Deputy (Performance and Finance) and the Interim Assistant Executive Director Finance (Section 151 Officer) setting out the Council's Capital Strategy for 2016/17 and the three year Capital Programme which had been approved by Council on 23 February 2016. The purpose of putting the report before the Panel was so that Members view the programme that had been agreed by Council, which they would monitor.

It was reported that the proposed programme consisted of schemes funded through borrowing, capital receipts or grants and other anticipated contributions from third parties. The size of the capital programme reflected capital grant settlements that had been announced by central government, forecast capital receipts, other external and internal funding sources and proposed borrowing as set out in **Appendix 1** to the report and detailed in **Appendix 5** to the report. The Council's ability to prudentially borrow to fund future schemes was limited by budgetary pressures which the Council continued to face. Information regarding the revenue implications of prudential

borrowing was also provided in **Appendix 1** to the report. It also summarised the development of the proposed capital programme as well as details of the following:

- New capital grant allocations;
- New schemes approved since the quarter two Capital Monitoring report;
- Capital receipts and potential property sales;
- Revenue implications of prudential borrowing.

In terms of the Capital Strategy, this had been developed as a key document that determined the Council's approach to capital. It was an integral of the Council's medium term service and financial planning process as reflected in the Medium Term Financial Strategy and provided a framework for the allocation of resources to support the Council's objectives. The Strategy, at **Appendix 2** to the report, was reviewed on an annual basis to ensure it continued to reflect the changing needs and priorities of the Council and its partners throughout Tameside and the region.

RESOLVED

That the following RECOMMENDATIONS, as agreed by Council on 23 February 2016, be noted:

- (i) Approve the Capital Programme report as set out in Appendix 1 to the report and detailed in Appendix 5 to the report and action taken to achieve additional sources of funding for capital development.**
- (ii) Note the Disposals schedule and estimated Capital receipts position in section 3 of Appendix 1 to the report.**
- (iii) Note the additional revenue budget required as a result of the proposed take up of unsupported borrowing detailed in section 4.9 of Appendix 1 to the report.**
- (iv) Note the Capital Strategy in Appendix 2.**
- (v) Approve the Prudential Limits and indicators set out in Appendix 3 to the report and that the Council receive monitoring reports during the coming year to demonstrate compliance.**
- (vi) Authorise the borrowing limits for 2016/17 for Tameside and for the Greater Manchester Metropolitan Debt Administration Fund as set out in Appendix 3 to the report.**
- (vii) Approve the Minimum Revenue Provision statement as set out in Appendix 4 to the report.**
- (viii) Note the inclusion within the proposed capital programme of the estimated investment in Active Tameside and note future potential.**

38. CAPITAL MONITORING REPORT

Consideration was given to a report of the First Deputy (Performance and Finance) / Interim Assistant Executive Director Finance detailing the capital monitoring position at 31 December 2015. The report showed projected capital investment of £45.545 million by March 2016. This was £9.806 million less than the current programme spend. Re-phasing of £9.181 million into the next financial year was therefore proposed, which would reduce the variation to £0.625 million.

Details of the projected outturn capital investment were shown by service area and Section 3 of the report referred to the most significant scheme variations.

Particular reference was also made to the changes to the approved 3 year capital programme, capital receipts and prudential indicators.

Members sought further information with regard to the Education Capital Programme. The Executive Director, Governance and Resources explained that this was to be reported in a separate report to Executive Cabinet on 24 March 2016.

RESOLVED

- (i) That the current capital budget monitoring position be noted;**

- (ii) That the resources currently available to fund the capital programme be noted;**
- (iii) That the re-phasing to reflect up-to-date investment profiles be approved;**
- (iv) That the current position with regard to Compulsory Purchase Orders (CPO's) and Indemnities be noted;**
- (v) That the changes to the capital programme be noted;**
- (vi) That the capital receipts position be noted; and**
- (vii) That the changes to the Prudential Indicators be approved.**

39. VISION TAMESIDE PHASE 2

Consideration was given to a report of the Assistant Executive Director, Development and Investments, detailing the progress to deliver the Vision Tameside Phase 2 Programme.

It was reported that significant progress had been made since the last meeting of the Panel on 30 November 2015. In particular progress made with key elements of the Programme were detailed as follows:

- Demolition of TAC was progressing well;
- Telecommunications masts – All equipment removed from TAC following surrender of the lease;
- Asbestos – Additional asbestos was discovered in the TAC building, which had not been indicated in previous site investigation reports, which had had a significant impact on the demolition programme and potential cost increases to the Council. Negotiations were ongoing to reach agreement for the additional costs under the terms of the Strategic Partnering Agreement;
- Commercial negotiations had commenced with the three main tenants on their lease agreements and Heads of Terms provided so that agreement could be reached prior to the award of the Design and Build contract scheduled for the 4 April 2016;
- The overall scope of the building had not changed and remained as approved;
- The following value engineering items had been approved since the Stage 1 report to ensure that the scheme was deliverable within its overall cost envelope:
 - Window reveals and cill detailing
 - Internal glazing specifications
 - Attenuation solution
 - Internal floor finishes / internal doors specifications
- Further changes to the design or the specification following approval of the Stage 2 report was likely to incur further costs. Some change was inevitable given we are two and half years away from moving into the new building and a prudent amount for contingency had been allowed for this;
- The analysis of furniture, fittings and equipment, for all elements of the scheme, was completed as part of the Stage 2 submission. The original £1.5 million budget for the Council and partners has been confirmed to be sufficient at Stage 2. £287,000 of these costs is earmarked to be recovered from JCP and CCG, for bespoke elements, subject to completion of negotiations on their respective leases;
- The cost of the college furniture had recently been confirmed as significantly in excess of the agreed budget of £300K. The total College costs for FF&E are projected as £2.2 million. Negotiations are ongoing with the College in order to reach agreement about how these costs would be met;
- Costs of the fit out of Wilkos was likely to decrease slightly, as their specification for fit out had reduced, however Wilko's had advised that their trading figures confirmed (this was subject to verification by the Council) that their loss of revenue was likely be as initially projected; and
- To meet the requirements of the Greater Manchester Combined Authority (GMCA) and the Skills Funding Agency (SFA), a due diligence process had commenced and an independent Project Monitor had been appointed to provide independent advice to GMCA/SFA.

In respect of future use of Ashton Town Hall, it was explained that a separate study to explore the potential for optimising the future use of Ashton Town Hall. The study would help the Council to develop a vision and business plan for the future use of the important historic building. Details of any emerging vision and business plan for the future re-use of the Ashton Town Hall building would be the subject of a future report.

It was further reported that the scheme programme was currently 8 weeks behind the demolition and enabling works contract programme. The delays to the programme were a direct result of the identification and subsequent removal of asbestos identified in the refurbishment and demolition reports. It was expected that the demolition programme could be reduced to a three-week delay due to a change in the demolition methodology.

An updated programme for the scheme was detailed in the report. This showed a revised completion date for the construction of the new building as March 2018 with recant and occupation completed by September 2018.

With regard to financial implications, it was explained that the projected costs of the scheme had been reported throughout the project. There was still work to be undertaken to contain the project costs within the original budget and negotiations were ongoing with the LEP in order to reach a satisfactory commercial position.

The costs approved by Executive Cabinet in December 2015 were detailed in the report. One element of additional income that had not been taken into account was the projected £187,000 rental income from the proposed CCG and JCP tenancies. This income could potentially support an additional £1.87 million capital expenditure, however this would need to be considered against the need to meet further revenue budget reductions in 2018 and future years.

In respect of public realm, improvement to public realm was critical to the success of the Vision Tameside programme as the works would underpin current and future investments opportunities thereby creating a distinctive and high quality environment for the town centre.

Significant progress had been made to further develop the public realm project since previous reports, including:

- Monthly Task Group meetings involving representatives from the Council, Ryders Architecture, Tameside College and Carillion, to refine the project scope, costs and programme;
- An Options Review had been commissioned to consider a range of interventions to reduce the impact of vehicle movements on Wellington Road. This was in the context of emerging developments affecting footfall and public transport demands within the Wellington Road area;
- Engagement with key stakeholders to identify a high quality material palette to be delivered across the public realm area;
- Engagement with key stakeholders to identify a funding package. This was being continually refined as the project was developed; and
- Development of a draft public realm construction programme in consultation with Carillion Building.

It was further reported that the project had been split into 10 zones to effectively manage and co-ordinate project development, delivery and phasing. A zoning plan was provided and a summary of the outline proposals for each of the 10 zones and a status and progress update was included in the report.

It was reported that the risk profile of the programme of activity was being reviewed through the Stage 2 process and details of risks going forward as the programme developed were explained.

It was concluded that the programme to deliver the Vision Tameside Phase 2 project was at a critical stage and was still subject to significant risks which were being closely managed but good progress was being maintained.

Ashton Town Hall was a key Council asset and good progress was being made with the development of a vision and business plan for the future re-use of the building.

Improvement to the public realm was critical to the success of the Vision Tameside programme and good progress was being made with the development of the public realm project.

Members sought clarification that the project was still on target as detailed in the construction timetable and within the project envelope and budget heads.

The Assistant Executive Director, Development and Investment, confirmed this to be the case.

RESOLVED:

1. **That the progress on the following be noted:**
 - (i) **delivery of the Vision Tameside Phase 2 scheme.**
 - (ii) **development of a vision and business plan for the future use of Ashton Town Hall.**
 - (iii) **development of the Ashton Town Centre Public Realm project.**
 - (iv) **Note the budget of £5,560,726 for the Ashton Market Square re-development project which is contained in the funding envelope within the Ashton Town Centre capital scheme.**

2. **That it be RECOMMENDED to Executive Cabinet that the Capital Programme be revised to increase the budget for the Ashton Market Square re-development project to £5,560,726 whilst noting that it remained within the funding envelope within the Ashton Town Centre capital scheme.**

40. ASSET MANAGEMENT UPDATE

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

It was reported that the reduction in government grant to the Local authority meant that all areas were being asked to contribute to maintaining vital services. The Council had previously taken the decision that all of its assets with the exception of the Borough's prestigious buildings were to be considered in terms of potential receipts; it had been determined that at least a net £45 million be generated from asset sales over the next 3 years.

It was further reported that prime, former school sites would provide the largest receipts for this programme, and as such work was underway to maximize the receipt through de-risking the sites, securing planning and preparing development briefs. Former agreements around the Building Schools for the Future programme required that £11 million from the sale of these sites was already earmarked to repay borrowing, meaning that the gross target for disposals was now £56 million.

Capital receipts that were anticipated to be received over the next three years were detailed as follows:

2015/16 Estimated	2015/16 Actual to Date	2016/17 Estimated	Post 2016/17 Estimated	Total over 3 Years
9,200	7,066	36,891	12,240	58,331

With regard to leased buildings, as reported at previous meetings of the Panel, the Council's policy was to terminate leases it had for buildings owned by others and to relocate services to Council owned properties where feasible in order to deliver value for money, to reduce the revenue cost of operating and occupying buildings. Where possible, all Council leased properties had been vacated and in most cases dilapidations had been agreed and completed. A progress update was included in the report.

It was further reported that the Council still had long leases in respect of Plantation Estates, Portland Basin Museum and in addition, leases the former At Anne's RC Primary School in Ashton-under-Lyne, as a training centre. The Council also hold a short-term lease of office space at Aeroworks, 5, Adair Street, Manchester where the Greater Manchester Public Health Network (GMPHN) occupy having relocated there in December 2014. In accordance with instructions from GMPHN, a break-notice had been served by the Council terminating the lease on 3 June 2016.

With regard to investment in civic and corporate buildings, it was reported that there was no reactive maintenance budget included within the corporate landlord budgets and any repairs or upgrading of buildings required a request for additional investment to be made to the Panel for approval by Cabinet. In the past few months a number of requests had been received for repairs for civic and operational buildings for which there was no revenue or capital budget allocation. Analysis of capital spends for November 2015-January 2016 was £134,847. In addition there had been spend of £118,283 in regard of property related revenue type spend in the same period.

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

With regard to Tame Street Depot, it was explained that the Council operated from two sites on either side of the road on Tame Street, Stalybridge. The Civil Engineering Depot and Stores on one side and on the other a Transport Depot, combining the vehicle workshop with offices for Environmental Services staff for Transport, Highways, Public Protection, Waste Services and Refuse Collection. This site was a key base for dealing with day to day operational business and out of hours emergencies, including winter maintenance.

Following the closure of the Council Offices in Ashton, the site had taken on a key strategic role and was the prime location for Environmental Services and its business continuity provision which in turn had a key role in assisting all other services deliver their business continuity plans. The opportunity to relocate the emergency electricity generator to Tame Street to support business continuity was taken prior to the demolition of the Council Offices in Ashton. This would allow for key Council employees to be located at Tame Street in the event of a power outage or emergency situation.

Costs of ancillary works and commissioning of the generator were detailed as follows:

Generator Location	Powering	Estimated Cost
Gritting Shed	Transport & Civils site	£92.5k

As previously reported to the Panel, the Concord Suite condition surveys had been completed which had identified that the building was in need of both external and internal refurbishment work. Project feasibility work was ongoing to assess the available options in regard to reoccupying this building.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet:

- (i) That the list of disposals identified in Appendix 1 to the report be approved;
- (ii) That the allocation of £134,847 to undertake building condition replacement/repair projects as detailed at paragraph 3.2 of the report, be approved; and

- (iii) **The allocation of £92,500 to facilitate to commissioning of emergency generators relocated to Tame Street depot.**

41. PROPOSAL FOR ALTERNATIVE USE OF CAPITAL FUNDING ALLOCATION

The Executive Director, People submitted a report explaining that the Council agreed to a new service model around children's residential provision and the development of an 'Edge of Care Facility' to support the delivery of the unprecedented savings targets across the Council.

The success of the delivery of the new model, and therefore the delivery of savings was dependent on the delivery of three new four bedroom properties. These properties were pursued through the positive relationships the Council had with various social landlords though these had proved fruitless as the housing sector was now feeling the effect of delivering its own savings.

The opportunity for the Council to purchase these properties had been progressed. It was proposed that £0.912 million previously approved in 2008 for a new and expanded short stay facility which had not progressed, be used alternatively to purchase three properties to support the delivery of recurrent annual revenue savings proposals within Children's Services.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet:

That approval be given to the alternative use of £0.912 million previously approved by the Strategic Capital Panel in 2008 (to fund a replacement of Boyds Walk with a new and expanded building) to purchase three properties to support the implementation of the new residential provision service model within Children's Services, subject to the revenue costs of borrowing being met from the service revenue budget.

42. DEVELOPER AGREEMENTS, CONTRIBUTIONS AND SECTION 106 AGREEMENTS

Consideration was given to a report of the Executive Director, Place, summarising the current position with regard to receipts received from Section 106 Agreements and Developer Contributions and contained recommendations on the release of receipts.

It was reported that the summary position as at the period 31 January 2016 for Section 106 Agreements totalled £190,000, with Developer Contributions totalling £265,000. The balance of unallocated section 106 funds and developer contributions were as follows:-

- Services for Children and Young People - £124,000 (s106) and £61,000 developer contributions;
- Community Services (Operations) - £43,000 (s106) and £186,000 developer contributions; and
- Engineering Services - £23,000 (s106) and £14,000 developer contributions.

A section 106 agreement had been made for an application at East Tame Business Park, land at Rexcine Way, Hyde. The outline planning application comprised of up to 49 residential properties subject to reserved matters being approved and provides commuted sums to mitigate against impact the proposal may have on off-site Open Space and Education provision. The sums of £269 per 1 bed property, £846 per 2 bed property, £1,182 per 3 bed property and £1,296 per 4 bed property for Education would go towards enhanced facilities at Bradley Green Primary School. There would also be £674 per property for Open Spaced towards environmental improvements to footpath links to and within Hyde Park and along Clark Way.

Three requests to draw down funding had been made by Operations and Greenspace to drawdown funds from Developer Contributions for the purpose of:

- Assheton Avenue Surfacing, Audenshaw (£10,000);
- War Memorial Cleansing and maintenance, various wards across Tameside (£20,000); and

- Tree Planting Programme, various wards across Tameside (£40,000)

The report further provided an updated position on progress made in implementing a section 106 smart pooling system as a result of changes to the Community Infrastructure Levy Regulations and National Planning Policy.

Members were informed that the aim of Community Infrastructure Levy (CIL) was to allow local authorities to raise funds from developers to fund both the initial and ongoing costs of general infrastructure, however as outlined within the CIL regulations, a council is unable to adopt a CIL Charging Schedule without an up to date Local Plan.

The CIL Regulations also affected how s106 funds can be used, limiting local planning authorities to pooling no more than 5 obligations for site specific mitigation projects or infrastructure items. This became applicable in April 2015 and applied to retrospective agreements, dated back to April 2010.

Because the Council made use of a tariff based Developer Contributions SPD and generic s106 agreements during this time, from April 2015 the pooling limits imposed by CIL had been reached and the Council could no longer collect funds for generic infrastructure items.

As a result the Council was now only able to collect developer obligations for site specific mitigation via s106 agreements. It had to smartly pool them to avoid the 5 project limit restriction until such time that it may consider supplementing this with a CIL Charging Schedule for general infrastructure items.

For the avoidance of doubt, all obligations now requested take the form of s106 agreements. The policy framework set out to support this approach was contained within the adopted Unitary Development Plan (UDP), specifically policies;

- H5 – Greenspace;
- H6 – Education;
- T13 – Highways.

This approach was not a significant departure to that used in the past; however projects funded through s106 obligation needed to be specific in nature to avoid reaching the pooling limits. To address this, a working group had been established, meeting on a regular basis to identify specific projects and therefore not fall foul of the 5 project funding limits.

To assist, consultees had been provided with evidence of residential development sites likely to come forward sourced from the Councils adopted Strategic Housing Land Availability Assessment (SHLAA). The SHLAA details estimate dwelling yields for sites and timescales for delivery. Estimate s106 contribution amounts had been worked through the online obligation generator to inform consultees of possible contribution amounts. This process would continue to take place with the consultees as and when the Council revises its SHLAA.

Working with and through the consultees a project register has now been established and is shown at Appendix A to the report. This is intended to be the first port of call for Development Management officers when negotiating with prospective applicants.

In respect of monitoring and audit as previously reported to the Panel, to effectively manage the post April 2015 s106 smart pooling system, the Council had implemented a number of technical and policy changes. However alongside this a robust monitoring system was required as previously identified.

The above processes and procedures were currently the subject of an internal audit. Draft outcomes of the internal audit were expected shortly which would assist in identifying an appropriate set of further actions requiring attention and the resources required to deliver on these.

RESOLVED

That the following recommendations be made to Executive Cabinet:

(1) That funds be released from the following available resources as follows:

Developer Contributions:

- Assheton Avenue Surfacing, Audenshaw (£10,000);
- War Memorial Cleansing and Maintenance, various wards across Tameside (£20,000); and
- Tree Planting Programme, various wards across Tameside (£40,000).

(2) That a review be undertaken of the S106 agreements and any other such planning income/infrastructure monies intended to lessen the burden upon existing environment/services to ensure that the Council is both maximising income and use of such monies.

(3) That a report be submitted to a future meeting of the Panel to quantify resources required to effectively monitor the S106 system.

43. SMART TAMESDIE – DIGITAL BY DESIGN

Consideration was given to a report of Assistant Executive Director, Digital Tameside, setting out the funding requirements for the Digital by Design (DbD) program. The DbD program aimed to transform how the council managed contact with the public through the better use of new technology and in so doing save time, money and improving levels of service.

It was explained that, as more and more people turned to digital channels to access services and information there was an opportunity for the Council to modernise how it dealt with customer requests and contacts across all its main channels.

By implementing an improved digital offer the Internet could be made the channel of choice for an increasing large majority of residents. Increasingly the new Contact Centre would deal with all telephone, social and other electronic media including webchat coming into the Council, freeing up the back office to focus on delivering services.

The website would be improved to become more focused on the top transactions and to provide users a more personalised experience. The site would be specifically designed with mobile devices in mind and a complimentary series of Apps for iOS and Android devices would be developed.

Specific projects were being undertaken with services that generated high call volumes to reduce and in some cases remove telephone demand altogether including Refuse and Revenues and Benefits. In doing all this the on-demand face-to-face customer service channel would be closed, moving instead to an appointment based service for the small number of highly complex cases that still required 1-2-1, face-to-face attention.

RESOLVED

That the following RECOMMENDATION be made to Executive Cabinet to approve the Capital funding for projects identified below:

Description of Project	2016/17	2017/18
Webchat Software	27,700	0
Website Content Management System	19,700	0
Refuse in Cab App & technology	10,290	8,250
Contact Centre System Upgrade	10,000	0
Capital Connect Citizen portal	29,625	0
Capita Revs and Bens eForms	27,000	9,000
	124,315	17,250

44. SMART TAMESIDE – TOWN CENTRE WIFI

The Assistant Executive Director, Digital Tameside, submitted a report explaining that Tameside Digital Infrastructure was a vendor neutral dark fibre network which runs in and around Ashton Town Centre and St Petersfield. It had been operational for over 12 months delivering connectivity for data and telephony for Council staff and services in various locations.

The Council installed this new digital technology infrastructure to transform public services by offering new and superior service at lower cost. It also saw digital technology as a driver for economic growth, directly through the development of digital sector and related businesses, and indirectly through the impact on productivity in the wider economy.

There was an opportunity to link these objectives for digital transformation by working with partners from the public and private sectors to jointly expand the infrastructure that now existed so it could be shared with other organisations and businesses to help economic regeneration in the Tameside area and promote digital inclusion.

This report detailed an ambitious project to overlay a free-to-use Town Centre Wi-Fi infrastructure on top of the dark fibre network which would provide the public in Ashton and Droylsden Town Centres with ubiquitous internet access.

The report detailed the costs associated with expanding this Wi-Fi network across the other 7 Town Centres in Tameside using both the dark fibre network and the Council's existing Wide Area Network to provide the internet connectivity.

RESOLVED

That the following RECOMMENDATION be made to Executive Cabinet:

That Capital funding for the phase 2 expansion of the free to use public Wi-Fi network into Audenshaw, Denton, Stalybridge, Hyde, Hattersley/Longdendale, Dukinfield and Mossley of £134,951 be approved.

45. REFUSE COLLECTION VEHICLES – REPLACEMENT

A report was submitted by the Assistant Executive Director, Environmental Services, explaining that Waste Services currently delivered its service to a growing population as well as requiring a change in operational delivery, due to the need to improve recycling.

The Waste Service currently operated a fleet of 31 refuse collection vehicles to deliver its services. This fleet was broken down into two age ranges, those being 22 vehicles purchased in 2009 currently aged 6 years and 9 vehicles purchased 2012 now aged 3.5 years. The optimum operational life expectancy for a refuse vehicle was 8 years (with an interim refurb program at 6 years).

Authorisation was sought to replace the 22 vehicles purchased in 2009, which would be due for replacement in January 2017. In order for the Council to maintain its service delivery and continue to increase its recycling rates to reduce landfill use and generate savings via a reduced waste levy, it was essential that this fleet was not allowed to operate as a front line fleet, past the 8 years optimum life.

It was reported that, due to the specialist nature of these vehicles, the procurement process and the manufacturers build times (currently 6-9 months), it was essential that work on replacing the fleet must begin immediately to ensure orders could be placed as early into 2016 as possible to ensure delivery for 2017.

Based on previous build prices with an estimated inflationary increase in manufacturing costs it was anticipated that the purchase price would be approximately £3,059,700.

Based on the costings detailed in the report it was explained that there were two funding options. Option 1 Fully fund via Prudential Borrowing and Option 2 Fund via Prudential Borrowing offset by Use of Transport Reserves and Residual Values of the 19 vehicles to be disposed of, as detailed below.

	Option 1- Replace All Fully fund via Prudential Borrowing	Option 2- Replace All Part fund Prudential Borrowing, Use of Reserve and Vehicle Residual Values
Purchase Price	£3,059,700	£3,059,700
Less: Use of Reserve	0	£420,277
Vehicle Residual Values (Estimated)	0	£119,240
Subtotal	£3,059,700	£2,520,183
Interest	£306,259	£252,256
Cost to the Council	£3,365,959	£2,772,439
Annual rental cost	£876,039	£801,849

The proposed funding option was Option 2, which provided the most cost effective purchasing option for the Council.

To ensure provision was made to contribute to the vehicle replacement reserve which would assist in funding future fleet purchases it was proposed that services would be charged Option 1 (making a saving of £925,658 less £876,039 equated to £49,619 and the difference paid into the Vehicle Replacement Reserve.

RESOLVED

That the following RECOMMENDATION be made to Executive Cabinet:

- (1) That approval be given to purchase the Refuse Collection vehicles, using the best value funding option, Option 2 (as detailed), via Prudential Borrowing, use of reserves and residual values; and**
- (2) That the new borrowing/hire costs be met by Waste Service revenue budget over the 8 year period via vehicle rentals issued through Transport Services, charging as outlined in Option 1 (as detailed) and any saving that materialises by funding using Option 2 be added to the Vehicle Replacement Reserve.**

46. HYDE LEISURE PHASE 2 – SYNTHETIC FOOTBALL PITCH

The Director of Public Health submitted a report explaining that Hyde United Football Club was seeking financial and technical support from the Council to convert its existing natural turf (grass) pitch at Ewen Field Stadium to a Fédération Internationale De Football Association (FIFA) 2 Star synthetic turf pitch for the start of the 2016/17 football season.

It was reported that on 22 June 2011, the Council approved a £1.0m capital investment scheme for Hyde. Phase 1 of this scheme incorporated plans to:

- Re-drain and resurface the natural turf pitch at Hyde United FC / Walker Lane;
- Reclaim and clear redundant land between the Leisure Pool and Hyde United FC;
- Extend the existing Active Hyde Leisure Pool car park to provide 198 spaces; and
- Install a Multi-Use Games Area at Millennium Green.

The above works were successfully completed in December 2011 at a cost of £0.595m leaving a residual balance of £0.405m in the 2015/16 capital programme.

The Council's decision also made provision for a phase 2 element which included the development of facilities at Hyde United Football Club including a synthetic 3G pitch and a community building. The original planned completion date for Phase 2 was July 2012.

In order to successfully deliver phase 2 it was envisaged that the Club would seek a match funding capital contribution from the Premier League's Community Fund. It was agreed that once the outcome of the Community Fund bid was known a further report would be presented to the Council to approve the start of phase 2.

Due to the considerable time lapse that ensued, the matter was considered at the Joint Meeting of the Council's Executive Cabinet and Overview (Audit) Panel on 12 February 2014. At the meeting it was resolved that:

Hyde United FC be given a deadline of 31 March 2014 to confirm that the necessary funding from the Football Foundation is in place for the scheme. If a definitive guarantee was not provided by 31 March 2014, then the Council's capital support for the scheme would be withdrawn.

Funding was not secured by the deadline established above and on 14 July 2015, the Council received notification from the Club that its bid to the Football Foundation had been unsuccessful.

The Club, having considered its options, then sought financial and technical support from the Council to utilise the remaining capital funding to convert the current stadium pitch at Ewen Fields to a synthetic turf pitch in time for the start of the 2016/17 football season at a cost of £0.405m. The matter was set out a report to Strategic Planning and Capital Monitoring Panel on the 30 November 2015. At the meeting it was resolved:

(i) *That the Council offer a premium to Hyde United Football Club Limited for the early surrender of the existing 125 year lease in respect of the land and buildings, currently known as Ewen Fields, Grange Road, Hyde, Cheshire. SK14 2SB of £125K and the Borough Solicitor be authorised to grant a 25 year lease at a rental of £6.25K subject to annual RPI, in respect of the same land and buildings, and to reflect the markets terms subject to a rolling annual mutual break, (contracted out of the landlord & Tenant Act 1954), and subject to a condition of the deal, that Hyde United Football Club repays an outstanding loan made to the Club from the premium; and*

(ii) *With regard to the request from Hyde United Football Club, seeking financial and technical support from the Council to utilise the capital funding to convert the current stadium pitch to a synthetic surface in time for the start of the 2016/17 football season at a cost of £0.405 million, that, further to the resolution (i) above, a new bid for support for facilities be submitted to be considered at a later date.*

The Club, having evaluated its position based on the outcome of the meeting of the Strategic Planning and Capital Monitoring Panel, decided to take up the Council's offer of considering a new capital bid for the development. The Club had asked that the matter to be considered by the Council as soon as possible to meet their challenging timescale for the project. If approved the scheme needs to be fully completed by the start of the 2016/17 football season.

The report set out the aspirations of the Club, the proposed scheme and its longer term viability, how the scheme could be delivered and the likely benefits and risks associated with the development.

It was reported that the Club had no match funding and the entire financial liability for the scheme would rest with the Council. It was also noted that any approved proposal would need to be financed by borrowing which would require an annual revenue repayment. There was no provision within the Council's Medium Term Financial Strategy for this additional expenditure.

The report concluded that there was a strategic need for developments such as detailed in the report. However, the benefits and outcomes of the proposal, and other schemes like it, were difficult to accurately quantify. The proposal was likely to have a significant impact in the immediate locality, and the extent the wider community of Tameside would benefit needed to be considered. The Council needed to ensure that where it invested in the provision for sport and

health and wellbeing across the borough it was sustainable and that it would have a significant impact on addressing health inequalities.

The development at Hyde United FC created a significant disposal opportunity at the former Leigh Primary School site. A sizable capital receipt was envisaged subject to planning consents.

The risks associated with the scheme, detailed fully in the report, were significant and needed to be considered against the likely benefits of the scheme.

Detailed discussion ensued with regard to the proposed scheme, particularly with regard to the significant risks associated with it and Members sought assurances that risks would be carefully monitored going forward.

RESOLVED

That the following RECOMMENDATIONS be made to Executive Cabinet:

- (1) That the Scheme, as set out in the report, be supported;**
- (2) That the Council enters into a community use agreement with Hyde United Football Club in a form to be approved by the Borough Solicitor, which will include a performance regime with deductions for non-availability or non-delivery under the agreement;**
- (3) That a capital budget of £0.415m be established in 2016-17 Capital Programme; and**
- (4) That the former Leigh Primary School site be disposed of subject to the necessary planning consents and the receipt be used to fund the proposed scheme.**

CHAIR

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Report To: STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

Date: 11 July 2016

Executive Member/Reporting Officer: Cllr Jim Fitzpatrick - First Deputy (Performance & Finance)
Ian Duncan – Assistant Executive Director (Finance)

Subject: CAPITAL MONITORING REPORT – OUTTURN

Report Summary This report summarises the capital monitoring position at 31 March 2016.

The report shows total capital investment of £40.067m in 2015/16.

Some schemes have been delivered earlier and some schemes will be delivered later than planned, and this is set out in the report.

Recommendations:

- (i) That the 2015/16 capital outturn position is noted.
- (ii) That the capital financing statement for 2015/16 is approved.
- (iii) That the revised capital programme (including changes and reprofiling) is approved.
- (iv) That the current position in regards to Compulsory Purchase Orders (CPOs) and Indemnities is noted.
- (v) That the capital receipts position is noted.

Links to Community Strategy: The Capital Programme ensures investment in the Council's infrastructure is in line with the Community Strategy.

Policy Implications: In line with Council Policies.


Financial Implication: These are the subject of the report.

(Authorised by the Section 151 Officer) Leading project managers must ensure that the management of each scheme is able to deliver projects on plan and within the allocated budget.

Legal Implication: 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.
(Authorised by the Borough Solicitor)

Risk Management: Failure to properly manage and monitor the Council's budget will lead to service failure and a loss of public confidence.

Access to Information: The background papers relating to his report can be inspected by contacting Ian Duncan, Assistant Executive Director, Finance by:

 phone: 0161 342 3864

 e-mail: ian.duncan@tameside.gov.uk

1. INTRODUCTION

- 1.1 This is the final capital monitoring report for 2015/16, summarising the position as at 31 March. All Capital Monitoring reports are submitted to the Board, Strategic Planning and Capital Monitoring Panel, Executive Cabinet and Overview (Audit) Panel.
- 1.2 The report incorporates an update on major capital schemes and an update on Compulsory Purchase Orders (CPOs), indemnities, and potential liabilities.

2. KEY POINTS

- 2.1 The Council spent a total of £40.067m on capital investment in 2015/16, representing £7.472m less than the total programmed spend for the year (£47.539m). This is detailed in Section 3.
- 2.2 Section 3 also details schemes with an in-year variation in excess of £0.100m and seeks approval to re-profile the capital expenditure of the project to be reprofiled into 2016/17. An explanation for the need to re-profile the capital expenditure is also provided.
- 2.3 Table 1 below provides a high level summary of capital expenditure by service area.

Table 1: Overall capital outturn statement – 2015/16

CAPITAL OUTTURN STATEMENT - 2015/16			
	Annual Budget £000	Actual £000	Outturn Variation £000
<u>PEOPLE</u>			
Children's	16,550	14,662	(1,888)
Community Services	251	160	(91)
Public Health	1,034	965	(69)
<u>PLACES</u>			
AIPM	9,107	8,044	(1,063)
Development & Investment	7,039	6,076	(963)
Digital Tameside	2,150	1,252	(898)
Engineering Services	8,924	7,477	(1,447)
Environmental Health	72	74	2
Operations	404	151	(253)
Transport	1,206	1,205	(1)
Unallocated Resources	802	0	(802)
Total	47,539	40,067	(7,472)

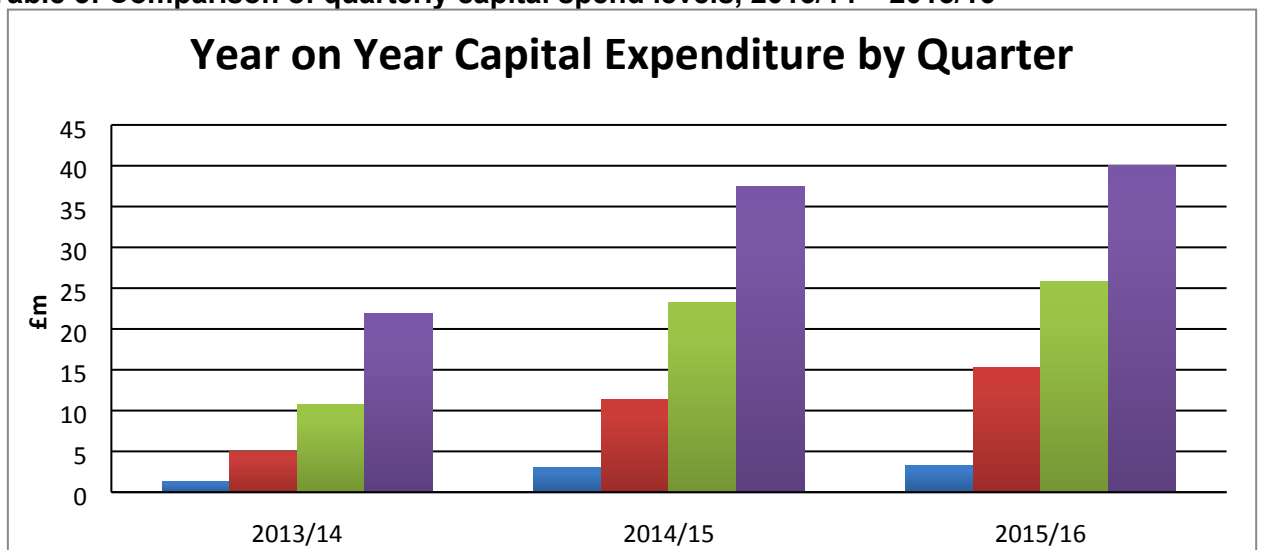
- 2.4 It is proposed that the capital investment programme is re-profiled to reflect current information. Proposed reprofiling slippage of £6.534m into the next financial year will reduce this variation to £0.938m. This is identified within the individual service area tables below.
- 2.5 Table 2 below shows the resources used to finance 2015/16 Capital spend.

Table 2: Funding statement 2015/16

RESOURCES	£000
Capital Grants	22,282
Unsupported Capital Expenditure (Borrowing)	7,742
Capital Receipts	7,718
Corporate Resources	1,030
Revenue Contributions	780
Capital Contributions	515
Total	40,067

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

Table 3: Comparison of quarterly capital spend levels, 2013/14 – 2015/16



3. CAPITAL EXPENDITURE OUTTURN 2015/16

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

Education

3.2 The table below outlines the projected investment for Education Services. An explanation has also been provided where significant slippage is requested.

Table 4: Detail of Education Capital Investment Programme

Education Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
hyde targeted basic need new school	5,829	6,463	634	(634)
ashton targeted basic need new school	2,173	2,155	(18)	18
samuel laycock targeted basic need extension	937	950	13	(5)
building schools for the future reserve - funding stream	683	0	(683)	683
devolved schools capital	487	487	0	0
yew tree - extension	469	471	2	0
ict high schools - replacement ict servers	440	419	(21)	0
specific capital reserve - funding stream	403	0	(403)	403
aldwyn primary additional accommodation	400	122	(278)	278
greswell primary roof heating & asbestos removal	363	329	(34)	34
milton st john - lighting, power, and alarm replacement	315	315	(0)	0
replacement of boyds walk	312	254	(58)	58
two year old entitlement grant - funding stream	281	17	(264)	264
primary capital programme - russell scott	276	20	(256)	256
bradley green - roof repairs	230	220	(10)	0
gorse hall power and fire alarm	224	223	(1)	0
wildbank lighting and power	212	212	0	0
other minor schemes	2,516	2,005	(511)	489
	16,550	14,662	(1,888)	1,844

Table 4b: Education Capital Investment Programme – slippage

Explanation of Slippage			
Service Area	Capital Project	Explanation for Slippage	Amount (£000)
Education	Hyde Targeted Basic Need New School	There has been a change to the payment profile of the scheme following the addition of the off-site highway works to the contract. This has led to additional payments being made in this financial year. The scheme budget will re-aligned to the revised payment profile in the new financial year. Overall project costs are currently expected to be in excess of the project budget but this will be monitored and reported during the next financial year and, if required, additional funding will be identified from within the current unallocated resources in the Education capital programme.	(634)

Education	Aldwyn Primary Additional Accommodation	The underspend is due to programme slippage with two main reasons. Firstly, the scale of the project required a more comprehensive procurement process through the LEP to mitigate the risks of cost overruns during the construction phase. Secondly, the main scheme cannot be started until confirmation of S77 consent from DfE. A Stage 2 report is expected imminently from the LEP and after VfM review and Council governance will enable building work to commence in the Autumn Term with anticipated completion in Summer 2017.	278
Education	Primary Capital Programme – Russell Scott	Additional budget was allocated to this scheme to deal with remaining issues with the school. As the final list of defects is progressed over the next year we will determine whether this needs to remain as allocated or returned to the Education capital programme.	256

Community Services

- 3.3 The table below outlines the projected investment for Community Services. Only minor slippage is required.

Table 5: Detail of Community Services Capital Investment Programme

Community Services Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
safe and secure project (alleygating and burglary reduction)	136	98	(38)	38
supporting customer experience and contact	58	0	(58)	58
implementing the new library offer	49	63	14	(14)
street art in the community	8	0	(8)	8
Total	251	161	(90)	90

Public Health

- 3.4 The table below outlines the projected investment for Public Health.

Table 6: Detail of Public Health Capital Investment Programme

Public Health Capital Programme Statement				
capital scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
active playzone	711	711	0	0
copley leisure centre boiler replacement	150	105	(45)	45

hyde united fc	125	125	0	0
droylsden youth centre	48	24	(24)	24
total	1,034	965	(69)	69

Asset Investment Partnership Management (AIPM)

3.5 The table below outlines the projected investment for AIPM. Explanations are also provided for slippage.

Table 7; Detail of Asset Investment Partnership Management (AIPM) capital programme

AIPM Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Actual	Outturn Variation	Slippage to be approved
vision tameside	6,029	5,902	(127)	127
cctv dukinfield town hall	850	736	(114)	114
building fabric works	800	661	(139)	139
opportunity purchase fund (individual approval required)	573	326	(247)	0
mottram showground (opf)	165	4	(161)	161
wellington works	131	215	84	0
prep of outline planning applications / review of playing field provision	130	14	(116)	116
energy consumption pilot scheme dukinfield town hall	110	64	(46)	46
structural, asbestos, mechanical and electrical surveys to inform decant and condition works	107	112	5	(5)
other minor works	212	8	(202)	202
Total	9,107	8,044	(1,063)	900

Table 7b: AIPM Investment Programme – slippage

Explanation of Slippage			
Service Area	Capital Project	Explanation for Slippage	Amount (£000)
AIPM	Vision Tameside	Project expenditure needs to be re-profiled due to the ongoing contract negotiations with the contractor.	127
AIPM	CCTV – Dukinfield Town Hall	The variation of £114k at outturn has arisen as a result of monies being held back due to works not yet completed. It is anticipated that this will be paid within the next financial year.	114
AIPM	Building Fabric Works	The outturn variance of £139k is due to overrunning and incomplete final works on a number of schemes.	139

AIPM	Mottram Showground	The progress on this scheme has been delayed. A provision needs to be maintained for future developments.	161
AIPM	Prep of Outline Planning Applications	This is ongoing work which is expected to complete by the end of summer 2016 following submission and agreement of planning permission.	116

Development and Investment

- 3.6 The table below outlines the projected investment for Development and Investment. Explanations are also provided for the requested slippage.

Table 8: Detail of Development and Investment Capital Programme

Development and Investment Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
ashton old baths	2,702	2,657	(45)	45
ashton town centre and civic square	2,477	2,025	(452)	452
disabled facilities grants	1,410	1,352	(58)	58
grant funding yet to be allocated	259	0	(259)	259
st petersfield	75	(29)	(104)	104
gm broadband	54	56	2	0
longlands mill	32	8	(24)	24
hyde town centre	27	4	(23)	23
ashton market hall incubator units	3	0	(3)	3
godley hill development and access road	0	2	2	(2)
Total	7,039	6,076	(963)	965

Table 8b: Development and Investment Capital Investment Programme – slippage

Explanation of Slippage			
Service Area	Capital Project	Explanation for Slippage	Amount (£000)
Development and Investment	Ashton Town Centre and Civic Square	Anticipated spend on the new market stalls and paving materials has not yet been realised. This delay in spend is due to the AMS Project team re-sequencing the Programme to ensure the Market continues to function effectively during the works. Spend on the market stalls and paving materials is anticipated to be defrayed in the first quarter of the new financial year.	452
Development and Investment	St Petersfield	Underspend in year due to a VAT credit received in 2015/16 relating to 2014/15 expenditure.	104

Digital Tameside

- 3.7 The table below outlines the projected investment for Digital Tameside. An explanation for requested slippage is also provided.

Table 9: Detail of Digital Tameside Capital Investment Programme

Digital Tameside Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
ict - enablement project	1,455	730	(725)	725
working differently - it hardware & software	550	408	(142)	142
my home finance	100	100	0	0
disaster recovery site	45	0	(45)	45
town centre wifi	0	14	14	(14)
Total	2,150	1,252	(898)	898

Table 9b: Digital Tameside Capital Investment Programme – slippage

Explanation of Slippage			
Service Area	Capital Project	Explanation for Slippage	Amount (£000)
Digital Tameside	ICT Enablement Project	The variation of £725k at outturn has arisen as a result of project works which have commenced in 2015/16 but will run in line with the overall Vision Tameside project until 2018/19. Due to the nature of the project implementation is often phased over a number of months and as a result the costs incurred will cross multiple financial years, resulting in the rephasing of the budget. The works scheduled to be undertaken will continue to support the Vision Tameside project.	725
Digital Tameside	Working Differently	The variation of £142k at outturn has arisen as a result of the information@work and related document management rationalisation projects that are now scheduled for 2016/17. As a result the budget has been rephased to allow for spending in 2016/17.	142

Engineering Services

- 3.8 The table below outlines the projected investment for Engineering Services. Explanations are also included where slippage has been requested.

Table 10a: Detail of Engineering Services Capital Investment Programme

Engineers Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
asda roundabout	1,118	1,035	(83)	0
denton link road	750	616	(134)	134
challenge funding	750	301	(449)	449
led street lighting investment	530	392	(138)	138
cycle city ambition grant	511	519	8	0
bt roundabout	424	507	83	0
principal/nonprincipal roads - ashton	410	354	(56)	56
principal/nonprincipal roads - droylsden	241	216	(25)	25
mossley road retaining wall continuation scheme	240	381	141	(141)
richmond street bridge	219	219	0	0
principal/nonprincipal roads - hyde	213	265	52	(52)
shepley bridge	200	105	(95)	95
wilson brook culvert	200	5	(195)	195
footway works	200	194	(6)	0
other minor schemes	2,918	2,368	(550)	615
Total	8,924	7,477	(1,447)	1,514

Table 10b: Detail of Engineering Services Capital Programme – slippage

Explanation of Slippage			
Service Area	Capital Project	Explanation for Slippage	Amount (£000)
Engineering	Denton Link road	Some utility diversion costs were not incurred by year end and will be continued into the next financial year.	134
Engineering	Challenge Funding	New procurement procedures delayed the return of tenders. Land ownership issues and negotiations have also contributed to the delays in spend. Schemes have had to be phased across financial years to avoid complications with the traffic management of other projects.	449

Engineering	LED Street Lighting Investment	Once the procurement process was finalised and the award made, it became apparent that the manufacture of the first batch of lanterns would take longer than first envisaged. The delivery of these lanterns delayed the installation programme and hence the underspend in year. The overall scheme is still on schedule to be completed by 2017/18 as originally planned.	138
Engineering	Mossley Road Retaining Wall Continuation	Tender price was higher than the estimated budget and actual works required further spend after investigation. The increased costs will be accommodated from within the overall structures budget.	(141)
Engineering	Wilson Brook Culvert	Scheme abandoned following subsequent confined space inspections revealing fair structural condition. Monies are being transferred to King Edward Rd Retaining Wall capital scheme.	195

Environmental Services

3.9 The table below outlines the projected investment for Environmental Services.

Table 11: Detail of Environmental Services Capital Investment Programme

Environmental Services Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved in this Quarter
allotment railings and infrastructure improvement	82	6	(76)	76
rocher vale & hulmes and hardy wood	80	51	(29)	29
childrens play	57	37	(20)	20
dukinfield park improvements	42	2	(40)	40
guide lane former landfill site	40	44	4	(4)
retrofit (basic measures)	32	30	(2)	2
sunnybank park - landscaping	27	8	(19)	19
stamford park infrastructure	23	3	(20)	20
silver springs walking scheme	20	23	3	0
other minor schemes	73	22	(51)	50
Total	476	225	(251)	253

Transport

3.10 The table below outlines the projected investment for Transport.

Table 12: Detail of Transport Capital Investment Programme

Transport Capital Programme Statement				
Capital Scheme	Revised 2015/16 Budget	Outturn	Outturn Variation	Slippage to be approved
FLEET REPLACEMENT PROGRAMME	1,140	1,139	(1)	
PROCUREMENT OF 58 FLEET VEHICLES	66	67	1	
Total	1,206	1,206	0	0

4. COMPULSORY PURCHASE ORDERS, INDEMNITIES AND POTENTIAL LIABILITIES

Redmond Close

- 4.1 The Council have purchased and demolished property numbers 2 – 18 (evens). The original plan was for Property number 22 to remain in situ with a remedial solution to be installed, as the occupants refused to move. Property number 20 is adjoining number 22 and is to be demolished. The Council went through 2 unsuccessful tendering processes for the remedial works in an attempt to deliver the engineering solution inside an acceptable financial envelope. This has not been possible and a further report will be required to enable consideration of this matter by elected members..

Wellington Works

- 4.2 This is a complex compulsory purchase compensation matter, which involved lengthy litigation between the Council and the claimant. Consequently, costs of the most recent proceedings are outstanding as an amount has yet to be agreed.

Denton Link Road

- 4.3 The Council entered into a CPO Indemnity and Development Agreement with the owners of the site in 2008 (subsequently amended in 2011). Through the agreement, the Council is indemnified by the developer against the CPO costs and the costs of the related consents needed to facilitate and complete the development.
- 4.4 Following the confirmation of the CPO by the Secretary of State and non-receipt of blight notices to date, and changes to the overall project, the developer has requested a variation to the Development and a CPO Indemnity agreement to better reflect the current situation and enable the Council to assume responsibility for the delivery of the link road.
- 4.5 A General Vesting Declaration (GVD) has been executed for land required within the CPO. The Council is currently in the process of registering its legal title to the land with HM Land Registry
- 4.6 The Council has recently completed a variation to the CPO Indemnity and Development Agreement to enable the delivery of the link road. Land Transfer Agreements with the developer and other third parties are also being progressed.

Hattersley CPO

- 4.7 The Council is supporting the proposal for the development of the final phase of the new district centre for Hattersley. Outline planning consent was secured in February 2015 for a major retail development on land at the junction of Stockport Road and Ashworth Lane. The 75,000 square feet development will include new retail, food store and leisure units to enhance retail choice and amenities for local residents and thereby improving the long-term vitality and viability of Hattersley as a place to live.

- 4.8 The Council approved the making of a compulsory purchase order in respect of one outstanding property in June 2015 and is currently working with its partners, Peak Valley Housing Association and the Homes and Communities Agency, to secure the appointment of a developer partner. Peak Valley Housing Association will fully indemnify the Council's CPO costs through a CPO Indemnity Agreement.

5. CHANGES TO THE APPROVED 3 YEAR CAPITAL PROGRAMME

- 5.1 Since it was approved in February 2016, there has been an increase in the programme totalling £3.620m over the period 2015/16 – 2017/18. Full details are listed in **Appendix 1**.

6. CAPITAL RECEIPTS

- 6.1 With the exception of capital receipts earmarked as specific scheme funding, all other capital receipts are retained in the Capital Receipts Reserve and utilised as funding for the Council's corporately funded capital expenditure, together with any other available resources identified in the medium term financial strategy.
- 6.2 £11.3m of BSF Capital Receipts are to be repaid corporately, to repay temporary corporate funding of the Schools Capital Programme.
- 6.3 Receipts of £7.913m were generated from the disposal of Council assets in 2015/16

7. REVISED CAPITAL PROGRAMME

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

APPENDIX 1

Changes to the Capital Programme

		BUDGET CHANGES			TOTAL
		2015/16	2016/17	2017/18	
		£000	£000	£000	£000
SERVICE	SCHEME	SOURCE OF FUNDING			
Amended Capital Programme 2015/16 Q3		57,099	53,318	51,412	161,829
A) Increases to the Programme					
Transport	Refuse Collection Fleet	Corporate		3,060	3,060
AIPM	Vision Tameside	Corporate	250		250
Engineering	Richmond Street Bridge	Grant	159		159
Cultural Services	Hyde United Fc	Receipts/Corporate	75	60	135
AIPM	Building Fabric Works	Corporate	135		135
Engineering	Principal/Non-principal Roads - Droylsden	Grant	131		131
Engineering	Principal/Non-principal Roads - Denton	Grant	103		103
Education	Ashton Targeted Basic Need New School	Grant	74		74
Education	Flowery Field FF&E For New School Project	RCCO	59		59
Education	Astley BSF Remodelling Works	Grant	40		40
Education	Wildbank Lighting And Power	Grant	32		32
Education	Milton Saint John Primary - Emergency Works	Grant	23		23
Education	Fairfield Car Park	Grant	19		19
Operations	Pocket Parks	Grant/RCCO	18		18
Education	BSF ICT Capital	Grant	16		16
Education	Gorse Hall Power And Fire Alarm	Grant	14		14
Education	Broadbottom Drainage Works	Grant	14		14
Education	Broadbottom Kitchen Extension (UIFSM 2)	Grant	11		11
Education	Gorse Hall Windows	Grant	10		10
Education	Universal Infant Free School Meals	Grant	7		7
Education	Broadoak Parking Improvements	RCCO	6		6
Education	St Anne's Denton Kitchen Extension (UIFSM 2)	Grant	6		6

Education	Samuel Laycock It Infrastructure	RCCO	1			1
			1,203	3,120	0	4,322
B) Reductions in Programme						
AIPM	Document Scanning	Corporate	(250)			(250)
Engineering	Principal/Non-principal Roads - Audenshaw	Grant	(203)			(203)
Engineering	Highways Maintenance Funding	Grant		(159)		(159)
Education	Milton St John - Lighting, Power, Alarm	Grant	(35)			(35)
Engineering	Principal/Non-principal Roads - Dukinfield	Grant	(33)			(33)
Education	St James Ashton Replacement Heating	Grant	(15)			(15)
Education	West End Primary Ashton Asbestos Removal	Grant	(7)			(7)
			(543)	(159)	0	(702)
C) Funding Transfers in Programme						
AIPM	Vision Tameside	Corporate	(4,003)	4,003		0
Transport	Procurement Of 58 Fleet Vehicles	Corporate	(2,442)	2,442		0
Digital Tameside	ICT - Enablement Project	Corporate	(642)	642		0
Education	Replacement Of Boyds Walk	Corporate	(600)	600		0
Education	Hyde Targeted Basic Need New School	Grant	(507)	507		0
Digital Tameside	Working Differently - It Hardware & Software	Corporate	(269)	269		0
Adult Services	Mental Health Project - Improving Service Access	Grant	(260)	260		0
Adult Services	IT Infrastructure	Grant	(237)	237		0
Adult Services	Transforming Adult Social Care	Grant	(169)	169		0
Sustainable Growth	St Petersfield	Corporate	(125)	125		0
Communities	Supporting Customer Experience And Contact	Corporate	(121)	121		0
Education	Hollingworth Kitchen & Dining Refurbishment	Grant	(118)	118		0
Engineering	Huddersfield Road Retaining Wall	Grant	(113)	113		0
Sustainable Growth	Godley Hill Development And Access Road	Corporate	(112)	112		0
Education	Stamford Demolition	Receipts	(92)	92		0
Education	Ashton Targeted Basic Need New School	Grant	(76)	76		0
Education	Seed Challenge: St James' Ce - Remodel Main	Grant	(73)	73		0

	Entrance, Toilets And Admin				
Education	Seed Challenge: St Anne's Denton - New Entrance Foyer, Reception And Secure Lobby	Grant	(49)	49	0
Education	Littlemoss Demolition	Receipts	(41)	41	0
Education	Micklehurst Fire Alarm Survey & Works	Grant	(40)	40	0
Education	BSF Droylsden Academy	Receipts	(33)	33	0
Education	SEN Review	Grant	(26)	26	0
Adult Services	Autism Innovation	Grant	(19)	19	0
Education	Greswell Primary Drainage	Grant	(17)	17	0
Education	Dane Bank Primary Seed Challenge	Grant	(13)	13	0
Education	The Heys Floor Replacement	Grant	(12)	12	0
Education	Heys Retaining Wall	Grant	(7)	7	0
Education	Samuel Laycock Targeted Basic Need Extension	Grant	(5)	5	0
AIPM	Slippage		(900)	900	0
Community Services	Slippage		(90)	90	0
Development & Investment	Slippage		(965)	965	0
Digital Tameside	Slippage		(899)	899	0
Education	Slippage		(1,844)	1,844	0
Engineering	Slippage		(1,514)	1,514	0
Environmental	Slippage		(253)	253	0
Public Health	Slippage		(69)	69	0
					0
					0
					0
			(16,755)	16,755	0
					0
Net Changes to Programme			(16,095)	19,716	0
Capital Programme 2015/16 Outturn			41,004	73,034	51,412
					165,450

Notes:

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

AIPM stands for Asset Investment Partnership Management.

APPENDIX 2

Capital Financing Statement

	Annual Budget £000	Actual Expenditure £000	Borrowing £000	Grants & Other Contributions £000	Capital Receipts £000	RCCO & Reserves £000	Total £000
<u>PEOPLE</u>							
Adults	0	0	0	0	0	0	0
Children's	16,550	14,662	25	14,161	1	246	14,662
Community Services	251	160	160	0	0	0	160
Public Health	1,034	965	840	0	125	0	965
<u>PLACES</u>							
AIPM	9,107	8,044	1,658	0	6,387	0	8,044
Development & Investment	7,039	6,076	3,082	2,937	54	2	6,076
Digital Tameside	2,150	1,252	100	0	1,152	0	1,252
Engineering Services	8,924	7,477	1,084	5,575	0	819	7,477
Environmental Health	72	74	44	30	0	0	74
Operations	404	151	32	93	0	26	151
Transport	1,206	1,205	489	0	0	716	1,205
Subtotal	46,737	40,067	7,742	22,797	7,719	1,809	40,067

APPENDIX 3

Capital Programme (after reprofing)

	ESTIMATE 2015/16 £000	ESTIMATE 2016/17 £000	ESTIMATE 2017/18 £000	TOTAL £000
CAPITAL PROGRAMME 2015/16 - 2017/18				
Adult And Health Services				
Mental Health Project - Improving Service Access	0	260	0	260
It Infrastructure	0	237	0	237
Transforming Adult Social Care	0	169	0	169
Autism Innovation	0	19	0	19
BCF Adults Capital Grant	0	650	0	650
Adult And Health Services Total	0	1,335	0	1,335
AIPM				
Dukinfield Crematoria Clock Tower	0	98	0	98
Energy Consumption Pilot Scheme Dukinfield Town Hall	64	46	0	110
Knowle Avenue Depot / JW Lees Social Club Site	0	5	0	5
Mottram Showground (OPF)	4	161	0	165
Opportunity Purchase Fund (Individual Approval Required)	573	500	500	1,573
Stalybridge Civic Hall Roof Repairs	9	1	0	10
TAC CCTV Upgrade	0	25	0	25
Tac Fire Alarm Upgrade	0	20	0	20
Wellington Works	131	0	0	131
Vision Tameside	4,364	20,773	17,293	42,430
Decant Costs	1,350	0	0	1,350
Hyde Town Hall Lift	0	4	0	4
Development Of Former Stamford High School Site	0	50	0	50
Building Fabric Works	661	139	0	800
Prep Of Outline Planning Applications / Review Of Playing Field Provision	14	116	0	130
Public Realm	0	0	2,631	2,631
Document Scanning	92	158	0	250
Structural, Asbestos, Mechanical And Electrical Surveys To Inform Of Decant And Condition Works	112	0	0	112

CCTV Dukinfield Town Hall	736	114	0	850
VT - Programme Management Costs	96	0	0	96
Tame Street Emergency Generators	0	93	0	93
AIPM Total	8,206	22,303	20,424	50,933
Community Services				
Implementing The New Library Offer	63	166	0	229
Safe And Secure Project (Alleygating And Burglary Reduction)	98	38	0	136
Street Art In The Community	0	8	0	8
Supporting Customer Experience And Contact	0	179	0	179
Libraries In The 21St Century	0	573	0	573
Community Services Total	161	964	0	1,125
Education				
Basic Need - Funding Stream	0	3,895	6,543	10,438
Bradley Green - Roof Repairs	230	0	0	230
Bradley Green Primary - Funding Stream	0	30	0	30
BSF Droylsden Academy	0	33	0	33
Building Schools For The Future Reserve - Funding Stream	0	683	0	683
Devolved Schools Capital	487	0	0	487
Lyndhurst Primary School	1	3	0	4
Primary Capital Programme - Russell Scott	20	256	0	276
Ravensfield Primary School	0	11	0	11
Seed Challenge: St Anne's	0	49	0	49
Seed Challenge: St James' CE	4	73	0	77
Short Breaks Capital Grant - Funding Stream	0	88	0	88
Specific Capital Reserve	0	403	0	403
Two Year Old Entitlement Grant - Funding Stream	17	264	0	281
Work At Two Trees Due To Occupation By Russell Scott	61	0	0	61
Flowery Field FF&E For New School Project	97	0	0	97
Wildbank Electrical Works	22	0	0	22
Bradley Green Chimney Repairs	0	7	0	7
Heys Retaining Wall	0	7	0	7

Holden Clough FF&E For New School Project	126	15	0	141
Alder Buy Out Fitness Centre	0	1,000	0	1,000
Littlemoss Demolition	0	41	0	41
Astley BSF Remodelling Works	40	0	0	40
Samuel Laycock Targeted Basic Need Extension	942	0	0	942
Ashton Targeted Basic Need New School	2,155	94	0	2,249
Hyde Targeted Basic Need New School	6,463	481	0	6,944
Sen Review	0	26	0	26
BSF ICT Capital	16	0	0	16
Stamford Demolition	0	92	0	92
Funding Stream - Education Improvements	0	50	0	50
Funding Stream - EM800130 - RCCO Reserve	0	7	0	7
Universal Infant Free School Meals	143	0	0	143
Greswell Primary Roof Heating & Asbestos Removal	329	34	0	363
Flowery Field Primary Seed Challenge	25	0	0	25
Stalyhill Junior Seed Challenge	15	0	0	15
Holden Clough Seed Challenge	0	13	0	13
Manor Green Primary Seed Challenge	15	0	0	15
Milton St John Primary Seed Challenge	0	13	0	13
St Paul's Primary Hyde Seed Challenge	13	11	0	24
St Peter's Primary S/B Seed Challenge	7	0	0	7
St Thomas More Secondary Seed Challenge	0	25	0	25
Greswell Primary Drainage	0	17	0	17
Micklehurst Fire Alarm Survey & Works	0	40	0	40
Poplar Street Primary Seed Challenge	7	0	0	7
Russell Scott Primary Seed Challenge	0	25	0	25
Dane Bank Primary Seed Challenge	0	13	0	13
St Marys Droylsden Primary Seed Challenge	25	0	0	25
Aldwyn Primary Additional Accommodation	122	1,755	0	1,877
Broadoak Primary Seed Challenge	0	25	0	25
Ryecroft Hall Early Years - KS2 Remodelling	65	0	0	65
Discovery Academy - Remodelling/Furniture	0	115	0	115

Broadoak Remodelling Of ICT Room	40	0	0	40
Hollingworth Kitchen & Dining Refurbishment (UIFSM 2)	0	118	0	118
St Anne's Denton Kitchen Extension (UIFSM 2)	156	0	0	156
Broadbottom Kitchen Extension (UIFSM 2)	52	0	0	52
Broadoak Parking Improvements	86	0	0	86
ICT High Schools - Replacement ICT Servers	440	0	0	440
Yew Tree - Extension	469	0	0	469
Bradley Green, Corrie, Holden Clough - Access Improvement Works	15	0	0	15
Holden Clough - Remodelling	0	12	0	12
Audenshaw Primary - Emergency Work	170	0	0	170
Longdendale - Boiler House Chimney Removal	50	0	0	50
Holden Clough Additional Path	0	9	0	9
Milton St John Creation Of Bulge Class	0	40	0	40
Livingstone Remodelling/Extension	25	330	0	355
Samuel Laycock It Infrastructure Contribution	25	0	0	25
The Heys Floor Replacement	40	10	0	50
Gorse Hall Power And Fire Alarm	224	0	0	224
Wildbank Lighting And Power	212	0	0	212
Corrie Primary Heating	90	0	0	90
St James Ashton Replacement Heating	137	0	0	137
Milton St John Lighting, Power And Alarm Replacement	315	0	0	315
Fairfield Car Park Repairs	0	37	0	37
Gorse Hall Windows	26	0	0	26
BSF High School Telephone Lines	14	0	0	14
Flowery Field Additional Furniture For New Building	16	0	0	16
Linden Road Children's Centre - Refurbishment And Electrical	0	17	0	17
Milton St John Primary - Temporary Emergency Works	23	16	0	39
Inspire Academy - Pre-Opening Costs	71	44	0	115
Broadoak Primary School - FF&E For New Building	76	31	0	107
Mottram Primary - Production Kitchen (UIFSM2)	90	0	0	90
St James' Hattersley - Production Kitchen (Uifsm2)	103	3	0	106
St James' Hattersley - Additional Classroom	0	220	0	220

Disabled Access Works At Hurst Knoll, Stalyhill Infants & Bradley Green	32	8	0	40
St Damian's Classroom Alterations	0	250	0	250
Replacement Of Boyd's Walk	254	658	0	912
Broadbottom Drainage Works 2015	8	6	0	14
Education Total	14,705	11,503	6,543	32,751
Engineering Services				
A635 Manchester Rd / B6390 Audenshaw Rd	21	0	0	21
A670 Mossley Road(West) – Retaining Wall, Mossley	56	0	0	56
Alphagate Drive, Denton – Footway Lighting	10	0	0	10
Asda Roundabout	1,118	0	0	1,118
Ashton Northern Bypass - Stage 2	29	279	0	308
Asset Management Plan	100	0	0	100
Borough Wide Minor Works	14	0	0	14
Bridgeguard 3 Mitigation Measures	15	0	0	15
BT Roundabout	424	0	0	424
Bus Lane Enforcement	9	0	0	9
Carriageway Structural Maintenance	30	18	0	48
Congestion Performance Fund (Tranche 4)	24	3	0	27
Cycling	33	0	0	33
Lees Road / Queens Road, Ashton (Hurst Cross Junction)	14	0	0	14
Living Streets	3	8	0	11
Lord Sheldon Way, Ashton (Ikea Roundabout)	24	0	0	24
Peak Forest Canal Access Improvements	163	0	0	163
Pedestrian Crossing Improvements	10	0	0	10
Principal / General Bridge Inspections	50	0	0	50
Road Marking & Warning Sign Improvement Programme	17	0	0	17
Stockport Rd, Ashton – Puffin Crossing & 20Mph Zone Amendments	79	0	0	79
Strategic Highway Drainage Works	40	0	0	40
Strategic Route TROs	3	0	0	3
Strategic Surface Improvements	50	0	0	50
Street Lighting Scheme Continuation	185	0	0	185
Cycle City Ambition Grant	511	0	0	511

Whiteacre Road /Curzon Road Junction Improvements	149	0	0	149
Pinch Point Schemes	24	150	0	174
Shepley Bridge	200	0	0	200
Mossley Road Retaining Wall Continuation Scheme	240	0	0	240
Manchester Road Canal Bridge	130	0	0	130
Strategic HRA	50	0	0	50
Lower Bennett Street	0	16	0	16
Junction Improvements On/Off At J23 M60	20	359	0	379
Ashton Town Centre Access Improvements	15	181	0	196
Muse Developments	0	15	0	15
Led Street Lighting Investment	392	4,608	0	5,000
Highways Maintenance Funding	0	2,346	2,064	4,410
Hattersley Station Road	41	106	0	147
Clarendon Road Car Park, Hyde	1	62	0	63
The Longdendale Integrated Transport Strategy	0	480	0	480
The Longdendale Integrated Transport Strategy (Notional Element)	0	0	7,809	7,809
Pothole Funding	0	1,000	0	1,000
Public Rights Of Way	40	0	0	40
Principal/Non-principal Roads - Ashton	384	0	0	384
Principal/Non-principal Roads - Denton	142	0	0	142
Principal/Non-principal Roads - Dukinfield	110	0	0	110
Principal/Non-principal Roads - Audenshaw	39	0	0	39
Principal/Non-principal Roads - Droylsden	241	0	0	241
Principal/Non-principal Roads - Hyde	213	0	0	213
Principal/Non-principal Roads - Longdendale	12	0	0	12
Principal/Non-principal Roads - Mossley	38	0	0	38
Principal/Non-principal Roads - Stalybridge	99	0	0	99
Ashton-Stalybridge Cycle Route	60	400	0	460
Denton Link Road	616	1,293	0	1,909
CCAG School Partnership	157	31	0	188
Richmond Street Bridge	219	0	0	219
Huddersfield Road Retaining Wall	10	113	0	123

Walkerfold Culvert	75	0	0	75
Wilson Brook Culvert	200	0	0	200
Town Centre E70/Block Paving	30	0	0	30
Network Performance/Resilience	130	0	0	130
Challenge Funding	301	2,199	500	3,000
Engineering Services Total	7,410	13,667	10,373	31,450
Environmental Services				
Allotment Railings And Infrastructure Improvement	6	76	0	82
Carbon Reduction - Invest To Save Schemes Approval Required	0	311	0	311
Children's Play	37	20	0	57
Dukinfield Park Improvements	2	40	0	42
Green Space Improvements - Dukinfield	0	11	0	11
Green Space Improvements - Hyde	0	16	0	16
Guide Lane Former Landfill Site	44	465	0	509
Oak Park Improvements, Stalybridge	2	0	0	2
Retrofit (Basic Measures)	30	329	0	359
Stamford Park Infrastructure	3	20	0	23
Memorial Gardens Audenshaw	7	2	0	9
Scott Road Memorial Gardens, Droylsden	0	2	0	2
Sunnybank Park - Landscaping	8	19	0	27
Silver Springs Walking Scheme	20	0	0	20
Highway Replacement Tree Planting Access Works	6	9	0	15
Pocket Parks	7	11	0	18
Rocher Vale & Hulmes And Hardy Wood	51	29	0	80
Environmental Services Total	223	1,360	0	1,583
Transport				
Fleet Replacement Programme	1,140	0	0	1,140
Procurement Of 58 Fleet Vehicles	66	2,442	0	2,508
Refuse Collection Fleet	0	3,060	0	3,060
Transport Total	1,206	5,502	0	6,708
Digital Tameside				

Working Differently - ICT Hardware & Software	408	411	0	819
My Home Finance	100	0	0	100
ICT - Enablement Project	730	1,367	0	2,097
Disaster Recovery Site	0	45	0	45
Digital By Design	0	124	17	142
Town Centre Wi-Fi	14	121	0	135
Digital Tameside Total	1,252	2,068	17	3,338
Resources				
Estimated Future Borrowing Approvals / Receipts	0	3,433	4,262	7,695
Repayment Of Prud Borrowing	804	607	721	2,132
Resources Total	804	4,040	4,983	9,827
Development And Investment				
Ashton Market Hall Incubator Units	0	3	0	3
Ashton Town Centre And Civic Square	2,025	3,052	0	5,077
Disabled Facilities Grants	1,352	1,216	0	2,568
Godley Hill Development And Access Road	2	110	0	112
Grant Funding Yet To Be Allocated	0	259	0	259
Hyde Town Centre	4	23	0	27
St Petersfield	0	229	0	229
Gm Broadband	25	0	0	25
Ashton Old Baths	2,657	45	0	2,702
Longlands Mill	8	24	0	32
Development And Investment Total	6,073	4,961	0	11,034
Public Health				
Copley Leisure Centre Boiler Replacement	105	45	0	150
Droylsden Youth Centre	24	24	0	48
Active Playzone	711	0	0	711
Active Tameside Wellness Centre & Wider Investment	0	4,848	9,072	13,920
Hyde United FC	125	415	0	540
Public Health Total	965	5,332	9,072	15,369
Total	41,004	73,034	51,412	165,450

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Agenda Item 5

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date :	11 July 2016
Executive Member/ Reporting Officers:	Councillor Jim Fitzpatrick - First Deputy (Finance and Performance) Damien Bourke - Assistant Executive Director (Development, Growth and Investment)
Subject:	VISION TAMESIDE PHASE 2 PROGRESS UPDATE
Report Summary:	This report provides a further update on project development, costs, delivery timescales and risks associated with the Vision Tameside Programme.
Recommendations:	<p>That the Panel notes the report and in particular the progress being made:</p> <ol style="list-style-type: none">1. with the delivery of the Vision Tameside Phase 2 scheme.2. to maximise the opportunities for local employment, apprenticeships, work placements and local supply chains.3. with the development of the Ashton Town Centre public realm project.4. with the development of a vision and business plan for the future use of Ashton Town Hall.5. to develop a Recant Strategy for the new building, which will also help inform the Council Estate Strategy for the disposal and retention of properties within its portfolio.6. Any variations to the project with cost consequences will be advised to the Panel together with an explanation as to the reason for the change and where the costs will be met from within the costing envelope.
Links to Community Strategy:	Prosperous Tameside
Policy Implications	In line with approved policy
Financial Implications: (Authorised by the Section 151 Officer)	<p>The overall costs of the Vision Tameside programme must be contained within the overall net budget of £48,673,794, which was approved in February 2015.</p> <p>Sufficient contingency provisions were made for construction and overall programme related cost pressures as part of this budget allocation.</p> <p>The construction programme has now progressed to Stage 2 and firmer costs have been determined. This is based on a contract award by the end of June 2016. There are however still a small number of risks relating to ground conditions, and the Ashton Town Hall façade and there is a construction contingency of £250,000 to cover any costs related to these.</p> <p>A key cost risk to the programme is not achieving contract award, as this will impact on the amount of inflation underwritten and also revenue budget impacts due to loss of rent from the new tenants and</p>

the potential need to extend the rental of some of the decant properties. As anticipated, there have been a number of variations to costs originally projected that now require approval if the programme is to progress.

The current approved budget, projected expenditure at this stage and virement required is shown in the table below:

Budget Heading	Approved Budget December 2015 (£)	Projected Budget June 2016 (£)	Requested Virements at June 2016
Total Demolition / Construction costs (including revised commercial offer and inflation contingency)	38,989,083	38,693,279	-295,804
TMBC Furniture Budget	1,500,000	1,500,000	0
Approved Change Orders To Date	0	1,616	1,616
Additional Asbestos Costs (now included in total demolition / construction cost)	706,997	680,000	-26,997
Total Demolition / Construction Costs	41,196,080	40,874,895	-321,185
Less SFA grant	-4,000,000	-4,000,000	0
Cost paid by partners for furniture	-287,000	-432,000	-145,000
TMBC Construction Contingency (for dark ground)	250,000	250,000	0
Net Construction Costs	37,159,080	36,692,895	-466,185
Decant / condition works	2,764,452	2,764,452	0
Co-op bank termination of lease	100,000	95,408	-4,592
Programme Management	100,000	100,000	0
Fit out costs of temporary store re Early Lease termination – Wilkos	832,978	832,978	0
College Fixed Furniture and Equipment	300,000	850,000	550,000
Fit Out Costs - Early Wilko's Lease Termination	859,900	859,900	0
Public Realm Works	2,631,000	2,631,000	0
Document Scanning	250,000	250,000	0
Potential Loss of profits Wilko's	550,000	550,000	0
Legal Costs of Construction Works	50,000	50,000	0
IT Enablement	2,194,000	2,194,000	0
Programme Contingency	882,384	803,161	-79,223
Total	48,673,794	48,673,794	0

Any additional costs that arise will need to be delivered from the

remaining overall contingency to ensure that the project remains within the overall approved budget.

Following the virement the overall contingency that remains has again been reduced to £803k this is not a large amount considering the size of the project and therefore costs needs to be closely monitored.

It is important that regular monitoring of all expenditure budgets, value for money and inflation projections are maintained throughout the programme. It is also important that the agreement for lease and lease with the college, CCG and JCP are completed as soon as possible so that the capital and revenue implications of the programme can be confirmed.

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

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

Formal completion of the Building Contract; and the negotiation and then entering into of legal agreements with Tameside College, CCG and JCP are now high priority to enable the project to move forward expediently. Whilst we remain within the financial envelope bottom line we need to ensure that we are not vire-ing budget heads which create difficulties. Importantly we need to ensure we do not change the risk transfer, such that the price is the same but we no longer have an all risks project, which could mean unknown costs arising at a later date.

The risks around the SFA Grant of £4,060,000 from the Greater Manchester Combined Authority are set out in the report. The Council must now ensure that it closely monitors and adheres strictly to the obligations set out in the Grant Funding Agreement attached at Appendix 1. Key to this will be ensuring that the College signs up to an agreement for lease at the earliest opportunity.

Risk Management:

The key risks, impact and mitigation proposed are included in the report at Section 6.

Access To Information:

The background papers relating to this report can be inspected by contacting the report author, Damien Bourke on:



Telephone: 0161 342 3544



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

1. INTRODUCTION

- 1.1 The purpose of this report is to provide a further update on project development, costs, delivery timescales and risks associated with the Vision Tameside Programme.

2. VISION TAMESIDE PHASE 2 - PROGRESS UPDATE

- 2.1 A detailed update on the physical progress made to date was provided at the last Strategic Planning and Capital Monitoring Panel on the 14 March 2016.

- 2.2 Since that time, substantial progress has been made with key elements of the Programme, as set out below.

Asbestos Removal

- 2.3 Negotiations on liability for the removal of asbestos have now been satisfactorily completed. Details of the financial implications for the Council are set out in section 5.2 of this report.

- 2.4 An asbestos workshop held involving demolition experts from the Council and Carillion. The purpose of this event was to establish the process followed to identify, notify and remedy this issue and identify lessons learned to help improve communications in the future.

Lease Negotiations

- 2.5 Lease discussions are nearing completion with the College, Job Centre Plus (JCP) and the Clinical Commissioning Group (CCG). Heads of Terms are to be agreed prior to the award of the Design and Build contract.

Scope and Design of Building

- 2.6 The scope of the building has not changed and remains as approved. It should be noted however that any further changes to the design or specification, following approval of the Stage 2 report, is likely to incur additional costs. Some change is inevitable given that we are over two years away from moving into the new building and for that reason a formal change control process has been embedded into project management processes.

- 2.7 Following recent changes in management at the College, the Stage 2 designs are currently under review and several design changes are anticipated. The College has been made aware that they will be responsible for any costs associated with any requested design changes and that any impact on timescales will need to be considered carefully to ensure there is no negative impact on the overall programme.

- 2.8 Further detailed discussions with potential occupants are ongoing to gain a better understanding of partners' requirements and to identify if design changes are required to the first floor. These potential occupants include Customer Services, Citizen Advice Bureau, Cash Box, Credit Union and Welfare Rights.

Fixture, Fittings and Equipment (FF&E)

- 2.9 An analysis of furniture, fittings and equipment, for all elements of the scheme, was completed as part of the Stage 2 submission. The original £1.5 million budget for the Council and partners had been confirmed to be sufficient at Stage 2. An original projection of FF&E costs to be recovered from JCP and CCG, for bespoke elements, was £287,000. However, the projected FF&E contribution, from these organisations, is now anticipated to be £432,000.

2.10 It was reported at the Council's Executive Cabinet meeting on the 21 October 2015 that the College fixed FF&E costs had been estimated at £1.065 million subject to further analysis and value engineering.

2.11 The current College FF&E costs are now projected at £2.2 million as shown in the table below:

Type of FF&E	Amount (£)
Loose	827,486.57
Fixed	1,391,800.38
Total	2,219,286.95

2.12 Early negotiations with the College included an indication of a £300,000 Council contribution towards the fixed FF&E costs for their accommodation. Over the course of the development of the project, the College has repeatedly stated that this level of financial contribution is insufficient to meet their needs and enable them to move into the town centre.

2.13 Further negotiations with the College have resulted in an agreement for a capped £850,000 Council contribution towards the total £2.2 million costs of the College's FF&E. This ensures that Heads of Terms for the College's lease are agreed within the required timescales while limiting the Council's financial exposure.

2.14 The revised financial breakdown of FF&E costs for the College are as follows:

Detail	Council Cost (£)	College Cost (£)
Council capped contribution towards College fixed FF&E	850,000	
College to pay for balance of fixed FF&E		541,800 *
College to pay for all loose furniture		827,486 *
Specialist design advice (previously approved)	48,303	
Total Projected Cost	898,303	1,369,286

*Note - the College is currently reviewing the designs so these costs are still subject to change.

Contract Award

2.15 The revised target date for financial close and contract award is 30 June 2016. Good progress is being made with final negotiations and legal documentation to ensure that this milestone is achieved.

3. CARILLION QUARTERLY REPORT

3.1 Carillion Building continue to submit quarterly update reports to the Council, which provide details on the works progress including any incidents and accidents and progress towards achieving employment and skills targets.

Employment and Skills

3.2 Partnership work continues between Carillion and the Council's Employment and Skills team to maximise opportunities for local employment, apprenticeships, work placements and local supply chains.

3.3 A summary of the outputs achieved to date is show in the table below:

Activity	Target Number	Achieved
Apprenticeships	30	2
Ready for work placements	15	4
Placements for education	0	2
Jobs created	20	20
Schools / young people engagement sessions	12	4
Site tours / stakeholders	0	12

- 3.4 A further review of the above outputs is currently being undertaken by the Employment and Skills team. The purpose of this review is to establish whether there are opportunities to further stretch targets previously agreed and also ensure there is a standard and recognised definition applied to each output.

Public Realm Project

- 3.5 Substantial progress has been made with the development of the Ashton Town Centre public realm project. An appropriate funding package is also being developed to enable the delivery of all elements of the project as identified in previous reports.
- 3.6 The current projected costs for the Ashton Town Centre project are £9,655,383 with Council commitments of £8,191,726 of which £2,631,000 sits within the overall Vision Tameside budget. The funding package therefore relies on financial contributions from external sources including the GM Growth Deal Round 3 programme and Network Rail. A detailed business case and funding bid for £1.2 million has been submitted to TfGM and informal feedback received to date has been positive. A formal decision is expected by the end of July 2016.
- 3.7 In addition, discussions with Network Rail regarding their current plans to replace the two bridges at the Turner Lane junction, have included potential improvements to the station façade and plaza.
- 3.8 Hamilton-Baillie, leading international urban design and movement experts, has recently been appointed to develop proposals for the rationalisation of the Turner Lane road junction and associated works. This work is aimed at complementing the wider public realm project, pedestrianisation of Wellington Road and creating an attractive arrival and pedestrian environment in Ashton.
- 3.10 A further report on the public realm project will be provided for consideration once project and funding details have been established.

Re-use of Ashton Town Hall

- 3.11 A study to explore the potential for optimising the future use of Ashton Town Hall has recently been completed by Creative Heritage Consultants to assist in developing a vision and business plan for the future use of this important historic building. The emerging vision is based on the concepts of 'Inform, Debate and Celebrate' to communicate the distinctiveness and iconic beauty of the building. Proposed uses include arts and culture hub, retail/food & drink, meeting rooms and function rooms.
- 3.12 Ryder's Architecture, the architects for the Vision Tameside Phase 2 building, are currently developing design options and costings based on the emerging vision. This work will assist the Council in establishing the feasibility of re-interpreting the town hall in a commercially viable 21st Century context.
- 3.13 A further report on the re-use of Ashton Town Hall will be provided for consideration once project and funding details have been established.

Recant Task Group

- 3.14 A Recant Task Group, which reports to the Vision Tameside Working Group, is in the process of developing an appropriate Recant Strategy for the new Joint Service Centre as part of the wider Council accommodation strategy.
- 3.15 The intention is to have a draft Recant Strategy available for further consideration by Autumn 2016.

4. PROJECT PROGRAMME

- 4.1 Due to unforeseen delays in the demolition programme, a revised recovery programme was received on the 9 June 2016. Some of the reasons provided for the delays experienced include late scaffolding erection to the Octagon Tower; additional propping up requirements in the Octagon Tower, remedial work to the existing town hall having an impact on the heavy vibration demolition works progress.
- 4.2 The latest recovery programme indicates that the demolition programme will be complete by the 5 August 2016 rather than the previously reported date of 24 June 2016.
- 4.3 The revised high level programme is shown in the table below. This confirms a completion date for the construction of the new building as 26 May 2018 with recant and occupation completed by September 2018.

Phase	Milestone	Target Date as of May 2016
Design Stage	Stage 1 design	Achieved
Design Stage	Stage 2 design submission for Planning	Achieved
Decant Phase	TAC vacated	Achieved
Decant Phase	Retail vacated	Achieved
Planning Approval and Listed Building Consent	Approval granted	Achieved
Demolition and Enabling Phase	Start separation works from Ashton Town Hall	July 2015
Demolition Phase	Demolition starts	17 August 2015
Stage 2 Costs	Approval	December 2015
Demolition Phase	Demolition complete	5 August 2016
Contract Negotiation	Financial close / contract award	By 24 June 2016
Future Use of ATH	Business case complete	July 2016
Construction Phase	Construction phase starts	8 August 2016
Construction Phase	Completion	26 May 2018
Recant Phase	Recant commences	June 2018
Recant Phase	Recant completes	September 2018

- 4.4 Carillion has provided details of the mitigation measures which have been implemented to reduce the risk of further delays. In addition, they will continue, where possible, to identify opportunities to claw back time on the programme.
- 4.5 This delay in the programme does not have a significant impact on the current contract and lease arrangements. However it is essential that the programme continues to be monitored closely to ensure there is no further slippage, ensuring that the new building will be open and fully functioning by September 2018.

5. FINANCIAL IMPLICATIONS

- 5.1 The report to the Council's Executive Cabinet meeting on the 16 December 2015 gave authority to further negotiate specific areas in the cost plan to achieve better value for money.
- 5.2 These negotiations are now complete and the following revised offer has been made by Carillion:

Detail	Original Cost (£)	Revised Cost (£)	Variance (£)
Final asbestos removal costs - Carillion to omit overhead and profit for undertaking the work. Cost now incorporated into the Demolition costs identified in table 5.3.	720,000	680,000	40,000
Further additional, without prejudice commercial adjustment to close the agreement	680,000	650,000	30,000
Total			70,000

- 5.3 The costs approved by the Council's Cabinet Executive in December 2015 are shown in the table below along with further virements which are proposed for approval through a Council Key Decision on 29 June 2016.

Budget Heading	Approved Budget December 2015 (£)	Projected Budget May 2016 (£)	Requested Virements at June 2016
Total Demolition / Construction costs (including revised commercial offer and inflation contingency)	38,989,083	38,693,279	-295,804
TMBC Furniture Budget	1,500,000	1,500,000	0
Approved Change Orders To Date	0	1,616	1,616
Additional Asbestos Costs (now included in total demolition / construction cost)	706,997	680,000	-26,997
Total Demolition / Construction Costs	41,196,080	40,874,895	-321,185
Less SFA grant	-4,000,000	-4,000,000	0
Cost paid by partners for furniture	-287,000	-432,000	-145,000
TMBC Construction Contingency (for dark ground)	250,000	250,000	0
Net Construction Costs	37,159,080	36,692,895	-466,185
Decant / condition works	2,764,452	2,764,452	0
Co-op bank termination of lease	100,000	95,408	-4,592
Programme Management	100,000	100,000	0
Fit out costs of temporary store re Early Lease termination – Wilkos	832,978	832,978	0
College Fixed Furniture and Equipment	300,000	850,000	550,000
Fit Out Costs - Early Wilko's	859,900	859,900	0

Lease Termination			
Public Realm Works	2,631,000	2,631,000	0
Document Scanning	250,000	250,000	0
Potential Loss of profits Wilko's	550,000	550,000	0
Legal Costs of Construction Works	50,000	50,000	0
IT Enablement	2,194,000	2,194,000	0
Programme Contingency	882,384	803,161	-79,223
Total	48,673,794	48,673,794	0

- 5.4 If the virements are approved, the table below outlines the high level capital requirements for the project.

Capital Costs	Amount (£)
VTP2 Demolition	3,298,474
VTP2 Construction (inc inflation contingency)	36,074,805
TMBC Furniture Budget	1,500,000
Construction Contingency (dark ground risk)	250,000
Approved Change Orders To date	1,616
Less Potential Income	-4,432,000
Total Net Construction Costs	36,692,895
Additional VTP2 Programme Elements	11,177,738
Programme Contingency	803,161
Total	48,673,794

- 5.5 Dialogue continues with the TIP regarding the final construction contract sum which will not exceed the capital budget envelope.

Funding

- 5.6 A Council Key Decision in October 2014 authorised the submission of a funding bid to the Local Growth Fund for a capital contribution towards the costs of the College's demise in the new building.
- 5.7 The Skills Capital bid was successful and the Greater Manchester Combined Authority (GMCA) issued an offer of grant to the Council, of up to £4,060,000, in June 2015 subject to a number of grant conditions being met. A summary of the grant conditions are as follows:
- Confirmation that the Council have entered into an Agreement to Lease of Part of the premises created by the Project for a term of not less than 25 years.
 - Submission of an independent Confirmatory Due Diligence report to the GMCA which will provide confirmation of the following:
 - grant compliance with State Aid rules;
 - the Council has sufficient capital funding in its cash-reserves, that is has been approved by its governing body and that it will not adversely impact on its overall financial position;
 - credibility and accuracy of the projects financial projections.
 - Appointment of an independent Project Monitor who will verify to the GMCA that the project is being satisfactorily delivered and that claims for payment of the grant are made in accordance with the terms and conditions of grant.
- 5.8 The Confirmatory Due Diligence and Independent Project Monitor reports have now been completed and approved by the GMCA. On this basis the GMCA issued a draft formal funding agreement for £4,060,000 on the 12 May 2016.

- 5.9 A breakdown of the estimated eligible expenditure is as follows:

Item	Estimated Eligible Expenditure	Maximum GMCA Grant Contribution (% of estimated Eligible Expenditure)
Consultant costs (due diligence, project monitor, independent accountant)- these are not included in the costs above for Vision Tameside.	Up to £60,000	£60,000 (100%)
Construction costs (including prelims, contingencies and professional fees)	Up to £12,000,000	£4,000,000 (33%)

5.10 The FF&E contribution from JCP and CCG is currently estimated to be £432,000.

5.11 Funding for the balance of the capital requirements for the programme will be from reserves and/or Public Works Loan Board borrowing in line with the Council's capital strategy.

6. RISK MANAGEMENT

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

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

7. CONCLUSION

7.1 Delivery of the Vision Tameside Phase 2 programme is key to the achievement of the Council's overall strategic priorities and a new exciting future for Tameside attracting new businesses, creating new jobs and future opportunities for Tameside Residents.

7.2 Maximising opportunities for local employment, apprenticeships, work placements and local supply chains contribute to economic prosperity in the borough.

7.3 Improvement to the public realm is critical to the success of the Vision Tameside programme and good progress continues to be made with project development and associated funding package from external partners.

- 7.4 Ashton Town Hall is a key Council asset and good progress continues to be made with the development of a vision and business plan for the future re-use of the building.
- 7.5 In order to conclude designs and costs for the new building it is necessary to develop a costed Recant Strategy as the occupants will dictate the use and feel of the space. Good progress is now being made on this critical piece of work which will also help inform the Council's Estate Strategy for the disposal and retention of properties within its portfolio

8. RECOMMENDATIONS

- 8.1 These are shown at the front of the report.

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Agenda Item 6

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	11 July 2016
Reporting Officer:	Damien Bourke - Assistant Executive Director (Sustainable Growth and Assets) Ian Saxon – Assistant Director (Environmental Services)
Subject:	CORPORATE ASSET MANAGEMENT PLAN UPDATE
Report Summary:	The attached report is intended to update members of the Strategic Planning and Monitoring Capital Panel with progress on the disposal of the Council's surplus assets, anticipated capital receipts that will be realised and investment that is required to maintain those buildings being occupied and retained or dilapidations arising from the termination of leases.
Recommendations:	That Strategic Capital Panel Members review the contents of the report and RECOMMEND to Cabinet that the: <ul style="list-style-type: none">a) Note the list of 'properties for disposal but not yet completed' identified in Appendix 1;b) The allocation of £175,126 to undertake building condition replacement / repair projects as detailed at paragraph 3.2c) The allocation of £20,000 to facilitate works at Silver Springs, Stamford Park.
Links to Community Strategy:	To support the delivery of the objectives of the Community Strategy.
Policy Implications:	Expenditure in line with financial and policy framework. To assist in delivering a balanced budget and support the sustainability of the local economy.
Financial Implications: (As authorised by the Section 151 Officer)	<p>Substantial work has been undertaken to vacate, market and dispose of a number of buildings. The schedule of 'properties for disposal but not yet completed' at Appendix 1 will allow the Council to further reduce its asset portfolio and reduce the ongoing revenue costs associated with these properties.</p> <p>Section 3.2 of this report sets out the reactive work which is required to buildings. There is currently no funding identified for these costs. The costs of £175,126 requires approval to be funded and included within the Capital programme. Any revenue costs associated with this investment must be met from existing revenue budgets.</p> <p>The current approach to repairs and maintenance is purely reactive which does not allow the Council to undertake works in the most efficient or effective way. A repairs and maintenance strategy should be developed, which would support condition surveys on buildings and allow for a forward plan of works to be produced. This would need to be supported with an appropriate budget, which should be the subject of a future report.</p> <p>In addition to the above capital funding of £20k is being sought to undertake repairs in the Silver Springs area of Stamford Park. There is currently no funding identified for this, approval is sought through the panel to add this project to the capital programme.</p>

Repairs have already been undertaken which have been funded previously via Public Health of £20k and £20k from an external funder, the above funding will complete the project.

The Playing Pitch Strategy will require an investment of staffing time, which must be funded from within existing Council budgets.

The amended Strategy and Action Plan Report sets out that further maintenance work is required to improve the quality of pitches. There is currently no funding available for this, should these works go ahead consideration must be given to source of funding, including attracting funding from third parties.

Legal Implications:

**(As authorised by the
Borough Solicitor)**

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

The allocation of funding from the capital programme for works in the Silver Springs area of Stamford Park will ensure the continued use of the site with the contingent health benefits and ensure the site remains safe for users.

Risk Management:

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

Access to Information:

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



Telephone: 0161 342 3544



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

1. INTRODUCTION

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

2. DISPOSAL OF ASSETS

Disposal Strategy

- 2.1 The Asset Disposal process continues a pace with a figure of £6,283,500 achieved in the last 6 months (including Stamford High School).
- 2.2 Planning and Section 77 consultations are now underway on the 5 larger school sites and a process of active marketing is also on track. Work is underway on master planning the large site at Windsor Road in Denton and discussions around a potential disposal are proving positive.
- 2.3 **Appendix 1** provides additional information in respect of properties that have identified for disposal or where tenants have sought to acquire the freehold of the properties that they lease.
- 2.4 Properties being actively marketed for sale or lease, will be advertised on the Council's website, in addition to the marketing agents sites. Where potential disposals will impact on tenants, for example sale of garage or garden plots, which have become too expensive to administer, written notification will be given to tenants in advance for the proposed sale.

Leased Buildings

- 2.5 As reported at previous meetings of the Panel, the Council's policy is to terminate leases it has for buildings owned by others and to relocate services to surplus space in Council owned properties, where this delivers value for money, to reduce the revenue cost of operating and occupying buildings.

3. INVESTMENT IN CIVIC AND CORPORATE BUILDINGS

- 3.1 There is no reactive maintenance budget included within the corporate landlord budgets and any repairs or upgrading of the buildings requires a request for additional investment to be made to the Panel for approval by Cabinet. In the past few months a number of repairs have been requested for civic and operational buildings for which there is no revenue or capital budget allocation. Analysis of capital spends for February 2016 to May 2016 is £175,126. In addition there has been spend of £68,742 in regard of property related revenue type spend in the same period.
- 3.2 The analysis of the capital investment required in respect of health and safety /essential operational repairs is below. In some cases these repairs have already had to be undertaken to allow the buildings to remain operational:

Building	Estimated Cost
	£
Roughtown Community Centre – roof repairs	7,781
Hyde Town Hall – roof access system	42,397
Dukinfield Town Hall – roof access system	21,337
Dukinfield Town Hall – repairs to clock and fitting of regulator	6,105
Denton Centre – roof repairs	1,565

Ryecroft Hall – foyer roof repairs	2,705
George Lawton Hall – security repairs and reinstatement	3,884
Dukinfield Library – roof repairs	1,350
Linden Centre – boiler upgrade	6,519
Cedar Park – roof repairs	2,535
Dukinfield Park Pavilion – floor replacement	1,336
Rydal House /Loxley House Day Care Centres – replacement of fire doors	4,902
Stalybridge Library – water pipe replacement	3,377
Hyde Town Hall – repairs to ceiling collapse	3,557
Wilshaw House - water pipe replacement	1,902
Hattersley Childrens centre – repairs to water damage ceiling/floor	1,542
Hyde Town – replacement facia boards	2,531
31 Clarence Arcade – boiler replacement	1,041
Mossley Youth Base – replacement fire doors	3,315
Loxley House – boiler replacement	2,871
Hyde Youth and Community – replacement fire doors	1,868
St. Lawrence Childrens Centre – main door replacement	1,629
31 Clarence Arcade – repairs to drainage system	1,593
Ridgehill Family Support Centre – repairs to front structure	10,487
Hyde Town Hall – automatic door replacement	1,160
Denton Centre – repairs to skylights	2,437
Dukinfield Town Hall – automatic door replacement	2,830
Ashton Market Hall - automatic door replacement	2,638
Two Trees – security door replacement	1,168
Denton Festival Hall – boiler and pipework replacement	13,946
Hyde Town Hall – boiler and pipework replacement	12,818
TOTAL	175,126

4. STAMFORD PARK - INFRASTRUCTURE IMPROVEMENTS TO SILVER SPRINGS

- 4.1 There is a requirement to ask Panel approval for £20,000 to undertake repairs in the Silver Springs area of Stamford Park.
- 4.2 This work will complement and complete a package of repairs already undertaken to footpaths and drainage around the Silver Springs and Stamford Park sites. Previous funding comprises:
- £20,000 from Public Health.
 - £20,000 already received from external funder – SITA.
- 4.3 The degradation of the footpaths has been exacerbated over a particularly wet winter and an overall increase in use of these paths. This project will enable wider access to the site from key locations such as the Ridgehill Housing area and Tameside Hospital and there is a risk that if path improvements are not undertaken existing users will stop taking these routes and levels of physical activity may reduce.
- 4.4 This project will improve the Park Run course and will make it more accessible and is likely to increase the number of participants.

5. SPORT & LEISURE ESTATE INVESTMENT – PROGRESS UPDATE

- 5.1 On 24 March 2016 Executive Cabinet considered a report setting out proposals to ensure the provision of high quality sports and leisure facilities in Tameside, creating a platform to

reduce physical inactivity and develop a sustainable funding model in relation to Active Tameside. Executive Cabinet approved specific proposals in relation to:

- Changes to the existing Tameside leisure estate, including a programme of capital Investment;
- Increasing commercially profitable activity;
- Growth in inward investment;
- Maintenance and repairs.

5.2 Once implemented in full, the proposals will enable revenue investment in Active Tameside to be reduced from £1.865 million in 2015/16 to £0.715 million by 2019/20 (a reduction of £1.150 million or 62%), and to £0.441 million by the end of the contract in 2023/24 (a reduction of £1.424 million or 76%).

5.3 A summary of progress to the end of June 2016 on the delivery of the sport and leisure estate investment programme is shown in the table below:

Scheme Element	Capital Investment	Progress Update
Copley Boiler Scheme	TMBC - £0.369m	Enabling works began in May 2016 and the installation will be completed in September 2016. The Copley Academy has installed its own heating system which is now fully operational.
Replacement of synthetic turf pitches at Copley	TMBC - £0.177m	The scheme is currently out to tender. To ensure minimum disruption to Copley Academy, works will be undertaken in August and will be concluded before the schools returns in September. The existing Copley pitches will be out of operation for approximately 4 weeks.
Roof Replacement at Medlock	TMBC - £0.120	Medlock is home to Sky High Adventure which generates significant income for Active Tameside particularly during school holiday periods. A roof replacement scheme during the 2016/17 holiday period could significantly impact on the operation of Sky High adversely affecting Active Tameside's revenue position. An inspection of the roof has determined that it is not in danger of imminent failure. Therefore, it is proposed that design work will commence in September 2016 with installation planned for spring 2017. Work will be completed before the start of the summer 2017 school holidays. The proposal will result in £0.100 being slipped in the Capital programme from 2016/17 to 2017/18.
Wave Machine replacement at Active Hyde	TMBC - £0.060	The wave machine replacement at Active Hyde will require a facility closure to install which will result in loss of income for Active Tameside. Active Hyde will need to close again at some point in the future to integrate mechanical and electrical systems as part of the new pool extension. In order to minimise the impact of both developments it is proposed to delay the wave machine replacement until the centre closes for the integration of the new pool during 2017 resulting in one temporary closure

		instead of two. The proposal will result in £0.060m being slipped in the Capital Programme from 2016/17 to 2017/18.
New Active Denton Facility including a commercial offer	TMBC - £13.674m AT - £1.050m	Design development of the new facility is ongoing and will continue to a point where cost certainty has been established to inform the next stage of governance – proceed to detailed design development including planning and the intended procurement strategy for the development. The challenging completion date is currently in keeping with the projected timescales set out in the 24 March Executive Cabinet Report.
Extension to Active Hyde	TMBC - £2.00m	Architects have now been appointed to develop the scheme design to a point where cost certainty can be established in order to inform the next stage of Governance – approval to proceed. The latest estimate for completion, which is subject to change based on a fully developed programme, is December 2017. This is due in part to the need to fully integrate mechanical and electrical systems to deliver the scheme within budget, which will impact upon the reduction in the management fee attributed to the facility from March 2017.
Redevelopment of Active Dukinfield	TMBC - £1.300m AT - £1.000m	The business case for the redevelopment of Active Dukinfield was considered and approved by the Single Commissioning Board on 7 June 2016. Enabling works began on site on 13 June 2016 with completion due in November 2016.
Redevelopment of Active Longdendale	AT - £0.800m	The business case for the redevelopment of Active Longdendale will be considered by the Single Commissioning Board on the 5 July 2016. If approved works will commence in mid-July with completion due on 17 October 2016.

7. RECOMMENDATIONS

7.1 These are set out at the front of the report.

APPENDIX 1

List of Property Identified for Disposal but Not Completed at 23 June 2016

Property	Annual Lease Payment (Forfeited) / Achieved
Land at Egerton Street	
Land rear 5-9 Seel Street,	
M66 Highways settlement – receipt	
Gorse Hall Former Day Centre	6,000
Kynder St, Denton	
Cavendish Street	
Katherine House	
Wakefield Road	
Wellington Road	
Lake Road	
Land at Charlestown Industrial Estate, AUL	
Garage site at Botany Lane	(2,500)
Wilshaw Lane Ashton former school site	
Manchester Road, Hyde	
Ashton Hill Lane, Droylsden	
Denton Nursery	
Unit 2 Rassbottom Street	
Marie Close, Denton	
1 Pickford Lane	
Carr Rise, Grazing Land	
Carr Rise, Grazing Land	
Land at Boundary Close	
Land rear Trafalgar Square	
Land at Windsor Road Denton	
Johnson Brook Road, Hyde	
Spring Gardens, Hyde	
St Mary's Road, Hyde	
Leigh Fold, Hyde	
High Street, Stalybridge	
Pine Road, Stalybridge	
Pickford Lane, Dukinfield	
Hawthorn Road, Denton	
Former Hartshead High School	
Former Mossley Hollins School	
Former Samuel Laycock School	
Former Littlemoss High School	

Former Two Trees High School	
Former Sunday School, Taunton Road, Ashton	
Crown Street, Car Park	
Former Hyde Library / Union Street building	
Longdendale Children's Centre	
Land at Huddersfield Road, Stalybridge	
Land rear of 27 Poplar Grove	
St James Children's Centre	
Totals (exc TBC)	3,500

APPENDIX 2

Capital Receipts Realised

Site	Town	Date Sold	Receipt Realised £
Land at Stamford Street	Stalybridge	08/10/2015	52,000
5 Newton Street	Ashton	08/10/2015	51,000
Hardwick Street / Moss Street West	Ashton	14/10/2015	35,500
Holden Street	Ashton	08/10/2015	30,500
Land at Wellington Street	Ashton	08/10/2015	106,000
Land at Margaret Street	Ashton	06/10/2015	60,000
Land at Board Street / Kings Road	Ashton	01/10/2015	20,000
Former Stamford High School	Ashton	TBC	4,250,000*
Beyer Peacock Centre,	Audenshaw	23/09/2015	90,000
Land adj 148 Moorside Street	Droylsden	08/10/2015	29,000
Land at Frances Street, Hyde	Hyde	08/10/2015	41,000
Land at Throstle Bank / Furnace Street	Hyde	14/10/2015	42,500
Land at Johnsonbrook Road / Ashton Rd	Hyde	07/10/2015	18,000
Mottram Court House (lost deposit at auction - buyer withdrew)	Longdendale		6,000
Compton Street Car Park	Stalybridge	08/10/2015	20,000
Cross Hope Street Car Park	Ashton	22/10/2015	10,000
Land at Hope Street	Dukinfield	22/10/2015	27,000
Grey Street, Car Park	Stalybridge	22/10/2015	31,000
Field Street, Car Park	Hyde	22/10/2015	49,000
Land at Huddersfield Road	Stalybridge	22/10/2015	45,000
Hallbottom Street Car Park	Hyde	22/10/2015	7,500
Audenshaw cemetery lodge	Audenshaw	Jan 2016	116,000
James Howe mill	Ashton	January 2016	205,000
Land at Ripon St/botany Lane/Mount Pleasant St	Ashton	April 2016	50,000
Land at Midge Hill	Mossley	April 2016	25,000
Wimpole Street	Ashton	22/10/2015	14,000
February Auction total	Tameside	Feb 2016	223,000
December auction total	Tameside	Dec 2015	280,500
April auction total	Tameside	April 2016	277,000
Edge Lane Arcon	Droylsden	Jan 2016	37,000
Land at Queens Road	Ashton	22/10/2015	35,000
Total excluding Stamford High School			2,033,500
Total with anticipated Stamford High School			6,283,500

*Completion imminent

Leases Completed

Property		Purchaser / Future Use	Annual Lease Payment (Forfeited) / Achieved
Werneth House	Hyde	Management Association	5,000

Agenda Item 7

Report To:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	11 July 2016
Reporting Officer:	Damien Bourke, Assistant Executive Director (Development, Growth and Investment)
Subject:	SMARTLY POOLED SECTION 106 AGREEMENTS AND DEVELOPER CONTRIBUTIONS
Report Summary:	The report summarises the current position with regard to receipts received from section 106 Agreements and Developer Contributions.
Recommendations:	To note the contents of the report.
Links to Community Strategy:	Successfully implementing schemes funded through s106 agreements assists in supporting Community Strategy priorities concerning supportive communities, safe environment, prosperous society, learning community and attractive borough.
Policy Implications:	Works completed through obligations contribute to mitigating the impact of developments in three policy areas contained within the Councils adopted Unitary Development Plan.
Financial Implications: (Authorised by Section 151 Officer)	It is important that regular monitoring is undertaken to ensure that monies are paid to the Council when due; as per the individual S106 agreements. The S106 contributions and Developer Contributions must be spent within the agreed timescales and on the purposes specified within the individual agreements. A summary position of the S106 contributions and developer contributions is included in the report.
Legal Implications: (Authorised by the Borough Solicitor)	It was agreed at the meeting of the 14 March 2016 that a review be undertaken of the S106 agreements and any other such planning income/infrastructure monies intended to lessen the burden upon existing environment/services to ensure that the Council is both maximising income and use of such monies. It is important that this is undertaken and any investment case made to maximise income.
Governance Arrangements:	Section 106 obligations requested are done so following the policy framework set out to support this approach contained within the Councils adopted Unitary Development Plan.
Risk Management:	<p>Developers will be entitled to claw back any contributions if they are not spent within the agreed timescales as per the agreements.</p> <p>Contributions may not be received on time or at all without adequate monitoring. Any specific conditions included with S106 agreements must also be considered in the use of these resources to reduce developer challenges.</p> <p>The continued implementation of the approach outlined beyond April 2015 is guided by professional judgement and as such is open to challenge. Keeping abreast of relevant legal cases and modifying the Councils approach accordingly will assist in</p>

minimising risk.

Background Papers:

Any further information can be obtained from the report author
Andy Cush, Senior Planning Officer on:



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1. INTRODUCTION

- 1.1 This report summarises the position at the period 31 March 2016 with regard to receipts for Section 106 agreements and developer contributions and makes comments for each service area. This is followed by a section on new agreements concluded and pending.
- 1.2 Additionally the report provides an update in relation to the internal audit of the processes of collection, management and monitoring of the developer obligations system.

2. S106 UPDATE

- 2.1 The summary position statement at 31 March 2016 for s106 agreements and developer contributions is as follows:

Smart Pooling Section 106 agreements:

Section 106		Community Services	Engineering Services	Services for Children & Young People	Other	Total
		£000	£000	£000	£000	£000
S106 - Applied - Budget Transferred to Service	Balance Transferred Previous Years (2006/07 - 2014/15)	795	1,632	1,250	16	3,693
	Applied Periods 1 - 3					0
	Applied Periods 4 - 7					0
	Applied Periods 8 - 10					0
	Applied Periods 10 - Outturn					0
	Total	795	1,632	1,250	16	3,693
S106 - Schemes devised not yet signed off	Brought Forward from 2014/15	0	0	0	0	0
	Received Periods 1 - 3					0
	Received Periods 4 - 7					0
	Received Periods 8 - 10					0
	Received Periods 10 - Outturn					0
	Transferred to Service Area					0
	Total	0	0	0	0	0
S106 - Not yet earmarked	Brought Forward from 2014/15	(43)	(10)	(124)	0	(177)
	Received Periods 1 - 3					0
	Received Periods 4 - 7		(13)			(13)
	Received Periods 8 - 10					0
	Received Periods 10 - Outturn					0
	Transferred to Service Area					0
	Total	(43)	(23)	(124)	0	(190)
S106 - Not yet reached trigger point		(593)	(370)	(721)	(22)	(1,706)

Developer Contributions (based on SPD prior to CIL changes):

Developer Contributions	Green Space Contribution	Community Education Contribution	Integrated Transport Contribution	Totals (inc other)
	£000	£000	£000	£000
Brought Forward from 2014/15	(206)	(311)	(11)	(528)
Received Periods 1 - 3	(2)	(2)	(1)	(5)
Received Periods 4 - 7	(43)	(34)	(1)	(81)
Received Periods 8 - 10	(15)	(15)	(1)	(32)
Received Periods 10 - Outturn	0	0	0	0
Transferred to Service Area	65	302	0	371
Approved at previous SCP for release at year end	15	1	0	14
Total	(186)	(61)	(14)	(261)

Overall position

- 2.3 The current position for s106 agreements is £190,000 as at 31 March 2016 with developer contributions standing at £261,000.

Services for Children and Young People

- The balance of unallocated s106 funds stands at £124,000 on 31 March 2016
- Developer contributions stands at £14,000 on 31 March 2016

Community Services (Operations and greenspace)

- The balance of unallocated s106 funds stands at £43,000 on 31 March 2016
- Developer contributions stands at £186,000 on 31 March 2016

Engineering Services

- The balance of unallocated s106 funds stands at £23,000 on 31 March 2016
- Developer contributions stands at £14,000 on 31 March 2016

New Section 106 Agreements

- 2.4 A section 106 agreement is in the course of being drafted for an application at Newton Business Park, Hyde reference 16/00054/OUT. The outline planning application is for the demolition of all existing on site structures and the principle of redevelopment of the site for residential dwellings with an indicative Master plan showing up to 64 dwellings of a mix of 2, 3 and 4 bed properties.

- 2.5 A section 106 agreement has been made for an application at Britannia Mill Manchester Road Mossley, reference 15/01061/OUT. This application will be considered at Speakers Panel on 22 June 2016. The outline planning application is for the demolition of the building and erection of approximately 750sqm retail floor space and approximately 62 apartments subject to reserved matters being approved and provides commuted sums to mitigate against impact the proposal may have on off-site Open Space and Education provision. The sums are £631.85 per property for Open Space. There will also be £867.20 per 2 bed property and £1,211.35 per 3 bed property. There will also be a sum of £7,000 for the development to upgrade dropped kerbs and tactile paving in the vicinity of the site

- 2.6 A section 106 agreement is being drafted for an application at The Oddfellows Arms, Alderley Street, Ashton reference 16/00234/FUL. This full application is for the conversion of the building into 3 dwellings and is subject to a commuted sum to mitigate against impact the proposal may have on off-site Open Space of £5,960 towards improvements to the play area at Cedar Park to the east of the site.

Requests to draw down funding

- 2.7 No requests have been made to drawdown funds from outstanding Developer Contributions or Section 106 monies.

3. MONITORING AND AUDIT

- 3.0 As previously reported to SCP, procedures to effectively manage the post April 2015 Section106 agreement smart pooling system has been the subject of an internal audit. A draft audit report has now been finalised and a closure meeting between Planning and Audit is due to take place. Feedback on the outcome of the audit report will therefore be provided at the next SCP.

4. RECOMMENDATION

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

Report To:	STRATEGIC CAPITAL PANEL
Date:	11 July 2016
Reporting Officer:	Ian Saxon - Assistant Executive Director – Environmental Services
Subject:	ENGINEERING CAPITAL PROGRAMME 2016/17
Report Summary:	The report sets out initial details of the 2016/17 Engineering Capital Programme for Environmental Services and sources of funding with specific reference to the Highways Structural Maintenance Programme.
Recommendations:	<p>To support and recommend to Executive Cabinet the Engineering Maintenance Block Allocation with specific reference to the Highways Structural Maintenance Programme for 2016/17.</p> <p>To support and recommend to Executive Cabinet the use of grant funding from the GM Growth Deal Round 2 to procure improvements to Hattersley Rail Station in the financial year 2016/17.</p>
Links to Community Strategy:	The schemes within the 2016/17 Engineering Capital Programme seek to provide an improved and more sustainable highway related asset for the residents and businesses of Tameside, thereby contributing to a safe environment, continuing economic regeneration and contributing to a low carbon economy; key priorities within the 2012-22 Tameside Sustainable Community Strategy.
Policy Implications:	<p>The proposed funding allocation supports the Council's Corporate Plan priorities around the Sustainable Community Strategy.</p> <p>It also supports the objectives of the Greater Manchester 3rd Local Transport Plan and associated strategies thereby underpinning its aims and objectives at a regional and local level.</p>
Financial Implications: (Authorised by the Borough Treasurer)	<p>The Engineering Maintenance Block Allocation for 2016/17 totals £2.256m.</p> <p>All Highway Structural Maintenance schemes included within the programme are detailed in Appendix 1 and are fully funded from the DFT - Local Highways Maintenance Funding 2016/17 allocation.</p> <p>Hattersley Station improvements are fully funded from GM Growth Fund 2.</p> <p>Expenditure on capital schemes must comply with guidance from the Code of Practice on Local Authority Accounting. Any none capital related expenditure will be transferred to revenue and funded from existing revenue budgets.</p>
Legal Implications: (Authorised by the Borough	It is important that there is close scrutiny of the budget to ensure that its use on the highway is maximised. There

Solicitor)

needs to be a clear communication strategy of the maintenance work to be undertaken and transparency as to the priority allocation.

Risk Management:

- Failure to approve the proposed Engineering Capital Programme will prevent the appropriate allocation of resources by the Authority.
A robust programme of works will be developed to ensure that the objectives underpinning the Department for Transport and other funding allocations will be met and at the same time meet the objectives contained in Tameside's Community Strategy.
- Inclement weather preventing commencement and completion of schemes.
A comprehensive programme of works will be agreed between partners to ensure completion by approved dates. However, should the programme not be achieved it may be necessary to arrange for any outstanding financial resources to be transferred into the following financial year.
- Inability of suppliers to deliver materials within a time frame to meet completion targets.
Whilst the Council's Operational Services and external contractors have access to many material suppliers, shortages of materials may necessitate alternatives to be substituted or approval will be sought to carry over the project into the following year for completion;
- The ability of the Council's own *Operational Services* or external contractor to implement the scheme in the current financial year.
This risk will be managed by ensuring that should Operational Services or the external contractor be unable to complete the works during the current financial year, approval will be sought to carry over the project into the following year for completion.
- Statutory procedures linked to certain schemes could delay implementation.
Should it be necessary approval will be sought to carry over the project into the following year for completion.

Access to Information:

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



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e-mail: steve.oxford@tameside.gov.uk

1. BACKGROUND INFORMATION

1.1 In the 6 Metropolitan Counties outside Greater London, the duty to formulate Local Transport Plans (LTP) is the responsibility of the Integrated Transport Authority (ITA). In the case of Greater Manchester this is Transport for Greater Manchester (TfGM) reporting to the Greater Manchester Combined Authority (GMCA).

- Department for Transport (DfT) funding allocations for highway related schemes addresses a range of issues based on achieving agreed targets at a Greater Manchester and national level.
- Funding is split between: Structural Maintenance Works Principal and Non-Principal Roads, Highway Structures and Bridges and Street Lighting. The allocation for Tameside in 2016/17 is detailed below:

Maintenance Block Allocation 2016/17	
Structural Maintenance Works Principal and Non-Principal Roads	£1.697m
Highway Structures and Bridges	£0.410m
Street Lighting	£0.152m
Total	£2.259m

- The historical proportion of each of the above funding streams was changed from 2015/16 with a greater proportion allocated to roads maintenance. National formulae with local weighting are then used to agree the proportion to each element.

2. MAINTENANCE PROGRAMME APPROVAL

2.1 The purpose of the report is to seek approval for the proposed allocation of the 2016/17 DfT allocation and specifically for the allocation amongst Tameside's principal and non-principal roads.

2.2 **Highway Structures and Bridges** (Total £0.410m)

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

2.3 **Structural Maintenance Works (Principal/Non Principal Roads)** (Total £1.697m)

Highway Structural Maintenance is fundamental to extending the life of existing highways and making the best use of our assets. The proposed programme for 2016/17 includes an allocation for Principal Roads and funding for Non Principal Roads; details are included in **Appendix 1**.

2.4 **Street Lighting** – (Total £0.152m).

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

3. HATTERSLEY STATION IMPROVEMENTS

3.1 **Improved Access to Hattersley Station** – (£0.750m)

The Investment and Development team have secured a further £0.750m from the GM Growth Deal Round 2 for the 2016/17 financial year. These funds will deliver a new rail

station ticket office in Hattersley, which will support the continued regeneration of this area and build upon the recent success of the realignment of Hattersley Road East and construction of new station car park, which enhanced accessibility to the station. The scheme will be delivered by Tameside Council in partnership with Transport for Greater Manchester (TfGM).

- 3.2 The ticket office will be constructed on TfGM land and include the demolition of the current ticket office, which is on Network Rail's land. The design of the ticket office will be comparable to the new ticket office recently constructed in Guide Bridge. Working with TfGM the Council will procure the project through the Northwest Construction Hub.

4 RECOMMENDATIONS

- 4.1 As detailed on the front page of this report

APPENDIX 1

2016/17 Highways Structural Maintenance Programme

The Highway Maintenance Block allocation to Tameside MBC from the Department for Transport, distributed by the Greater Manchester Combined Authority is £1.697m for 2016/17.

This allocation is used to improve the resilience of our road network and extend the life of our physical highway assets. Works include strategic highway drainage improvements, surface improvements and the council's annual road resurfacing programmes.

Planned works for 2016/17 include:

Road	Ward	From / To	Work
Acresfield Road	Hyde Newton	Talbot Road to No29	Road Resurfacing
Aldwinians Close	Audenshaw	Full Length	Road Resurfacing
Arbor Grove	Droylsden West	Full Length	Road Resurfacing
Arnold Road	Hyde Werneth	Full Length	Road Resurfacing
Atlas Street	Ashton Waterloo	Oldham Rd to end of flats	Road Resurfacing
Belmont Avenue	Denton West	Full Length	Road Resurfacing
Bembridge Road	Denton South	Full Length	Road Resurfacing
Bentinck Street	Ashton St.Peters	Uxbridge St to Newman Street	Road Resurfacing
Brandon Avenue	Denton West	Full Length	Road Resurfacing
Brookside Close	Hyde Godley	Full Length	Road Resurfacing
Bucklow Close	Longdendale	Full Length	Road Resurfacing
Cheetham Hill Road	Dukinfield, Dukinfield / Stalybridge	Mostyn St to No 71	Road Resurfacing
Chester Avenue	Dukinfield, Dukinfield / Stalybridge	Full Length	Road Resurfacing
Church Avenue	Hyde Werneth	Full Length	Footway Works
Church Street	Hyde Werneth	Gt.Norbury St to Holme St	Road Resurfacing
Crowhill	Stalybridge North	Full Length	Road Resurfacing
Crowswood Drive	Stalybridge North	Huddersfield Rd to Woodside St	Road Resurfacing
Dawlish Avenue	Droylsden West	Full Length	Road Resurfacing
Dewsnap Lane	Dukinfield	Clinic to Armadale Rd	Road Resurfacing
Edge Lane	Droylsden West	Chatsworth Road to North Road	Road Resurfacing
Edna Street	Hyde Werneth	Albert Rd to Henry St	Road Resurfacing
Elm Grove	Droylsden West	Full Length	Road Resurfacing

Fairfield Road	Droylsden East	Edge Lane to Gransmoor Road	Road Resurfacing
Fold Ave	Droylsden East	Full Length	Road Resurfacing
Franklyn Road	Droylsden East	Full Length	Road Resurfacing
Freshwater Drive	Denton South	Full Length	Road Resurfacing
Garden Ave	Droylsden East	No 5 to Fold Ave	Road Resurfacing
Gibraltar Lane	Denton South	Haughton Gr Rd to Newport Rd	Road Resurfacing
Gorsefields	Droylsden East	Full Length	Road Resurfacing
Grassmead	Denton South	Full Length	Road Resurfacing
Green Hill Road	Hyde Godley	Full Length	Road Resurfacing
Hampshire Road	Droylsden West	Sections	Road Resurfacing
Hiltons Farm Close	Audenshaw	Full Length	Road Resurfacing
Holme Street	Hyde Werneth	Full Length	Road Resurfacing
Huddersfield Rd	Stalybridge South	St.Pauls Ch to Copley Park Mews	Road Resurfacing
Kelson Ave/Westbourne Dr	Ashton Waterloo	Sections	Footway Works
Leech Brook Avenue	Audenshaw	Planet Way to Aldwinians Cl	Road Resurfacing
Leech Brook Close	Audenshaw	Full Length	Road Resurfacing
Legh Drive	Audenshaw	Full Length	Footway Works
Lines Road	Droylsden East	Full Length	Road Resurfacing
Lodge Lane	Dukinfield, Dukinfield / Stalybridge	Full Length	Road Resurfacing
Lodge Lane	Dukinfield, Dukinfield / Stalybridge	Sections	Footway Works
Luke Road	Droylsden East	Full Length	Road Resurfacing
Manchester Road	Ashton St.Peters	William Street to Smith St	Road Resurfacing
Mellor Road	Ashton St.Michaels	Stamford Square to Darnton Rd	Road Resurfacing
Neal Avenue	Ashton St.Michaels	Full Length	Road Resurfacing
Newport Road	Denton South	Full Length	Road Resurfacing
Palm Street	Droylsden West	Edge Ln - Lewis Rd	Road Resurfacing
Park Road	Audenshaw	Full Length	Road Resurfacing
Planet Way	Audenshaw	Full Length	Road Resurfacing
Raynham Street	Ashton St.Michaels	Full Length	Road

			Resurfacing
Redesmere Close	Droylsden East	Full Length	Road Resurfacing
Ryde Avenue	Denton South	Full Length	Road Resurfacing
Saddle Grove	Droylsden East	Full Length	Road Resurfacing
Sandown Drive	Denton South	Full Length	Road Resurfacing
Sandringham Drive	Dukinfield, Dukinfield / Stalybridge	Full Length	Road Resurfacing
Shanklin Close	Denton South	Full Length	Road Resurfacing
Sheffield Road	Hyde Godley	High St to No 39	Road Resurfacing
Somerset Road	Droylsden West	Section inc Parts of Lancaster	Road Resurfacing
Springs Lane	Stalybridge North	Park Close to Lakes Rd	Road Resurfacing
St.Hildas View	Audenshaw	Full Length	Road Resurfacing
Stamford Street	Mossley	Lancaster St to Arundel St	Road Resurfacing
Stanhope Street	Ashton St.Michaels	Mossley Rd to Curzon Rd	Footway Works
Station Road	Hyde Godley	Mottram Rd to Almond Way	Road Resurfacing
Sydall Street	Hyde Werneth	Parsonage St to Holme St	Road Resurfacing
Talbot Road	Hyde Newton	Acresfield Rd to Bradley Green Rd	Road Resurfacing
The Stables	Droylsden East	Full Length	Road Resurfacing
Thorncliffe Avenue	Dukinfield	Full Length	Road Resurfacing
Tower Street	Dukinfield	No 34 to Sandy Lane	Road Resurfacing
Tree Avenue	Droylsden West	Full Length	Road Resurfacing
Vale Road	Droylsden West	Full Length	Footway Works
Ventnor Close	Denton South	Full Length	Road Resurfacing
William Street	Ashton St.Peters	Katherine St to Manchester Rd	Road Resurfacing
Woolley Lane	Longdendale	Cross St to Lord St	Road Resurfacing

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Report To: STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

Date: 11 July 2016

Reporting Officer: Ilys Cookson - Assistant Executive Director Exchequer Services

Subject: SMART TAMESIDE: DIGITAL BY DESIGN: HBEN & CTAX ON LINE INTEGRATED FORMS

Report Summary: The Digital by Design (DbD) program aims to transform how the Council manages contact with the public through the better use of new technology and in so doing save time, money and improving levels of service.

As more and more people turn to digital channels to access services and information there is an opportunity for the Council to digitalise how it deals with customer requests and contacts across all its main channels with the intention of improving customer care and reducing costs.

Exchequer Services delivers its service to all residents and business rates payers in the Borough, many of whom want to transact their business with us by electronic means.

A number of on-line forms are available on the Council's website however these forms do not integrate with the back-office system and so the data has to be keyed into systems which is resource intensive and increases cost.

At present only 2 forms (Housing Benefit and Council Tax Support application form and change of circumstances form) are available for completion on-line and which also integrate direct into the back-office system.

This report details the costs and benefits for a wider range of intuitive forms to be available on-line and which all integrate into the back office function. Any changes required to the Council's web-site will be fully compatible with the Digital By Design programme currently being implemented by IT.

Recommendations: That Strategic Capital Panel Members review the contents of the report and recommend to Cabinet that :

Approval is given for an allocation of £90k from the Capital budget to purchase the intuitive on-line and integrated forms for a range of Exchequer Services on an invest to save basis.

Links to Community Strategy: The purchase and implementation of the on-line forms will enable the Council to transact better with its residents and business rates payers by way of easier access and reduced overall costs of service provision.

Policy Implications: This report supports the Council policy in providing the statutory duties in the collection of monies for a range of services it provides and primarily Adults Social Care and Council Tax, and the payment of benefits to those eligible to receive it.

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

If the system upgrade was to be implemented recovery of the capital outlay and ongoing annual support costs are likely to be realised over the longer term as a result of staff efficiencies and reductions in scanning, indexing and reduced licence expenditure. Easier access for customers in order to set up arrangements, for example, in relation to overpaid housing benefit and auto arrangements to pay council tax and business rates are also likely to improve cash flow into the authority. Improved access for customers is likely to result in an earlier awareness of changes in circumstances. This should minimise overpayments and the requirement for future amendments to accounts, which can prove labour intensive and have financial implications.

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

The Council needs to find the most efficient and effective way to deliver services. Cutting resources to achieve efficiency can only go so far thereafter it is necessary to change the operating model to achieve further reductions. This proposal sets out how an investment will enable the service to become digitalised to remove significant double handling by cutting out the need for manual input. It will be necessary to have the support and input of IT services to deliver this change.

Governance Arrangements:

All procurement activities undertaken as a result of this report will be done in accordance with the Council's financial standing orders in line with public procurement regulations.

Risk Management:

Set out in the report - see section 8

Background Papers:

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



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e-mail: ily.s.cookson@tameside.gov.uk

1. INTRODUCTION

- 1.1. The DbD program aims to transform how the council manages contact with the public through the better use of new technology and in so doing save time, money and improving levels of service.
- 1.2. As more and more people turn to digital channels to access services and information there is an opportunity for the council to modernise how it deals with customer requests and contacts across all its main channels.
- 1.3. On the 14 March 2016, the Strategic Planning and Capital Monitoring Panel approved £141,565 of funding for the DbD programme to deliver a package of improvements to reduce customer contact with the Council and improve residents and businesses on-line experience when dealing with the Council. This package included:
 - A new content management system for a new look website
 - Webchat software to reduce calls to the telephone call centre
 - In cab technology to support improved household waste collection service
 - Upgrade to the Contact Centre software to support online and social media calls
 - Capita Connect portal to provide residents with a secure & personalised access to online Council services.
 - A subset of Capita Revs and Bens eForms
- 1.4. By implementing an improved digital offer we can make the Internet the channel of choice for an increasing large majority of residents. Increasingly the new Contact Centre will deal with all telephone, social and other electronic media including webchat coming into the Council, freeing up the back office to focus on delivering services.
- 1.5. The website is being improved and is being focused on the top 100 transactions and also provide users a more personalized experience. The site is being specifically designed with mobile devices in mind and a complimentary series of Apps for iOS and Android devices will be developed.
- 1.6. Specific projects are being undertaken with services that generate high call volumes to reduce and in some cases remove telephone demand altogether including Refuse and Exchequer Services.
- 1.7. In doing all this the on-demand face-to-face customer service channel will be closed, moving instead to an appointment based service for the small number of highly complex cases that still require 1-2-1 face-to-face attention.
- 1.8. Exchequer Services customers regularly engage with the service via the existing on-line forms which are available in the Councils web-site, however many query why they have to complete several forms to obtain the service they want. For example a customer wanting to inform the Council about their change of address, request to pay by direct debit and request a single person discount requires completion of 3 separate forms, none of which integrate into the back office system which is Capita Advantage and previously known as Academy. Staff then have to manually enter the information on the forms into the system.
- 1.9 Features of on-line integrated forms includes:
 - ✓ Intuitive completion ie only provides the text boxes necessary for a particular enquiry
 - ✓ Date fields, drop down lists
 - ✓ Guidance messages ie you must complete this box before completing rest of section
 - ✓ Check back for mistakes and omissions
 - ✓ Can be saved part way through completion

Features of back office on-line and integrated forms:

- ✓ User management
- ✓ Audit trail
- ✓ Workflow management
- ✓ CRM integration
- ✓ Document system integration either PDF or Tiff image.
- ✓ Auto notifications to customers email ie to confirm receipt or next steps etc.

2. CURRENT POSITION

2.1 In addition to on-line integrated forms currently available to customers as detailed in point 2.3 above, members of the public can also view their council tax, benefits and business rates account on line if they wish, subject to the relevant security checks being set up. This is very similar to on-line banking however take up has been very low despite numerous campaigns to promote this. Anecdotal evidence suggests that the actual setting up of the access for the customer is a barrier particularly if a customer wants to perform a simple transaction such as notifying the Council of a change of address. A limited number of on-line forms are available within the self-service module however these have not been fully utilised by customers.

2.2 The profile of existing on-line forms which integrate into Capita is as follows:

Table 1 Current on-line and integrated forms

Service	Form type	On-line	Integration	Access
Housing Benefit/Council Tax Support	Application form	Yes	Yes	Via website
Housing Benefit/Council Tax Support	Change of circumstances	Yes	Yes	Via website

The profile of existing on line forms which do not integrate into the host system and therefore the data has to be typed into the system is as follows:

Table 2 Current on-line forms

Service	Form type	On-line	Integration	Access
Council Tax	Single Person Discount application	Yes	No	Via website
Council Tax	Direct Debit set up	Yes	No	Via website
Council Tax	Exemptions application	Yes	No	Via website

2.3 To meet the necessary efficiencies required and to provide customers with more responsive ways of communicating with Exchequer Services the following forms are also required in addition to the already available on line and integrated Housing Benefit/Council Tax Support application forms.

Table 3 Required intuitive on-line and integrated forms

Service	Form type	On-line	Integration	Access
Housing Benefit / Council Tax Support	Discretionary Housing Payment application	Yes	Yes	Via website
	Direct payment to Landlord	Yes	Yes	Website
	Income and expenditure	Yes	Yes	Website

	and arrangement to pay Housing Benefit overpayments			
Council Tax	Change of address	Yes	Yes	Website
	Change of name	Yes	Yes	Website
	Direct Debit set up	Yes	Yes	Website
	Discounts and Exemptions application	Yes	Yes	Website
	Single Person Discount application	Yes	Yes	Website
	Auto arrangement to pay	Yes	Yes	Website
Business Rates	Change of address	Yes	Yes	Website
	Change in circumstances ie name, contact details, company status	Yes	Yes	Website
	Relief application	Yes	Yes	Website
	Auto arrangement to pay	Yes	Yes	Website

3. OPTIONS CONSIDERED

- 3.1 Given the above background and the drive to continue to seek savings from providing the most efficient and effective services possible while maximising income into the Council, the service has researched current options available. One option could be to continue to offer the service as now however this is resource intensive as the process relies heavily on having sufficient staff to input data manually for almost all communications with the service.
- 3.2 Three providers of on line forms were requested to provide a demonstration based on their existing knowledge of revenues and benefits systems and the fact that they had local authority customers using their on line forms.
- 3.3 Discussion with other local authorities using each product has also taken place. A significant barrier to providers of on-line and integrated forms is the cost and efficiency of the connectivity into the host system, unless the host system provider also provides a suite of on-line integrated forms. Exchequer currently use the Capita system.
- 3.4 Issues become apparent in the efficiency of the connection between the on-line form and the back office system wherever the on-line form is provided by a third party, for example whenever there is either a legislative change, annual updates or changes to DWP benefit rates for example or system upgrades or releases. However, the development of these services into an external providers forms would be the responsibility of the 3rd Party supply, including the ongoing support of these so that the two systems continue to integrate as expected.
- 3.5 Estimated costs of licences for the intuitive, on-line and integrated forms using a third party supplier have been quoted as being £222,750 with an annual support and maintenance charge of £44,550. This does not include any additional costs that the third party supplier may require for annual support and maintenance.
- 3.6 It is clear from the demonstrations and from discussion with local authorities using the solutions that only Capita's Advantage product successfully integrates seamlessly into the host system and can accommodate legislative changes and other annual changes without additional costs or additional work for both IT Services and Exchequer Services.

5. PROCUREMENT METHOD

- 5.1 The procurement of the intuitive, on-line and integrated forms will be done in accordance with the Council's financial standing orders in line with public procurement regulations. A costs appraisal and market testing has already been conducted which will be detailed in a waiver report as appropriate.

6. FINANCIAL CONSIDERATIONS

- 6.1 Timings have been undertaken with just three high volume Council Tax forms to provide indicative costings with regard to the current process of receiving paper documents, scanning into the system, data entry onto the persons account and subsequent assessment.

Table 4. Estimated costs of processing 3 Council Tax forms

Service	Form type	Average time in minutes per transaction	Average £ cost per transaction	Annual volume 15/16	Estimated overall costs £
Council Tax	Change of address	16	3.70	23,821	88,137
Council Tax	Direct debit input	5	3.70	1,705	6,309
Council Tax	Reliefs and exemptions	7	1.29	3,307	5,357
Total					99,803

- 6.2 In addition to the above some savings are expected from not receiving as many paper documents which require scanning and indexing. In the last year Exchequer has received 229,944 paper documents which have cost approximately £20,000. Support Clerks at Grade B currently carry out this function in addition to Apprentices which are employed within the service.
- 6.3 Indicative costs from Capita to implement and integrate the suite of forms detailed in **Table 3** at point 3.3 is an estimated £80k with an annual support and maintenance charge of £20K. The annual support and maintenance charges include system upgrades and any legislative change as both of these will impact on any automated form. Legislative changes occur throughout the year and in particular at year start when rates of benefit, or multipliers for business rates and the council tax rate is set for example. An additional £10K is requested to cover any additional costs that may be identified during implementation and to cover costs for Exchequer and It staff to undertake implementation tasks.

7. AFFORDABILITY/FINANCIAL IMPACT

- 7.1 Based on the information provided, the revenue costs in respect the implementation of the on-line and integrated forms are affordable within existing budget. However this should be considered as an invest to save model as savings will be made from resources.
- 7.2 Annual support and maintenance costs should be met from existing budget in Year 2 funded from resource savings, reduced scanning and indexing costs and savings from Team Netsol as a result of reduced licence fees for the HB/CTS application form and change of circumstances form.

COST / SAVINGS £	YEAR ONE	YEAR TWO	YEAR THREE	YEAR FOUR	YEAR FIVE
Implementation of forms	90				
Annual support and maintenance plus rpi*	20	20.5	21	21.5	22
Annual support and maintenance HB/CTS application and change of circumstance forms plus rpi*	9	9.2	9.4	9.6	9.8
Reduced costs of transfer of HB/CTS application Team Netsol	(18)				
Reduced resources	Nil	(50)	(100)	(125)	(125)
TOTAL	101	(20.3)	(69.6)	(93.9)	(93.2)

* Assumes 2.4%

8 RISK MANAGEMENT

- 8.1 There is a risks that the forms do not fully integrate with the host system however evidence from other local authorities suggests that full integration is apparent.
- 8.2 If Universal Credit increases in terms of roll out then there is an argument that the automation for the Housing Benefit form would not be required. Housing Benefit for pensioners is to continue to be administered by local authorities and Council Tax Support will also continue to be administered by local authorities. The current benefit application form captures information for both Housing Benefits and Council Tax Support would still be required.
- 8.3 The resource savings may not materialise. There is evidence to support that there are significant savings from staff not having to key in data and to scan and index paper copies of forms received.

9 RECOMMENDATION

- 9.1 The recommendation is as set out at the front of this report.

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