

Report to:	EXECUTIVE CABINET
Date:	27 September 2023
Executive Member:	Councillor Jacqueline North, First Deputy (Finance, Resources & Transformation) Councillor David Sweeton, Inclusive Growth, Business & Employment
Reporting Officer:	Julian Jackson - Director of Place
Subject:	HOMES ENGLAND / GREATER MANCHESTER COMBINED AUTHORITY REVENUE FUNDING
Report Summary:	This report updates on the position with regard to external funding for projects at Droylsden Town Centre and Ashton Town Centre from Homes England via the Greater Manchester Combined Authority (GMCA) and seeks approval to accept and spend the funding under the terms of the Grant Funding Agreements.
Recommendations:	That Executive Cabinet APPROVE: <ul style="list-style-type: none"> (i) The acceptance of Grant Funding from GMCA for £0.100m at Droylsden Town Centre and £0.100m at Ashton Town Centre; (ii) Delegated authority to the Director of Resources (Section 151 Officer) to enter into the Grant Funding Agreements (Appendix 1); and (iii) The Director of Place to manage the programme of works associated with the Grant Fund Agreements and to commission, drawdown and incur all expenditure related to delivery with ongoing performance and reporting provided to this Executive Cabinet, or other suitable forum, on a periodic basis.
Corporate Plan:	Key aims of the Corporate Plan are to provide opportunities for people to fulfil their potential through work, skills and enterprise and to ensure modern infrastructure and a sustainable environment that works for all generations and future generations. The programme of work funded by Evergreen III will support these aims in the areas of job creation, modern infrastructure and a sustainable environment.
Policy Implications:	The programme of work funded by this revenue funding from GMCA supports the policy aims of the Council's Inclusive Growth Strategy (2021), the Council's growth priorities agreed at Council February 2020 and the emerging draft Greater Manchester Places for Everyone joint development strategy.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	As part of the Council's strategic objectives, there was a need to develop a masterplan for various townships in the Borough. The development of masterplans are revenue in nature, and therefore a cost pressure to the General Fund, if not previously budgeted for. The Council does not currently have a dedicated budget for the masterplan development at Droylsden Town Centre nor does it have a budget for due diligence checks at the sites in Ashton.

GMCA have secured revenue funding from Homes England to support the development of pipeline projects for the delivery of the Greater Manchester growth ambitions. The Council has successfully applied for, and been awarded, £0.100m for Droylsden Town Centre and £0.100m for Ashton Town Centre.

The expectation is that all specified work can be completed within the agreed grant funding amount. There will be no additional funding requirement for the work specified and no adverse impact on the Place revenue budgets or General Fund. Both projects are intended to contribute to the future development of Ashton and Droylsden including enhanced commercial and residential development which should drive growth in Council Tax and Business Rates in the medium to long term.

The template grant funding agreement is attached as **Appendix 1**. Draft funding agreements for the specific grant awards are not yet available but it is expected that the agreements will require the funding to be spent by 31 March 2024 in line with bid submitted to GMCA. The funding bids to GMCA required a brief outline of the scope of the work to be undertaken, timelines for completion and the anticipated outputs. Acceptance of the grant and signing of the grant funding agreement will commit the Council to commission and deliver the specified work by 31 March 2024. Failure to deliver in accordance with the grant funding agreement will expose the council to financial risk through loss of grant funding.

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

This report seeks authority to enter into two grant funding agreements, a draft of which is provided at **Appendix 1**.

It should be noted that it is important that the Outputs and Milestones agreed are to be achievable by the Council given that failure to achieve any Output or Milestone will allow Homes England to terminate the grant funding agreement and suspend or clawback any funding received.

Monitoring and progress reports and the provision of such information as is requested will need to be submitted to Homes England.

The grant funding agreement also contains provisions relating to legal obligations and statutory requirements that must be adhered to such as planning and environmental, health and safety, procurement, subsidy control and data protection legislation.

Risk Management:

Risks associated with the project are set out at Section 4.

Access to Information:

Not confidential

Background Information:

The background papers relating to this report can be inspected by contacting Mike Reed, Head of Major Programmes



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1. INTRODUCTION

- 1.1 In June 2023, the Greater Manchester Combined Authority (GMCA) informed Tameside Council that it had been successful in securing revenue funding of £0.100m to support a masterplan for Droylsden Town Centre and £0.100m to support feasibility and delivery strategy work for Ashton Town Centre. All costs associated with these would otherwise have been a revenue pressure in the Place Directorate's budget.
- 1.2 This revenue funding has been secured via GMCA from the allocation of Homes England Revenue Department Expenditure Limit (RDEL) funding to support the development of the pipeline of projects for the delivery of the GM growth ambitions. This supports the closer working with Homes England, TfGM and other partners in aligning the development programmes and funding to deliver the objectives and opportunities secured through the GM Devolution Deal.
- 1.3 There is a requirement for this funding to be utilised by 31 March 2024.

2. SUPPORTED SCHEMES

Droylsden Town Centre

- 2.1 There is an identified need for a town centre masterplan in Droylsden that supports plans for a more vibrant town centre core and includes a movement and public realm strategy to support the creation of a sustainable, accessible and community service rich centre linked to public transport entry points and supports wider town centre development. It is recommended therefore that the revenue funding secured be used for the preparation of a Town Centre Masterplan for Droylsden. The proposed work will be entirely covered by the external funding secured and there will be no impact on Council's revenue budgets.
- 2.2 The Droylsden Shopping Centre and the Greenside Lane Retail Park are owned by New Era and these retail areas are in turn both intrinsically linked with the Council owned Concorde Suite building. The masterplan will help facilitate a long term sustainable solution to these town centre sites.
- 2.3 This final masterplan will identify a long term programme that enables Droylsden to more effectively serve its residential catchment area while capitalising on future growth. It will also ensure that the impact of the significant investment in recent years within Droylsden at the GM Pension Fund Head Office, Droylsden Library, Metrolink, Medlock Active, the former Jam Works site, and Fairfield Road site, and Droylsden Marina is maximised.
- 2.4 The whole Town Centre redevelopment is seen as a 15 to 20 year programme with short term, medium term and long-term goals that will holistically deal with the Town Centre and the surrounding area that feeds it.

Ashton Town Centre

- 2.5 The Council was successful with a bid to the Levelling Up Fund (LUF) of £19.870m for Ashton Town Centre in October 2021. The works funded via LUF are focused on:
 - Commencement of the restoration programme for Ashton Town Hall
 - Public realm improvements, with Market Square identified as a priority
 - Acquisition of the former interchange site and associated land remediation and enabling infrastructure works
- 2.6 The specific interventions being funded via the LUF have been prepared in the context of the emerging wider strategic vision for Ashton Town Centre. The Council has engaged with the owner of the Arcades Shopping Centre, Fairacre, and the asset manager for the Ladysmith

Shopping Centre, Ellandi, to better understand the potential for change at these sites and explore the scope for any redevelopment as part of wider aspirations to regenerate the Town Centre, whilst supporting the Council's priorities for growth. This wider redevelopment could incorporate adjoining land, including the former interchange site to be acquired by the Council. Previous public consultation undertaken in 2020 by both the Council and the Arcades and Ladysmith Shopping Centres indicates there is support from local residents for significant intervention to rejuvenate the Town Centre.

- 2.7 To understand in more detail the scope of the opportunity, the viability and feasibility challenges and identify a delivery strategy to progress, it is recommended that the revenue funding secured be used for the preparation of technical due diligence in relation to the Arcades and Ladysmith Shopping Centre sites. The proposed work will be entirely covered by the external funding secured and there will be no impact on Council's revenue budgets.
- 2.8 The potential interventions to redevelop the shopping centres would be an economic driver that delivers a genuine levelling up opportunity supporting national, GM and Tameside strategic policies. Contributions would accrue from the quality of housing, enhancing sustainable travel, and the regeneration of Ashton as a modern hub.

3. FUNDING

- 3.1 A signed Grant Funding Agreement (**Appendix 1**) is required for each project.
- 3.2 Funds will not be released to the Council in advance, but rather it is intended that an application for reclaiming funds that have been spent will be made with supporting evidence and the budgets will be managed/ monitored accordingly.
- 3.3 The funding longstop date is 31 March 2024. There is no match funding requirement.

4. RISKS

- 4.1 The main project risks associated with this specific programme of works have been identified in the table below.

Risk Area	Detail	RAG Rating	Mitigation	RAG Rating
Financial	The deadline for spend of the grants is not met - given the extensive nature of the projects, there is a risk that grant will not be spent in time.	Yellow	Apply adequate resource to the project to ensure programme adherence.	Green
Legal and Financial	Conditions attached to funding agreement may not be acceptable.	Yellow	TMBC legal department to sense check to ensure nothing has changed. If any amendments are found, Officers to liaise with GMCA to agree T&C's.	Green
Programme	Lack of resource capacity to undertake workstreams in line with expectations.	Red	Apply adequate resource to the project to ensure programme adherence. Seek additional support from GMCA partners.	Yellow

5. CONCLUSION

- 5.1 Droylsden Town Centre and Ashton Town Centre are projects that support delivery of GM strategic priorities, the Tameside Corporate Plan and Tameside Inclusive Growth Strategy.
- 5.2 The revenue funding secured via GMCA provides a significant financial contribution to these projects and provides a proactive and positive response to the delivery of investment and development in Tameside.

6. RECOMMENDATIONS

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