

STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

21 March 2024

Commenced: 2.00 pm

Terminated: 2.50 pm

Present: Councillors Cooney (Chair), Fairfoull (Deputy Chair), North, Bray, L Boyle, McLaren and Dickinson

In Attendance:

Sandra Stewart	Chief Executive
Ashley Hughes	Director of Resources
Julian Jackson	Director of Place
Alison Parkinson	Director of Children's Services
Deborah Myers	Assistant Director for Education
Emma Varnam	Assistant Director of Operations and Neighbourhoods
Trevor Tench	Head of Commissioning and Homes for All
Thomas Austin	Senior Finance Manager

Apologies: Councillor McNally

25 DECLARATIONS OF INTEREST

There were no declarations of interest.

26 MINUTES

The minutes of the Strategic Planning and Capital Monitoring Panel meeting on the 16 November 2023 was approved as a correct record.

27 PERIOD 10 CAPITAL MONITORING REPORT

Consideration was given to a report of the First Deputy (Finance, Resources & Transformation) / Director of Resources. The report reviewed the financial position for the Capital budget, including the forecast outturn position.

It was explained that as introduced in the month 6 report, this report included a number of appendices, which provided an update on the status of every scheme in each service area. This new combined report replaced the previous separate service area updates and would be presented to Strategic Planning and Capital Monitoring Panel in March.

The detail of this monitoring report was focused on the budget and forecast expenditure for fully approved projects in the 2023/24 financial year. In addition to fully approved projects the Programme also included earmarked schemes, which had been added to the programme but not specifically allocated yet, for example contingency budgets.

The Council's Capital Programme for 2023/24 to 2025/26 contained £116.321m of schemes, of which £111.493m were fully approved and £4.828m were earmarked. A major risk facing the programme was the ongoing inflationary and supply pressures in the construction sector, which limited the affordability of projects. This was worsened where projects were delayed into future years which meant the effects of inflation were further magnified.

It was reported that services were projecting expenditure of £11.593m less than the current capital budget for the year. Reprofiting of £11.764m had been requested.

Members of the Panel discussed acquisition of the former bus station site from Transport for Greater Manchester (TfGM) which was later than originally programmed. The Director of Place explained that there had been delays due to confirmation needing to be sought over boundaries of land that would be transferred to TfGM.

The Director of Place delivered an update on the Development & Investment Capital Programme as detailed in Appendix 1. It was highlighted that following a successful planning application the installation of practice cricket facilities at Ladysmith Cricket Club would take place in readiness for the 2024/25 cricket season.

In regards to the Godley Garden Village Capital Scheme, despite the positive outcome of the Speakers Panel Planning decision, delays to planning determination process had meant that the Council was in breach of its Housing Infrastructure Funding (HIF) Grant Funding Agreement (GFA) with Homes England. The Council was not in a position to draw down the full allocation of £10m, prior to the expenditure deadline of March 2024 and, despite best efforts, the project team have been unable to negotiate a further extension to the existing GFA. Homes England & the Council mutually agreed a remediation plan to terminate the GFA. The Remediation Plan confirmed that £0.720m already drawn down and expended, along with the £0.500m of revenue capacity funding, utilized to support the preparation of the planning application would not be subject to clawback. A remediation plan that would provide the process for termination of the GFA had now been agreed with Homes England. A report to Executive Cabinet in December 2023 approved the entering into of a Deed of Termination Notice.

An update was provided on the Ashton Public Realm Capital Scheme. It was reported that LUF funding had been secured for public realm works focused on Ashton Market Square. Planning approval was granted for the works to Ashton Market Square on 13 September 2023. Works on the Stage 4 design had now been completed and the scheme would now progress to the delivery stage by Spring 2024. Engagement sessions with key stakeholders, including market traders, had taken place throughout this detailed design phase and would continue in the lead up to the commencement of the delivery phase.

It is proposed that the surplus LUF funding allocated against the former bus interchange site was repurposed to enable the delivery of additional key zones of the public realm that would further realise the vision for the town centre. These areas included the waste disposal facility between the Town Hall and Market Hall and associated landscaping, Warrington Street and Market Avenue. These areas were included in the recent planning permission for the site. The LUF contribution to Market Square and associated public realm in the surrounding area would therefore be increased from £11.2m to £14.1m.

The proposal was to relocate the temporary market to Fletcher Square, Market Street and Bow Street whilst the main construction works are underway to Market Square. This would enable the market to operate with minimal disruption and will ensure that progress on delivering the improvement works to Market Square can be made in line with the agreed funding timescales.

In regards to the Ashton Town Hall Capital Scheme, work had progressed on internal strip-out and detailed surveys required to fully inform the design and costing process for the first stage of restoration works had completed. The LUF monies available of £3.4m would be utilised by 31 March 2025 to address immediate health and safety issues at Ashton Town Hall, deliver repair works to the façade, and repair the high stone parapet and the interface with the roof. The delivery programme for this work would be confirmed in March 2024 with a report to Executive Cabinet.

The Director of Place advised Members on the progress of the projects within the UKSPF Capital Schemes. It was reported that the UKSPF funded Tameside Market Study project that was currently in progress would feed into the proposal for Hyde Outdoor Market. The Market Study was due to be completed Mid-August, further updates would be available after the study had taken place.

A Hyde Town Centre masterplan has been commissioned. As part of the work in preparing the masterplan, UKSPF would enable the refurbishment of a vacant unit in the town centre that by the local community for gatherings and for consultation events to support the preparation of the Hyde Town Centre Masterplan which sat within the Hyde Triangle Growth Location. Opportunities to identify suitable space within the town centre was being explored for the project to meet the expected outcome. This space would be for the local community to meet and for social enterprise to flourish.

In regards to St Petersfield Fountains, Fountains & Features Ltd had completed work to enable the functioning of the fountains feature in St Petersfield opposite Ashton Old Baths. It would also fund a 12-month maintenance package to run concurrently with the repair works.

Members of the Panel enquired on milestones for the Stalybridge Civic Hall Capital Schemes as part of the UKSPF projects. The Director of Place confirmed that the scheme was meeting planned milestones.

A discussion ensued on the impact of the termination of the Grant Funding Agreement, part of the Godley Garden Village Capital Scheme. It was explained that there was no impact to the scheme, the Council would not have been in a position to draw down on the grant owing to the increase in value of land and the fact that there was no planning inquiry which the funding was allocated for.

The Assistant Director of Strategic Property delivered an update on the Corporate Landlord Capital Programme as detailed in Appendix 2. In regards to the Decarbonisation of the Public Estate Phase 3, following the removal of the 2 schemes and updating with tendered costs the total revised costings for the scheme are currently projected at £2.191m. The amount of grant the Council had received was £1.506m. The Council were able to claim some of the grant monies over the above our initial amount of £1.573m, however any additional claimed had to be paid back to GMCA for feasibility studies for future projects

This financial year circa £2k had been spent on St Johns School for enabling works. The total available was £28k, meaning circa £26k of this would be returned to education as there was no further spend anticipated at this site for enabling works. There had been no spend this financial year on Stalyhill School enabling works, however a number of orders had been raised with committed spend of circa £11k. Once these invoices had been received circa £21k would be remaining and could be returned to the education capital budget.

The Assistant Director for Operations and Neighbourhoods delivered an update on the Engineers Capital Programme as detailed in Appendix 3. It was reported that most projects had a Rag rating of Green, it was highlighted that the Active Travel Fund 3 had a RAG rating Red. It was explained that following the review by TfGM the scope of the scheme was being revised in order to meet funding criteria and available budget due to the initial proposals being in excess of the £1.950m provisional budget allocation.

The timescales for this particular project remained extremely challenging, however dialogue with TfGM remained positive, however the funding remains at risk. The Panel was advised that the £1.950m budget was provisional, pending confirmation from TfGM, and did not appear in the council's capital programme. This provisional funding had also been used as part of the Denton LUF as 'matched funding'.

The Assistant Director of Operations and Neighbourhoods delivered an update on the Operations & Greenspace Capital Programme detailed in Appendix 4. The New Approvals detailed in Appendix 4 were highlighted to the Panel. The S106 contribution in respect of planning application 13/01045/OUT would be used as a contribution towards fencing of the public open space which would be between the relocated Hawthorns School (on the former Longdendale Recreation Ground) and the A57. This funding was to be allocated to Strategic Property in the Place Directorate as they are project managing this scheme. The S106 contribution in respect of planning application 20/00129/FUL would be used for improvements to greenspace in Audenshaw including Ryecroft Hall and tree planting.

The Assistant Director of Operations and Neighbourhoods delivered an update on the Waste & Fleet Management Capital Programme. In regards to the Fleet Replacement 2022/23, the Initial approval was based on 20/21 estimated costs of £0.826m for fleet replacement. It was explained that tenders went out for 40 items on the programme and these came in at an additional £0.177m above the estimates and therefore the additional spend had to be authorised. It was further explained that the list of items had been reduced further to 27.

Procurement had been delayed due to the need to obtain comparative quotes for lease/contract hire for some of the items, and it was therefore unlikely that any of the fleet expenditure would be incurred in the current financial year. Expenditure in excess of the scheme budget still required authorising and funding arrangements to be agreed. The Panel was advised that £150k of Adults Capital Grant was to be used to increase the Fleet Replacement project budget on the Capital Programme.

Members discussed the reasons for the delays in the fleet replacement and the impact in costs that these delays had incurred due to inflation.

The Assistant Director of Strategic Property provided an update on the Estates Capital Programme within Place. In regards to the Mottram Showground it was reported that The Council previously acquired a site off Stockport Road, Hattersley to facilitate the relocation of the twice yearly agricultural shows run by the Mottram and District Agricultural Society (MDAS). The site MDAS previously occupied was on the route of the proposed Mottram bypass and as such the MDAS shows could not continue to run from the site once bypass works commence. If MDAS could not be provided with a new site the shows, an established feature in the local events calendar, would not continue. MDAS were looking to return to their traditional 2 shows a year events programme starting with a summer show planned for August 2024 and would need therefore access to the residue of the relocation budget beforehand to complete the site preparation works. Approval would be required to draw for a payment of up to £46,000 to be made toward the cost of new containers which were required to store equipment at the property, as well as the construction of the roadway and groundwork's at Mottram Show ground new site. It was proposed that this sum was resourced via the earmarked capital programme remaining budget of £46,000 that is allocated to the Mottram showground.

The Director of Place delivered an update on the Community Safety & Homelessness Capital Scheme within Place. It was reported that in regards to the Homeless Families Leasing Scheme, due to significant changes in Management within the Homelessness Service, the scheme was not yet running. The Council was working closely with the GMCA who were monitoring the programme (500 Units across GM). GMCA had confirmed that there was likely to be some flexibility in the Grant funding agreement. GMCA had advised that properties could also be sourced from Registered Providers as well as from the Private Rented Sector. GMCA was also attempting to confirm that an extension to 31 March deadline for having leases in place would be extended. Executive Cabinet resolved to support the Homeless families leasing scheme in November 2023. However due to the delays in getting the project up and running, the budget for this service would need to be re-profiled in its entirety into 2024/25.

The Assistant Director of Operations and Neighbourhoods provided an update on the Operations and Neighbourhoods Capital Programme, detailed in Appendix 8. It was reported that as the installation of the new cremators had been completed an essential upgrade to the interface between the chapel and the crematoria was now required to accommodate bariatric coffins. Essential work to the Dias committal area required a double doorway constructing to allow for a bariatric coffin to be transferred safely into the crematory along with a new catafalque, canopy and committal curtain, lighting, decorating and acoustics. The cost of this would be met from the remaining cremator scheme contingency.

The Assistant Director of Strategic Property provided an update on the Education Capital Scheme. In regards to Rayner Stephens High School it was explained that the scheme had been tendered and costs had risen significantly above the budget envelope. Work was underway with the Planning department on a revised scheme as no further funding would be allocated to this project. The school

were aware that final plans should be drawn up by the end of the 2023/24 financial year. As a result, there would be to be a delay in the expenditure occurring and therefore, there was reprofiling of £0.356m to 2024/25.

It was stated that on the Alder Community High Capital Scheme, the Deed of Variation was taking some time to complete given the complexity of the arrangements and the number of stakeholders involved. As such, the Council had opted to proceed with a Letter of Indemnity which would provide all the necessary requirements commence works on site in a shorter time frame. Reprofiling of £0.519m to the 2024/25 budget was requested as this scheme will move forward in the next financial year.

It was highlighted that the Longdendale Academy Capital Scheme had a cost increase on the overall project to around £0.863m. The school had been through the planning process and planners are requiring additional drainage for the development. This was £0.213m above the allocated budget. Panel was asked to recommend to Executive cabinet the allocation of £0.134m of High Needs Capital Provision Funding to this scheme and £0.079m of S106 in 2024/25.

An update was provided on All Saints Catholic College, it was reported that works were being overseen by the Shrewsbury Diocese. The final phase of the work was being agreed. Work had been undertaken to improve fitness provision, science labs and toilets over a number of years. The last phase was to improve the outdoor sports provision. The remaining budget was significantly less than the tendered prices received for the work. In conjunction with the Capital Project Team, a meeting had been held with the Football Foundation to investigate the possibility of matched funding to increase the overall funding amount available. The school were aware that final plans need to be in place by the end of this financial year. Reprofiling of £0.683m to the 2024/25 budget is requested as this scheme will move forward in the next financial year once the school has confirmed final plans.

It was reported that in regards to Oakdale School Capital Scheme, the works had been phased in line with current governance. Both phases had been completed. The school were happy with the works and were happy with the December completion as their target date was a completion before the Christmas school holidays. Some snagging still remained and the contractor was undertaking some additional works for the school at nil cost.

The Panel were provided an update on works on the Russell Scott capital scheme. It was explained that Due to health and safety reasons, the temporary heras fence line between the playing field and the playground had been replaced by a permanent fence line. The cost of these works was £0.006m. The surface to the pathway was built with a gradient which allowed water to pool significantly on the footpath and there was insufficient drainage to mitigate the surface water build up. Works had been completed to add a top layer to the footpath to improve surface water run-off and allow the drained to be sunk to allow easier water flow into the drains, the costs of these works was £0.004m

It was reported that the St Annes Denton Primary Capital Scheme required a redesign in order to achieve delivery within existing budget approval. The school had confirmed they would contribute a sum of £0.137m which was included in the current budget amount. Reprofiling of £0.050m to the 2024/25 budget as the Capital Projects Team were awaiting a re-design of the secure entrance to reduce the cost to within the original budget. This left a remaining budget of £0.050m in 2023/24 for any potential redesign costs. It was not likely that the full scope of works would commence in the 2023/24 financial year.

Discussion ensued on the role of academies in maintain school buildings and where responsibilities still were with the Local Authority. The Assistant Director of Education explained that academies were responsible for maintaining their school buildings but where the Local Authority wanted to increase the capacity and admission number that cost still fell to the local authority who were responsible for sufficient and adequate places.

The Assistant Director of Strategic Property provided an update on the Children's Social Care Capital Programme. In regards to Boyds walk it was highlighted that the start of the project was

delayed due to the DFE requirement for formal consultation on the appropriation of land (former Infant School site). The decision to approve the appropriation of land for an alternate use had now been agreed by the Minister. RIBA Stage 3 had recently been completed and at this early stage, the project was anticipated to be £0.500m over budget. The main reasons for this were a small increase in the gross internal floor area, soft market testing of market of the mechanical and electrical works required coming back significantly higher than first estimated and the requirement to have a sub-station to accommodate the new capacity brought by the scheme. Early value engineering had been undertaken during stage 2/3 and the current cost of the project included risk and inflation contingencies, which could be taken out as the project moves through its RIBA stages. Further value engineering was taking place, especially for mechanical and electrical works, in order to manage cost within the original funding envelope. This slowdown had resulted in the need to slip unspent budget from 2023/24 to 2024/25.

The Head of Commissioning and Homes for All provided an update on the Adults Capital Programme. It was explained that all schemes had a RAG rating of Green. It was highlighted that there was a key theme within these schemes and that was staffing, which had continued to be challenging. The New Approvals contained within Appendix 11 were highlighted to the Panel.

It was reported that there was an agreement that £150k of Community Capacity Grant was to be used to increase the Fleet Replacement project budget on the Capital Programme in 2024/25. This was to be used towards funding of Community Response Vehicles in Fleet Strategy.

In regards to the Community Support living well at home scheme, this latest proposal sought to free up workforce capacity across support at home provision particularly in circumstances where an ambulance or CRS warden would otherwise be called to lift someone who has fallen – whilst recognising that the contractual arrangements for the provision of support in the four existing extra care settings had since changed. Care and support at all four was now the responsibility of one provider, Creative Support. Whereas prior to the new contract, four separate providers each had access to a Raizer M for their extra care setting, Creative Support currently only had the one Raizer M for use across all four settings. Three additional Raizer M's were required so that cover was on hand at each of the four settings. A fourth Raizer M was also required for the new Hattersley extra care setting which was due to open early 2025 with care and support would also being provided by Creative Support. All funding was required for 24/25.

It was reported that the Occupational Therapy Project was to be funded from the Community Capacity Grant. It was explained that the team needed to extend to meet the demand needs of the service. Four further posts were required to meet service demand which would be funded by the Community Capacity Grant for a fixed 3 year period, from 1 April 2024 to 31 March 2027.

The First Deputy for Finance, Resources and Transformation stated that going forward milestones must be updated where they have slipped or no longer accurate and explanations be given in the report where milestones had not been met.

Further, The Panel discussed whether the design phase in schemes needed to be reviewed to reflect the volatility in the market and rise in cost in materials as designs often received with costs projected at more than the budget.

RECOMMENDED

That Executive Cabinet APPROVES:

- (i) **The reprofiling of £11.764m of capital spend outlined in table 3**
- (ii) **Other capital changes of £5.058m in table 7.**

That Executive Cabinet NOTES:

- (iii) **The Capital programme position of projected spend of £39.916m, following Cabinet approval to reprofile project spend of £11.764m into 2024/25.**

28 URGENT ITEMS

There were no urgent items.

CHAIR