STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

10 July 2017

Commenced: 2.00pm **Terminated: 3.30pm**

Present:	**Councillor K Quinn (Chair)** **Councillors Cooney, Dickinson, Fairfoull, J Fitzpatrick, B Holland, McNally and Taylor**
Chief Executive/Accountable Officer:	**Steven Pleasant**
Also in attendance:	**Kathy Roe, Aileen Johnson, Robin Monk, Damien Bourke, Ian Saxon and Tom Wilkinson**

1. DECLARATIONS OF INTEREST

Members	Subject Matter	Type of Interest	Nature of Interest
Councillor Taylor	Agenda Item 11 - Active Tameside Capital Programme Update	Prejudicial	Chair of Active Tameside
Councillor Cooney	Agenda Item 7 – Education Capital Programme Update	Personal	Member of extended family involved in building work on Cromwell School.

2. MINUTES

The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 13 March 2017 were signed by the Chair as a correct record.

3. CAPITAL MONITORING REPORT – OUTTURN 2016/17

Consideration was given to a report of the First Deputy (Performance and Finance) / Assistant Executive Director (Finance) summarising the capital monitoring position at 31 March 2017. The report showed projected capital investment of £35.288 million in 2016/17. This was £15.870 million less than the total programmed spend for the year (£51.158million). Re-profiling of £12.929 million into the next financial year was therefore proposed.

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.

RESOLVED
(i) That the re-profiling to reflect up to date investment profiles is approved;
(ii) That the revised capital programme (including changes) is approved;
(iii) That the capital financing statement for 2016/17 is approved
(iv) That the 2016/17 capital outturn position be noted;
(v) That the current position in regards to Compulsory Purchase Orders (CPO's) and indemnities is noted; and
(vi) That the capital receipts position is noted.

4. VISION TAMESIDE PHASE 2 PROGRESS UPDATE

The Assistant Executive Director, Development Growth and Investment, submitted a report providing a progress update on project delivery, costs and funding, delivery timescales and risks associated with the Vision Tameside Phase 2 Programme, which included the new Shared Service Centre and the Streetscape Improvement Project.

It was reported that, since the last report to the Strategic Planning and Capital Monitoring Panel on 13 March 2017, substantial progress had been made with key elements of the Programme as follows:

- Demolition contract completed on 12 September 2016;
- Enabling works for construction commenced on 13 September 2016;
- Piling works commenced on 19 September 2016;
- Construction contract awarded on 22 November 2016;
- Steel beam signing ceremony had been held on 6 December 2016;
- Construction of foundations complete;
- Steel frame erection complete;
- Metal decking complete; and
- Topping out ceremony on 21 June 2017.

Members were informed that, overall, the project was making good progress with the position against projected programme currently being maintained. Current works on site included; upper floor slabs, windows, drainage installation; curtain walling, brickwork, roofing, and repairs to the rear of the Town Hall. It was noted that negotiations were on-going with related parties, to agree an appropriate insurance settlement for the damage to the rear of the Town Hall, which was caused during the demolition of the former Council Offices.

Following the recent tragedy at Grenfell Tower, assurance had been sought from the LEP and Carillion that the specifications and method of installation of the proposed cladding material for the building did not pose unacceptable levels of fire risk. A technical review was currently underway including the overall fire risk strategy for the building.

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

Health and Safety performance had been good and several site visits and quality audits undertaken to date had not identified any significant issues. The latest independent external monitoring of the project for the Skills Funding Agency in March 2017 reported general satisfaction with the overall progress and financial status of the project.

Details were given of programme management, including:

- Vision Tameside Working Group;
- Building Design and Scope;
- Reviewable Design Data process; and
- Lease negotiations.

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

It was further explained that, the funding package for the project relied on financial contributions from external sources including the GM Growth Fund Deals. In the Autumn Statement 2016, the

Government announced £490 million for the local roads element of the National Productivity Investment Fund (NPIF) for 2018/19 and 2019/2020, to be allocated via a competitive bidding process. Based on the size of the national funding pot (£490 million), and the fact that Greater Manchester might expect at least a 7% allocation (£34 million) based on population, it was proposed to develop a bid around a central planning figure of £50 million. The existing GM priority was for a series of major schemes leaving scope, however, to include a package of minor schemes. As part of the Greater Manchester minor scheme considerations, Tameside would be submitted a bid for the 'Streetscape' works along Wellington Road and Albion Way. Bids had to be submitted by the end of June and bid funding was expected to be announced in Autumn 2017.

Previous reports had highlighted the fact that not all the public realm would be completed when the new Shared Service Centre opened in 2018. However, the Pubic Realm Task Group was currently developing a clear plan to ensure that the public realm interface provided suitable access to the new building.

If the Council was unable to secure an appropriate funding package then options would need to be considered to ensure that this critical element of the Vision Tameside programme could be delivered. A further report would be provided with recommendations once the final funding position for the project was established in the Autumn.

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

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

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

It was reported that partnership work continued between Carillion and the Council's Employment and Skills team to maximise opportunities for local employment, apprenticeships, work placements and local supply chains. A summary of the outputs achieved to date was provided in the report.

An analysis of furniture, fittings and equipment for all elements of the scheme, was completed as part of the Stage 2 submission. The original £1.5 million budget for the Council and partners had been confirmed to be sufficient at Stage 2. The last report to the Strategic Planning and Capital Monitoring Panel on 13 March 2017, highlighted that the projected FF&E contribution from the DWP and CCG, was anticipated to be £432,000. However due to negotiations still underway with NHS Property Services, acting on behalf of the CCG, and recent design changes requested by the DWP, this contribution was under review.

In respect of Variation Notices and impact on Contingency Budget, it was explained that the programme currently had a contingency allowance of £824,048. In addition to administering all Variations in line with Clause 15 of the Design and Build contract a robust internal process, had been implemented to ensure all costs were carefully monitored and there was transparency in the decision-making process thereby reducing the Council's financial risk.

Details were given of the Council's variation notices approved since the last meeting of the Panel on 13 March 2017, with a total value of £119,765. A summary of 'other' costs, which exceeded the previously approved budget allowance, was also provided. Additional virements were therefore requested from the contingency budget for those identified overspends to a value of £127,368. It was summarised that the proposed variations reduced the Vision Tameside Programme contingency budget from £824,048 to £696,680.

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

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

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

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

Budget monitoring was critical to the successful delivery of this project to ensure costs were contained within the budget envelope. It was essential that the Reviewable Design Data process previously approved, continued to be reviewed, as a matter of urgency, following the instruction to change floor plan layouts.

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

Following completion of the floor plan review the work to develop a detailed Recant Pan could be progress. Proposals would be the subject of a future report.

Continuing to maximise opportunities for local employment, apprenticeships and work placements was contributing to economic prosperity in the Borough.

The Head of Legal Services made an amendment to her legal implications as follows:

Paragraph 3 of the legal implications, last line second word should read 'was' instead of 'is' and, para 4 of the legal implications final sentence, third word should read 'was' and not 'is'

Discussion ensued with regard to the progress of Vision Tameside Phase 2. Members raised fire safety concerns in respect of cladding materials to be used on the building, in light of the recent Grenfell Tower tragedy. It was agreed that an independent technical assessment be sought on fire strategy/risks on overall construction of the building, and that progress on this would be reported to the next meeting of the Panel.

Concerns were also expressed in respect of the delay in securing an appropriate funding package for the streetscape improvement project and the risks associated with this going forward.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:

(i) That the progress with the delivery of the overall Vision Tameside Phase 2 programme, be noted;
(ii) That the emerging risk associated with the delay in securing an appropriate funding package for the Streetscape Improvement project, be noted;
(iii) That the budget variations and virements identified in Section 7 of the report, be approved;
(iv) That the excellent progress being made to drawdown the £4 million Skills Funding Agency Capital Funding, be noted; and

(v) That an independent technical assessment be sought on fire strategy/risks on the overall construction of the building and progress be reported to the next meeting of the Panel.

5. CORPORATE ASSET MANGEMENT PLAN UPDATE

The Assistant Executive Director, Sustainable Growth and Assets, submitted a report updating Members of the Panel with progress on the disposal of the council's surplus assets, anticipated capital receipts that would be released and investment that was required to maintain those buildings being occupied and retained or dilapidations arising from the termination of leases.

With regard to the disposal of assets, it was reported that asset disposal process continued with a figure of £431,000 achieved since 1 April 2017.

A public consultation exercise for the disposal of the five larger school sites had been completed and terms were agreed subject to contract for the sale of the former Samuel Laycock site. An outline planning application had been submitted for the former Mossley Hollins school site and Section 77 consultations were nearing an end in respect of the former Two Trees School. The master planning for the Windsor Road site in Denton was now almost complete and discussions regarding a disposal were at an advanced stage.

Continued focus was being placed on future Auctions with six sites being submitted in July 2017 and work ongoing for a number of sites to be potentially sold at future Auctions.

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

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

In respect of Investment in Civic and Corporate Buildings, it was explained that the Multi Use Games Area (MUGA) site at Burlington Street, Ashton, was a small pocket of greenspace in an otherwise relatively built up area, which was well used by the local community. The site was developed as part of the Millennium Green project and a Trust was responsible for the management of the site. The Trust, however, was no longer in existence and had not been maintaining the site. The site was now in poor condition and work was required to bring it up to standard and reduce the risk of any injury to any person using the site, and in turn reduce the risk of claims against the Council for slips, trips and falls. The proposed works including; repairs to fencing and entrance way to the MUGA, removal of the carpet within the MUGA, new paving slabs on pathway through the site and removal of redundant timber posts, were estimated to cost £40,000 and would be financed from the revenue repair and maintenance budget within the corporate landlord service. It was noted that the Council was now responsible for the ongoing management of the facility.

It was further reported that, to date, there had been revenue building repair and maintenance expenditure of £120,000 on corporate buildings. There were further revenue funded works required to buildings (as detailed in the report), estimated to cost £72,000. It was noted that by the end of the first quarter of the 2017/18 financial year a sum of £232,000 would have been expended/committed (including the sum of £40,000, as detailed above for the Burlington Street, Ashton, MUGA) from the £600,000 budget available. It was therefore essential that this budget was stringently monitored for the remainder of the current financial year.

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

Members were informed that a proposal to refurbish Concord Suite, Droylsden, would be considered along with the wider capital programme at the September 2017 meeting of the Strategic Planning and Capital Monitoring Panel. An estimate of £1,500,000 had been included in the programme. In order to ensure a timely reoccupation of the Concord Suite it would be necessary to spend in the region of £500,000 in the current financial year (2017/18). Approval was therefore sought to support the initial £500,000 in advance of the overall request being considered in September 2017.

Detailed discussion ensued with regard to the sites recommended for disposal as attached to the report at **Appendix 1** and Members sought clarification with regard to exact locations of the sites before giving their approval to the disposals.

Concerns were also raised in respect of the cost of repairs to the Burlington Street MUGA and the issue of ongoing maintenance and repairs. Further discussion ensued with regard to MUGA's in general across the Borough and it was agreed that the £40,000 costs of repairs to the Burlington Street, Ashton MUGA not be approved and that a review be carried out on MUGA's in Tameside and a report be submitted to the next meeting of the Panel.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:
(i) That the list of disposals identified in Appendix 1 to the report be noted, further to clarification of precise locations on all sites being provided to Panel Members, before approval is given for disposal;
(ii) That the following schemes are financed via the Council's earmarked reserve for capital investment , which was due to be considered in September 2017:
(a) Capital schemes on corporate buildings detailed in the report, (excluding the £40,000 identified for the Burlington Street, Ashton MUGA);
(b) Initial refurbishment works at the Concord Suite, Droylsden, as detailed in the report, of £500,000.

6. EDUCATION CAPITAL PROGRAMME UPDATE

Consideration was given to a report of the Assistant Executive Director (Development, Growth and Investment) advising Members of the Panel on the latest position with the Council's Education Capital Programme 2017/18 and sought approval for various recommendations as set out in the report.

The report gave details of:
- Funding allocation;
- Basic Need Schemes progress update, including requests for additional funding allocations;
- School Condition Funding Scheme Proposals, including request for additional funding allocations/amendments;
- Procurement and value added; and
- Risk Management.

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

Members sought clarification in respect of funding for project development work at Astley Community High School. The Assistant Executive Director (Development Growth and Investment) agreed to obtain further details on this matter and report back to Members.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:
(i) That the following Education Capital Funding allocations be noted:
- **Basic Need funding - £4,883,289**
- **School Condition funding - £1,678,277**
- **Devolved Formula Capital - £432,045**

(ii) That approval be given to the scheme proposal for Aldwyn Primary School Mobile Classroom (£80,000), as detailed in the report, to be financed from the Council's reserves.
(iii) In respect of School Condition Grant 2017/18:
(a) That the previously approved schemes totalling £386,275 as set out in and appended to the report, be noted;
(b) Scheme proposals amounting to £1,142,520, as set out in and appended to the report, be approved.
(c) It be noted that £149,482 of School Condition grant for 2017/18 remains to be allocated.

7. SECTION 106 AGREEMENTS AND DEVELOPER CONTRIBUTIONS

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

It was reported that the summary position as at 31 March 2017 for Section 106 Agreements totalled £483,000, with Developer Contributions totalling £294,000, less approved allocation sof £148,000 leaving a balance of £178,000. The balance of unallocated section 106 funds and developer contributions were as follows:-

- Services for Children and Young People - £241,000 (s106) and £81,000 developer contributions;
- Community Services (Operations and Greenspace) - £210,000 (s106) and £74,000 developer contributions; and
- Engineering Services - £31,000 (s106) and £23,000 developer contributions.

It was reported that no new Section 106 Legal Agreements had been entered into since 20 February 2017, although there were a number of resolutions to grant planning permission subject to agreements being entered into and more schemes due at Speakers' Panel (Planning) which would also involve the signing of new Section 106 Legal Agreements. These would be reported to a future meeting of the Strategic Planning and Capital Monitoring Panel once they had been entered into and becoming active.

In respect of requests to draw down funding, it was reported that there were no outstanding requests to draw down funding but it was anticipated that those would develop significantly over the remainder of the year and a full report of requests and proposed expenditure would be provided.

Members were informed that, in 2016, a review was undertaken of Planning Obligations within the Development Management Service. The final report was published in April 2017 and key issues were outlined.

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

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

A recruitment exercise was currently underway for a Graduate Trainee (Planning) on a 12 month fixed term contract to assist the Council with undertaking a review of historic legal agreements and further updates would be provided to the Panel over the course of the next 12 months. Steps had also been taken to address a number of other recommendations within the audit report. This included adjusting the financial contributions calculator for inflation and changes to the way finance records and account for payments.

RESOLVED
That the content of the report be noted.

8. ENGINEERING CAPITAL PROGRAMME 2017/18

The Assistant Executive Director – Environmental Services, submitted a report setting out initial details of the 2017/18 Engineering Capital Programme for Environmental Services and sources of funding with specific reference to the Highways Structural Maintenance Programme and capital funding made available by the Council for the Tameside Asset Management Plan (TAMP) for highways.

It was reported that the duty to formulate Local Transport Plans was the responsibility of Transport for Greater Manchester (TfGM) who reported to the Greater Manchester Combined Authority (GMCA). Department for Transport (DfT) funding allocations for highway related schemes addressed a range of issues based on achieving agreed targets at a Greater Manchester and national level. Funding was split between: Structural Maintenance Works Principal and Non-Principal Roads, Highway Structures and Bridges and Street Lighting. The allocation for Tameside in 2017/18 was detailed in the report.

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 were then used to agree the proportion to each element. Details of the Highways Structural maintenance Works programme delivered in 2016/17 were appended to the report.

In respect of Tameside Capital Funding, details were given of:
- the 2017/18 schedule for LED (Light Emitting Diode) Street Lighting Replacement Programme; and
- Highways Tameside Asset Management Plan (TAMP) – This major investment in the highway network (£20 million over 4 years) would increase the highway maintenance capital programme from around £1.6 million per annum to £6.6 million per annum. Estimates for spend profile for the £20 million over four years was provided in the report.

In terms of the Maintenance programme, approval was sought for the proposed allocation of the 2017/18 DfT allocation and specifically for the allocation amongst Tameside's principal and non-principal roads (£1.695 million), together with the profiled TAMP programme (£2.750 million) as follows:
- Structural Maintenance Works & Highways TAMP – Principal/Non Principal Roads – (£1.695 million + £2.750)

- Highways Structures and Bridges (£0.410 million)
- Street Lighting (£0.152 million)

In addition, the full Engineering Capital Programme also included other schemes, which were funded from a variety of sources. Full details of all capital schemes were appended to the report.

It was explained that it was essential that these major works were communicated effectively with both Members of the Council and the citizens of the Borough in addition to the statutory co-ordination of works on the highway. This this end, work would be carried out with the Council's Communications Team to ensure that Town Councils were made aware of any planned works and also making use of social media for the latest information.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:
That the Engineering Maintenance Block Allocation with specific reference to the Highways Structural Maintenance Programme and the additional investment of £2,750 million required in 2017/18 via the TAMP (as detailed in the report), be recommended for approval by Council.

9. REVISED PROTOCOL RE: SALE OF LAND

Consideration was given to a report of the Assistant Executive Director, Development, Growth and Investment, seeking approval for the revised protocol for the sale of council land. An Equality Impact Assessment was appended to the report for consideration in conjunction with the report.

Members were informed that, until now the process had been managed on an informal basis employing a number of different techniques, relying upon the skill and expertise of the officers and advisers engaged in the process and reporting planned disposals to the Strategic Planning and Capital Monitoring Panel. In addition, not all applications to acquire land were made to the Corporate Landlord, with other services being approached initially, which meant a consistent policy was not being implemented.

The disposal of council land was closely regulated by law and it was this, together with a desire to ensure consistency and therefore fairness, that had highlighted the need for the Council to adopt a formal policy setting out how it would make decision on disposals of land in the future.

The proposed Corporate Policy – Disposal of Council Owned Land was appended to the report. The policy set out a formal application procedure for parties who were interested in purchasing land from the Council and then, depending upon category of property, prescribed, the process for considering the application and ultimately disposing of the land. The policy, if adopted, would lead to a clear and consistent approach to the disposal of Surplus Land and also best value being achieved, however, the policy also took account of:

- Special Purchasers;
- Disposal for Community Ownership;
- State Aid;
- Disposal at Undervalue; and
- Well Being Powers.

Financial implications and the risk to the Council of not adopting a formal policy for the disposal of land, were also detailed.

Discussion ensued with regard to the proposed policy and in particular the definition of 'Surplus Land'. The Chair and Members agreed that the proposed policy required amendment to ensure the Council's rationale for deciding which land was surplus to the Council's requirements and how it would be processed in accordance with the law was appropriately reflected in the policy, and they expressed a desire to approve the same.

RESOLVED
That the following RECOMMENDATION be made to Executive Cabinet:
That the revised protocol for the Sale of Land be approved, subject to ensuring that the Council's rationale for deciding which land was surplus to the Council's requirements and how it would be processed in accordance with the law was appropriately reflected in the policy, such amendment to be agreed by the Strategic Planning and Capital Monitoring Panel.

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

10. ACTIVE TAMESIDE – CAPITAL INVESTMENT PROGRAMME UPDATE

A report was submitted by the Assistant Executive Director, Development Growth and Investment providing a summary of progress to date with the delivery of the Council's capital investment programme into improving sports and leisure facilities in Tameside. Further support was sought for the approval for a revised budget of £3.096 million for the extension of Active Hyde and the award of a contract as outlined in the report.

Individual elements of the programme were highlighted in the report as follows:
- Active Copley Heating Replacement (£0.369m)
- Active Copley Pitch Replacement (£0.177m)
- Active Medlock Roof Replacement (£0.120m)
- Active Hyde Wave Machine Replacement (£0.060m)
- Active Hyde Pool Extension (£2m)
- New Denton Wellness Centre (£14.7m)
- Active Dukinfield (ITRAIN) (£2.3m)
- Active Longdendale (Total Adrenaline) (£0.600m)

In respect of the Active Hyde scheme, members were informed that in March 2016, Executive Cabinet approved a recommendation to add a conventional swimming pool facility as an extension to existing facilities at the current Active Hyde site. At the time the projected cost to progress the scheme was £2.0 million and approval formed part of the £20 million investment programme.

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

The pool extension, which had full planning permission, would be serviced by the existing Active Hyde car park, entrance and reception desk along with catering and other ancillary facilities.
It was reported that the cost of scheme had increased significantly from that estimated in the March 2016 Executive Cabinet report. The original budget estimate for the scheme was based on limited building survey information which made a number of assumptions about the feasibility of extending the existing mechanical, electrical and pool filtration systems at the existing facility. When establishing the likely cost of the scheme it was envisaged that much of the existing mechanical, electrical and pool filtration infrastructure could be adapted to support the new conventional pool installation keeping costs to a minimum. Extensive surveys of the existing systems, commissioned since the Executive Cabinet report, had confirmed that services could not be integrated as planned due to positioning, capacity and condition issues. This had directly resulted in a cost increase of £1,096,000. There were no opportunities to reduce spend in other areas to account for the additional cost of the Hyde Scheme. In addition, Sport England had confirmed that the Active Hyde scheme was not eligible for Strategic Facilities funding and, as

such, they would not be soliciting a funding bid from the Council for this element of the investment programme.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:

(i) **That the content of the report be noted;**
(ii) **An additional £1,096 million to the previously approved budget of £2.0 million for the Active Hyde scheme, be supported and approved;**
(iii) **A permanent financing arrangement for this additional cost be explored and reported back as part of the capital investment programme review which is due in September 2017.**

CHAIR