

STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

3 September 2018

Present: **Councillor Warrington (in the Chair)**
Councillors Cooney, Dickinson, Fairfoull, Gwynne, Holland, McNally, Newton and Robinson

Also in attendance: Kathy Roe Director of Finance
David Moore Interim Director of Growth
Ian Saxon Director of Operations & Neighbourhoods
Tim Rainey Assistant Director (Digital Tameside, Finance)
Emma Varnam Assistant Director (Operations and Neighbourhoods)

1. DECLARATIONS OF INTEREST

There were no declarations of interest reported at this meeting.

11. MINUTES

Consideration was given to the minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 9 July 2018.

RESOLVED

That the minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 9 July 2018, be approved as a correct record and signed by the Chair.

3. CAPITAL MONITORING REPORT

Consideration was given to a report of the Assistant Director of Finance, summarising the 2018/19 capital expenditure monitoring position at 31 July 2018. The report shows projected capital investment in 2018/19 of £74.798m by March 2019. This is significantly less than the original budgeted capital investment for 2018/19, and is in part due to project delays that are being experienced following the liquidation of Carillion.

In introducing the report the Director of Finance advised of a revising to table 1 at paragraph 3.5 of the submitted report had been updated and circulated following publication.

The Strategic Planning and Capital Monitoring Panel were informed that there have been changes to the 2018/19 Capital Programme to the value of £11.271m since the start of the year. This included slippage from 2017/18 of £3.449m. Additional changes were largely due to the cost pressures identified in the Capital Programme Review considered by Executive Cabinet on 25 July 2018, for example an increase to the Vision Tameside scheme of £9.400m.

Several options were identified to close the gap and meet the Budget pressures, such as the purchase of the Plantation Industrial Estate for £5.396m, which had now been removed from the Programme. As such the Capital Programme Review outlined how the proposed programme, along with additional emerging pressures, needs to be reprioritised in line with current available resources.

A reprioritisation exercise was ongoing in order to determine which schemes that have been earmarked but not fully approved should proceed, and which should be temporarily placed on hold. The proposals to reprofile the Capital Investment Programme would lead to a re-profiling of

£16.753m into the next financial year, once re-profiling has been taken into account, capital investment is forecast to be £0.297m less than the capital budget for this year.

The Strategic Planning and Capital Monitoring Panel were able to identify alternative schemes within the Capital Programme to reprofile. However these were discounted on the grounds that the Council was legally obliged to set a balanced Capital budget. The budget setting process is complex and must be undertaken in a planned way. Whilst budgets were prepared in accordance with the approved guidelines a number of alternative options relating to savings proposals and budget pressures were considered as part of the report.

RESOLVED

- (i) That the Strategic Planning and Capital Monitoring Panel recommend Executive Cabinet be requested to recommend to Council:**
 - a. The reprofiling as detailed within Appendix 3 of the submitted report to reflect up to date investment profiles.**
 - b. The changes to the Capital Programme as detailed in Appendix 1 of the submitted report.**
 - c. The updated Prudential Indicator position as detailed within Appendix 5 of the submitted report.**
- (ii) The current Capital Budget monitoring position be noted**
- (iii) The resources currently available to fund the Capital Programme be noted.**
- (iv) The updated Capital receipts position be noted.**
- (v) The timescales for review of the Council's three year Capital Programme be noted.**

13. LOCAL FULL FIBRE NETWORK FUNDING

Consideration was given to a report of the Assistant Director for Digital Services detailing work being undertaken in Tameside to install a public sector dark fibre network to improve connectivity between key partners and reduce operating costs across the sector, updated Members on the £4.5m of funding received from the Department of Digital, Culture, Media and Sports (DCMS) as part of their Local Full Fibre Programme (LFFN) to help accelerate the work in Tameside and make it more commercially attractive to Internet Service providers, and sought a recommendation to Executive Cabinet for the development of a wave three bid to the DCMS as part of which will seek to join together open fibre infrastructures across the North of England.

Funding received from the Wave 1 LFFN programme was to accelerate the deployment of fibre across Tameside and support its commercialisation, complementing elements of work funded through the Council's Capital Scheme.

In January the DCMS announced a second round of LFFN funding. Greater Manchester Combined Authority coordinated a pan-Manchester £23.8m bid involving 10 local authorities, Police, Transport for Greater Manchester and Greater Manchester Health & Social Care Partnership with aim of increasing fibre to the premise coverage across Greater Manchester from 2% to 25% by 2020. The Tameside element of the successful bid was £2,120k and was based on expanding the existing re-use of public assets model, with the further commercialisation through the Digital Cooperative. Working with Network Rail and using their track side troughs, the submission involved expanding the fibre infrastructure to an additional 23 CCTV sites and public sector buildings in Mossley, Hattersely, Broadbottom, Hadfield and Glossop.

The Strategic Planning and Capital Monitoring Panel were informed the third wave of funding which will build on the principles and investment made in waves 1 and 2. Key partners in this would be LINX (The London Internet Exchange who also own and operate the LINX Manchester), Network Rail plus various cities, including Greater Manchester, Liverpool City Region, Blackpool, Sheffield, York and Kirklees. Ultimately this would have the potential to create a northern, distributed peering network that would fuel digital sector growth across the North and which would have Tameside and the Ashton Digital Exchange at the core.

The alternative option of not bidding for Wave 3 LFFN funding would fail to seek funding to enable significant financial investment in digital infrastructure across Tameside.

RESOLVED

That the Strategic Planning and Capital Monitoring Panel recommend Executive Cabinet approve:

- (i) **The development of a wave 3 bid to DCMS LFFN, which will seek to join together similar open fibre infrastructures across the North of England.**
- (ii) **That the progress made on the fibre infrastructure scheme approved by Cabinet in December 2017, be noted.**
- (iii) **That the objectives and deliverables in the Wave 1 and Wave 2 DCMS LFFN projects be noted and approve that funds are included within Council's Capital programme.**

14.. VISION TAMESIDE

Consideration was given to a report of the Interim Director of Growth updating Strategic Planning and Capital Monitoring Panel of progress for the delivery of the Vision Tameside Phase 2 development.

The Strategic Planning and Capital Monitoring Panel were informed that following the signing of the Early Works Agreement with Robertsons Construction Group Ltd on 13 February 2018 that further extensions had been signed until the 30 September 2018. The site had been remobilised with the full complement of the site team in place and all health and safety arrangements, including plans, signage and audits completed.

The final approved budget for this project was now £62.731m. However there are several costs as that still needed to be finalised to ensure that they can be contained within budget including the final cost to complete from Robertson's need to be received; the cost of recant and associated building works (ensuring that all staff are accommodated in suitable accommodation);and, any insurance provision that is required.

RESOLVED:

That the report be noted.

15. ASSET MANAGEMENT

Consideration was given to a report of the Director of Operations and Neighbourhoods updating the Strategic Planning and Capital Monitoring Panel regarding capital repair spend on the Councils property and recommending spend associated with statutory compliance capital repairs for the period June 2018 of £9,718.70.

Works to date had been reported to the Strategic Planning and Capital Panel retrospectively as completed where urgent or sought approval in advance where not urgent.

Alternatively not to undertake the required repairs and replacements could lead to a failure of Statutory Compliance.

RESOLVED

That the Strategic Planning and Capital Monitoring Panel recommend that Executive Cabinet approve:

- (i) **The spend of £9718.70, associated with statutory compliance capital repairs for the period June 2018 as follows:**

Hyde Depot Replacement of collapsed flooring	£573.02
Loxley House Replacement fire door	£1,999.40

Ashton Town Hall Enhancement of fire doors	£448.72
Guardsman Tony Downes House Replacement electrical circuit	£1,046.46
Ryecroft Early Years Centre Emergency lighting system upgrade	£382.29
Denton Town Hall Fire protection upgrade to basement area	£3,877.81

16. EDUCATION CAPITAL INVESTMENT

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

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

In relation to the School Condition Allocation funded projects over £100k, it was reported the amounts earmarked against available funding currently exceed the funding available by £164,291, although it is anticipated that some of these schemes will need to slip into 2019/20 and will be funded from next year's allocation.

Alternative options were discounted as the proposals were put forward in line with priorities and commitments previously approved.

RESOLVED

That the Strategic Planning and Capital Monitoring Panel recommend Executive Cabinet approves the proposed changes to the Education Capital Programme as outlined in Appendix 1 (Basic Need Funding Schemes) and Appendix 2 (School Condition Allocation Funding Schemes) of the submitted report, as follows:

I.

BASIC NEED SCHEMES	Existing Budget £	Changes proposed £	Revised Budget £
Aldwyn Primary Additional Accommodation	2,363,692	0	2,363,692
Alder Community High School	1,301,577	505,000	1,806,577
Hyde Community College	1,746,000	0	1,746,000
Mossley Hollins	1,581,000	0	1,581,000
St John's CE Dukinfield	789,604	0	789,604
Alder Buy Out Fitness Centre	1,000,000	-505,000	495,000
Rayner Stephens Community	475,000	0	475,000

High School				
Other Schemes Individually below £100k	145,205	41,000	186,205	
Total	9,402,078	41,000	9,443,078	

II.

SCHOOL SCHEMES	CONDITION	Existing Budget £	Changes proposed £	Revised Budget £
St Anne's Primary School Denton Roof Replacement Phase 1		546,981	0	546,981
Russell Scott Primary Capital Programme		10,075	245,000	255,075
St Thomas Moore Roper Block Extension		200,000	0	200,000
Gorse Hall Heat Emitters		6,000	172,000	178,000
18/19 Contingency		0	150,000	150,000
Greenside Heat emitter		0	117,000	117,000
Millbrook heating system failure		0	116,000	116,000
18/19 Condition Surveys		0	100,000	100,000
Other Schemes Individually below £100k		526,085	534,000	1,060,085
Total		1,289,140	1,434,000	2,723,140

17. SECTION 106 AGREEMENTS AND DEVELOPER CONTRIBUTIONS

Consideration was given to a report of the Interim Director of Growth summarising the current position with regard to receipts received from section 106 (s106) Agreements and Developer Contributions, new s106 Agreements made and any requests to draw down funding.

The position for Developer Contributions as at 31 July 2018 was £229,000 in credit, less £7,000 as a write off (11/00826/FUL), less approved allocations of £112,000, leaving a balance of £110,000.

There were no alternatives considered as the report was submitted for information.

RESOLVED

That the position in relation to S1056 funds be noted.

18. ENGINEERING CAPITAL PROGRAMME 2018/19 UPDATE

Consideration was given to a report of the Director of Operations and Neighbourhoods providing an update on schemes contained within the 2018/19 Engineering Capital Programme. In addition, the report provided an update on the Council's bid to the GM Mayor's Challenge Fund for Walking and Cycling and on the arrangements for the Vision Tameside Ashton Town Centre Streetscape Project.

In response to Members questions the Director of Operations and Neighbourhoods advised Members that the details of bids to the Mayor's Cycling and Walking Challenge Fund would be brought to future meetings of the Strategic Neighbourhood Forum.

No alternatives were considered as the report was considered for information.

RESOLVED

That the report be noted.

19. LEISURE ASSETS CAPITAL INVESTMENT PROGRAMME

Consideration was given to a report of the Interim Director of Growth summarising progress in the delivery of the Council's capital investment programme to improve sports and leisure facilities. The Strategic Planning and Capital Monitoring Panel were informed the Council's Capital Programme was currently under review in order to facilitate reprioritisation following pressures on the level of capital funding available. In addition, the Council was reviewing its leisure management options to ensure sustainability and improved health outcomes for residents. Consequently, the Hyde Pool Extension scheme was temporarily on hold pending the outcome of these reviews.

In relation to the new Tameside Wellness Centre in Denton, Members were informed that work to facilitate an early delivery of the scheme continues to be progressed with the developer and the preferred contractor.

No alternatives were considered as the report was submitted for information.

RESOLVED

That the report be noted.

CHAIR