

Report to: **STRATEGIC PLANNING AND CAPITAL MONITORING PANEL**

Date: 5 July 2021

Executive Member: Councillor Allison Gwynne - Executive Member (Neighbourhoods, Community Safety and Environment)

Reporting Officer: Jeanelle de Gruchy, Director of Population Health

Subject: **LEISURE ASSETS CAPITAL INVESTMENT PROGRAMME UPDATE**

Report Summary: This report provides a summary of progress to date in relation to the delivery of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet on 24 March 2016.

Recommendations: That Strategic Planning and Capital Monitoring Panel be recommended to note the report and that going forward the Leisure Assets Capital Investment Programme with any further updates will be included in the Growth Update Report.

Corporate Plan: The Community Strategy 2012/22 (and the Corporate Plan Our People Our Place Our Plan) outlines the priorities for improving the Borough. The Leisure Assets Capital Investment Programme directly links to the Tameside Sustainable Community Strategy objective of 'Healthy Tameside'. The scheme supports each of the Corporate Plan themes including Starting Well, Living Well and Ageing Well supporting people to live longer and healthier lives through increased opportunities to be physically active.

Policy Implications: The Leisure Assets Capital Investment Programme supports the Tameside Corporate Plan and specifically the 'Increase Levels of Physical Activity' priority.

Financial Implications:

(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

Background

The current anticipated level of capital receipts of £15.3m is based on the disposal of surplus assets approved by Executive Cabinet in September 2020. The current approved capital investment programme requires a minimum of £22.219m of capital receipts or reserves. Additional Statutory Compliance works are also expected to be approved requiring a further £0.499m of receipts or reserves, bringing the total call on corporate resources to £22.718m. Any additional priority earmarked schemes that are approved by Executive Cabinet will increase the amount of corporate funding needed for the capital programme.

Available Corporate Funding:	£000s
Capital Reserves	£14,593
Anticipated Capital Receipts	£15,300
Total	£29,893

Funding committed to approved schemes:

2020/21 approved programme	£7,953
2021/22 approved programme	£14,266
Statutory Compliance earmarked pot	£499
Total	£22,718
Balance of forecast funding available	£7,175
Earmarked Schemes previously on capital programme*	£39,867
Shortfall in funding for earmarked schemes	- £32,692

Earmarked schemes previously included on the capital programme (reflected as * in the figures above) are almost £40m. Assuming that the planned disposals proceed there is a forecast balance of £7.175m of capital receipts to fund future earmarked capital schemes – a shortfall of more than £32m - meaning the broader capital ambition of the Council is currently unaffordable until such time as additional capital receipts are generated. Many of the earmarked schemes were identified in 2017/18 and therefore are now the subject of a detailed review and reprioritisation.

The Growth Directorate is reviewing the estate and developing a further pipeline of surplus sites for disposal, and a full refresh of the Capital Programme is being undertaken alongside this review of the estate. With the exception of the Statutory Compliance works, all other earmarked schemes will be removed from the programme and subject to review. A refreshed and reprioritised Capital Programme will then be proposed for Member approval in Summer 2021.

Project Summary:

The budget and outturn position of the Leisure Assets capital programme is shown at **Appendix 1**. Of note, the new Denton facility was overspent by £36k as previously explained in a report received by members on the 15 March 2021 and relating in the main to external works to footpaths and other accessibility enhancements outside original scope of project. This is offset by the underspend of £13k against the Active Medlock scheme, and the remaining £23k will be covered out of funds from Hyde Pool project budget in FY21/22.

This is offset by the underspend of £13k against the Active Medlock scheme, and the remaining £23k will be covered out of funds from Hyde Pool project budget in FY21/22.

As explained at 3.1, compliance issues have delayed practical completion of the Hyde Pool until June 2021, and so a further £381k of expenditure may be re-profiled into FY21/22, in addition to the £500k previously reported. The overall cost spread across the period of the project should remain the same.

Legal Implications: (Authorised by the Borough Solicitor)

This report seeks to provide Members with an overview of the leisure services capital projects. Each of the projects are subject to their own decision making hence no decisions being sought from Members in this report.

Members will note that only one live project, Active Hyde Pool Extension remains to be completed as detailed in section 3 of this report. That project has been delayed but the report indicates that this has not resulted in any additional cost to the council.

Risk Management:

Risk management is considered in section 5 of this report

Background Information:

The background papers relating to this report can be inspected by

Contacting Paul Smith - Assistant Executive Director, Strategic Property and Debbie Watson – Assistant Executive Director. Population Health

Telephone: 0161 342 3018

e-mail: paul.smith@tameside.gov.uk

e-mail: Debbie.watson@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report provides a summary of progress to date in relation to the delivery of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet on 24 March 2016. The investment programme is now providing high quality sports and leisure facilities creating a platform to increase physical activity and supporting the development of a sustainable funding model for Active Tameside.
- 1.2 Additional benefits from the programme include a reduction in dependence on other Council and health related services, increased participation in community life and improved quality of life for all residents including the most vulnerable.
- 1.3 Approval for any capital re-phasing highlighted in this report will be dealt with in the Capital Monitoring Report presented to the Executive Cabinet.
- 1.4 The completion of the Active Hyde Pool Extension Scheme marks the successful completion of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet on 24 March 2016. Progress has been monitored throughout the lifetime of the programme with standalone reports presented to each meeting of the Strategic Planning and Capital Monitoring Panel. Given that the Hyde Pool scheme has now achieved practical completion, it is proposed that any further updates in relation to final account will be included in the Growth Update report to Panel. Therefore, approval is sought to bring to an end the requirement to report progress as a standalone agenda item at future SPCMP meetings.

2. PROGRAMME UPDATE – COMPLETED SCHEMES

- 2.1 The Leisure Assets Capital Investment Programme comprises a number of individual projects:

The following schemes have been completed:

- a) Active Copley heating system replacement (£0.369m).
- b) Active Copley pitch replacement scheme (£0.177m).
- c) Active Medlock roof replacement scheme (£0.120m).
- d) Active Dukinfield development (ITRAIN) – (£1.3m Council investment & £1m repayable loan by Active Tameside).
- e) Active Longdendale Development (Total Adrenaline) – (£0.600m repayable loan by Active Tameside).
- f) Active Medlock Synthetic Turf Pitch Replacement (£0.120m) – (£0.013m underspend).
- g) East Cheshire Harriers Floodlight Replacement Scheme – (£0.100m)
- h) Tameside Wellness Centre (£16.374m)

- 2.2 Schemes a) to g) have been delivered within budget. As set out in the approved financial comments, an overspend of £0.036m on the Tameside Wellness Centre scheme has been offset from an underspend on the Medlock Synthetic Turf Pitch Replacement scheme and the Hyde Pool extension scheme. This approach was approved Executive Cabinet on 24 March 2021.

3. PROGRAMME UPDATE – LIVE SCHEMES

- 3.1 **Active Hyde Pool Extension (£4.034m)** - The Hyde Pool extension scheme is due to achieve practical completion on the 4 June 2021, which is 5 weeks later than previously reported to panel in March. The delay is due to the need to retile sections of the pool tank due to non-compliance issues. The Council is not liable for any costs in relation to the delay.

- 3.2 Active Tameside continues to be updated on progress. This has supported their mobilisation planning in readiness for the buildings handover, which in turn reduces the time required to get the facility operational to an absolute minimum.

4. FINANCIAL SUMMARY

- 4.1 A financial summary is attached as **appendix 1**

5. RISK MANAGEMENT

- 4.1 The major risks associated with all capital schemes include funding, increasing costs and time delays occurring during the development and delivery phases. The Council continues to manage and monitor schemes using robust project management methodology and governance to mitigate these risks. The impact of Covid 19 on the delivery of schemes continues to be monitored.

6. CONCLUSIONS

- 6.1 All schemes are now complete.

7. RECOMMENDATIONS

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