

Report to:	EXECUTIVE CABINET
Date:	29 September 2021
Executive Member:	Councillor Oliver Ryan – Executive Member (Finance and Economic Growth)
Reporting Officer:	Jayne Traverse, Director of Growth Gregg Stott – Assistant Director Investment, Development & Housing
Subject:	GREATER MANCHESTER COMBINED AUTHORITY EVERGREEN SURPLUS FUNDING ROUND III – HYDE AND GODLEY GREEN
Report Summary:	This report updates on the position with regard to external funding for these projects from Evergreen III and seeks approval to accept and spend the funding under the terms of the Grant Funding Agreements.
Recommendations:	That Executive Cabinet be recommended to: <ul style="list-style-type: none"> (i) To enter into two Grant Fund Agreement's (Appendices 1 and 2) on behalf of Tameside MBC for £0.125m at Godley Green and £0.225m at Hyde Town Centre; (ii) Enable the Director of Growth to manage the programme of works associated with the Grant Fund Agreement's and to drawdown and incur all expenditure related to delivery. On-going performance and reporting will be provided as required; (iii) To approve match funding of £0.225m for Hyde Town Centre and £0.125m for Godley Green as set out in section 3.4, table 1.
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 Evergreen III support 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)	The report sets out details of Evergreen 3 grant funding awarded via GMCA to the Council to support Hyde Town Centre (£0.225m) and Godley Green (£0.125m) scheme proposals. It is noted that the related grant funding agreements to support the allocations are extensively in line with the previous Evergreen grant rounds 1 and 2 grant allocations previously received by the Council and approved by Members. Members should note that there is a requirement to ensure that the Council provides equivalent match funding allocations to the grant sums awarded. Section 3.4, table 1 provides details of the related

budget allocations within the Growth Directorate that will be utilised as match funding.

The deadline for utilisation of the round 3 grant allocations awarded is 31 March 2023. The match funding allocations will need to be profiled in line with the values stated within schedule 1 of both agreements (Appendices 1 and 2) and as detailed in table 2 section 3.5.

It is essential that advance agreement is confirmed with the Greater Manchester Combined Authority to amend the profiling of the values stated in each financial year (referenced in table 2) if, for example, there is an increased level of expenditure required in 2021/22. This is to ensure there is no detrimental impact on the Council's cashflow and that the related grant value is received by the Council in a timely manner. The match funding for both initiatives will need to be re-profiled in each relevant financial year and a proportion carried forward to the 2022/23 financial year as agreed with the awarding body.

It is essential that procurement advice is sought via STAR where appropriate when details of the proposed commitments and the profiling via the grant and match funding allocations are confirmed. Members will require assurance that value for money has been realised via any related procurement arrangements. This will also require section 151 officer assurance.

The milestones delivered and outcomes that will be realised via the investment and match funding will require robust monitoring and evaluation and reported to Members at a later date. In addition, Members will require assurance that the terms of the Evergreen grant agreements have been complied with.

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

The terms of the agreement are substantially the same as those for the earlier rounds of funding and so will not expose the council to any additional risk beyond that which it was already comfortable taking. The main consideration is likely to be with regards to the match funding, which the financial implications cover.

The only material change to the terms of agreement are provisions relating to Subsidy Control Rules, pursuant to which the Council must ensure that its use of the Grant complies with Subsidy Control Rules (including, where relevant, obtaining and retaining all declarations and information as may be required to enable both the Council and the Secretary of State to demonstrate compliance with the Subsidy Control Rules). The Council must ensure that this is picked up as part of the management of the grant. The Lead Officer will be responsible for ensuring compliance.

Risk Management:

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

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 A total of £3.5m revenue funding has been made available to support GM Districts to bring forward schemes within agreed Growth Locations to support strategic development. The source of funding is from Evergreen Surpluses.
- 1.2 Consistent with the approach taken with previous rounds of Evergreen Surpluses all proposals for revenue support must demonstrate the following requirements:
- (i) A clear fit with at least one of the following ERDF Evergreen funding priorities
 - Creating a high employment region
 - Investing in science, research, and innovation
 - Building on the region's strength in culture and media
 - Supporting strong and diverse town centres
 - Promoting a wider, strong, and more sustainable industrial base
 - Ensuring sustainable sites are ready for development
 - (ii) Confirmation of the GM policies that will be supported by the scheme
 - (iii) Confirmation of match funding (for the revenue grant) from the Local Authority
 - (iv) Confirmation that the scheme includes a commercial element (mixed use developments can be considered but 100% residential or retail schemes are excluded due to ERDF requirements).
 - (v) Confirmation of site being located within a Growth Location and demonstration of fit with GM strategic priorities.
- 1.3 The Council submitted proposals to the Evergreen III bidding round in May 2021 for Hyde Town Centre and Godley Green that were successful with grant funding of and £0.225m and £0.125m being awarded respectively.

2. PROPOSED SCHEMES

Hyde Town Centre

- 2.1 There have been a number of studies undertaken in Hyde around current and future uses of the Town Centre in recent years but there is an identified need for a town centre masterplan that includes a movement and public realm strategy to support creation of a sustainable, accessible and community service rich centre with a contracted retail core linked to public transport entry points and releases of development space in town gateways where retail is currently sited.
- 2.2 This will enable Hyde to more effectively serve the existing large residential catchment area while also capitalising on the development of Godley Green Garden Village which will bring approximately 6,000 new residents to the town.
- 2.3 The re-purposing of the former Library site on Union Street has been identified for a proposed scheme delivering an 88 unit 1 and 2 bed apartment complex with associated community facilities including a café/bistro that should be accessible to all and also provide day care provision. This will provide a southern gateway into to the town and will kick start other interventions and underpin further regeneration work. Development appraisals and planning work is now required to progress the scheme to RIBA Stage 3.
- 2.4 The whole Town Centre redevelopment is seen as 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. Infrastructure to support new housing i.e. Godley Green will be required and need to be built into the plan. New commercial floorspace will be provided by a combination of the refurbishment of existing buildings and provision of new purpose built space via the redevelopment of sites, including the Clarendon Centre, Astoria building, Beech House and Union Street.

2.5 This work will also align with the support that will be provided to Hyde Town Centre by the High Street Task Force (HSTF), where a team of experts are supporting the Council in the creation of an action plan.

2.6 The Evergreen III Funding will specifically support the progression of the proposals for the former Library site on Union Street RIBA Stage 3 and the preparation of a Town Centre Masterplan for Hyde that supports mixed use development.

Godley Green

2.7 Godley Green is identified as the key strategic site for Tameside. Without this site there is a shortfall of land supply to meet the need for new homes required in the borough over the next 5 to 20 years that are essential in providing the infrastructure needed to support job creation and proactively address barriers to economic growth and increased productivity in the area.

2.8 It will provide for the delivery of up to 2,350 homes and 56,000 sq.ft new employment space in an innovative Garden Village format. The development of the site will also provide an increased demand for retail, leisure and services supporting the regeneration of Hyde Town Centre, acting as a catalyst for further growth and investment. This will support additional demand for commercial floorspace development in Hyde and significant job creation.

2.9 The transformational change that is proposed by Godley Green Garden Village will help to satisfy the needs of current and future households across the spectrum of housing types and tenures, from affordable to executive homes. It will provide the step change in quality and aspiration required that will contribute to the re-balancing of the Tameside housing market and unlock wider economic growth.

2.10 Given the scale and complexity of Godley Green Garden Village there is a requirement for additional resource to progress the work streams associated with Godley Green through planning to the investment strategy and delivery partner stages.

2.11 To add to, complement and support the existing skills, resource and capacity within the Council the additional external Evergreen III funding together with the existing budget will provide for and support the provision of increased human resources over the period up to 31 March 2023. This additional capacity will be used to enhance, drive and contribute to delivery of the work programme during the period including a senior level lead role for the programme delivery, coordinating the project team and the interface with the wider Council team and governance structure. This additional resource will support the work to kick-start Hyde Town Centre regeneration referred to above.

3. FUNDING

3.1 A signed Grant Funding Agreement (**Appendices 1 + 2**) 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 2023.

3.4 Match funding is required under the terms and conditions of the funding agreement the details of which are provided in table 1.

Table 1

	Hyde Town Centre		Godley Green	
	Match Funding	Grant	Match Funding	Grant
	£'m	£'m	£'m	£'m
GM Evergreen III Grant Funding		0.225		0.125
Match Funding via the £0.200m 2021/22 non-recurrent – Town Centre Masterplan revenue budget within the Growth Directorate	0.125			
Match Funding via One Public Estate grant received in 2020/21 and brought forward to 2021/22	0.100			
Match Funding via the £2.750m Godley Green budget (Growth Directorate) approved at Executive Cabinet on 2 November 2020			0.125	
Sub Total	0.225	0.225	0.125	0.125
Total	0.450		0.250	

- 3.5 Schedule 1 of the grant agreements (**Appendices 1 and 2**) for each scheme require the grant and match funding allocations to be profiled in line with the values stated in table 2 for each financial year.

Table 2

	Hyde Town Centre			Godley Green		
	2021/22	2022/23	Total	2021/22	2022/23	Total
	£'m	£'m	£'m	£'m	£'m	£'m
GM Evergreen III Grant Funding	0.100	0.125	0.225	0.050	0.075	0.125
Match Funding via the £0.200m 2021/22 non-recurrent – Town Centre Masterplan revenue budget within the Growth Directorate		0.125	0.125			
Match Funding via One Public Estate grant received in 2020/21 and brought forward to 2021/22	0.100		0.100			
Match Funding via the £2.750m Godley Green budget (Growth Directorate) approved at Executive Cabinet on 2 November 2020				0.050	0.075	0.125
Total	0.200	0.250	0.450	0.100	0.150	0.250

- 3.6 Advance agreement will need to be confirmed with the Greater Manchester Combined Authority to amend the profiling of the values stated in each financial year (table 2 refers) if, for example, there is an increased level of expenditure required in 2021/22. This is to ensure there is no detrimental impact on the Council's cashflow and that the related grant value is received by the Council in a timely manner. The match funding for both initiatives will need

to be re-profiled in each relevant financial year and a proportion carried forward to the 2022/23 financial year as agreed with the awarding body.

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 be to not spent in good time.	Yellow	Apply adequate resource to the project to ensure programme adherence. Resource subject to budget and recruitment processes.	Green
Legal and Financial	Conditions attached to funding agreement may not be acceptable.	Yellow	T&Cs are as those outlined in the Evergreen round I and II Funding Agreements. 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 Hyde Town Centre and Godley Green are projects that support delivery of GM strategic priorities, the Tameside Corporate Plan and Tameside Inclusive Growth Strategy.

5.2 GM Evergreen Surplus funds provide a significant financial contribution to these projects and provide a proactive and positive response to the impact of the recent COVID-19 pandemic in terms of economic recovery.

6. RECOMMENDATIONS

6.1 As set out at the front of the report.