

STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

16 March 2023

Commenced: 13:30

Terminated: 14:10

Present: Councillors Cooney (Chair), Bray, Dickinson, Fairfoull, Feeley, North, McNally, and L Boyle

In Attendance:

Sandra Stewart	Chief Executive
Stuart Fair	Interim Director of Finance
Caroline Barlow	Assistant Director of Finance
Alison Stathers-Tracy	Director of Children's Services
Dave Leadbetter	Project Manager (Children's)
Tracy Harrison	Assistant Director of Adults Services
Sue Hogan	Service Unit Manager (Adults)
Stuart Knight	Interim Assistant Director for Strategic Property
Emma Varnam	Assistant Director of Operations and Neighbourhoods

Apologies for Absence: Councillor Ryan

29 DECLARATIONS OF INTEREST

There were no declarations of interest.

30 MINUTES

The minutes of the meeting of the Strategic Planning and Capital Monitoring Panel on the 17 November 2022 were approved as a correct record.

31 2022/23 P10 CAPITAL MONITORING

Consideration was given to a report of the First Deputy (Finance, Resources and Transformation)/Interim Director of Finance. The report focused on the budget and forecast expenditure for full approved projects in the 2022/23 financial year.

It was reported that the approved budget for 2022/23 was £52.477m and the projected outturn for the financial year was £22.891m. There were additional schemes that had been identified as a priority for the Council, and, where available, capital resource has been earmarked against these schemes, which would be added to the Capital Programme and future detailed monitoring reports once satisfactory business cases had been approved by Executive Cabinet.

The current forecast was for service areas to have spent £22.891m on capital investment in 2022/23, which was £29.586m less than the current capital budget for the year. This variation was spread across various directorates and was made up of a number of over/underspends on various schemes (£0.724m) less the re-profiling of expenditure in other areas (£28.862m) due to delays on a number of schemes.

Discussion ensued on how the work undertaken at Asset Management Panel would inform the Strategic Planning and Capital Monitoring Panel. It was explained that officers in property and legal were tracking all disposals and receipts and this was being reported to AMP where any risks or slippage was reported. Going forward the work undertaken through AMP would enable for better predictions and confidence of the receipts coming in which can be used to inform the SPCM. The Panel was also assured that there were now set processes in place which would enable for an efficient disposal of assets

RECOMMENDED

That Executive Cabinet be recommended to:

- (i) Note the forecast position for 2022/23 as set out in Appendix 1.**
- (ii) Note the funding position of the approved Capital Programme as set on page 4 of Appendix 1.**
- (iii) Note the changes to the Capital Programme as set out on page 9 in Appendix 1**
- (iv) Note the updated Prudential Indicator position set out on pages 10-11 of Appendix 1, which was approved by Council in February 2022**
- (v) Approve a budget of £0.060m to be drawn down from the £0.500m allocation for works in Tameside One for the worksmart programme as set out in Appendix 2(f).**

32 CAPITAL PROGRAMMES FOR GROWTH DEPARTMENTS

Consideration was given to a report of the First Deputy (Finance, Resources & Transformation)/Director of Place. The report provided an update on the delivery of Capital Projects in the Place Directorate in relation to Town Centres, Property and Planning.

The report set out capital schemes which had reached the end of their 12 month defect liability period with all outstanding retentions financed in this financial year. The schemes had been completed with the approved budget with residual underspend balances. The scheme underspends have a cumulative value of £207,000.

It was reported that the defects liability period for Hyde pool had been extended due to lack of progress in dealing with outstanding issues. The final retention payment was unlikely to be settled by the end of the 2022/23 financial year. The final account for the scheme has been estimated at £102,000 which was £31,000 over the remaining scheme budget. The extra cost was attributed to the provision of additional building security measures not included in the original contract with the LEP along with some minor alterations to the existing building required to improve interfaces not included in the original contract with the LEP. It was proposed that the estimated additional cost of £31,000 was financed via the residual balance of £207,000 as referenced in table 2. In order to ensure that the scheme wasn't delayed, thereby incurring additional costs, it was envisaged that the additional cost of the essential works would be met from scheme contingency. However, other "end of scheme" demands on the contingency budget has meant that the scheme requires additional funding.

In regards to works undertaken at Hattersley Station Passenger Facilities. Preliminary work for the delivery of the project to provide a refurbished and extended ticket office at Hattersley Railway Station completed at the end of January 2023 with the main construction works beginning at the end of March 2022.

The scheme had a total budget of £750,000, and spend on the scheme at Q3 2022/23 was £546,141. The remaining funding of £203,859 was due to be invoiced for by the end of March 2023 for costs incurred to final completion. The scheme completed at the end of January 2023 with the official opening of the new ticket office on 16 February 2023.

It was explained that the scheme had experienced delays due to extended delivery periods for some materials being used on the project. Furthermore the extremely cold weather in late 2022 resulted in delays to final completion of the project as contractors were unable to lay the floor screed or undertake other works.

The costs of the materials had increased significantly from the original forecasts due to the impact of inflation. Whilst these cost increases have been mitigated as much as possible, the scheme had an estimated overspend of up to £30,000 on final completion. The Council had been working closely with Northern Trains and Network Rail on mitigations to reduce this overspend as much as possible. Network Rail had reduced some of their costs and Northern Trains have provided some additional funding for scheme, however the contractor has been unable to absorb all additional project costs.

A report was presented to the Hattersley Land Board on 30 November 2022 requesting the additional budget of up to £30,000 via funding held in Council reserves on behalf of the Land Board. The approval was subject to a separate Council decision and would enable completion of the scheme at no additional cost to the Council.

It was reported that as part of the Mottram show relocation, approval would be required for a payment of up to £7,500 to be made toward the cost of new containers which are required to store the property of the society between shows, e.g. fencing etc. It was proposed that this sum was resourced via the earmarked capital programme budget of £103,000 that is allocated to the Mottram showground.

Discussion ensued on the outstanding issues at Hyde pool and the minor alternations to the existing building required to improve interfaces no included in the original contract with the LEP.

RECOMMENDED

That Executive Cabinet be recommended to

- (i) Note the progress with regards to the schemes within the Place Capital Programme (Town Centres, Property and Planning) as set out in the report**
- (ii) Approve the allocation of £31,000 to the capital programme to finance the additional expenditure at Hyde Pool as stated in section 2.34. The funding to be allocated via the cumulative underspend of £207,000 against schemes detailed in table 2 (section 2.32),**
- (iii) Approve the allocation of up to £30,000 to the capital programme to finance the additional expenditure at Hattersley Station as stated in sections 2.21 and 2.22. The sum to be allocated via funding held in Council reserves on behalf of the Land Board and is subject to a separate Council decision.**
- (iv) Approve the allocation of up to £7,500 to the capital programme to finance expenditure relating to the relocation of the Mottram show as stated in section 2.18. This sum to be resourced via the earmarked capital programme budget of £103,000 that is allocated to the Mottram showground.**

33 OPERATIONS AND NEIGHBOURHOODS CAPITAL REPORT: UPDATE

Consideration was given to a report of the First Deputy (Finance, Resources & Transformation)/Assistant Director, Operations & Neighbourhoods. The report provided an update on the delivery of Capital Projects in Operations and Neighbourhoods.

It was reported that the footway refurbishment schemes were now complete except for Huddersfield Road, Stalybridge where the presence of scaffolding had prevented the works from being carried out. As soon as the scaffolding was removed the works will be undertaken. The carriageway schemes (Phase 1) were all complete except for Yew Tree Lane, Dukinfield. This scheme would need a wider consultation with the estate off Tennyson Avenue, the Primary School and Golf Club, due to access issues. This work will be rescheduled into the 2023/24 programme. Costs for the works undertaken in Phase 1 had yet to be finalised but they are expected to be within budget.

The programmed list of roads to be resurfaced in the carriageway schemes (Phase 2) schedule had been revised to reflect a reprioritisation following recent inspections of the network condition. These were set out within the report. The revised list of schemes to be funded from the Highway Maintenance Grant were identified in Appendix 1. The revised estimate for the Phase 2 works was £915,000. It was anticipated the Phase 2 works would start to be delivered in March / April 2023.

In regards to Section 106 Agreements and Developer Contributions the current position for s106 agreements was £2,775,000 in credit. Allocations approved were £840,000 leaving a balance available of £1,935,000 as at January 2023 as detailed in the attached Appendix 3.

As a condition of planning consents for three developments, financial contributions had been made available, under Section 106 Agreements of the Town and Country Planning Act 1990, for a number of highway, trip mitigation, Public Rights of Way improvements in the vicinity of the developments. The developments and proposed works were:

- Kings Road, Audenshaw – financial contribution of £137,404
- Crowhill Road, Ashton-under-Lyne – financial contribution of £5,633
- Nield Street, Mossley – financial contribution of £26,036

The schemes listed were subject to viability and budget constraints. Some revisions of the proposals could be required if schemes were not viable or were due to be completed as part of other funding streams. Any changes to the above schemes will require the approval of the developer.

The payment of the S106 monies had been received by the Council. Approval was now sought from members to allow the drawdown of funds in order to progress the detailed designs and estimates. Members would be provided with future updates concerning progress and costs.

Approval was sought for the drawdown of funds in respect of the s106 agreement for the development at Edge Lane in Droylsden and add to the Council's Capital Programme to allow the detailed design and estimates for the delivery of improvements to greenspaces in Droylsden.

The Panel were advised that in the November 2022 Capital Update report recommendation (ii) requested that £1,600,000 of Highway Maintenance Grant be transferred to the Councils Revenue budget to fund the cost of reactive maintenance works. Due to a required change in accounting treatment, it was necessary to reverse this decision and transfer that grant funding back to the Council capital programme. It was important to note that this was purely an accounting adjustment and the funds would still be utilised for the same purpose.

RECOMMENDED

That Executive Cabinet be recommended to:

- (i) **Note the progress with regards to the schemes within the Operations and Neighbourhoods Capital Programme as set out in the report.**
- (ii) **Approve the reprioritised resurfacing schemes for the Highway Maintenance programme as outlined in Appendix 1.**
- (iii) **Note the progress on the list of highway maintenance schemes identified in Appendix 1 that are to be funded from the Highway Maintenance Grant Allocation**
- (iv) **Approve the drawdown of funds in respect of the S106 agreements detailed in Section 4 of this report and add to the Council's Capital Programme to allow the detailed design, procurement and installation of the various works.**
- (v) **Reverse the previous recommendation approved in November 2022 which requested that £1,600,000 of the 2022/23 Highways Maintenance Grant be added to the Councils Revenue budget to fund the cost of reactive maintenance works. Due to a required change in accounting treatment, it is necessary to reverse this decision and transfer that grant funding back to the Council capital programme. It is important to note that this is purely an accounting adjustment and the funds will still be utilised in for the same purpose.**

34 CHILDREN'S SOCIAL CARE CAPITAL SCHEMES UPDATE REPORT

Consideration was given to a report of the Deputy Executive Leader (Children and Families)/Assistant Director Children's Services. The report provided an update on the Children's Social Care Property Capital Scheme and set out details of the major approved property capital schemes in this Directorate.

In regards to the Respite Unit, as reported to the Panel on the 14 March 2022, the purchase of a respite property did not conclude due to the report on title and the service conclusion that the

property would not be fit for the purpose it was intended. The delivery of edge of care respite would now form part of the work Salford City Council were undertaking as Sector Led Improvement Partners commissioned by the DFE which will inform future model and provision of in-house children's. The way forward on capital spend would also be influenced by the Government's response to the Independent Review of Children's Social Care (Stable Homes Built on Love), that included proposals to establish regional commissioning care co-operatives.

The Panel was advised that Boyds Walk was Children's Home for children with disabilities requiring long term and short-term care. The property from which the service operates was not fit for purpose. The property had significant health and safety, safeguarding and Children's Home Regulation deficiencies and Ofsted, Fire Service and Children's Services senior management were all of the same opinion that an urgent replacement was required. Executive Cabinet had approved a new build replacement for Boyds Walk on the former Flowery Field Infant School vacant site. A bid to the DFE Children's Home Capital Programme funding opportunity was successful (50% of estimated capital cost and a Grant Offer Letter has been signed for £1.6m).

The start of the project had been delayed due to the DFE requirement for formal consultation on the appropriation of land (former Infant School site). The formal consultation period ended on the 10 February 2023. A pre-construction site agreement has been signed in order for design work and site investigations to start.

RECOMMENDED

That Executive Cabinet be recommended to NOTE the progress update in the report.

35 ADULTS CAPITAL PLAN 2022/23 UPDATE

Consideration was given to a report of the Executive Member for Adult Social Care/Homelessness and Inclusivity/Director of Adult Services. The report provided an update of the developments in relation to the Adults Capital Programme for schemes previously approved and still underway, the usage of wider disabled facilities grant (DFG) including the housing adaptations budget.

It was reported that recruitment to posts within social care continued to be challenging and impacted on a number of the capital schemes. However, work was underway with Human Resources to seek to improve the recruitment processes and attract more people to work in Adult social care and sustain them longer term.

It was highlighted that all costs and benefits were being monitored and reviewed regularly taking into account people's changing needs and ensuring the right support was in place; whether that be assessment staff or adaptations to enable people to live well and as independent as possible in their own homes.

The publication of the Adult Social Care White Paper (People at the heart of Care) in December 2021 set out a 10 year vision for Adult social care and provides information on funded proposals that the government would implement over the next 3 years. There were capital funding implications contained within it, which were still being worked through both nationally and locally. Updates would be provided appropriately as further details are announced and impacts were clearly understood.

RECOMMENDED

That Executive Cabinet be recommended to NOTE the progress updates against the Adults Capital Plan.

36 EDUCATION CAPITAL PROGRAMME: UPDATE

Consideration was given to a report of the Executive Member for Education Achievements & Equalities/ First Deputy (Finance, Resources and Transformation)/Director of Place/Assistant Director of Education. The report provided members of the Panel with an overview and updated

position on the Council's Education Capital Programme and sought approval of the recommendations to Cabinet as set out in the report.

The Panel were advised that the Devolved Formula Capital was provided to schools to maintain their buildings and fund small-scale capital projects that met their own priorities and schools arrange these works directly. For 2022/23 the total for Tameside schools was £325,584 and £173,874 for Voluntary Aided schools. On 6 December 2022, the Government announced additional capital funding for DFC for 2022/23. The total additional allocation for Tameside schools was £667,612 and £375,072 for Voluntary Aided schools. Schools could undertake their own capital projects which they fund from revenue (as a revenue contribution to capital). It was proposed that £203,210 be added to the capital programme for 2022/23.

Since the previous meeting in November 2022, further work had taken place to identify other Section 106 amounts. The report proposed Section 106 contributions totalling £529,205.04 be approved to finance Education Capital Schemes. It was explained that the Section 106 contributions would "top up" the remaining Basic Need, High Needs provision or School Condition budget.

It was reported that the 2023/24 School Condition grant had not been received. This was an annual formulaic grant and it was estimated that £1.4m would be received for 2023/24. It was requested that this be added to the programme in 2023/24 to allow Summer 2023 Term schemes to begin as soon as possible to ensure urgent works can be delivered. To also support these scheme of works it's requested that the school contributions were also added to the 2023/24 programme.

It was highlighted that Oakdale were currently working with the Capital Projects Team to identify where internal space within the school could be remodelled to provide accommodation for anticipated additional pupils. It was forecast that the school would need to take 14 more pupils by September 2025 which would require two new classrooms. The final scheme was currently being reviewed by the school and the LEP will then be able to finalise quotes for the work. Panel was asked to recommend to Executive cabinet the allocation of £150,000 of the 2023/24 High Needs Provision Fund to this scheme being a high level estimate of costs for the internal refurbishment to create additional teaching spaces.

The Panel were advised that plans were being finalised for the new Hawthorns building that would accommodate 220 children with Education, Health and Care Plans. Whilst work was at an early stage of planning, the Trust have established that 4 demountables would cost a maximum of £720,000 to become operational for September. It was therefore requested that a budget of £720,000 be allocated to the project and a grant agreement was agreed up to a maximum of £720,000 once the scheme was agreed. The exact amount and full details of the scheme will be brought to the next meeting of the Strategic Planning and Capital Monitoring Panel.

RECOMMENDED

That a report is produced for April Executive Cabinet to agree the funding, scope and contract for Hawthorns to enable it to be delivered and that Executive Cabinet be recommended to APPROVE:

- (i) The addition of £667,612 2022/23 additional Devolved Formula Capital grant to the capital programme as detailed in paragraph 2.10 to the programme in 2023/24.**
- (ii) The Section 106 contributions totalling £529,205.04 as detailed in paragraph 2.16 are approved to finance Education Capital Schemes.**
- (iii) The proposed estimate of £1,400,000 School Condition Grant for 2023/24 is added to the programme as detailed in paragraph 4.21. The final amount of grant will be updated on receipt of the final confirmation of the grant.**
- (iv) The 2023/24 School Condition grant is allocated to the projects detailed in the table at paragraph 4.29.**
- (v) The addition of £20,000 school contributions to the capital programme in 2023/24 as detailed in paragraph 4.30, subject to the confirmation of School Condition Grant as per recommendation.**
- (vi) The allocation of £150,000 from High Needs Provision Fund for Oakdale School as detailed in paragraph 6.4 to be added to the programme in 2023/24.**

- (vii) The allocation of £720,000 from High Needs Provision Fund for the New Bridge Academy Trust as detailed in paragraph 6.5 to be added to the programme in 2023/24.**
- (viii) An allocation of £70,414 from High Needs Provision Fund for St James' Church of England Primary School as detailed in paragraph 6.6 to be added to the programme in 2023/24.**
- (ix) A grant agreement for £70,414 is agreed with the Forward as One Academy Trust as detailed in paragraph 6.6 to provide 10 resourced pupil places at St James' Church of England Primary School, Ashton from September 2023.**

That Executive Cabinet be recommended to NOTE:

- (i) Lyndhurst Primary and Ravensfield Primary – Air Con units (£11,000) to be returned to the unallocated school condition fund and (£20,000) removal of school contributions as detailed in paragraph 4.15.**
- (ii) The addition of £203,210 Direct Revenue Funded projects to the capital programme as detailed in paragraph 2.11.**
- (iii) The use of £30,000 contingency to support asbestos removal and fire compartmentalisation at Stalyhill Juniors (as part of the works required for the decarbonisation schemes) as detailed in paragraph 4.14.**

37 URGENT ITEMS

There were no urgent items.

CHAIR