

Report To:	Strategic Planning and Capital Monitoring Panel
Date:	13 March 2017
Executive Member/Reporting Officer:	Cllr Jim Fitzpatrick - First Deputy (Performance & Finance) Ian Duncan– Assistant Executive Director (Finance)
Subject:	CAPITAL MONITORING QUARTER 3 2016/17
Report Summary:	<p>This report summarises the capital monitoring position at 31 December 2016 based on information provided by project managers.</p> <p>The report shows projected capital investment of £42.375m by March 2017.</p> <p>Some schemes will be delivered earlier or later than planned, as set out in the report.</p>
Recommendations:	<p>Members are asked to approve the following:</p> <ul style="list-style-type: none"> (i) The reprofiling to reflect up to date investment profiles (ii) The changes to the Capital Programme (iii) The updated Prudential Indicator position <p>Members are asked to note:</p> <ul style="list-style-type: none"> (i) The current capital budget monitoring position (ii) The resources currently available to fund the Capital Programme (iii) The current position in regards to compulsory purchase orders (CPOs) and indemnities (iv) The updated capital receipts position (v) The intention not to proceed with the purchase of additional shares in InspiredSpaces (Tameside) Ltd
Links to Community Strategy:	The Capital Programme ensures investment in the Council's infrastructure is in line with the Community Strategy.
Policy Implications:	In line with Council Policies.
Financial Implications: (Authorised by the Borough Treasurer)	<p>These are the subject of the report. In summary:</p> <p>The forecast outturn is £42.375m compared to the previous estimate of £57.517m;</p> <p>Re-profiling of £15.475m into the following year(s) to match expected spending profile:</p> <p>Demand for capital resources exceeds availability and it is essential that those leading projects ensure that the management of each scheme is able to deliver them on plan and within the allocated budget.</p>
Legal Implications: (Authorised by the Borough Solicitor)	It is a statutory requirement for the Council to set a balanced budget. It is important that the capital expenditure position is regularly monitored to ensure we are maintaining a balanced budget and to ensure that the priorities of the Council are

being delivered.

Risk Management:

Failure to properly manage and monitor the Council's budget will lead to service failure and a loss of public confidence.

Access to Information:

The background papers relating to this report can be inspected by contacting Tom Austin, Financial Management by:



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1. INTRODUCTION

- 1.1 This is the third capital monitoring report for 2016/17, summarising the position as at 31 December. There will be one further monitoring statement during 2016/17.
- 1.2 The report incorporates an update on major capital schemes and an update on Compulsory Purchase Orders (CPOs), indemnities, and potential liabilities.

2. KEY POINTS

- 2.1 The current forecast is for services areas to have spent £42.375m on capital investment by March 2017, which is £20.381m less than the current programmed spend.
- 2.2 This is detailed in section 3 of the report, explanations are also provided for capital projects with a projected variation of £0.100m or above over the life of the project.
- 2.3 Section 3 also details schemes with an in-year variation in excess of £0.100m and seeks approval to re-profile the capital expenditure of the project. An explanation for the need to re-profile the capital expenditure is also provided.
- 2.4 Table 1 below provides a high level summary of capital expenditure by service area.

Table 1: Overall capital monitoring statement April-December 2016

CAPITAL MONITORING STATEMENT - DECEMBER 2016				
	Annual Budget	Actual	Projected Outturn	Projected Outturn Variation
	£000	£000	£000	£000
<u>PEOPLE</u>				
Children's	658	341	658	0
Education	11,756	2,734	4,630	(7,126)
Active Tameside	4,503	3,626	4,209	(294)
Adults Services	824	150	200	(624)
<u>PLACES</u>				
AIPM	17,655	9,211	16,388	(1,267)
Stronger Communities	784	77	171	(613)
Development & Investment	6,163	1,884	3,375	(2,788)
Digital Tameside	1,128	242	658	(470)
Engineering Services	12,433	5,060	8,964	(3,469)
Environmental Health	1,105	11	257	(848)
Operations	177	71	153	(24)
Transport	2,520	1,307	2,422	(98)
<u>Exchequer</u>				
	90	80	90	0
Unallocated	2,960	0	200	(2,760)
Total	62,756	24,794	42,375	(20,381)

2.5 It is proposed that the capital investment programme is re-profiled to reflect current information. Proposed re-profiling of £15.475 million into the next financial year is identified within the individual service area tables below.

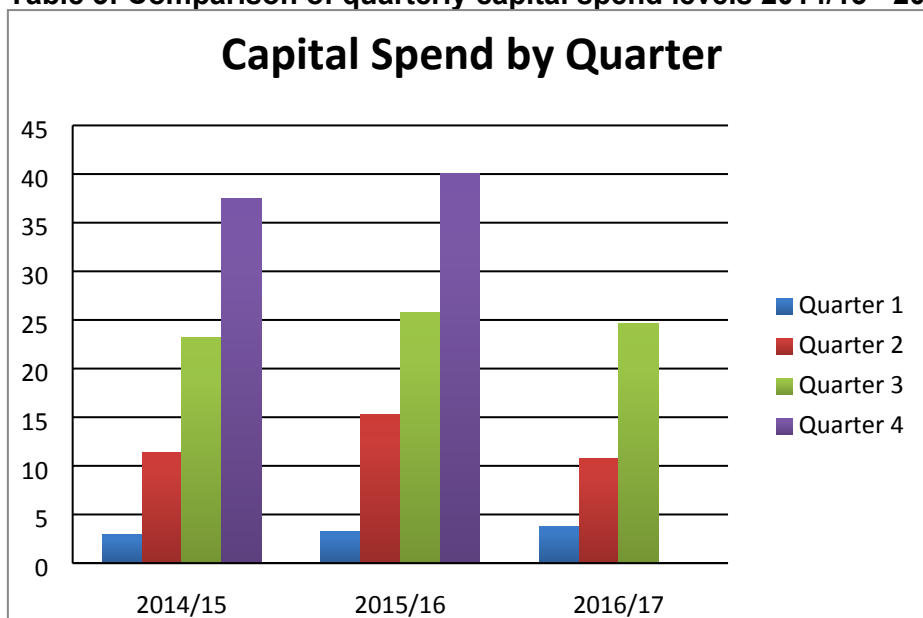
2.6 Table 2 below shows the current Resources funding the 2016/17 capital programme. The resourcing structure, however, is not final and the Assistant Executive Director (Finance) will make the best use of resources available at the end of the financial year.

Table 2: Funding statement 2016/17

Resources	£000
Grants & Contributions	22,376
Revenue Contributions	623
Corporate:	
- Prudential Borrowing	6,995
- Reserves / Capital Receipts	32,762
Total	62,756

2.7 The chart below shows a year on year comparison of capital expenditure on quarterly basis.

Table 3: Comparison of quarterly capital spend levels 2014/15 - 2016/17



3. CAPITAL EXPENDITURE TO DATE AND PROJECTED OUTTURN 2016/17

3.1 This section of the report provides an update of capital expenditure to date along with details of re-profiling to be approved in this report and the overall projected outturn position of the Capital projects. Where variances of £0.100m and over are anticipated over the life of the scheme an explanation is also provided.

Education

3.2 The table below outlines the projected investment for Education services. An explanation has also been provided for the requested re-profiling.

Table 4: Detail of Education Capital Investment Programme

Education Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Aldwyn Primary Additional Accommodation	1,192	135	135	(1,057)	(1,057)
Alder Buy Out Fitness Centre	1,000	0	0	(1,000)	(1,000)
Hyde Targeted Basic Need New School	673	676	676	3	
Livingstone Remodelling/Extension	544	140	544	0	
Cromwell Enhancements	309	0	0	(309)	(309)
Two Year Old Entitlement Grant - Funding Stream	264	28	264	0	
Primary Capital Programme - Russell Scott	256	0	0	(256)	(256)
St Damian's Classroom Alterations	250	246	246	(4)	(4)
St James' Hattersley - Additional Classroom	220	33	220	0	
Greenside Boiler And Fan Convectors	220	22	156	(64)	
Greenside Lighting, Fire Alarm And Small Power	208	348	272	64	
Livingstone Heat Emitters And Pipework	193	171	193	0	
Gorse Hall Small Power	189	174	189	0	
Arlies Fan Convectors, Controls And LST Radiator Covers	180	11	11	(169)	(169)
Waterloo Boiler And Heat Emitters	119	0	0	(119)	(119)
Hollingworth Kitchen & Dining Refurbishment (UIFSM 2)	118	0	0	(118)	(118)
Discovery Academy - Remodelling/Furniture	115	84	115	0	
Broadoak Primary External Areas	100	0	100	0	
St Anne's Denton Flat Roofs	100	0	100	0	
School Condition Related Works Contingency	85	0	85	0	
Main Entrance, Toilets and Admin	73	0	0	(73)	(73)
Schools Unallocated Funding Streams	3,583	0	0	(3,583)	(3,583)
Other Minor Schemes	1,765	666	1,324	(441)	(446)
Total	11,756	2,734	4,630	(7,126)	(7,134)

Table 4b: Education Capital Investment Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount £000
Education	Aldwyn Primary Additional Accommodation	Scheme has been delayed due to a value for money assessment being undertaken and outstanding contractual arrangements.	(1,057)
Education	Alder Buy Out Fitness Centre	This project is directly connected to the review of the PFI projects that started recently and the associated capital costs are now considered unlikely to be incurred until 2017/18.	(1,000)
Education	Primary Capital Programme – Russell Scott	This project is continuing and ongoing pressures will be met from this sum.	(256)
Education	Arlies Fan Convector, Controls and LST Radiator Covers	The spend profile of this scheme has been revised following asbestos and other surveys and developing the design specification for the replacement system. The tenders should be back shortly and a further report will be made to the Panel. Heating systems need to be replaced in the summer months and should the tenders be returned within the existing governance amount a start is hoped to be made in replacing the heaters at Easter and Whit. The disruption otherwise caused to the school means it is not practical to carry out the replacements other than in the school holidays.	(169)
Education	Hollingworth Kitchen & Dining Refurbishment	This refurbishment scheme has effectively been put “on hold” because we were successful in bidding for a replacement kitchen and dining block under the Priority Schools Rebuilding Programme 2 (PSBP2). Rather than spend money on refurbishing a building that has serious condition problems it was felt prudent to wait for the outcome of the PSBP2 process. The replacement block is being procured directly by the EFA. Discussions about what can be built under the successful bid are reaching a critical stage and should be resolved shortly.	(118)
Education	Waterloo Boiler and Heat Emitters	Work on other boiler and heat emitter schemes such as Livingstone, Downson and Stalyhill Infants has delayed this scheme. It is planned to revisit it in the spring/summer.	(119)

Education	Cromwell Enhancements	Betterment of the reinstated school following the fire is still being considered.	(309)
Education	Schools Funding Streams	Amount unallocated in year will be re-profiled into 2017/18 and allocated to appropriate schemes.	(3,583)

Children's Services

- 3.3 The table below outlines the projected investment for Children's services. At present no re-profiling is required.

Table 5: Detail of Children's Services Investment Programme

Children's Services Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Purchase of Two Children's Homes and Edge of Care Provision	658	341	658	0	
Total	658	341	658	0	0

Stronger Communities

- 3.4 The table below outlines the projected investment for Stronger Communities. An explanation has also been provided for the requested re-profiling.

Table 6: Detail of Stronger Communities Capital Investment Programme

Stronger Communities Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Libraries In The 21 st Century	559	60	142	(417)	(417)
Supporting Customer Experience And Contact	179	0	1	(178)	(178)
Safe And Secure Project (Alleygating And Burglary Reduction)	38	17	28	(10)	0
Street Art In The Community	8	0	0	(8)	(8)
Total	784	77	171	(613)	(603)

Table 6b: Community Services Capital Investment Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount £000
Stronger Communities	Supporting Customer Experience and Contact	It has been agreed to move the remainder of the funds for this scheme into the Digital by Design scheme within Digital Tameside. IT are currently project managing implementation of the multi-media functionality of the contact centre system and there is additional further functionality to be implemented going forward, including expanding and digitising the call centre and reducing call volumes.	(178)
Stronger Communities	Libraries in the 21 st Century	Following a successful tender process a contract has been entered into with a supplier to provide the technology required to facilitate a mix of staffed and Open+ hours (hours when the library is available to customers when there are no staff present) also an RFID security system. Initial site visits have been undertaken to establish where the equipment will be located including CCTV cameras, security gates, self-service kiosks etc. Building work is now being commissioned at each library site to enable the technology to be fully functional.	(417)

Active Tameside

3.5 The table below outlines the projected investment for Public Health. An explanation has also been provided for the requested re-profiling.

Table 7: Detail of Active Tameside Capital Investment Programme

Active Tameside Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Active Tameside Wellness Centre & Wider Investment	4,064	3,265	3,799	(265)	(250)
Hyde United FC	415	355	400	(15)	
Droylsden Youth Centre	24	6	10	(14)	
Total	4,503	3,626	4,209	(294)	(250)

Table 7b: Active Tameside Capital Investment Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount £000
Active Tameside	Active Tameside Wellness Centre and Wider Investment	Roof Replacement at Medlock - this scheme has been accelerated as the contractor is available to start early.	100
		New Active Denton - Scheme delayed due to protracted negotiations to establish the land purchase and development agreement	(200)
		Extension to Hyde Leisure Pool – Delayed procurement due to limited interest in the development from the construction market	(150)

Adult Services

3.6 The table below outlines the projected investment for Adult Services. No re-profiling is required at this time.

Table 8: Detail of Adult Services Capital Investment Programme

Adult Services Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Unallocated Funding	685	0	0	(685)	
CCTV	139	150	200	61	
Total	824	150	200	(624)	0

Asset Investment Partnership Management (AIPM)

3.7 The table below outlines the projected investment for AIPM. An explanation has also been provided for the requested re-profiling.

Table 9: Detail of Asset Investment Partnership Management (AIPM) capital programme

AIPM Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Vision Tameside	11,000	8,527	10,142	(858)	(858)
Purchase Freehold. Whitelands Rd. Ashton	5,400	0	5,400	0	
Opportunity Purchase Fund (Individual Approval Required)	500	5	5	(495)	
Building Fabric Works	440	470	440	0	
Prep Of Outline Planning Applications / Review Of Playing Field Provision	116	0	0	(116)	(116)
Tame Street Emergency Generators	93	2	93	0	
Dukinfield Crematoria Clock Tower	54	0	0	(54)	(54)
Development Of Former Stamford High School Site	50	48	48	(2)	
Mottram Showground (OPF)	2	1	2	0	
Wellington Works	0	156	156	156	
Public Realm	0	2	102	102	102
Total	17,655	9,211	16,388	(1,267)	(926)

Table 9b: AIPM Capital Investment Programme – Variations

Explanation of Variations			
Service Area	Capital Project	Explanation for Variation	Amount £000
AIPM	Opportunity Purchase Fund	This allocation requires individual bids, Bootle Street is the only bid in this financial year which has been approved and has been put on hold until the new financial year.	(495)
AIPM	Wellington Works	These are outstanding legal costs relating to a previous scheme which involved a complex compulsory purchase compensation matter.	156

Table 9c: AIPM Capital Investment Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount £000
AIPM	Vision Tameside	The re-profiling of this scheme takes in to account the construction milestone schedule timeframe in which works will be carried out for when the new building will open which is estimated to be approximately September 2018. The contract has now been signed with a clear revised schedule 9 and an agreed 2% retention which has now been taken into account in the re-profiling.	(858)
AIPM	Prep of Outline Planning Applications	The original allocation is to undertake surveys and prepare outline planning applications for the former Mossley Hollins, Samuel Laycock and Hartshead school sites. The bidding process for Mossley Hollins and Hartshead sites is not expected to be completed until the next financial year.	(116)
AIPM	Public Realm	The re-profiling of this scheme is to accelerate this amount from 17/18 reducing the £2.631m allocation for 17/18.	102

Development and Investment

- 3.8 The table below outlines the projected investment for Development and Investment. An explanation for requested re-profiling is provided below.

Table 10: Detail of Development and Investment Capital Programme

Development and Investment Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re- profiling to be approved in this Quarter
Ashton Town Centre And Civic Square	3,052	1,029	1,094	(1,958)	(1,958)
Disabled Facilities Grants	1,547	822	1,300	(247)	
Ashton Old Baths	916	0	916	0	
Grant Funding Yet To Be Allocated	259	0	0	(259)	
St Petersfield	229	33	65	(164)	(164)
Godley Hill Development And Access Road	110	0	0	(110)	(110)
Longlands Mill	24	0	0	(24)	
Hyde Town Centre	23	0	0	(23)	(23)
Ashton Market Hall Incubator Units	3	0	0	(3)	
Total	6,163	1,884	3,375	(2,788)	(2,255)

Table 10b: Development and Investment Capital Programme – Variations

Explanation of Variations			
Service Area	Capital Project	Explanation for Variation	Amount £000
Development and Investment	Grant Funding Yet to be allocated	Housing capital grant monies not yet allocated, as no relevant schemes have been identified. Funding will be required to be slipped into the next financial year if not spent by year end.	(259)
Development and Investment	Disabled Facilities Grant	One of the three surveyors left the Council in November 2015, prior to the unexpected national increase in DFG funds. The Council has since attempted to gain assistance from other Greater Manchester authorities, but this has proved unsuccessful, as has an attempt to fill the position with temporary staff. A Technical Officer has now been brought into the post.	(247)

Table 10c: Development and Investment Capital Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount £000
Development and Investment	Ashton Town Centre	This project is split into two phases. Phase 1 is now almost complete. Phase 2 is scheduled to commence in 2018 and be complete in 2019. These timescales are in line with the Vision Tameside Phase 2 construction programme.	(1,958)
Development and Investment	St Petersfield	The amount of re-profiling is to ensure sufficient reserves are in place to meet existing obligations resulting from the CPO and ongoing estate management.	(164)
Development and Investment	Godley Hill Road	Project is still being developed and spend is now likely to be incurred in 2017/18.	(110)

Digital Tameside

- 3.9 The table below outlines the projected investment for Digital Tameside. An explanation has also been provided for the requested re-profiling.

Table 11: Detail of Digital Tameside Capital Investment Programme

Digital Tameside Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Working Differently - ICT Hardware & Software	411	14	181	(230)	(230)
ICT - Enablement Project	377	29	137	(240)	(240)
Town Centre Wi-Fi	171	125	171	0	
Digital By Design	124	74	124	(0)	
Disaster Recovery Site	45	0	45	0	
Total	1,128	242	658	(470)	(470)

Table 11b: Digital Tameside Capital Investment Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount £000
Digital Tameside	ICT Vision Tameside	The re-profiling of this scheme takes in to account the timeframe in which works will be carried out for when the new TAC will open which is estimated to be approximately September 2018.	(240)
Digital Tameside	Working Differently	IT Hardware & Software, Re-profiling £230k in Q3 leaving £181k still to be spent this year. The spending will occur in Q4 following the set up of the infrastructure for SharePoint and expansion of contract for Information@Work.	(230)

Engineering Services

3.10 The table below outlines the projected investment for Engineering Services. An explanation has also been provided for the requested re-profiling.

Table 12: Detail of Engineering Services Capital Investment Programme

Engineering Services Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Highways Maintenance Funding	2,657	1,661	2,343	(314)	(314)
LED Street Lighting Investment	2,304	783	2,304	0	
Challenge Funding	2,199	564	1,247	(952)	(952)
Denton Link Road	1,418	951	1,118	(300)	(300)
Pothole Funding	1,000	659	1,000	0	
Junction Improvements On/Off At J23 M60	359	0	0	(359)	(359)
Hattersley Station Passenger Facilities	304	2	50	(254)	(254)
King Edward Road Retaining Wall	300	89	300	0	
Access to Metrolink Stops	300	0	0	(300)	(300)
Ashton Northern Bypass - Stage 2	279	175	200	(79)	
Ashton - Stalybridge Cycle Route	228	4	4	(224)	(224)
Ashton Town Centre Improvements	191	0	0	(191)	(191)
Huddersfield Narrow Canal	185	5	5	(180)	(180)
Dukinfield Corridor	160	2	30	(130)	(130)
Whiteacre Road/Curzon Road Junction Improvements	0	100	0	0	0
Other Minor Schemes	549	65	363	(186)	0
Total	12,433	5,060	8,964	(3,469)	(3,204)

Table 12b: Detail of Engineering Services Capital Programme – re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Engineering Services	Challenge Fund Stream	Manchester Road – Delays due to negotiations with neighbouring Highway Authorities, land owners and utility companies. A decision has also been made to undertake the works in more favourable weather.	(952)
Engineering Services	M6 J23 Pinch Point	Discussions currently underway with TfGM to reallocate the funding for these schemes to highway related Ashton Public Realm Growth Deal 2 Scheme as a contribution to revised bus routing, new highway infrastructure and related works in and around the new Shared Service Centre and Market Square area as part of the Vision Tameside Strategy. A new mini - business for the wider Ashton Public Realm Scheme has been submitted to TfGM and a decision is awaiting the GMCA/TfGM proposals following the Growth Deal 3 announcement made in the Autumn Statement.	(359)
	Access to Metrolink Shops		(300)
	Access to Ashton Town Centre		(191)
Engineering Services	Highway Maintenance Funded Schemes	Schemes have been delayed due to negotiations with landowners, adverse weather conditions on site and site access issues.	(314)
Engineering Services	Crown Point Link Road	Delay to scheme completion date due to complex negotiations with utility company. The outcome of these negotiations has been favourable to the Council both financially and will avoid future additional disruption.	(300)
Engineering Services	Hattersley Station Passenger Facilities	The original scheme proposal was for TfGM to project manage this scheme. TfGM eventually decided that they would not undertake the project management role and this is now being undertaken by Tameside. This process took several months. TfGM have agreed that the Growth Deal 2 funding for this scheme for 2016/17 can be slipped into 2017/18.	(254)
Engineering Services	Ashton to Stalybridge Cycle Route	Initial scheme development has shown that significant lengths of the canal towpath between Ashton Portland Basin and Plantation St, Ashton are not suitable for use as a cycle route. Discussions currently underway with TfGM to reallocate the funding for this scheme to highway related Ashton Public Realm Scheme as a contribution to revised bus routing, new highway infrastructure and related works in and around the new Shared Service Centre and Market Square area as part of the Vision Tameside Strategy.	(225)

Engineering Services	Huddersfield Narrow Canal	This scheme is linked to the Growth Deal 1 scheme for the improvement of the Huddersfield Canal towpath between Ashton and Stalybridge town centre. Initial scheme development has shown that significant lengths of the canal towpath between Ashton Portland Basin and Plantation St, Ashton are not suitable for use as a cycle route. A number of route options between Ashton and Stalybridge town centres have been developed. Discussions with TfGM have led to the conclusion that the Ashton to Stalybridge link is that no deliverable option exists at the present time which would provide a high quality, direct cycle route between Ashton and Stalybridge which would provide VfM and be deliverable within the available budget. It is proposed that this CCAG2 funding is used to provide additional sections to the other 2 Cycle City Ambition Grant 2 schemes and these are currently under consideration in conjunction with TfGM.	(180)
Engineering Services	Dukinfield Corridor	Grant funding from casualty reduction partnership. Original design changed following detailed topographic survey also resulting in additional design work by Greater Manchester Urban Traffic Control.	(130)

Environmental Services

- 3.11 The table below outlines the projected investment for Environmental Services. An explanation has also been provided for the requested re-profiling.

Table 13: Detail of Environmental Services Capital Investment Programme

Environmental Services Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Guide Lane Former Landfill Site	465	4	250	(215)	
Retrofit (Basic Measures)	329	7	7	(322)	(322)
Carbon Reduction - Invest To Save Schemes Approval Required	311	0	0	(311)	(311)
Total	1,105	11	257	(848)	(633)

Table 13b: Detail of Environmental Services Capital Programme – Variations

Explanation of Variations			
Service Area	Capital Project	Explanation for Variation	Amount (£000)
Environmental Services	Guide Lane Former Landfill Site	The variation of £215k is unlikely to be required this financial year, the remaining budget allocated is required to cover any further unforeseen costs associated with this scheme; and to ensure that our statutory duties required under Part 2A of the Environmental Protection Act 1990, which are to remediate the land if there is a significant risk of harm to persons or property, in accordance with statutory guidance issued by the Secretary of State, are met.	(215)

Table 13c: Detail of Environmental Services Capital Programme – Re-profiling

Explanation of Re-profiling at Quarter 3			
Service Area	Capital Project	Explanation for Re-profiling	Amount (£000)
Environmental Services	Retrofit (Basic Measures)	This budget is used to 'top up ' domestic retrofit measures that are primarily funded by ECO grants emanating from DECC. The supply of central funding available has been sporadic, making it difficult to profile the spend. However, we are entering into a new funding round, ECO 17. This should see a much more consistent and well-funded devolved funding regime and we are also planning to reinstate the TMB Boiler Replacement Scheme.	(322)
Environmental Services	Carbon Reduction	The proposed projects connected to this funding have been subject to delay and cancellation through changing Government priorities and legislation. In order to bring some surety into this area of work we have begun work with Local Partnerships via a GM wide procurement exercise. Local Partnerships have begun work with us to develop schemes to energy retrofit a number of Council buildings including the Sports Trust. The work will identify measures to be undertaken, funding required, pay back periods and overall savings. The capital monies will be used to fund some of the required structural/building retrofit measures.	(311)

Operations

3.12 The table below outlines the projected investment for Operations. An explanation has also been provided for the requested re-profiling.

Table 14: Details of Operations Capital Investment Programme

Operations Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Dukinfield Park Improvements	20	6	20	0	
Silver Springs Infrastructure	20	0	20	0	
Sunnybank Park - Landscaping	19	17	19	0	
Green Space Improvements - Hyde	16	0	0	(16)	
Rocher Vale & Hulmes And Hardy Wood	15	10	29	14	
Allotment Railings And Infrastructure Improvement	14	2	2	(12)	
Tree Planting Programme	10	1	6	(4)	
Stamford Park Infrastructure	10	0	0	(10)	
War Memorials	10	8	8	(2)	
Other Minor Schemes	43	27	49	6	
Total	177	71	153	(24)	0

Transport

- 3.13 The table below outlines the projected investment for Transport. An explanation has also been provided for the requested re-profiling.

Table 15: Detail of Transport Capital Investment Programme

Transport Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Procurement of 58 Fleet Vehicles	2,442	1,229	2,344	(98)	
Light Vans	39	39	39	0	
3 Ransom Mowers	39	39	39	0	
Total	2,520	1,307	2,422	(98)	0

Exchequer

- 3.14 The Table below outlines the projected Investment for Exchequer. No re-profiling has been requested.

Table 16: Detail of Exchequer Capital Investment Programme

Exchequer Capital Programme Statement					
Capital Scheme	2016/17 Budget	Actual	Projected Outturn	Projected Outturn Variation	Re-profiling to be approved in this Quarter
Online Forms	90	80	90	0	
Total	90	80	90	0	0

4. COMPULSORY PURCHASE ORDERS, INDEMNITIES AND POTENTIAL LIABILITIES

Redmond Close

- 4.1 The occupants of 22 Redmond Close have agreed that the Council can purchase their property. It is anticipated this will be within the approved financial envelope for this project and the necessary governance is being obtained.

Wellington Works

- 4.2 This was a complex compulsory purchase compensation matter, which has now been resolved. All final costs incurred will be managed within the Council capital budget.

Denton Link Road

- 4.3 A General Vesting Declaration (GVD) has been executed for land required within the CPO in relation to Denton Link Road and so the Council has now assumed responsibility for the same, by registering its legal title to the land with HM Land Registry.
- 4.4 The Council has completed a variation to the CPO Indemnity and Development Agreement to enable the delivery of the link road.

Hattersley CPO

- 4.5 The Council approved the making of a compulsory purchase order in respect of the one outstanding property in June 2015 in order to facilitate the final phase of the new District Centre for Hattersley and continues to work with its partners, Peak Valley Housing Association and the Homes and Communities Agency. Peak Valley Housing Association have indemnified the Council's CPO costs through a CPO Indemnity Agreement.

5. CHANGES TO THE APPROVED 3 YEAR CAPITAL PROGRAMME

- 5.1 Since the previous Capital Monitoring report there has been an increase in the programme totalling £8.116m over the period 2016/17 - 2018/19. This includes investment in the Council's fleet, increases to the engineers programme, and the acquisition of the freehold of a property in Whitelands Road, Ashton, together with several other smaller changes. Full details are listed in **Appendix 1**.
- 5.2 It should be noted that it is no longer intended to acquire an increased shareholding in InspiredSpaces (Tameside) Ltd, as previously approved by Executive Cabinet on 29 June 2016. This is due to a potential adverse effect on the level of PFI Credit grant the Council currently receives from the Government. The shares are intended to be purchased by the

other shareholder in the partnership, Amber, and it will be necessary to restructure as a consequence.

6. CAPITAL RECEIPTS

- 6.1 With the exception of capital receipts earmarked as specific scheme funding, all other capital receipts are retained in the Capital Receipts Reserve and utilised as funding for the Council's corporately funded capital expenditure, together with any other available resources identified in the medium term financial strategy.
- 6.2 £11.3m of BSF Capital Receipts are to be repaid corporately, to repay previous temporary funding of the Schools Capital Programme.
- 6.3 Receipts of £2.216m have been generated in year to date from the disposal of Council assets. The forecast proceeds from asset sales for the financial year is £5.19m.

7. PRUDENTIAL INDICATORS

- 7.1 The CIPFA Prudential Code for Finance in Local Authorities was introduced as a result of the Local Government Act (2003) and was effective from 1 April 2004. The Code sets out indicators that must be demonstrated that the objectives of the Code are being fulfilled. The initial Prudential Indicators for 2016/17 and the following two years were set out by the Council in February 2016. The Capital Expenditure indicator has been updated to reflect the latest position.
- 7.2 The latest Prudential Indicators are shown in **Appendix 2**.

APPENDIX 1

Changes to the Capital Programme

			BUDGET CHANGES 2016/17 £000	BUDGET CHANGES 2017/18 £000	BUDGET CHANGES 2018/19 £000	TOTAL £000
SERVICE	SCHEME	SOURCE OF FUNDING				
Capital Programme Q2 Monitoring			69,211	59,722	11,744	140,676
A) Increases to the Programme						
AIPM	Purchase Freehold. Whitelands Rd. Ashton	Reserves / Capital Receipts	5,400			5,400
Engineering Services	King Edward Road Retaining Wall	RCCO	300	100		400
Engineering Services	Highways Maintenance Funding	Grant	116			116
Digital Tameside	Town Centre Wi-Fi	RCCO	50			50
Environmental Services	Audenshaw Environmental Improvements	Capital Contribution	9			9
Transport	Fleet Replacement 17/18 (SPCMP Nov. 2016)	Borrowing		2,256		2,256
			5,875	2,356	0	8,231
B) Reductions to Programme						
AIPM	Energy Consumption Pilot Scheme	Reserves / Capital Receipts	(46)			(46)
AIPM	Dukinfield Town Hall	Reserves / Capital Receipts	(44)			(44)
AIPM	Dukinfield Crematoria Clock Tower	Reserves / Capital Receipts	(44)			(44)
AIPM	TAC Fire Alarm Upgrade	Reserves / Capital Receipts	(20)			(20)
AIPM	Knowle Avenue Depot / JW Lees Social Club Site	Reserves / Capital Receipts	(5)			(5)
			(115)	0	0	(115)

C) Funding Transfers in Programme

		Reserves / Capital				0
AIPM	Vision Tameside	Receipts	(6,000)	6,000		0
		RCCO/Specific Capital				
Transport	Refuse Collection Fleet	Receipts/Reserves	(3,060)	3,060		0
Education	Aldwyn Primary Additional Accommodation	Grant	(1,191)	1,191		0
Development And Investment	Disabled Facilities Grants	Grant	(700)	700		0
Engineering Services	The Longdendale Integrated Transport Strategy	Specific Capital Receipts	(480)	480		0
Digital Tameside	ICT - Vision Tameside	Reserves / Capital Receipts	(390)	170	220	0
AIPM	Mottram Showground (OPF)	Reserves / Capital Receipts	(159)	159		0
Environmental Services	Allotment Railings And Infrastructure Improvement	Reserves / Capital Receipts	(62)	62		0
AIPM	Document Scanning	Reserves / Capital Receipts	(58)	58		0
Environmental Services	Tree Planting Programme	Capital Contributions	(30)	30		0
Environmental Services	Children's Play	Reserves / Capital Receipts	(20)	20		0
Environmental Services	Dukinfield Park Improvements	Reserves / Capital Receipts	(20)	20		0
Environmental Services	Rocher Vale & Hulmes And Hardy Wood	Capital Contributions	(14)	14		0
Environmental Services	Green Space Improvements - Dukinfield	Capital Contributions	(11)	11		0
Environmental Services	Stamford Park Infrastructure	RCCO	(10)	10		0
Environmental Services	War Memorials	Capital Contributions	(10)	10		0

Education	Capital Maintenance - Funding Stream	Grant	(214)	(214)
Education	Basic Need - Funding Stream	Grant	(212)	(212)
Resources	Estimated Future Borrowing Approvals / Receipts	Reserves / Capital Receipts	(47)	(47)
Education	SEN Review	Grant	(26)	(26)
Education	Broadoak Primary Seed Challenge	Grant	(25)	(25)
Education	Holden Clough FF&E For New School Project	Grant	(15)	(15)
Education	Holden Clough Seed Challenge	Grant	(13)	(13)
Education	Holden Clough - Remodelling	Grant	(12)	(12)
Education	Holden Clough Additional Path (PSBP)	Grant	(9)	(9)
Education	Mechanical & Electrical - Oakdale	Grant	(9)	(9)
Education	Mechanical & Electrical - Buckton Vale	Grant	(8)	(8)
Education	Mechanical & Electrical - Yew Tree Primary	Grant	(7)	(7)
Education	Mechanical & Electrical - Corrie Primary	Grant	(6)	(6)
Education	Mechanical & Electrical - Broadbent Fold	Grant	(4)	(4)
Education	Hyde Community College	Grant	(3)	(3)
Education	Leigh Drainages	Grant	2	2
Education	Heys Toilet Adaptations	Grant	5	5
Education	Stalyhill Toilet Adaptation	Grant	5	5
Education	Hollingworth Drainage	Grant	10	10
Education	Gorse Hall Power And Fire Alarm	Grant	14	14
Education	BSF ICT Capital	Grant	16	16
Education	Milton St John Primary - Temporary Emergency Works	Grant	24	24
Education	Wildbank Lighting And Power	Grant	32	32
Education	Inspire Academy - Play Equipment	Grant	40	40
Education	Astley High School - Carpets	Grant	41	41
AIPM	Building Fabric Works	Reserves / Capital Receipts	47	47
Education	St James Ashton H&S	Grant	65	65
Education	Cromwell M&E Upgrade		114	114
Education	Cromwell Enhancements	Grant	195	195

	(12,215)	11,995	220	0
Net Changes to Programme	(4,455)	14,351	220	8,116
Capital Programme 2016/17 Q3	62,756	74,073	11,964	148,792

RCCO stands for "Revenue Contribution to Capital Outlay" and describes where capital investment is funded from revenue sources.

AIPM stands for Asset Investment Partnership Management.

Education changes agreed as part of Education Capital Programme Progress update at November Strategic Planning & Capital Monitoring Panel.

APPENDIX 2

Prudential Indicators

Actuals v limits as at 04/01/2017

	Limit	Actual as at 04/01/17	Amount within limit
	£000	£000	£000
Operational Boundary for External Debt	268,176	118,879	(149,297)
Authorised Limit for External Debt	288,176	118,879	(169,297)
Upper Limit for fixed	199,173	(28,421)	(227,594)
Upper Limit for variable	66,391	(17,335)	(83,726)
Capital financing requirement	199,173	189,253	(9,920)
Capital expenditure	57,306	43,892	(13,414)

Prudential Indicators

Gross borrowing and the capital financing requirement	CFR @ 31/03/16 + increase years 1,2,3	Gross borrowing @ 04/01/17	Amount within limit
	199,173	118,879	(80,294)

Maturity structure for borrowing 2016/17

Fixed rate

Duration	Limit	Actual
Under 12 months	0% to 15%	1.08%
12 months and within 24 months	0% to 15%	4.72%
24 months and within 5 years	0% to 30%	0.86%
5 years and within 10 years	0% to 40%	4.04%
10 years and above	50% to 100%	89.29%