

Report To:	STRATEGIC PLANNING & CAPITAL MONITORING PANEL
Date:	8 July 2019
Executive Member/Reporting Officer:	<p>Cllr Allison Gwynne – Executive Member – Neighbourhoods, Community Safety and Environment</p> <p>Emma Varnam – Assistant Director – Operations & Neighbourhoods</p>
Subject:	CAPITAL PROJECTS – OPERATIONS AND NEIGHBOURHOODS
Report Summary:	<p>The report provides an update on the 2019/20 Operations and Neighbourhoods Capital Programme. Section 2 of the report details the major approved capital schemes in the Operations and Neighbourhoods Directorate for 2019/20.</p> <p>In addition, Section 4 of the report provides an update on the Council's bid to the GM Mayor's Challenge Fund for Walking and Cycling and on the progress of the Council's bid into the Department for Transport's (DfT) Safer Roads Scheme.</p>
Recommendations:	<p>To note the report and the details of the status of the schemes in the programme.</p> <p>To recommend to Executive Cabinet that the additional capital grant funding set out in Table 4, Table 5 and section 4.16 of this report is added to the Council's Capital Programme.</p>
Links to Community Strategy:	<p>The schemes within the 2019/20 Highways Capital Programme seek to provide an improved and more sustainable highway related asset for the residents and businesses of Tameside, thereby contributing to a safe environment, continuing economic regeneration and contributing to a low carbon economy; key priorities within the 2012-22 Tameside Sustainable Community Strategy.</p> <p>Development of work on improving the walking and cycling infrastructure supports a healthier borough and a move away from the reliance on cars as the first choice of transport.</p> <p>Other schemes have been prioritised as they support the Council's strategies for the borough.</p>
Policy Implications:	<p>The funding allocation for the Highways Capital Programme supports the Council's Corporate Plan priorities around the Sustainable Community Strategy.</p> <p>It also supports the objectives of the Greater Manchester 3rd Local Transport Plan and associated strategies thereby underpinning its aims and objectives at a regional and local level, including walking and cycling strategies, reducing congestion and improving air quality.</p>
Financial Implications: (Authorised by the Section 151 Officer)	<p>The financial implications highlighted within this report are as follows:</p> <p>Local Highways Maintenance Capital block funding</p> <p>The Engineers Maintenance block allocation for 2019/20 totals</p>

£2.258m. Table 4 of this report shows how funding is allocated to each area on an agreed DfT basis.

Highways England has also allocated an additional one-off £1.029m funding to Tameside. Of this funding £0.258m has been allocated to capital and £0.772m allocated to Revenue. Table 5 of this report shows breakdown of this funding as per agreement with DfT.

Department for Transport - Safer Roads Fund

An amount of £0.200m relating to Safer Roads fund from DfT is available to Tameside for financial year 2019/20. Details of this external successful bid are included in section 4.16 of this report.

Highways Tameside Asset Management Plan (TAMP) 2019/20

The Tameside Asset Management Plan (TAMP) for 2017/18-2019/20, identified a funding of £13.250m. Approval of expenditure totalling £8m was approved and added to the capital programme for the two year period 2017/18 and 2018/19. The remaining capital funding of £5.250m was requested and approved by Executive Cabinet in March 2019 for 2019/20.

To secure additional TAMP for future years, a forward looking five year rolling Tameside Asset Management Plan /Business case must be submitted to members for consideration.

Additional Car Parks at Darnton Road Ashton/Stalybridge Boundary

Section two of this report includes details of additional car parks at Darnton Road An investment of £0.950m was approved, however construction costs have increased by £0.216m and the addition of electric charging points at a cost of £0.034m to the scheme has increased the investment to £1.2m. These additional pressures will need to be funded from revenue budgets. It was initially estimated that the scheme would generate annual income of £0.590m. This estimate has reduced to £0.396m. The payback period was originally estimated to be 2 years; however, this is now likely to take longer due additional construction costs and revised income projection.

Slope Stability Works – Fairlea, Denton & Greenside Lane, Droylsden

The Fairlea element of the slope stability works of £0.350m is currently on budget and expected to be completed in 2018/19. The budget of £0.300m for Greenside Lane is now being re-evaluated and due to complexities is expected to overspend by £0.350m. This will be confirmed once all options have been assessed and a further report will be submitted for approval.

Repair and Restoration of Cemetery Boundary Walls

This project is expected to be completed this financial year and within the approved budget of £0.260m.

Replacement of Cremators and Mercury Abatement, Filtration Plant and Heat Recovery Facilities

A budget of £2.500m was approved in October 2018, the

procurement process is underway, and the Council is expected to appoint a contractor in June 2019. Once the contract is awarded, a more accurate projected spend against budget should be available, but currently it is expected to be within budget and incurred within this financial year.

Legal Implications:

(Authorised by the Borough Solicitor)

The Council has a statutory duty to maintain adopted highways and highway structures for which it is the highway authority under section 41 of the Highways Act 1980. The Cabinet approve the programme within the budget set by Council and the Panel are required to monitor to ensure it is being delivered efficiently effective on time and within budget. This report is intended to assist with that and members should ask for such information they require to assure themselves of delivery.

Risk Management:

- Failure to approve the proposed Engineering Capital Programme will prevent the appropriate allocation of resources by the Authority.

A robust programme of works will be developed to ensure that the objectives underpinning the Department for Transport and other funding allocations will be met and at the same time meet the objectives contained in Tameside's Community Strategy.

- Inclement weather preventing commencement and completion of schemes.

A comprehensive programme of works will be agreed between partners to ensure completion by approved dates. However, should the programme not be achieved it may be necessary to arrange for any outstanding financial resources to be transferred into the following financial year.

- Inability of suppliers to deliver materials within a time frame to meet completion targets.

Whilst the Council's Operational Services and external contractors have access to many material suppliers, shortages of materials may necessitate alternatives to be substituted or approval will be sought to carry over the project into the following year for completion;

- The ability of the Council's own Operational Services or external contractor to implement the scheme in the current financial year.

This risk will be managed by ensuring that should Operational Services or the external contractor be unable to complete the works during the current financial year, approval will be sought to carry over the project into the following year for completion.

- Statutory procedures linked to certain schemes could delay implementation.

Should it be necessary approval will be sought to carry over the project into the following year for completion.

- Mayor's Challenge Fund Bids.

Failure to deliver the programme after securing funding will impact on the future success of bids from this source.

- Other Schemes.

Failure to deliver the programme after securing funding will impact on the future success of bids from this source.

Access to Information:

The background papers relating to this report can be inspected

by contacting:

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1. BACKGROUND INFORMATION

- 1.1 This report provides an update on current projects and schemes in the 2019/20 year, including the governance currently in place and updates on prioritisation of business cases produced for identified business critical systems and bids for external grants.

2. APPROVED SCHEMES

Highways: Transport Asset Management Plan (TAMP)

- 2.1 The Tameside Transport Asset Management Plan for 2017-2021 identified proposals to invest £20.000m in the Council's highways over a four year period; financial years 2017/18 - 2020/21.
- 2.2 For years 2017/18 and 2018/19, £8.000m was approved. An allocation of £5.250m capital funding in 2019/20 for the TAMP has been also been approved. The remaining £6.750m (2020/21) will be considered as part of the prioritisation of capital resources.
- 2.3 The programme for 2019/20 is shown in **Appendix 1**. Any schemes not completed due to adverse weather conditions or for programming decisions in relation to traffic management issues will be re-programmed to be completed as soon as possible.
- 2.4 Since approval of the programme, Engineers have commenced on the works scheduling and programming. A detailed progress update will be given in the next monitoring report.

Flooding: Flood Prevention and Consequential Repairs

- 2.5 The Strategic Planning & Capital Monitoring Panel on 9 October 2017 identified a £0.775m allocation for Flood Prevention and Repairs and work was completed to the value of £0.130m for urgent repairs in 2018. This included works to upland paths and bridleways that were severely damaged by flooding.
- 2.6 Following flooding in late 2017 and again in 2018, statutory 'Section 19' reports were produced as required by the Flood and Water Management Act 2010. These highlighted a number of flood and drainage assets that were substandard from a maintenance, access and performance point of view and required improvement to help increase resilience across the Borough. These include the following drainage assets in Table 1 below;

Table 1

Road	Town	Site
Demesne Drive 1	Stalybridge	rear of 113/115
Demesne Drive 2	Stalybridge	opposite 93/95
Mottram Old Road,	Stalybridge	
Micklehurst Road 1	Mossley	rear of 93
Micklehurst Road 2	Mossley	exit from pond
Halton Street	Hyde	
Gower Road	Hyde	
Store Street	Ashton-under-Lyne	
Ney Street	Ashton-under-Lyne	
Cartwright Street	Hyde	

A full business case for the remaining £0.650m was prepared, presented and subsequently approved via Executive Board and Executive Cabinet on 12 January 2019. Work will take place in 2019/20 and 2020/21 on the assets listed above.

Street Lighting – LED (Light Emitting Diode) Replacement Programme

- 2.7 An additional investment by the Council to continue the programme to cover the major strategic and classified roads in the Borough for replacing street lights with LED lamps has been identified as business critical and a full business case to the value of £3.600m was completed and approved by Executive Cabinet in October 2018, with the programme due to commence in 2019/20.
- 2.8 The service is currently undertaking a procurement exercise with STaR to purchase the LED lanterns and appoint design consultants. The designs cannot be finalised until the type of lantern has been approved. Once these have been awarded an instalment programme can be determined.

Additional Car Parks at Darnton Road

- 2.9 A report to the Panel in March 2017 identified a business case to introduce new car parks in and around Tameside Hospital, identifying estimated costs and potential pay-back period, with a proposed phased introduction of the new car parks on a programmed basis.
- 2.10 An investment of £0.950m was approved and it was indicated that the scheme would achieve pay back within two years due to potentially generating a sum of £0.590m per annum. However, due to a loss of car parking spaces the projected annual income has been revised to £0.396m. At CP2 and CP2a these losses are due to depths of uncharted Utility Services, and at CP3 due to changes to the on-street parking order.
- 2.11 Table 2 below provides current details of expected completion dates, together with revised final construction estimates and numbers of spaces available following detailed design.

Table 2

	Parking spaces	Construction Cost Estimate (£'000)	Notes	Forecast Income (Full Year) £000s	Payback period (Years)
CP5	230	740	Open Sept 2018	230*	3.2
CP3	30	190	Open Jan 2019	40	4.75
CP2	73	203	June 2019	99	2.05
CP2a	20	33	May 2019	27*	1.2
TOTAL	353	1,166			

*CP5 at £1000 per space, and CP2a at £1350 per space.

- 2.12 The costs to date total £1.000m, with a further £0.166m expected to complete the scheme meaning that there is an expected overspend of circa £0.216m. There have been increased construction costs for CP2 due to additional works on site and increased legal fees incurred negotiating easement and land agreements. As these negotiations are still ongoing they have also delayed the expected car park opening.
- 2.13 In addition, since the start of this project there has been a major push on improving air quality across Greater Manchester and the Council has identified the introduction of electric vehicle charging points on Council car parks as one of the ways to support this. The current proposal is to install four dual charging pillars across the car parks (two on CP5 and one each on CP2 and CP3) to give eight charging points at a cost of £0.0085m each. The additional spend of £0.034m (funded from revenue budgets) for vehicle charging points will be required to be funded from the car park revenue budget and this additional cost will be added to the pay-back period.

Slope Stability Works – Fairlea, Denton and Greenside Lane, Droylsden

- 2.14 On 12 December 2018 Executive Cabinet approved a sum of £0.650m for the remedial slope stability works required at Fairlea and Greenside Lane. This figure is split £0.350m for Fairlea, and £0.300m for Greenside Lane.
- 2.15 The construction of the retaining structure at Fairlea commenced on site on 29th April 2019. The works to install the wall and provide protection to the stream bed and slope drainage are expected to continue until the middle of August 2019. Works by United Utilities (UU) to replace sections of the damaged pipework, which runs through the gardens to several of the properties, is due to commence on completion of the retaining wall installation and to run concurrently with the slope and stream works by the council's contractor'. The cost of the works and design/supervision is estimated at £0.350m, and this project is currently on budget.
- 2.16 Options for the scheme at Greenside Lane are being re-evaluated by the Council's consultant and specialist geotechnical advisors. The scheme will involve complicated and extensive negotiations with residents and landowners.
- 2.17 Due to the complexity of the scheme at Greenside Lane costs are expected to exceed the approved budget. Until all options for Greenside Lane have been assessed we do not currently know the shortfall in funding, however we envisage this to be in the region of £0.350m

Repair and Restoration of Cemetery Boundary Walls

- 2.18 Following an inspection by structural engineers, £0.260m was earmarked in the Capital programme for the repair and restoration of Cemetery Boundary Walls in the borough. This scheme was marked as business critical and approved by the Executive Cabinet on 24 October 2018.
- 2.19 A programme of works has been put together for the Council's cemeteries that have been identified as Medium/High risk in Ashton, Dukinfield, Hyde, Mossley and Mottram. The works will address the identified defects on alternative boundary protection such as metal railings and fencing at Audenshaw, Denton and Droylsden Cemeteries.
- 2.20 Through the procurement process, the Council's structural engineers have split the work into 5 lots and stonemasons were able to bid for the individual tenders. Currently, work has been carried out and completed at Ashton (Hurst) Cemetery, Mossley Cemetery and Mottram Cemetery. The other packages for Hyde Cemetery, Dukinfield Cemetery, Audenshaw Cemetery, Denton Cemetery and Droylsden Cemetery are being prepared.
- 2.21 The work is programmed to be completed within this financial year. It is also anticipated that the final cost of the project will be within the allocated budget of 0.260m.

Replacement of Cremators and Mercury Abatement, Filtration Plant and Heat Recovery Facilities

- 2.22 £2.500m was earmarked in the capital programme to fund this project. This scheme was marked as business critical and was approved by Executive Cabinet on 24 October 2018. The estimated £2.500m cost of this scheme is based on quotations from other organisations.
- 2.23 STaR are engaged with the procurement of this project. Submissions were invited for the contract via The Chest, with the submission deadline being the 12 April 2019. Three interested companies submitted tenders by the deadline and the evaluation process took place on 29 April 2019.
- 2.24 Further financial analysis is being carried out as a result of the evaluation meeting and clarification is being sought on various aspects of the submissions to ensure risk to the

Council is eliminated. Due to this, the original commencement date of May 2019 has slipped slightly. However, the Council should be in a position to award the contract by the middle of June 2019.

- 2.25 All spend is anticipated to be spent during the financial year 2019/2020 as planned. It is probable that the costs of the project may be less than originally anticipated but more detail on this will be provided once contracts have been awarded.

Highways England (M67) – Sustainable Travel Grant

- 2.26 Highways England (HE) has provided a specific grant of £1.950m to Tameside MBC to provide facilities that promote sustainable travel options (walking and cycling) between Hyde and Hattersley. This grant covers the financial year 2019/20 and 2020/21. During 2019/20, £0.250m is available for the feasibility, design and consultation elements of this project. £1.700m will be available in 2010/21 for construction and commissioning.

Fleet Replacement

- 2.27 The 2019/20 Capital programme includes budget for the procurement of 21 vehicles and a further report will be taken to Executive Cabinet in July 2019. Future fleet replacement will be determined by a new fleet replacement strategy which is being developed.

3. EXTERNAL BIDS AND GRANTS

The Greater Manchester Mayor's Cycling and Walking Challenge Fund Programme

- 3.1 The Mayor's Cycling and Walking Challenge Fund (MCF) has been established to deliver on the Greater Manchester Cycling and Walking Commissioner's 'Made to Move' report. The aim is that Greater Manchester becomes a city region where walking and cycling are the natural choices for shorter journeys, as set out in the Greater Manchester Transport Strategy.
- 3.2 The MCF is split into two funding categories, namely 'Active Centres and Corridors' and 'Active Neighbourhoods' and Tameside MBC have submitted a number of bids to each of these funds.
- 3.3 The intention of the MCF is to invite proposals to be submitted on a regular three monthly basis and, unlike many bidding funds, proposals can be re-submitted and amended to incorporate further improvements in subsequent bids.
- 3.4 Tameside's ongoing bids into the fund have been discussed with the Mayor's team in advance. Scheme details for bids that have been granted 'programme entry' are shown in **Appendix 2**.
- 3.5 Funding is subject to ratification by the Greater Manchester Combined Authority (GMCA) and all schemes are subject to joint funding arrangements.

Department for Transport (DfT) Highways Maintenance Grant, Incentive Fund and Pothole Fund

- 3.6 In December 2014, the DfT published local highways maintenance funding information to all highway authorities for the financial years 2015/16 to 2020/21 inclusive. The Tameside MBC allocation for 2019/20 is £2.258m. This is made up of £1.869m maintenance allocation and £0.389m Incentive Fund allocation (for 'Band 3' authorities – as part of GM Devolution Agreement, all GM authorities are treated as Band 3 and receive the maximum Incentive Fund allocation).
- 3.7 The DfT funding is for roads, bridges & structures and Street Lighting is apportioned using a national formula, shown below in Table 4;

Table 4

Highway Asset	Allocation % (National Formula)	DfT 2019/20 Allocation
Roads	75	£1.6935m
Bridges & Structures	18	£0.4065m
Street Lighting	7	£0.1580m
Total	100	£2.2580m

- 3.8 The DfT roads element (as above), along with the 2019/20 TAMP allocation of £5.250m (see Section 2.3), is used to deliver the highway works programme as set out in **Appendix 1**.
- 3.9 In October 2018, the Chancellor announced in the Budget that the Government was allocating a further £420m of new money for local highways maintenance. This additional resource was allocated using the highways maintenance funding formula and is for the repair of roads (including potholes), bridges and local highways infrastructure generally.
- 3.10 The funding for each highways authority is based on the length of the local road network. For Tameside MBC the allocation is £1.029m for use in 2019/20. This additional funding is subject to the national formula with regards to the different highway assets. Details are set out below in Table 5;

Table 5

Highway Asset	Allocation % (National Formula)	DfT additional funding
Roads	75	£0.771m
Bridges & Structures	18	£0.186m
Street Lighting	7	£0.072m
Total	100	£1.029m

- 3.11 Please note that the £0.772m above for 'Roads' is counted as a revenue fund and not capital.
- Department for Transport – Safer Roads Fund**
- 3.12 The Council prepared a joint bid with Oldham MBC into the above fund for the A670 corridor, Mossley Road Ashton.
- 3.13 DfT have now confirmed that our bid for £0.200m was successful and the DfT have now made a formal announcement to confirm this with funding being available from April 2019.
- 3.14 The scheme includes for the introduction of a signal controlled pedestrian crossing at St. George's Primary School, together with enhanced road markings, variable message signs and enhanced street lighting. Scheme details are currently being drawn up and associated Traffic Regulation Orders will be advertised for consultation as required.

4. FINANCIAL CAPITAL MONITORING

- 4.1 A separate detailed financial monitoring report setting out the outturn position for 2018/19 and budgets for 2019/20 is included as a separate item on this agenda. The first detailed capital monitoring exercise will be undertaken as at 30 June 2019 and will be reported to Executive Cabinet in August 2019, and Strategic Planning and Capital Monitoring Panel in September 2019.

- 4.2 The following additional grants have been received or notified since the last capital report. Further detail is set out in section 4 above. Members are asked to recommend to Cabinet that these grants are added to the Operations and Neighbourhoods Capital Programme.

5. RECOMMENDATIONS

- 5.1 As detailed on the front page of this report.