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| <b>Report to:</b>  | <b>EXECUTIVE CABINET</b>   |
| <b>Date:</b>   | 26 August 2020   |
| <b>Executive Member:</b>   | Cllr Oliver Ryan, Executive Member (Finance & Economic Growth)   |
| <b>Reporting Officer:</b>  | Jayne Traverse, Director of Growth   |
| <b>Subject:</b>  | <b>GREATER MANCHESTER COMBINED AUTHORITY<br/>EVERGREEN SURPLUS FUNDING ROUND II – ST<br/>PETERSFIELD AND ASHTON MOSS</b>   |
| <b>Report Summary:</b>   | This report updates on the position with regard to external funding for these projects and seeks approval for officers to accept and spend the funding under the terms of the Grant Funding Agreements.  |
| <b>Recommendations:</b>  | That Executive Cabinet accept the risks of entering into the Grant Fund Agreements, and approves that: <ul style="list-style-type: none"> <li>(i) Delegated Authority is provided to the Director of Growth to accept and enter into two Grant Fund Agreement's on behalf of Tameside MBC;</li> <li>(ii) Delegated Authority is provided to 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;</li> <li>(iii) Match funding from the approved Growth Development budget for £275K for Ashton Moss, and £127K for St Petersfield projects.</li> </ul> |
| <b>Corporate Plan:</b>   | The projects align with the following Corporate Plan objectives: <ol style="list-style-type: none"> <li>1. Opportunities for people to fulfil their potential;</li> <li>2. Modern infrastructure and a sustainable environment that works for all;</li> <li>3. Nurturing our communities.</li> </ol>   |
| <b>Policy Implications:</b>  | In line with Tameside Unitary Development Plan as identified under <i>(E2) Development Opportunity Areas</i> .   |
| <b>Financial Implications:</b><br><b>(Authorised by the statutory<br/>Section 151 Officer &amp; Chief<br/>Finance Officer)</b> | To comply with the conditions of the grant, match funding is required which has been identified within the Growth directorates budget provision as identified in section 3.<br><br>Close monitoring and recording of expenditure will be required to ensure that submissions are completed in a timely and accurate manner and comply with eligible expenditure to enable the funds to be received.<br><br>It should be noted that all expenditure needs to have been incurred by December 2021.   |
| <b>Legal Implications:</b><br><b>(Authorised by the Borough<br/>Solicitor)</b>   | The successful bids provide additional funding for the St Petersfield and Ashton Moss projects, although that funding needs to be matched by the Council as set out in this report. As with all such funding there will be conditions which the Council will have to   |

comply with. It is usual for failure to comply with certain conditions to trigger the Council having to pay back the funding. Therefore it is recommended that the advice is sought from legal services before the funding agreement is entered into to ensure that there is clarity in relation to the conditions the Council must comply with which should also assist with the management of the risks as set out in section 4.

**Risk Management:**

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

**Access to Information:**

Information relating to this report can be inspected by contacting the report author, Julie Burke, Head of Major Programmes.

**Background Information:**

The background papers relating to this report can be inspected by contacting Julie Burke



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## 1. INTRODUCTION

- 1.1 GMCA Evergreen Surplus bidding round II has recently been established under England's 2014-20 Operational Programme and is solely a Greater Manchester fund.
- 1.2 Priority 1a of the Evergreen Surplus round II seeks to Enhance research and innovation infrastructure and capacities to develop research and innovation excellence, and promoting centres of competence.
- 1.3 Under priority 1a, Evergreen II funds will develop, retain and exploit excellence in GM's Science/ technology/ Innovation assets, through investment in the appropriate volume, specification and flexibility of commercial floor-space. This will include investment in the development of new sites, the remediation and redevelopment of brownfield and the development/ refurbishment of commercial floorspace. Projects needed to satisfy a number of eligibility criteria including:
- Creating a high employment region;
  - Investing in science, research and innovation;
  - Building on the region's strengths in culture and media;
  - Supporting strong and diverse town centres;
  - Promoting a wider, stronger and more sustainable industrial base;
  - Ensuring sustainable sites are ready for development.
- 1.4 An expression of interest was submitted to the bidding round on 28th February 2020 for Ashton Moss, St Petersfield, Stalybridge, and Droylsden. Tameside Council's proposals for Ashton Moss and St Petersfield were successful with grant funding of £275,000 and £127,000 being awarded respectively.

## 2. PROPOSAL UPDATE

### **Ashton Moss**

- 2.1 Ashton Moss is a strategic site provisionally allocated in the draft Greater Manchester Spatial Framework (GMSF). It is Tameside's largest employment opportunity site and ideally will produce higher value and quality employment for Tameside residents. The site is well located on the road, tram and bus networks and is adjacent to the Ashton Moss retail, leisure, commercial and industrial area. Work-streams have been identified to progress development and the funding allocation from GMCA will assist this process enormously.
- 2.2 The proposal for funding is to assist towards the commission of work as already identified:
- High level masterplan supported by an evidence base including;
  - Remediation and groundwork strategy;
  - Transport and access study;
  - Employment land review;
  - Environmental impact assessment;
  - Development prospectus compiling the results of the above.

### **St Petersfield**

- 2.3 The St. Petersfield development so far has delivered modern, high quality office space to the west of Ashton Town Centre and Ashton Old Baths is targeted as a hub for digital and creative businesses. Established as Tameside's urban business quarter, the development area has further plots available, capable of delivering additional office accommodation; including the potential for grow on space.
- 2.4 St. Petersfield is seeing small business creation in the digital industries, leading naturally to this area being the focus for an emerging digital area in Ashton town centre. The presence

of health services, data centre functions, and high capacity broadband provision, gives St. Petersfield the potential for innovation in the DMCT sector. Similar to Ashton Moss, next steps have been identified, and the funding allocation from GMCA will allow progress to be made.

- 2.5 The proposal for funding is to assist towards the commission of work as already identified:
- Production of a St Petersfield site wide development prospectus;
  - Production of a cost plan and development prospectus for Plot 1;
  - Production of full planning submission, associated cost plan, and development prospectus for Plot 3.

### 3. FUNDING

- 3.1 A signed Grant Funding Agreement 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 was originally March 2021; however in response to COVID-19, this has been extended to December 2021.
- 3.4 Match funding is required under the terms and conditions of the funding agreement. The budget for Growth Development has been agreed at Full Council and it is proposed that match funding be used from this budget:

|   | Ashton Moss (£'s) | St Petersfield (£'s) |
|---|-------------------|----------------------|
| Match Funding Required from Growth Development Budget | 275,000           | 127,000              |
| GM Evergreen II Funding                               | 275,000           | 127,000              |
| <b>Total</b>  | <b>550,000</b>    | <b>254,000</b>       |

- 3.5 Where land is not in the Council's ownership, the Council will be looking to landowners and potential inward investors for private sector funding to support the development of the proposals. Any external funding that is received could contribute to the match funding requirements and therefore relieve pressure on the Growth department's budget.

### 4. RISKS

- 4.1 Project risks have been identified and outlined in the table below.

| Risk Area        | Detail  | RAG Rating | Mitigation  | RAG Rating |
|------------------|---|------------|---|------------|
| <b>Financial</b> | 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. |            | Apply adequate resource to the project to ensure programme adherence. Resource subject to budget and recruitment processes. |            |
| <b>Financial</b> | Conditions attached to funding agreement may not be acceptable.   |            | T&Cs are as those outlined in the Evergreen round I Funding Agreement.  |            |

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|--|---|--|---|--|
|  |   |  | 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.                                   |  |
| <b>Programme</b>                               | Lack of resource capacity to undertake workstreams in line with expectations.   |  | Apply adequate resource to the project to ensure programme adherence. Seek additional support from GMCA partners.   |  |
| <b>Programme</b>                               | Land not in Council ownership/ control, but rests with multiple landowners. May impact on ability to undertake survey work (for example, landowner may not grant access). |  | Develop a stakeholder management strategy and liaise with all land owners to agree a way forward for the site.  |  |
| <b>Programme</b>                               | COVID-19 – negative impact on access to the site to undertake further survey work.  |  | Whilst adhering to Government guidelines, work with consultants to ensure safe working protocols (social distancing) are adopted in order to proceed with site based fieldwork. |  |
| <b>Programme/<br/>Strategic<br/>Definition</b> | COVID-19 – negative impact on ability and capacity of officers and landowners to meet to discuss progression of development of the site.                                  |  | Adopt alternative methods to communicate (virtual meetings) in line with the stakeholder strategy.  |  |

## 5. CONCLUSION

- 5.1 Ashton Moss and St Petersfield are both strategic sites which form a major part of the Economic Growth agenda. 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.