

Report to:	STRATEGIC PLANNING AND CAPITAL MONITORING
Date:	21 September 2020
Executive Member:	Cllr Allison Gwynne Executive Member (Neighbourhoods, Community Safety and Environment)
Reporting Officer:	Jeanelle de Gruchy, Director of Population Health
Subject:	LEISURE ASSETS CAPITAL INVESTMENT PROGRAMME UPDATE
Report Summary:	This report provides a summary of progress to date in relation to the delivery of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet on 24 March 2016.
Recommendations:	The contents of the report to be noted.
Corporate Plan:	The Community Strategy 2012/22 (and the Corporate Plan Our People Our Place Our Plan) outlines the priorities for improving the Borough. The Leisure Assets Capital Investment Programme directly links to the Tameside Sustainable Community Strategy objective of 'Healthy Tameside'. The scheme supports each of the Corporate Plan themes including Starting Well, Living Well and Ageing Well supporting people to live longer and healthier lives through increased opportunities to be physically active.
Policy Implications:	The Leisure Assets Capital Investment Programme supports the Tameside Corporate Plan and specifically the 'Increase Levels of Physical Activity' priority.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>The Council's capital programme ambition is currently unsustainable. The current committed programme requires £18.8m of corporate resources, with only £14.6m available in reserves, leaving a £4.2m shortfall which needs to be met from the proceeds from the sale of surplus assets. Whilst this report is not identifying significant cost pressures at this stage, incremental cost pressures across a number of schemes will soon result in substantive additional resource requirements. Any cost pressures arising as a result of Covid-19 or other factors will increase the resources needed to deliver the approved programme, and the current shortfall of £4.2m will increase.</p> <p>The broader ambition of the Council points to a further requirement of £33.2m of corporate funding to pay for schemes identified as a priority and subject to future business cases. Clearly these will be unable to progress until additional capital receipts are generated. The Growth Directorate are reviewing the estate and developing a pipeline of surplus sites for disposal</p> <p>Tameside Wellness Centre: As set out in section 3.3 of this report, modifications to the scheme were required towards the end of the project which may result in additional costs in excess of the approved budget and a pressure on the Capital Programme. This will be the subject of a further report once the final account has been agreed.</p>

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

This is a high level report to update Members on the progress being made on the remaining live projects. Any further decisions in relation to the on-going projects will be subject to their own due diligence, governance and decision making.

It would be helpful going forward if members had clear timelines and budgets so that it can be established simply whether projects on time and on budget.

It will also be necessary to ensure that the two outstanding projects that have yet to be signed off have value for money reports from independent certifier.

Risk Management:

Risk management is considered in section 4 of this report

Background Information:

The background papers relating to this report can be inspected by contacting Paul Smith - Assistant Executive Director, Debbie Watson – Assistant Executive Director.



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1. INTRODUCTION

- 1.1 This report provides a summary of progress to date in relation to the delivery of the Council's capital investment programme to improve sports and leisure facilities approved by Executive Cabinet on 24 March 2016. The investment programme is now providing high quality sports and leisure facilities creating a platform to increase physical activity and supporting the development of a sustainable funding model for Active Tameside.
- 1.2 Additional benefits from the programme include a reduction in dependence on other Council and health related services, increased participation in community life and improved quality of life for all residents including the most vulnerable.
- 1.3 Approval for any capital re-phasing highlighted in this report will be dealt with in the Capital Monitoring Report presented to the Executive Cabinet.

2. PROGRAMMME UPDATE – COMPLETED SCHEMES

- 2.1 The Leisure Assets Capital Investment Programme comprises a number of individual projects:

The following schemes have been completed:

- a) Active Copley heating system replacement (£0.369m).
 - b) Active Copley pitch replacement scheme (£0.177m).
 - c) Active Medlock roof replacement scheme (£0.120m).
 - d) Active Dukinfield development (ITRAIN) – (£1.3m Council investment & £1m repayable loan by Active Tameside).
 - e) Active Longdendale Development (Total Adrenaline) – (£0.600m repayable loan by Active Tameside).
 - f) Active Medlock Synthetic Turf Pitch Replacement (£0.120m).
 - g) East Cheshire Harriers Floodlight Replacement Scheme – (£0.100m)
 - h) Tameside Wellness Centre (£16.374m)
- 2.2 Schemes a) to g) have been delivered within budget. The final account for the Tameside Wellness Centre scheme is currently under review with the Council's independent client advisor, Cushman and Wakefield.

3. PROGRAMMME UPDATE – LIVE SCHEMES

- 3.1 **Active Hyde Pool Extension (£4.034m)** - The Hyde Pool extension scheme was procured by the Local Education Partnership (the LEP) on behalf of the Council. The capital budget for the scheme was approved by Executive Cabinet on the 25 September and now stands at £4.034m, which is in keeping with the projected scheme cost. The scheme commenced on site in February 2020 with completion due in March 2021. Progress on site is currently in keeping with the agreed programme. Work to date has been predominantly outdoors including excavation, drainage, foundations and the installation of the concrete pool tank.
- 3.2 **Tameside Wellness Centre (£16.374m)** - The Tameside Wellness Centre scheme was approved by Council on 2 May 2017. Construction began in November 2018 with the building officially opened on 2 March 2020 approximately 4 weeks ahead of programme. The scheme value is £16.224m (£13.674m Council investment, £1.5m Sport England grant and a £1.050m grant to Active Tameside).
- 3.3 The building subsequently closed on 23 March 2020 in response to Government guidance on the Covid 19 pandemic. With the partial lifting of restrictions elements of the building reopened on the 27 July. The building is currently in its 12 month defects liability period.

The closure period has been used to deal with a small list of outstanding defects. The final account for the scheme is currently under review with the Council's independent client advisor, Cushman and Wakefield. This will be the subject of a further report which will also include the likely final account for the Hyde Pool Extension scheme.

4. RISK MANAGEMENT

- 4.1 The major risks associated with all capital schemes include funding, increasing costs and time delays occurring during the development and delivery phases. The Council continues to manage and monitor schemes using robust project management methodology and governance to mitigate these risks.
- 4.2 The impact of Covid 19 on the delivery of schemes continues to be monitored. To date there has been no direct financial impact on the leisure capital projects.

5. CONCLUSIONS

- 5.1 All schemes are now complete apart from the extension at Hyde Pool, which is currently on time and on budget.

6. RECOMMENDATIONS

- 6.1 As set out at the front of the report.