STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

11 July 2016

Commenced: 2.00pm	**Terminated: 3.00pm**
Present:	**Councillor K Quinn (Chair)**
	Councillors Cooney, Dickinson, Fairfoull, J Fitzpatrick, B Holland, McNally and Taylor
Chief Executive:	**Steven Pleasant**
Monitoring Officer	**Sandra Stewart**
Section 151 Officer:	**Ian Duncan**
Also in attendance:	**Robin Monk, Damien Bourke, Ilys Cookson, Paul Moore, Ian Saxon, Alison Lloyd-Walsh, Beverley Stephens and Kathy Roe.**

1. DECLARATIONS OF INTEREST

There were no declarations of interest submitted by Members.

2. MINUTES

The Minutes of the meeting of the Strategic Planning and Capital Monitoring Panel held on 14 March 2016 were signed by the Chair as a correct record.

3. CAPITAL MONITORING REPORT - OUTTURN 2015/16

Consideration was given to a report of the First Deputy (Performance and Finance)/Assistant Executive Director (Finance) summarising the capital monitoring position at 31 March 2016. The report showed projected capital investment of £40.067 million in 2015/16. This was £7.472 million less than the total programmed spend for the year. Re-phasing of £6.534 million into the next financial year was therefore proposed, which would reduce the variation to £0.938 million.

Details of the projected outturn capital investment were shown by service area and Section 3 of the report referred to the most significant scheme variations.

Particular reference was also made to the changes to the approved 3 year capital programme and capital receipts.

RESOLVED

(i) That the 2015/16 capital outturn position be noted;
(ii) That the capital financing statement for 2015/16 is approved;
(iii) That the revised capital programme (including changes and re-profiling) is approved;
(iv) That the current position in regards to Compulsory Purchase Orders (CPO's) and indemnities is noted; and
(v) That the capital receipts position is noted.

4. VISION TAMESIDE PHASE 2 PROGRESS UPDATE

Consideration was given to a report of the Assistant Executive Director, Development and Investment, detailing the progress to deliver the Vision Tameside Phase 2 Programme.

It was reported that significant progress had been made since the last meeting of the Panel on 14 March 2016. In particular progress made with key elements of the Programme were detailed as follows:

- Negotiations on liability for the removal of asbestos had now been satisfactorily completed. Details of the financial implications for the Council were set out in the report.
- Lease discussions were nearing completion with the College, Job Centre Plus (JCP) and the Clinical Commissioning Group (CCG). Heads of Terms were to be agreed prior to the award of the Design and Build contract.
- The scope of the building had not changed and remained as approved. It was noted that any changes to the design or specification, following approval of the Stage 2 report, was likely to incur additional costs. Following recent changes in the management at the College, the Stage 2 designs were currently under review and several design changes were anticipated. The College had been made aware that they would be responsible for any costs associated with any requested design changes and that any impact on timescales would need to be considered carefully to ensure there was no negative impact on the overall programme. Further detailed discussions with potential occupat6ns were ongoing to gain a better understanding of partners' requirements and to identify if design changes were required to the first floor.
- An analysis of furniture, fittings and equipment, for all elements of the scheme, was completed as part of the Stage 2 submission. The original £1.5 million budget for the Council and partners had been confirmed to be sufficient at Stage 2. A financial breakdown of furniture, fittings and equipment costs for the College was detailed in the report.

It was reported that substantial progress had been made with the development of the Ashton Town Centre public realm project. An appropriate funding package was also being developed to enable the delivery of all elements of the project as identified in previous reports.

In respect of future use of Ashton Town Hall, it was explained that a separate study to explore the potential for optimising the future use of Ashton Town Hall had been completed to assist in developing a vision and business plan for the future use of this important historic building. Proposed uses included; arts and culture hub, retail/food and drink, meeting rooms and function rooms.

A further report on the re-use of Ashton Town Hall would be provided for consideration once project and funding details had been established.

An appropriate Recant Strategy was in the process of being developed for the new Joint Service Centre as part of the wider Council accommodation strategy.

It was further reported that due to unforeseen delays in the demolition programme, a revised recovery programme had been received, which indicated that the demolition programme would be complete by the 5 August 2016. A revised high level programme was detailed in the report confirming a completion date for the construction of the new building as 26 May 2018 with recant and occupation completed by September 2018.

With regard to financial implications, it was explained that the Council's meeting of Executive Cabinet on 16 December 2015 gave authority to further negotiate specific areas in the cost plan to achieve better value for money. The negotiations were now complete and a revised offer had been made by Carillion, details of which were given in the report.

The costs approved by Executive Cabinet in December 2015 were also detailed in the report along with further virements which were proposed for approval through a Council Key Decision on 29 June 2016 including the high level capital requirements for the project.

In respect of Risk Management, it was reported that the Vision 2 programme had a comprehensive risk register and issues log which was pro-actively managed by the Project team. The primary risks associated with the proposals outlined in the report were detailed.

It was concluded that the programme to deliver the Vison Tameside Phase 2 project was key to the achievement of the Council's overall strategic priorities and a new exciting future for Tameside attracting new businesses, creating new jobs and future opportunities for Tameside residents.

Maximising opportunities for local employment, apprenticeships, work placements a local supply chains contributed to economic prosperity in the Borough.

Improvement to the public realm was critical to the success of the Vision Tameside programme and good progress continued to be made with project development and associated funding package from external partners.

Ashton Town hall was a key council asset and good progress continued to be made with the development of a vision and business plan for the future re-use of the building.

In order to conclude designs and cots for the new building it was necessary to develop a costed Recant Strategy as the occupants would dictate the use and feel of the space. Good progress was now being made on this critical piece of work, which would also help inform the Council's Estate Strategy for the disposal and retention of properties within its portfolio.

RESOLVED:

1. **That the progress on the following be noted:**
   - **(i) delivery of the Vision Tameside Phase 2 scheme;**
   - **(ii) maximising the opportunities for local employment, apprenticeships, work placements and local supply chains;**
   - **(iii) development of the Ashton Town Centre Public Realm project;**
   - **(iv) development of a vision and business plan for the future use of Ashton Town Hall; and**
   - **(v) development of a Recant Strategy for the new building, which will also help inform the Council Estate Strategy for the disposal and retention of properties within its portfolio.**
2. **That any variations to the project with cost consequences will be advised to the Panel together with an explanation as to the reason for the change and where the costs will be met from within the costing envelope.**

5. ASSET MANAGEMENT UPDATE

Consideration was given to a report of the Assistant Executive Director, Development and Investment, detailing the progress on the disposal of the Council's surplus assets, anticipated capital receipts that would be realised and investment that was required to maintain those buildings being occupied and retained or dilapidated arising from the termination of leases.

With regard to the disposal of assets, it was reported that the Asset Disposal process continued with a figure of £6,283,500 achieved in the last 6 months. Details of Capital receipts realised to date was provided in an appendix to the report. Planning and Section 77 consultations were now underway on the 5 larger school sites and a process of active marketing was also on track. Work was underway on master planning the large sit at Windsor Road in Denton and discussions around a potential disposal were proving positive. Details of Capital Receipts realised to date was provided in an appendix to the report.

Information with regard to properties identified for disposal or where tenants had sought to acquire the freehold of the properties that they leased, was provided in an appendix to the report.

With regard to leased buildings, as reported at previous meetings of the Panel, the Council's policy was to terminate leases it had for buildings owned by others and to relocate services to surplus space in Council owned properties, where this delivered value for money, to reduce the revenue cost of operating and occupying buildings.

With regard to investment in civic and corporate buildings, it was reported that there was no reactive maintenance budget included within the corporate landlord budgets and any repairs or upgrading of buildings required a request for additional investment to be made to the Panel for approval by Cabinet. In the past few months a number of requests had been received for repairs for civic and operational buildings for which there was no revenue or capital budget allocation. Analysis of capital spends for February 2016 - May 2016 was £175,126. In addition there had been spend of £68,742 in regard of property related revenue type spend in the same period.

An analysis of the capital investment required in respect of health and safety/essential operational repairs was detailed in the report. In some cases, repairs had already been undertaken to allow the buildings to remain operational.

In respect of Stamford Park – infrastructure improvements to Silver Springs, it was reported that there was a requirement to ask panel approval for £20,000 to undertake repairs in the Silver Springs area of Stamford Park. This work would complement and complete a package of repairs already undertaken to footpaths and drainage around the Silver Springs and Stamford Park sites. Previous funding comprised:

- £20,000 from Public Health; and
- £20,000 already received from external funder – SITA.

The degradation of the footpaths had been exacerbated over a particularly wet winter and an overall increase in use of these paths. This project would enable wider access to the site form key locations such as the Ridgehill Housing area and Tameside Hospital and there was a risk that if path improvements were not undertaken existing users would stop taking these routes and levels of physical activity may reduce. This project would also improve the park Run course and would make it more accessible and was likely to increase the number of participants.

With regard to sport and leisure estate investment, it was explained that on 24 March 2016, Executive Cabinet considered a report setting out proposals to ensure the provision of high quality sports and leisure facilities in Tameside, creating a platform to reduce physical inactivity and develop a sustainable funding model in relation to Active Tameside. Executive Cabinet approved specific proposals in relation to:

- Changes to the existing Tameside leisure estate, including a programme of capital investments;
- Increasing commercially profitable activity;
- Growth in inward investments; and
- Maintenance and repairs.

Once implemented in full, the proposals would enable revenue investment in Active Tameside to be reduced from £1.865 million in 2015/16 to £0.715 million by 2019/20 (a reduction of £1.150 million or 62%), and to £0.441 million by the end of the contract in 2023/24 (a reduction of £1.424 million or 76%).

A summary of progress to the end of June 2016 on the delivery of the sport and leisure estate investment programme was detailed in the report.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:

(i) That the list of properties for disposal but not yet completed identified in Appendix 1 to the report be noted;
(ii) That the allocation of £175,126 to undertake building condition replacement/repair projects as detailed at paragraph 3.2 of the report, be approved; and
(iii) The allocation of £20,000 to facilitate works at Silver Springs, Stamford Park, be approved.

6. DEVELOPER AGREEMENTS, CONTRIBUTIONS AND SECTION 106 AGREEMENTS

Consideration was given to a report of the Assistant Executive Director, Development and Investment, summarising the current position with regard to receipts received from Section 106 Agreements and Developer Contributions and made comments for each service area.

It was reported that the summary position as at the period 31 January 2016 for Section 106 Agreements totalled £190,000, with Developer Contributions totalling £261,000. The balance of unallocated section 106 funds and developer contributions were as follows:-

- Services for Children and Young People - £124,000 (s106) and £14,000 developer contributions;
- Community Services (Operations and Greenspace) - £43,000 (s106) and £186,000 developer contributions; and
- Engineering Services - £23,000 (s106) and £14,000 developer contributions.

A section 106 agreement was in the course of being drafted for an application at Newton Business Park, Hyde, reference 16/00054/OUT. The outline planning application was for the demolition of all existing on site structures and the principle of redevelopment of the site for residential dwellings with an indicative Master plan showing up to 64 dwellings of a mix of 2, 3 and 4 bed properties.

A section 106 agreement had been made for an application at Britannia Mill, Manchester Road Mossley, reference 15/01061/OUT. This application would be considered at Speakers panel (Planning) on 22 June 2016. The outline planning application was for the demolition of the building and erection of approximately 750sqm retail floor space and approximately 62 apartments subject to reserved matters being approved and provided commuted sums to mitigate against the impact the proposal may have on off-site Open Space and Education provision. The sums were £631.85 per property for Open Space. There would also be £867.20 per 2 bed property and £1,211.35 per 3 bed property. There would also be a sum of £7,000 for the development to upgrade dropped kerbs and tactile paving in the vicinity of the site.

A section 106 agreement was being drafted for an application at the Oddfellows Arms, Alderley Street, Ashton, reference 16/00234/FUL. This full application was for the conversion of the building into 3 dwellings and was subject to a commuted sum to mitigate against the impact the proposal may had on off-site Open Space of £5,960 towards improvements to the play area at Cedar Park to the east of the site.

It was reported that no requests had been made to draw down funding from outstanding Developer Contributions or Section 106 monies.

As previously reported to the Strategic Planning and Capital Monitoring Panel, procedures to effectively manage the post April 2015 Section 106 agreement smart pooling system had been the subject of an internal audit. A draft audit report had now been finalised and a closure meeting between Planning and Audit was due to take place. Feedback on the outcome of the audit report would therefore be provided at the next Strategic Planning and Capital Monitoring Panel.

RESOLVED
(i) That the content of the report be noted; and
(ii) That feedback on the outcome of the audit report be provided at the next meeting of the Strategic Planning and Capital Monitoring Panel.

7. ENGINEERING CAPITAL PROGRAMME 2016/17

The Assistant Executive Director – Environmental Services submitted a report setting out initial details of the 2016/17 Engineering Capital Programme for Environmental Services and sources of funding with specific reference to the Highways Structural Maintenance Programme.

It was reported that the duty to formulate Local Transport Plans was the responsibility of Transport for Greater Manchester (TfGM) who reported to the Greater Manchester Combined Authority (GMCA). In order to support the objectives and strategies at local and regional level the proposed Engineering Capital Programme was divided into a number of headings based on the funding detailed at **Appendix 1** to the report.

Approval was sought for the proposed allocation of the 2016/17 Department for Transport Funding allocation and specifically for the allocation amongst Tameside's principal and non-principal roads as follows:

- Highways Structures and Bridges (£0.410m)
- Structural Maintenance Works (Principal/Non Principal Roads) (£1.697m)
- Street Lighting (£0.152m)
- Improved access to Hattersley Station (£0.750m)

Approval was sought for the proposed allocation of the 2016/17 Department for Transport Funding allocation and specifically for the allocation amongst Tameside's principal and non-principal roads.

RESOLVED
That the following RECOMMENDATIONS be made to Executive Cabinet:
(i) That the Engineering Maintenance Block Allocation and the Highways Structural Maintenance Programme for 2016/17 as detailed in Appendix 1 to the report be approved; and
(ii) That the use of grant funding from the GM Growth Deal Round 2 to procure improvements to Hattersley Rail Station in the financial year 2016/17, be supported.

8. SMART TAMESIDE: DIGITAL BY DESIGN: HBEN & CTAX ON LINE INTEGRATED FORMS

A report was submitted by the Assistant Executive Director – Exchequer Services, which explained that the Digital by Design program aimed to transform how the council manages contact with the public through the better use of new technology and in so doing, saved time, money and improving levels of service.

It was reported that, as more and more people turned to digital channels to access services and information, there was an opportunity for the council to digitalise how it dealt with customer requests and contacts across all its main channels with the intention of improving customer care and reducing costs.

Exchequer Services delivered its service to all residents and business rates payers in the Borough, many of whom want to transact their business with the Council by electronic means. A number of on-line forms were available on the Council's website, however those forms did not integrate with the back-office system and so the data had to be keyed into systems which was resource intensive and increased cost.

At present, only 2 forms (Housing Benefit and Council Tax Support application form and change of circumstances form) were available for completion on-line and which also integrated direct into the back-office system.

The report detailed the costs and benefits for a wider range of intuitive forms to be available on-line and which all integrated direct into the back office system.

The report further detailed the costs and benefits for a wider range of intuitive forms to be available on-line and which all integrated into the back office function. Any change required to the Councils web-site would be fully compatible with the Digital by Design programme currently being implemented by IT.

RESOLVED
That the following RECOMMENDATION be made to Executive Cabinet:

(i) That approval be given for an allocation of £90k from the Capital budget to purchase the intuitive on-line and integrated forms for a range of Exchequer Services on an invest to save basis.

CHAIR