

## STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

22 November 2021

Commenced: 14:00

Terminated:14:40

**Present:** Councillors Warrington (Chair), Cooney, Feeley, McNally, Newton and Dickinson

**In Attendance:**

Steven Pleasant	Chief Executive
Sandra Stewart	Director of Governance and Pensions
Tim Bowman	Director of Education (Tameside and Stockport)
Caroline Barlow	Assistant Director of Finance
Emma Varnam	Assistant Director of Operations & Neighbourhoods
Tracy Morris	Assistant Director, Children's Services
Paul Smith	Assistant Director of Strategic Property
Trevor Tench	Head of Commissioning, Adult Social Care

**Apologies for Absence:** Councillors Fairfoull and Reid

Councillors Ryan and Cooney participated in the meeting virtually and therefore without voting rights.

### 22 DECLARATIONS OF INTEREST

There were no declarations of interest.

### 23 MINUTES

That the minutes of the Strategic Planning and Capital Monitoring Panel meeting held on the 6 September 2021 were approved as a correct record.

### 24 MONTH 6 CAPITAL MONITORING REPORT

Consideration was given to a report of the Executive Member for Finance and Economic Growth / Director of Finance, which summarised the budget and forecast expenditure for fully approved projects in 2021/22 financial year.

Members were advised that the approved budget for 2021/22 was £74.352m and current forecast for the financial year was £42.521m. There were additional schemes that had been identified as a priority for the Council, and, where available, capital resource had been earmarked against these schemes, which would be added to the Capital Programme and future detailed monitoring reports once satisfactory business cases have been approved by Executive Cabinet.

It was reported that the current forecast was for service areas to have spent £42.521m on capital investment in 2021/22, which was £31.831m less than the current capital budget for the year. This variation was spread across a number of areas, and was made up of a number of over/underspends on a number of specific schemes (£2.842m) less the re-profiling of expenditure in some other areas (£28.989m).

### RESOLVED

**That the Panel be RECOMMENDED to NOTE:**

- (i) the forecast outturn position for 2021/22 as set out in Appendix 1.
- (ii) the funding position of the approved Capital Programme as set on page 9 of

## **Appendix 1.**

- (iii) the changes to the Capital Programme as set out on page 10 in Appendix 1**
- (iv) the updated Prudential Indicator position set out on pages 11-12 of Appendix 1, which was approved by Council in February 2021.**

**That Executive Cabinet be recommended to APPROVE the re-profiling of budgets into 2022/23 as set out on page 4 of Appendix 1.**

## **25 EDUCATION CAPITAL PROGRAMME**

The Executive Member, Lifelong Learning, Equalities, Culture and Heritage/ Executive Member, Finance and Economic Growth / Director of Education (Tameside and Stockport) / Assistant Director, Strategic Property submitted a report providing an overview and updated position in respect of the Council's Education Capital Programme.

Members were advised that Basic Need Funding was allocated to each local authority to create new places in schools. The report gave details of the amount of Basic Need Funding held by the Council. Full details of existing and proposed schemes were set out in Appendix 1 to the report.

Approval was sought at Executive Cabinet in June 2021 for the expansion and relocation of Hawthorns School, the budget requested was £13m. As part of the report, approval was requested to progress to RIBA Stage 3 at a cost of £537,800. Approval was given to progress but further information was required relating to the revenue implications, therefore at this stage only the RIBA Stage 3 costs had been included in the approved budget at Appendix 1. The scheme was supported through Basic Need, Special Provision and High Needs Provision grant funding.

Members were further advised that School Condition Grant Funding was allocated for the maintenance of school buildings. The funding was part formulaic (based on pupil numbers) and part reflecting recent condition surveys conducted by the Education and Skills Funding Agency (ESFA). The report set out the amount of School Condition Allocation available to spend. Full details of existing and proposed schemes were also set out in Appendix 1 to the report.

It was explained that the Schools Forum agreed a contribution protocol for schools condition works that was implemented from 1 October 2020. The protocol asked for a contribution towards all school condition schemes. The contributions were £10,000 for primary schools and £25,000 for secondary schools. This would ensure that the limited School Condition Funding received from central government could be maximised.

Schools would contribute towards all school condition schemes. Discussions would be held with schools to confirm their contributions and how they planned to finance it. This would then replace the school condition funding requested for those schools. It was requested that these contributions be added to the capital programme.

Devolved Formula Capital was direct funding for individual schools to maintain their buildings and fund small-scale capital projects. It was calculated on a formulaic basis, using the school census data set and schools made their own arrangements for works to be undertaken.

The DFE had confirmed that the funding for Tameside schools in 2021/22 was £337,001 and £174,553 for Voluntary Aided schools. The maintained allocation was £72,757 more than originally announced as there were five schools that currently had academy orders in place but had not yet converted.

Details were also given of the Special Provision Fund allocations and the High Needs Provision Capital Allocation. Further details of existing and proposed schemes were set out in Appendix 1 to the report.

In relation to Section 106 Developer Contributions, it was reported that there was currently £99,931 Section 106 monies remaining from the £491,007 that was approved by panel and subsequently endorsed by Executive Cabinet at the meetings in March 2020.

With regard to Basic Need funded schemes 2020/21 and beyond, a financial update with details of current Basic Need funded projects, including proposed changes to scheme funding, was provided. Schemes that had already been approved by the Panel and Executive Cabinet were continuing and updated information was provided in respect of approved schemes at: Alder Community High School; Aldwyn Primary School; All Saints Catholic College; Audenshaw School; Cromwell High School; Denton Community College; Greenside Primary School; Hawthorns Primary Academy; Hyde High School; Oakfield Primary Extended Resource Base; St John's CE Primary School; St Thomas More Roman Catholic College and Mossley Hollins High School.

In respect of the pupil forecasting system, in order for Tameside to undertake forecasting for place planning, a pupil-forecasting tool was procured. This was vital to ensure accurate planning and Panel was asked to recommend to Executive Cabinet that the annual cost of £10,500 be allocated from Basic Need to allow this vital work to be completed.

A financial update was provided in Appendix 1 in respect of School Condition Grant Schemes with details of current School Condition Allocation (SCA) funded projects, including proposed changes to scheme funding.

In terms of Contingency allocation, schemes with significant variations from the original estimates and updates on progress on schemes already within the programme were detailed.

Appendix 1 further provided a financial update of the current Special Provision and Healthy Pupils' capital funded projects and the current High Needs Provision Capital funded projects, including any changes to scheme funding.

## **RESOLVED**

**That EXECUTIVE CABINET be RECOMMENDED to APPROVE:**

- (i) The proposed changes to return (£208,000) the Basic Need funding as detailed in paragraph 2.2.**
- (ii) The proposed changes to return (£104,500) the School Condition funding as detailed in paragraph 2.7.**
- (iii) Contributions from schools of £90,000 to be added to the programme and replace the condition funding as detailed in paragraph 2.9.**

## **26 ADULTS CAPITAL PLAN**

Consideration was given to a report of the Executive Member, Health, Social Care and Population Health / Director of Adults Services providing an update of the developments in relation to the Adults Capital Programme.

Updates were provided on approved projects for 2021/22, including:

- Moving with Dignity (Single Handed Care);
- Disability Assessment Centre;
- Replacement of ageing and obsolete equipment; and
- Brain in Hand.

Details about the wider DFG and other related adaptation funding and discretionary non-adaptations funding were also outlined within the report.

The report further provided an update on an Expression of Interest from the Council to the Government on funding made available nationally for Changing Places Toilets. If successful, this would require some co-funding from the Council's capital adaptations budget. Full details of the

Adult Services capital programme were appended to the report.

**RESOLVED**

**That the Panel be RECOMMENDED to note the report.**

**27 CHILDREN SOCIAL CARE CAPITAL SCHEMES UPDATE REPORT**

Consideration was given to a report of the Deputy Executive Leader, Children and Families / Director of Children's Services, which provided an update on the Children's Social Care Property Capital Scheme and set out details of the major approved property capital schemes in this Directorate.

Details of existing schemes were set out in the report and a progress update was provided as follows:

**Respite Unit** - The purchase of a respite property continued to be delayed due to the fast movement of the housing market and had proved difficult as properties were being vended rapidly, either by investors or private purchases. Growth were supporting in identifying suitable properties to deliver the respite unit. The property search continued with regular viewings taking place.

**St Lawrence Road (Assessment Unit)** - Works on the unit had now completed and handed over to Children's Services, the Ofsted registration process was now underway. Furnishing of the building was now in progress and expected to come in on budget.

**Solo Unit (66 Chester Ave)** - Approval on the 29 September 2021 was granted from Executive Cabinet to develop a solo unit at 66 Chester Ave, refurbishment of this property was underway. The solo unit would provide accommodation for the most complex young people. The Ofsted registration was in process and appointment of a staff team to support the young people.

**RESOLVED**

**That the Board be RECOMMENDED to note the drawdown of £30k, from the remaining capital reserves has been approved and works underway on the refurbishment of 66 Chester Ave.**

**28 CAPITAL PROGRAMME - OPERATIONS AND NEIGHBOURHOODS (PLACE DIRECTORATE)**

Consideration was given to a report of the Executive Member, Neighbourhoods, Community Safety and Environment / Director of Place providing information with regard to the 2021/2022 Operations and Neighbourhoods Capital Programme.

Details were given of approved schemes within Highways: Transport Asset Management Plan (TAMP) and 2021/22 Capital Programme, with particular reference made to:

**Flooding: Flood Prevention and Consequential Repairs**

Works to improve critical infrastructure on the inlet structures reported previously had been substantially completed and anticipated final costs would be within budget.

**Slope Stability Works and Potential Additional Works Required**

The Greenside Lane, Droylsden, retaining wall works were anticipated to be completed in December 2020. However, post-construction monitoring had highlighted an ongoing issue with the wall structure, which required additional works to be carried out. The Council's consultant engineers who designed the scheme, and the contractor who had built it had been working through various options to find the optimum solution.

The design of a solution to arrest the movement had now been agreed and a specialist subcontractor was being employed to carry out further strengthening works to the wall. Weekly progress meetings were now ongoing until such time as the remedial work had been completed.

An independent third party geotechnical specialist was currently being engaged to assess the likely causes of the failure. Based on the report from the third party assessors, agreement would have to be made as to the responsibility for the payment for the additional works.

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

£2.5m was earmarked in the capital programme to fund this project. This scheme was marked as business critical and was approved by Executive Cabinet on the 24 October 2018.

Work on the scheme was progressing. The twin cremators were in situ and the carcass for the bariatric cremator was in place also. The temporary cremator was still being utilised to ensure the service could still meet the demand for funerals. The contractor was still able to keep the crematorium running on a minimum of three cremators at any one time.

Further delays, however, had been experienced in delivering the project as a result of staffing issues with the contractors due to several outbreaks of COVID. Major issues with the supply chain of essential materials and parts had also interrupted the various phases of the installation.

Cremator Number 2 was now expected to be in full client use by 6 October 2021 and Cremator Number 1 in full client use by 10 November 2021. It was expected Cremator No 3 would be in client use by mid to late December 2021. The revised contract completion date, after a formal extension was issued, was 1 December 2021. However, the contractor was currently reviewing the programme to provide a new revised completion date.

Progress of the following capital schemes was also provided:

- Children's Playgrounds;
- Ashton Town Centre Public Realm Project; and
- Main Road LED Street Lighting Lanterns.

Information was also provided in respect of Walking and Cycling Infrastructure schemes, including:

### **Mayor's Challenge Fund**

On 29 March 2018, the Greater Manchester Combined Authority agreed to allocate £160 million of Greater Manchester's £243 million Transforming Cities Fund to develop a Mayor's Cycling and Walking Challenge Fund.

The last report highlighted that the Council's first two Mayor's Challenge Fund (MCF) schemes were due to be completed, on Chadwick Dam, Stalybridge and Hill Street, Ashton by Autumn 2021 and it was explained that these timescales remained realistic.

### **Pedestrian Controlled Crossing at Laurus Ryecroft School, Lumb Lane, Droylsden**

As a condition of planning consent for the introduction of a new school at Lumb Lane, Droylsden, funding was made available under Section 106 of the Town and Country Planning Act 1990. Part of that funding was allocated for the introduction of a controlled pedestrian crossing, associated road markings, traffic calming, bus stops review, bus stop clearway markings and school keep clear road markings for Laurus Ryecroft School.

Another, smaller amount of Section 106 funding was for slight changes to the design of the main traffic signals at Manchester Road / Market Street junction in Droylsden to cater for any potential changes in traffic flows caused by the introduction of the new school. This funding was handed by the applicant directly to Greater Manchester's Urban Traffic Control for their use and is not part of this submission other than for completeness.

The introduction of a crossing and other listed features were deemed appropriate for the safety of the pupils and attendants of the school but were subject to statutory public consultation which may result in objections and the crossing not being supported by Speakers Panel, who will be responsible for hearing any objections received. If the crossing was not introduced remaining funds would have to be returned to the applicant.

An update on Grant Funding Schemes reported previously was given in respect of:

- Department for Transport (DFT) – Safer Roads Fund; and
- Growth Deal 3 Funding – Bus Stop Passenger Access Enhancement

## **RESOLVED**

**That Panel be RECOMMENDED to note the following:**

- (i) The completion of the scheme Flooding: Flood Prevention and Consequential Repairs.**
- (ii) The progress with regard to the Slope Stability Programme and potential additional works required.**
- (iii) The progress with regards to the replacement of Cremators and Mercury Abatement, Filtration Plant and Heat Recovery Facilities.**
- (iv) The progress of capital schemes in section 2.18-2.29, and external grant schemes in sections 3 and 4.**
- (v) The progress of the Walking and Cycling infrastructure schemes set out in section 3 of the report.**

**That the EXECUTIVE CABINET be RECOMMENDED to approve the addition of £0.060m to the Capital Programme for the provision of a pedestrian controlled crossing, associated road markings, traffic calming, bus stops review, bus stop clearway markings and school keep clear road markings for Laurus Rycroft School, Lumb Lane Droylsden (Section 3.19). This scheme will be financed by funds secured under Section 106 of the Town and Country Planning Act 1990, for the siting of the new Laurus Rycroft School.**

## **29 GROWTH CAPITAL PROGRAMME - UPDATE**

A report was submitted by the Executive Member, Finance and Economic Growth / Director of Place providing an update, on the 2021/22 former Growth Directorate Capital Programme and set out details of the major approved capital schemes. It was noted that those were now transferred to the Place Directorate.

Details of recently completed capital projects were given as follows:

- Ashton Old Baths Annexe - Phase 3;
- Denton Baths Site Clearance;
- Former Two Trees School – Site Clearance; and
- Hyde Pool Extension.

Current schemes were further detailed at Droylsden Library relocation and old Library site clearance; and Tameside One – Ceiling Voids.

Members were advised that the proposed Godley Green Garden Village was the key strategic site for residential development in Tameside. The transformational change that was proposed by the development would help to satisfy the needs of current and future households across the spectrum of housing types and tenures, from affordable to executive homes as well as providing the step change required that would contribute to the re-balancing of the Tameside housing market. An Outline Planning Application was submitted to the Local Planning Authority on 30 September 2021.

The Council entered into a £10m Housing Infrastructure Funding (HIF) award for the Godley Green in December 2019. The Grant Funding allowed for an early draw down of £0.720m supporting activity required to get to planning submission stage which had been fully received in 2020/21.

A detailed capital programme plan outlining the spending of the remaining £9.28m grant was being developed and would then be added to the Council's capital programme should planning consent be approved.

Members were further advised that on 2 November 2020, the Council's Executive Cabinet approved an additional £2.75m to take the project to the next stage. It was proposed to fund this from the Council's medium-term financial strategy reserve, on the basis that the project, if successful, would bring significant benefits to the borough and its residents. The consolidation of the remaining Godley Green budgets in to one capital scheme with a total value of £12.559m, was illustrated in the report.

The Council had secured an expected additional £0.030m capacity funding from Homes England to support the ongoing project management function which was yet to be confirmed or received. A similar bid for capacity funding would be made in 2021/22 to reflect the project and programme management requirements post planning submission. The funding would be included in subsequent reports with a recommendation for inclusion within the approved capital programme once confirmation of values was received. The Council had also secured £0.125m grant funding from the GM Evergreen Funding Programme for additional project and programme management support to develop the commercial and delivery partner strategies. Again, the funding would be included in subsequent reports with a recommendation for inclusion within the approved capital programme once the proposed use of the grant was confirmed with the Greater Manchester Combined Authority.

In respect of Stalybridge High Street Heritage Action Zone (HSHAZ), it was reported that Stalybridge town centre was selected as Tameside's focus for the GM Mayor's Town Centre Challenge in 2018. Initial work to plan and progress the delivery of Stalybridge's Town Centre Challenge was co-ordinated by the Stalybridge Town Centre Challenge (STCC) Board and a Stalybridge Town Centre Challenge Action Plan now set out the aspirations for the town centre. A bid for external funding to deliver on the ambitions for Stalybridge secured £1.275m High Street Heritage Action Zone (HSHAZ) funding through Historic England with £1.275m match funding by the Council. The Grant Funding Agreement was completed on 16 February 2021.

With regard to Corporate Landlord – Capital Expenditure, it was noted that a £1m budget was approved by Executive Cabinet on 29 September 2021 for statutory compliance, £0.5m in 2021-22 and £0.5m in 2022-23. Appendix 4 to the report indicated spend to date of £0.025million with a projection of £0.5 million to 31 March 2022. A Plan together with a schedule of works to date would be included in the next SPCM report.

It was reported that Hattersley Station Passenger Facilities project would provide a refurbished and extended ticket office at Hattersley Railway Station forming Stage 2 of the ongoing works to improve the facility. Following the Stage 1 improvements made to Hattersley Road West and the station car park in 2016, passenger numbers had increased substantially, from 51,982 in 2015 to 110,646 in 2019.

Section 106 Agreements and Developer Contributions were summarised and it was explained that the current position for s106 Agreements was £1.733m in credit, less approved allocations of £0.228m leaving a balance available to drawdown of £1.505m, as at 31 August 2021, as detailed in Appendix 1 to the report.

The position for Developer Contributions as at 31 August 2021 was £0.028m in credit, less approved allocations of £0m leaving a balance of £0.028m as detailed in Appendix 2 to the report.

No new Section 106 agreements had been entered into between 1 May 2021 and 31 August 2021.

There had been one request for a S106 drawdown. Engineers had requested the drawdown of £0.060m of planning application 18/00188/FUL relating to the installation of a puffin crossing across Lumb Lane, adjacent to the junction with Cryer Street.

It was reported that the Council introduced an online calculator in 2006 to allow applicants to work out the cost of Section 106 contributions in order to make proposed developments acceptable in planning terms.

Agreements were made in accordance with Section 106 of the Town and Country Planning Act 1990, subsequently updated by the Community Infrastructure Levy Regulations (CIL) 2010, which set out that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:

- (i) Necessary to make the development acceptable in planning terms
- (ii) Directly related to the development; and
- (iii) Fairly and reasonably related in scale and kind to the development.

The online calculator assisted in relation to point (iii) by ensuring that the agreements were fairly related in scale to the development.

Recent discussions with Service areas (Education, Operations and Greenspaces and Highways) involved in planning obligations suggested that the calculator needed a further update to better reflect the current cost of the provision of infrastructure and ensure the online calculator continued to be a useful starting point for the negotiation of s106 obligations relating to planning applications. It was therefore considered appropriate to review the values used within the calculator and following a discussion with Finance Officers, it was agreed to propose an uplift in line with inflation, using the Government's latest index, CPIH.

The proposal was therefore that the current rates used within the calculator be uplifted to reflect inflation (from March 2016 to August 2021). The CPIH index indicated an 11% increase in prices.

Progress was reported on land disposals following a revised policy on the disposal of council owned land, along with a list of sites being agreed at 30 September 2020 Executive Cabinet, alongside those previously agreed for disposal as part of the Building Schools for the Future Business case. A cumulative total of £0.425m had been achieved through completed sales. Disposals of further surplus assets were being actively progressed and were at various stages of the disposal process. A summary was provided in an appendix to the report.

A second batch of surplus sites had been identified. Consultation had taken place with the Cabinet Member initially, with further consultation completed with Ward Councillors. The sites were approved for disposal by the Executive Cabinet on 29 September 2021.

It was explained that the GMCA consortium bid to the Decarbonisation of the Public Estate Fund was successful, resulting in grant award of £78.3 million. The Council's allocation of this grant was £2.284m. On the 14 April 2021 an Executive Decision Notice was signed to give permission to enter into a contract with GMCA to allow the drawdown of the funds. The draw down arrangement worked on a monthly basis in arrears on provision of necessary financial information to GMCA. Work was progressing well with a mixture of enabling and installation works being undertaken.

A request was made for a risk rag rating FOR Godley Green and it was agreed that whilst this was being dealt with in more detailed in specific reports and overall view would be included in this report going forward.

## **RESOLVED**

**That the Panel be RECOMMENDED to NOTE:**

- (i) the report including the consolidation of various remaining funding streams for Godley Green to create one capital scheme with a total value of £12.599m (section 2.7 table 1 refers).
- (ii) that a £1m budget was approved by Executive Cabinet on 29 September 2021 for statutory compliance (section 2.18 refers).

**That Executive Cabinet be RECOMMENDED to APPROVE an uplift to the Planning**

Obligation Calculator of 11% (in line with CPIH, March 2016-August 2021, section 3.12 table 2 refers).

**34 EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED:**

That under Section 100(a) of the Local Government Act 1972 the press and public be excluded for the following item of business on the grounds that:

- (i) It involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act;
- (ii) In all circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information as disclosure would or would be likely to prejudice commercial interests.

**35 ITEM 9 APPENDIX 6**

Consideration was given to Appendix 6 of the Growth Capital Programme Update, the Assistant Director of Strategic Property responded to questions of the Panel.

**36 URGENT ITEMS**

There were no urgent items.

**CHAIR**