

Report to:	STRATEGIC PLANNING AND CAPITAL MONITORING PANEL
Date:	14 March 2022
Executive Member:	Councillor Oliver Ryan - Executive Member (Finance and Economic Growth).
Reporting Officer:	Ian Saxon, Director of Place
Subject:	PLACE CAPITAL PROGRAMME UPDATE REPORT - PROPERTY, DEVELOPMENT AND PLANNING
Report Summary:	This report provides an update on the delivery of the 2021/22 Place Capital Programme for Property, Development and Planning
Recommendations:	<p>That Strategic Planning and Capital Monitoring Panel:</p> <p>(i) Note that £243,593 of Corporate Landlord Capital Expenditure financed from the approved Statutory Compliance budget has been spent as detailed in Appendix 7.</p> <p>(ii) Recommend to Executive Cabinet the inclusion of additional grant budget of £60,782 to the Decarbonisation of the Public Estate scheme in the Capital Programme, which would revise the current budget to £2,344,386.</p>
Corporate Plan:	A number of the schemes presented in this report continue to support the objectives of the Corporate Plan.
Policy Implications:	<p>The Place Directorate Capital Programme contributes to the 5 focus themes of the Tameside Carbon Reduction and Environment Strategy 2021-2026, specifically:</p> <ul style="list-style-type: none"> • The development of low carbon solutions in a number of schemes driving down consumption across the estate including the streamlining the corporate portfolio of buildings. • Supporting and facilitating sustainable travel options.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	<p>Appendix 4 provides a summary of the Property, Development and Planning Services (Place Directorate) 2021/22 capital programme as at 31 January 2022 (period 10) and forecast to 31 March 2022.</p> <p>Members should note that Appendix 5 provides an update on the key milestones for relevant schemes</p> <p>Tameside One – Ceiling Voids - Section 2.2 informs Members of the insurance requirements to deliver this scheme in the entire Tameside One building. Discussions are ongoing with Tameside College about access and any impact on the Council’s insurance costs.</p> <p>Proposed Godley Green Garden Village - Set out in sections 2.3 to 2.7 of this report are details of the progress of this scheme. Two new grants have been secured: a Homes England Additional Capacity grant of £160,000 and Greater Manchester Combined Authority Evergreen grant of £125,000. The total value of the capital scheme is £12,844,000. The period 10 capital programme report is</p>

forecasting projected expenditure in 2021/22 of £1,350,000 and a budget of £11,494,000 in future years.

Stalybridge High Street Heritage Action Zone (HSHAZ) - Set out in sections 2.8 to 2.17 of this report is the progress of the various elements of the scheme. The total value of the capital scheme is £3,689,000. The period 10 capital programme report is forecasting a projected spend in 2021/22 of £1,182,000 and a budget of £2,507,000 in future years.

Corporate Landlord – Capital Expenditure - Sections 2.17 to 2.18 of the report details statutory compliance works with supporting analysis provided in **Appendix 7**. Members are requested to note that a £1,000,000 budget was approved by Executive Cabinet on 29 September 2021 for statutory compliance.

Section 106 Agreements and Developer Contributions - The Section 106 agreements must be spent within a specified deadline and for the purpose that the contribution was provided. An analysis of the S106 and developer contributions currently held by the Council are provided in **Appendices 1 and 2** and are explained in section 3 of the report.

Land disposals - Section 4 of the report provides an update of land disposals with supporting details for each site included within **Appendix 3**. Members are reminded that a critical source of funding required to finance the Council's capital programme is capital receipts from the sale or disposal of Council owned land and buildings. The existing approved capital programme requires a minimum of £15,400,000 of capital receipts which is based on the disposal of surplus assets approved by the Executive Cabinet on 30 September 2020.

Hattersley Railway Station - Sections 2.19 to 2.21 of this report sets out the progress of the scheme which is expected to be complete in early 2022/23

Ashton Town Centre Levelling up fund - Sections 2.22 to 2.30 sets out the background of this new funding. On 27 October 2021 it was announced that the £19,870,000 Levelling Up Fund (LUF) bid for Ashton Town Centre had been successful. Executive Cabinet approved the addition of a budget for the scheme to the Capital Programme, £200,000 in 2021/22 and £19,670,000 in future years.

Decarbonisation of the Public Estate - Details of this scheme is set out in section 5 of this report. The Council has secured an additional grant allocation of £60,782 increasing the total value of the scheme to £ 2,344,386.

Resources available to fund the Capital Programme - The Council has limited resources available to fund Capital Expenditure. On 29 September 2021, Executive Cabinet approved the allocation of the remaining capital reserves to immediate priorities. No new capital investment will be agreed until the revenue budget position for 2022/23 is clearer and the Council has a sustainable medium term financial plan. A further review of Capital Priorities and the affordability of future borrowing to fund Capital Expenditure will be undertaken following conclusion of the 2022/23 budget setting process. No further capital projects will be approved in the short term unless the schemes are fully funded from external sources.

Legal Implications:
(Authorised by the Borough Solicitor)

This report is intended to provide the Panel with an overview of the capital works to provide Members with an opportunity to review the progress being made particularly in terms of timescales, value for money and delivery of capital receipts.

With reference to the statutory compliance spend the previous report to panel confirmed that this report would provide a schedule of forward works and those which have been undertaken will be provided at the next meeting.

We need to understand cost and delivery consequences of para 2.2 and 2.10 to 2.14 expediently so costs are not incurred.

Clarity needs to be provided as to what period appendix 3 covers – is it the financial year 2021/22?

Additionally, members need confirmation that all the estimates set out in Appendix 6 will be subject to a valid (expire after 3 months) independent redbook valuations to provide confirmation of a best value price and achieve compliance pursuant to s123 of the Local Government Act 1972

Access to Information:

The background papers relating to this report can be inspected by contacting the report writer, Roger Greenwood by:



Telephone: 07971 285 332



E-mail: roger.greenwood@tameside.gov.uk

1. INTRODUCTION

- 1.1 This report provides an update on the delivery of the Place Capital Programme managed by the Departments of Strategic Property, Investment, Development and Housing and Planning and Place Making – 2021/22

2. APPROVED CAPITAL PROJECTS

Recently completed schemes

- 2.1 The following capital projects are now complete. However, they will continue to be highlighted in this report until such time as the final accounts for each scheme have been agreed. The status of each scheme is presented as RED, AMBER, GREEN (RAG Status). Red = High Risk or not progressing as planned; Amber = Possible issues that require action or close scrutiny; Green = no issues identified.

Ashton Old Baths Annexe. RAG STATUS: GREEN

Programme: Completed in May 2021

Budget: Within budget subject to final account. We expect the final account to be agreed in April 2022.

Remaining Issues: None

Hyde Pool Extension. RAG STATUS: GREEN

Programme: Completed in July 2021

Budget: Within budget subject to final account. We expect the final account to be agreed in April 2022

Remaining Issues: None

Droylsden Library relocation and old Library site clearance. RAG STATUS: GREEN

Programme: Completed January 2022

Budget: Within budget subject to final account which has been provided.

Remaining Issues: None

Tameside One Construction

There is a final retention payment due to the LEP of £82,513. This is currently being independently verified via an external assessor for payment in 2021/22. In addition there are independent assessor and project management fees estimated at £7,000. The estimated total cost of £89,513 will be funded by the Place Directorate revenue budget.

Current schemes

Tameside One – Ceiling Voids. RAG STATUS: AMBER

- 2.2 Programme: “Invest to save” project – Insurance requirement to install additional fire detection equipment into the ceiling voids of the entire Tameside One building.

Budget: Currently on budget

Issues: Discussions are ongoing with Tameside College to agree access dates for works to progress on the College side of Tameside One. It is anticipated that the remaining works will be undertaken during the Easter and summer non term time periods.

Proposed Godley Green Garden Village

- 2.3 The proposed Garden Village at Godley Green is the key strategic site for residential development in Tameside. An Outline Planning Application was validated by to the Local Planning Authority in November 2021.

- 2.4 A cost plan outlining the spending of the remaining £9,280,000 grant has been developed by the Project team. This has been agreed with Homes England through the Client Relationship

Manager process. This will then be added to the Council's capital programme should planning consent be approved by the LPA with a decision likely in Autumn 2022.

- 2.5 The Council has recently secured £160,000 additional capacity funding from Homes England to support the ongoing programme and project management function. The award includes up to £30,000 for Project Management Services previously approved but not claimed for the 2020/21 financial year, with all funding now available for the 2021/2022 financial year only. Any additional funding awarded will be included in subsequent reports with a recommendation for inclusion within the approved capital programme.

Stalybridge High Street Heritage Action Zone (HSHAZ)

- 2.6 The High Street Heritage Action Zone (HSHAZ) funding through Historic England has secured £1,275,000 of external funding from Historic England with £1,275,000 match funding by the Council.
- 2.7 The HSHAZ initiative is designed to deliver physical improvements and cultural activities to revive and regenerate high streets and restore local historic character. There are nine projects that make up the High Street Heritage Action Zone. The detailed capital programme plan agreed with Historic England outlines the projects and spend of the funding up to 31 March 2024.
- 2.8 Work is almost complete on the Civic Hall Feasibility and Market Street Studies. The spend on the Shop Front scheme has been delayed due in part to the impact on the high street resulting from the Covid pandemic. Consultation and engagement with eligible properties has commenced and design and costings for projects are underway. The balance of the remaining budget is requested to be re-phased from 2021/22 to 22/23 to allow the work to continue.
- 2.9 The design and consultation work is currently underway on the Heritage Walk (Market Street) scheme. The Historic England contribution can only be spent on for materials for this scheme and totals £609,828. To secure the Historic England funding the order for materials must be made and proof of a payment receipt provided to Historic England before the end of this financial year. Work is underway to achieve that. The TMBC budget is requested to be re-phased from 2021/22 to 22/23 to allow the project to continue to completion.
- 2.10 The plans for the restoration of the roof at Stalybridge Civic Hall are now complete including an updated programme and cost plan. The programme included the intention to start work at the end of March 2022 with completion due in November 2022 making best use of the better weather in order to keep costs under control and the length of the restoration programme to an absolute minimum.
- 2.11 Members will be aware that the Town of Culture is an annual award from the Greater Manchester Combined Authority (GMCA) with the aim of highlighting the distinctive art, culture and history of the towns across our city region. Any town in Greater Manchester is eligible to apply and successful bids receive a grant of £50,000 from the GMCA Culture Fund to develop a programme of events and activities to celebrate their heritage and bring new opportunities for residents and visitors. The bid for Stalybridge, developed in partnership with the Bridge Cultural Consortium was selected by an independent judging panel on the basis of its ambition and impact, focused on giving people the time and space to slow down, connect with the local environment and appreciate the value of culture. The selection of Stalybridge as Greater Manchester's Town of Culture for 2022 is an incredible opportunity for the town and borough as a whole.
- 2.12 The restoration of the Civic Hall roof would result in the closure of the main civic hall space for the duration of the restoration scheme. This is due to the need to replace the skylights over the civic hall itself along with the introduction of a "safety crash-deck" which will render the area unusable. The availability of the Civic Hall as a centre piece in the cultural

programme of activities now being planned for the Town of Culture year is key to achieving the best possible outcomes for the town in both financial and reputational terms. In order to realise the full potential of the award to Stalybridge discussions are taking place with the LEP to re-programme the scheme of work to a later date thereby ensuring the availability of the hall for the extended programme of cultural activity. The impact on the roof restoration programme has yet to be confirmed.

- 2.13 The roof restoration is part funded via the High Street HAZ scheme with the Historic England contribution totalling £283,950. The Historic England contribution must be spent in the current financial year with £175,278 remaining to be spent. Discussions are ongoing with Historic England to ensure that the re-programming of the scheme does not have a negative impact on the scheme, the Council's Capital Programme or the funds provided by Historic England.
- 2.14 The Community Engagement Programme to enhance the capital programme continues from the successful Heritage Open Day event held in the Civic Hall in September 2021 with an artist led youth engagement programme with local primary schools to create artwork for display during the capital works programme and throughout the town. The HAZ capital projects are also be supported by the wider work of the Bridge Cultural consortium.

Corporate Landlord – Capital Expenditure

- 2.15 Members are requested to note that a £1,000,000 budget was approved by Executive Cabinet on 29 September 2021 for statutory compliance, £500,000 in 2021-22 and £500,000 in 2022-23. **Appendix 7** includes expenditure to date of £243,593 with a projection of £500,000 to 31 March 2022.
- 2.16 The Council has a duty to ensure that its buildings provide a safe physical environment for staff and services to work in. The monitoring and regulation of this is undertaken by a series of statutory checks across a range of requirements e.g. fire safety, asbestos management and structural safety. These checks are carried out at fixed intervals and reports produced to state condition and inform about remedial works that need to be undertaken to ensure compliancy. These notified repairs and upgrades to building fabric and condition are the subject of this report and set out in **Appendix 7**.

Hattersley Station Passenger Facilities

- 2.17 The project will provide a refurbished and extended ticket office at Hattersley Railway, which will allow for the future increase in passenger numbers over the coming years and provide a facility that is fit for the longer term not just the passenger current numbers. This includes additional passengers from future residential development in both Hattersley and the proposed Godley Green Garden Village located immediately to the south west of the station.
- 2.18 The increased in passenger numbers, especially from the new developments, will help to reduce car usage from the area and the Right Mix ambitions set out within the Greater Manchester Transport Strategy 2040. Achieving the Right Mix is expected to lead to zero net growth in motor vehicle traffic in Greater Manchester between 2017 and 2040.
- 2.19 The scheme budget is £750,000, and spend to date has been £189,000 upon the development of the scheme. The remaining budget of £561,000 will be spent in early 2022/23, upon the construction phase of the project. Initial preliminary work on the station began on 10 January 2022, but there has been a slight delay to construction due to Northern Trains awaiting final approval from Network Rail and as a result, the current expected completion for the scheme has been delayed slightly to early May 2022. Invoices for construction phase expected to be paid in Q1 2022/23, which has been agreed with TfGM.

Ashton Town Centre Levelling Up Fund

- 2.20 On 27 October 2021 it was announced that the £19,870,000 Levelling Up Fund bid for Ashton Town Centre had been successful. The specific interventions proposed in the Levelling Up Fund bid were prepared in accordance with the requirements of the Levelling Up Fund and are critical to unlocking the comprehensive redevelopment of the Town Centre; supporting a coherent vision and completing of the final phase of Vision Tameside.
- 2.21 The Council has now commenced the first stages of work on the Ashton Town Centre Levelling Up Fund programme in the context of an emerging wider strategic vision for Ashton Town Centre following the decision by Executive Cabinet on 24 November 2021. Officers met with officials from the Department for Levelling Up, Housing and Communities (DLUHC) on 21 December 2021 to discuss monitoring and delivery arrangements. A final draft Memorandum of Understanding is anticipated from DLUHC by the end of February 2022, which will enable the first payments of the grant to be drawn down by the Council.
- 2.22 The interventions supported by the Levelling Up Fund re critical to unlocking the comprehensive redevelopment of the Town Centre and integrating with other as part of a coherent vision, completing of the final phase of Vision Tameside. The enabling works will act as a catalyst for significantly accelerating delivery of the comprehensive transformation of the Town Centre and unlock its full potential.
- 2.23 The Council is currently finalising the acquisition of the former interchange site from Transport for Greater Manchester. Following acquisition the Council will commence land remediation and enabling infrastructure works to unlock the site for future redevelopment. This work will be undertake alongside initial discussions with the owners of the Arcades and Ladysmith Shopping Centres to understand in more detail the longer term opportunities for comprehensive development.
- 2.24 Work has commenced on the preparation of options for the improvement of the Market Square, and a Town Centre Public Realm Vision Strategy. Further work is being undertaken in respect of public realm improvements, including progression of the Mayors Challenge Fund (MCF) projects at Wellington Road and Stamford Street. The Council is currently preparing information for public consultation on this work to commence w/c 28 February 2022.
- 2.25 Levelling up funding has been provided to support the restoration of Ashton Town Hall. The fund will be used to support 3 phases of work:
- Roof Strengthening
 - Envelope restoration and
 - The development of plans to RIBA stage 2 for the buildings internal restoration to support extensive consultation and future funding bids.
- 2.26 In order to undertake surveys and fully develop plans for the 3 phases indicated above the following costs will be incurred as set out in **Table 1**.

Table 1

Stage	Phase	Cost £'000
RIBA Stage 1 & 2	For the Roof Strengthening & Envelope only scheme	237
RIBA Stage 3	For the Roof Strengthening & Envelope only scheme	56
RIBA Stage 1 & 2	Future use proposals for consultation	60
Total Cost		353

- 2.27 A budget for emergency works to the Town Hall still remains in the Capital Programme at a value of £100,000. It is proposed that this budget remains in the approved Capital

Programme to undertake any urgent repairs to the building required in advance of the scheme of works set out in **Table 1** above.

- 2.29 A project programme has been drafted for the phases outlined above. The key target dates are set out in **Table 2**.

Table 2

Activity	Start	End
Roof Structural Strengthening Pre construction	13/12/21	23/09/23
Roof Strengthening Works	26/09/22	06/04/23
Façade Works – Pre Construction	07/02/22	11/04/23
Façade restoration Works	11/04/23	24/06/24

3. SECTION 106 AGREEMENTS AND DEVELOPER CONTRIBUTIONS

- 3.1 This section of the report summarises the financial receipts for section 106 agreements and developer contributions.
- 3.2 The current position for s106 agreements is £2,338,000 in credit, less approved allocations of £288,000 leaving a balance available to drawdown of £2,050,000 as at 31 December 2021 as detailed in **Appendix 1**.
- 3.3 The position for Developer Contributions as at 31 December 2021 was £28,000 in credit, less approved allocations of £0 leaving a balance of £28,000 as detailed in **Appendix 2**.

4. LAND DISPOSALS

- 4.1 In terms of progress at the date of this report, a cumulative total of £415,000 has been achieved through completed sales. A summary of further disposal is provided in **Appendix 3** showing the current position with each asset in the Disposal Programme. The confidential **Appendix 6** also indicates the potential value of sites declared surplus.
- 4.2 A second batch of surplus sites was approved by Executive Cabinet on 29 September 2021 following consultation with the Cabinet Member initially, with further consultation completed with Ward Councillors as set out in the Disposal Policy. A third batch of surplus sites has been identified and is due to be considered at a future Cabinet
- 4.3 An exercise is still ongoing mapping all of our operational and non-operational assets with a view to continuing the pipeline of disposals in the medium term. As such, it is expected that a Batch 4 would be taken forward in the forthcoming months.

5. DECARBONISATION OF THE PUBLIC ESTATE

- 5.1 The GMCA consortium bid to the Decarbonisation of the Public Estate Fund was successful, resulting in grant award of £78,300,000. The Council's initial allocation of this grant was £2,283,604, with further funding being requested to install additional measures from an underspend across the wider GMCA pot. The total additional measures equal £60,782. Including fees, the net amount for PSDS1 grant will be £2,344,386. 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 works on a monthly basis in arrears on provision of necessary financial information to GMCA. The updated figure is pending approval by the Director of Growth.

5.2 Building fabric and mechanical and electrical interventions across fourteen buildings are predicted to save ITR 6000tonnes of CO₂ over the lifecycle of the projects. The programme is physically underway with some of the smaller, more straightforward schemes achieving completion. Planning approval was received for the air-source heat-pump component of six of the schemes during early October – enabling those to progress as planned. One scheme required listed building consent and this was granted via a decision in early November – this has caused a lag in the programme that is expanded on below. Some issues in supply chain availability has caused minimal disruption to projects, as substitute products have been available. However, in one case, roof-fabric conditions have delayed the solar PV installation which resulted in an increase in material costs (captured in the updated grant amount). Projects in the programme were all originally scheduled for completion by the end of March 2022, however due to the expansion of scope (three additional sites) and delays with the Hyde Town Hall Project (due to planning consent) an extension has been sought. Officers are following GMCA protocol to ensure all necessary information is shared at this stage to guarantee the extension can be approved – thus securing any remaining funds beyond the original deadline.

6. RECOMMENDATIONS

6.1 As set out at the front of this report