



Executive

Date: Wednesday, 17 October 2018

Time: 10.00 am

Venue: Council Chamber, Level 2 Town Hall Extension

Everyone is welcome to attend this committee meeting.

This is a revised supplementary agenda containing additional information about the business of the meeting that was not available when the agenda was published.

Access to the Council Chamber

Public access to the Council Chamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

Filming and broadcast of the meeting

Meetings of the Executive are 'webcast'. These meetings are filmed and broadcast live on the Internet. If you attend this meeting you should be aware that you might be filmed and included in that transmission.

Membership of the Executive

Councillors -

Leese (Chair), Akbar, Bridges, Craig, N Murphy, S Murphy, Ollerhead, Rahman, Stogia and Richards

Membership of the Consultative Panel

Councillors -

Karney, Leech, M Sharif Mahamed, Sheikh, Midgley, Ilyas, Taylor and S Judge

The Consultative Panel has a standing invitation to attend meetings of the Executive. The Members of the Panel may speak at these meetings but cannot vote on the decision taken at the meetings.

Associate Executive Members

Councillors -

Karney

Agenda

5. **Capital Programme Monitoring 2018/19**
The report of the City Treasurer is enclosed 3 - 46
6. **Capital Programme Update**
The report of the Chief Executive and City Treasurer is enclosed 47 - 58
7. **Disposal of leasehold interests in land at Crown Street, Manchester**
The report of the Strategic Director (Development) is enclosed 59 - 72
8. **Item Withdrawn - First Street Development Framework Update 2018 Consultation**

Further Information

For help, advice and information about this meeting please contact the Committee Officer:

Donald Connolly

Tel: 0161 2343034

Email: d.connolly@manchester.gov.uk

This agenda was issued on **Monday 15 October 2018** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA.

**Manchester City Council
Report for Resolution**

Report to: Executive – 17 October 2018
Subject: Capital Programme Monitoring 2018/19
Report of: City Treasurer

Summary

This report informs members of:

- (a) Progress against the delivery of the 2018/19 capital programme to the end of September 2018.
- (b) The revised capital budget 2018/19 taking account of changes between the approved capital budget and any further changes occurring in year.
- (c) The latest forecast of expenditure and the major variations since the Capital Programme Outturn report submitted in July 2018.
- (d) The impact any variations may have on the Capital Programme for the period 2018/19 to 2023/24.

Recommendations

The Executive is requested to recommend that Council:

1. Approve the virements over £0.5m between capital schemes to maximise use of funding resources available to the City Council set out in Appendix A.

The Executive is requested to:

2. Note that approval of movements and transfers to the full capital programme, including projects on behalf of Greater Manchester, will reflect a revised total capital programme budget of £616.1m and a latest full year forecast of £604.2m. Expenditure to the end of September 2018 is £197.8m.

Manchester City Council Programme

3. Agree that the capital budget be amended to reflect movement in the programme, attributable to approved budget increases and updates to spending profiles.
4. Approve the virements below £0.5m between capital schemes to maximise use of funding resources available to the City Council set out in Appendix A.
5. Note that capital resources will be maximised and managed to ensure the capital programme 2018/19 remains fully funded and that no resources are foregone.

6. Note that approval of movements and transfers to the Manchester City Council capital programme will reflect a revised capital programme budget of £474.3m and a latest full year forecast of £471.9m. Expenditure to the end of September 2018 is £154.2m.

Projects carried out on behalf of Greater Manchester

7. Agree that the capital budget be amended to reflect movement in the programme, attributable to approved budget increases and updates to spending profiles.
8. Note that approval of movements and transfers to the Greater Manchester capital programme will reflect a revised capital programme budget of £141.8m against a latest full year forecast of £132.3m. Expenditure to the end of September 2018 is £43.6m.

Wards Affected: All

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The capital programme contributes to various areas of the economy including investment in public and private sector housing, education and children's social care, transport infrastructure, major regeneration activities, environmental, cultural and leisure services.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The capital programme includes substantial investment in education and also provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The capital programme includes investment in adult and children's social care, education, housing and the environment, cultural and leisure services, all of which contribute towards the strategy.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in all areas of the capital programme contributes towards this community strategy, notably the investment in sustainable and affordable housing, building schools for the future, transport, environmental and major regeneration programmes.
A connected city: world class infrastructure and connectivity to drive growth	The capital programme includes investment in highways infrastructure, and broadband expansion.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

All Revenue consequences are included in the current Revenue Budget.

Financial Consequences – Capital

The latest forecast of expenditure for 2018/19 is £604.2m, compared to a proposed revised budget of £616.1m. Spend to date is £197.8m. The programme is subject to continual review to establish whether the forecast remains achievable. Whilst the intention is for the City Council to progress the programme as stated, some projects and their sources of funding may require re-profiling into future years.

The Greater Manchester programme is hosted by the City Council, but is managed by the Combined Authority which also monitors the projects. The City Council is currently working with the Greater Manchester Combined Authority (GMCA) to finalise the novation of a number of Housing Investment Fund projects following the granting of the relevant borrowing powers to the CA. This will be reported in further detail once the position is confirmed.

Contact Officers:

Name: Carol Culley
 Position: City Treasurer
 Telephone: 0161 234 3406
 E-mail: carol.culley@manchester.gov.uk

Name: Janice Gotts
 Position: Deputy City Treasurer
 Telephone: 0161 234 1017
 E-mail: j.gotts@manchester.gov.uk

Name: Tim Seagrave
 Position: Group Finance Lead – Capital & Treasury Management
 Telephone: 0161 234 3445
 E-mail: t.seagrave@manchester.gov.uk

Name: Tracey Read
 Position: Principal Finance Manager – Capital
 Telephone: 0161 234 1830
 E-mail: t.read@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Report to the Executive 7th February 2018 – Capital Strategy and Budget 2018/19 - 2022/23)
- Report to the Executive 7th March 2018 – Capital Programme – Proposed Increases
- Report to the Executive 21st March 2018 – Capital Programme – Proposed Increases
- Report to the Executive 30th May 2018 – Capital Programme Monitoring 2017/18 Outturn
- Report to the Executive 30th May 2018 – Capital Programme – Proposed Increases
- Report to the Executive 27th June 2018 – Capital Programme – Capital Programme Update
- Report to the Executive 11th July 2018 – Capital Programme – Capital Programme Update
- Report to the Executive 25th July 2018 – Capital Programme – Capital Programme Monitoring
- Report to the Executive 25th July 2018 – Capital Programme – Capital Programme Update
- Report to the Executive 12th September 2018 – Capital Programme – Capital Programme Update

1 Introduction

- 1.1 The purpose of the report is to:
- Provide an update to members on the progress of the capital programme in the six months to the end of September 2018.
 - Inform members of the latest estimates of capital expenditure for 2018/19 and to show forward commitments into the 2019/20 to 2023/24 capital programme.
 - Confirm that there are adequate levels of resources available to finance the capital programme.
 - Update members on the projects carried out on behalf of Greater Manchester.
- 1.2 This report has been redesigned, to provide more information on the activities undertaken in delivering the programme and the risks associated with the works, as well as the financial monitoring and changes required.
- 1.3 A summary of each part of the programme is included within the report, providing detail on the major projects, issues, and risks for that area. This is presented alongside a summary of the financial position, and any changes to the budget that are required.
- 1.4 Appendix A details the virements requested across the programme. Appendix B details the revised capital budget for each project, taking into account the virements requested and any re-profiling between years which has been identified.

2 Capital Budget

- 2.1 The Capital Budget for the period 2018/19 to 2023/24 is currently £1,770.5m. This is an increase of £69.7m compared to the budget reported to Executive as at Quarter 1 2018/19. The profile before the changes proposed in this report, is shown below:

Capital Programme 2018-2024	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total Programme
	£m	£m	£m	£m	£m	£m	£m
Capital Budget (May 18)	597.0	557.2	240.0	286.1	3.1	0.0	1,683.4
Capital Programme Update (Approved May 18)	3.1	6.5	2.4	0.0	0.0	0.0	12.0
Capital Programme Update (Approved June 18)	2.3	2.0	1.1	0.0	0.0	0.0	5.4
Budget Reprofiling Q1	-28.1	-44.9	73.2	-107.0	75.0	31.9	0.0
Capital Programme Update (Approved July 18)	38.4	18.5	6.1	2.7	0.0	0.0	65.7

Capital Programme Update (Approved September 18)	3.5	0.5	0.0	0.0	0.0	0.0	4.0
Revised Capital Budget (31 July 18)	616.1	539.8	322.8	181.8	78.1	31.9	1,770.5
<i>Of which:</i>							
Manchester City Council Programme	474.3	436.9	292.3	176.7	78.1	31.9	1,490.2
Programme on behalf of Greater Manchester	141.8	102.9	30.5	5.1	0.0	0.0	280.3

2.2 The figures shown above include changes approved since the 2017/18 outturn report by the Executive Member for Finance and Human Resources and the City Treasurer under delegated powers.

3 Capital Programme Forecast 2018/19

3.1 The forecast expenditure for 2018/19 is £604.2m compared to a budget of £616.1m, of this £471.9m relates to City Council schemes compared to the updated budget of £474.3m. The variations, by service area, are shown in the table below:

Capital Programme 2018/19 budget, forecast and spend to date at 30th September 2018

	Budget £m	Forecast £m	Variance £m	Spend to Date £m	Spend to Date as % of Forecast
Manchester City Council Programme					
Highways	44.0	41.4	-2.6	12.9	31.2%
Neighbourhoods	17.7	12.6	-5.1	5.4	42.9%
Strategic Development	161.1	169.2	8.1	30.0	17.7%
Town Hall Refurbishment	11.0	11.6	0.6	1.7	14.7%
Housing - GF	30.7	24.8	-5.9	11.1	44.8%
Housing - HRA	24.1	24.4	0.3	5.3	21.7%
Children's Services	46.0	45.2	-0.8	24.1	53.3%
ICT	5.1	8.4	3.3	1.1	13.1%
Corporate Services	134.6	134.3	-0.3	62.6	46.6%
Manchester City Council Programme	474.3	471.9	-2.4	154.2	32.7%
Programme on behalf of Greater Manchester	141.8	132.3	-9.5	43.6	33.0%
TOTAL	616.1	604.2	-11.9	197.8	32.7%
		Reprofiling	-11.8		
		Cost Variations	-0.7		
		Net over (under) spend	0.6		

- 3.2 There is a forecast capital programme variance of £11.9m between the budget and the latest expenditure forecast. Of this, £11.8m is due to schemes requiring budget re-profiling, made up of £26.0m slippage and £14.2m acceleration, £0.6m is due to potential net overspends against the budget and £0.7m of cost variations. Section 4 of this report looks at the re-profiling required and the cost variations together with the recommended budget changes to take this into account.
- 3.3 The variation will be closely monitored with the final outturn position being highly dependent on schemes commencing and continuing on schedule and delivering to plan.

4 Highway Services Programme

- 4.1 The Highways capital programme is forecasting to spend £41.4m compared to a budget of £44.0m, a variance of £2.5m. Spend to date is £12.9m, or 31.2% of the current forecast. The programme is shown in the table below:

Highways	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Highways Planned Maintenance Programme	6.6	14.5	14.1	-0.4	116.1	114.6	-1.5
Manchester/Salford Inner Relief Road (MSIRR)	0.9	6.5	6.5	0.0	13.9	13.9	0.0
Street Lighting PFI	4.0	11.1	11.1	0.0	32.8	32.8	0.0
Mancunian Way and Princess Parkway NPIF	0.1	0.6	0.6	0.0	8.2	8.2	0.0
Other Projects	1.3	11.4	9.2	-2.1	117.4	117.4	0.0
Total Highways	12.9	44.0	41.4	-2.5	288.4	286.9	-1.5
				Reprofiling			-2.5
				Cost Variations			0.0
				Net over (under) spend			0.0

- 4.2 The schemes within the current Highways portfolio include the highways improvement investment fund, projects to improve and increase the use of cycle routes which relieve congestion and reduce air pollution from CO2 emissions, improvements to pedestrian access in areas in the City, improvements to safety measures and schemes to reduce energy consumption for street lighting.

Activities

- 4.3 Highways have reported progress across a number of schemes within this period. As part of the Street Lighting PFI, LED installation has been completed in a number of wards. Communications have been issued to residents and businesses regarding the Water Street and Regent Road works

related to the Manchester/Salford Inner Relief Road scheme due to the expected disruption the project will cause. This scheme is now underway. The carriageway surfacing and preventative works programme is finalising drawings in order for works to commence in the next period.

Variances - All Years

4.4 The Highways Asset Surveys project, which is part of the Planned Maintenance Programme, has been assessed as being revenue spend, due to the nature of the surveys required. Approval is being sought for the funding to be switched to revenue and is shown as a nil forecast within the capital programme and a variance of £1.5m is, therefore, reported.

Variances - In Year

4.5 The main variances reported are:

- Drainage works have experienced a small delay in starting the works within the Planned Maintenance Programme for 2018/19. As a consequence, slippage of £0.4m has been forecast into 2019/20;
- Hyde Road Pinch Point Widening scheme has been paused whilst a redesign is being considered to incorporate a Greater Manchester wide cycling proposal resulting in slippage of £1.0m into future years.
- Green Bridge at Airport City has a revised funding claim profile and is awaiting the funding agreement to be signed which indicates slippage of £0.8m into future years.

Risks

4.6 With the nature of the projects in Highways, there are inherent risks around external factors, such as weather conditions, which can hinder the schedule of works. The inspection work on the Bridge Maintenance project may identify remediation requirements that would need to be accelerated.

5 Neighbourhoods Programme

5.1 The Neighbourhoods programme is shown in the table below, and is split across three main themes, the details of which are provided separately below:

Neighbourhoods Capital Programme 2018/19 (September 18)

	Budget £m	Forecast £m	Variance £m	Spend to Date £m	Spend to Date as % of Forecast
Neighbourhoods					
Environment and Operations	6.8	2.0	-4.8	0.4	20.0%
Leisure	9.8	9.6	-0.2	4.8	50.0%

Libraries	1.1	1.0	-0.1	0.2	18.8%
Total Neighbourhoods	17.7	12.6	-5.1	5.4	42.9%
		Reprofiling	-5.0		
		Cost Variations	0.0		
		Net over (under) spend	-0.1		

Environment and Operations Programme

- 5.2 The Environment and Operations programme is forecasting to spend £2.0m compared to a budget of £6.8m. Spend to date is £0.4m, or 18.5% of the current forecast. The programme is shown in the table below:

Environment and Operations	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Waste Reduction Measures	0.0	1.3	1.3	0.0	4.7	4.7	0.0
Waste Contract	0.3	5.4	0.6	-4.8	11.5	11.5	0.0
Other Projects	0.1	0.1	0.1	0.0	0.9	0.9	0.0
Total Environment	0.4	6.8	2.0	-4.8	17.1	17.1	0.0
			Reprofiling	-4.8			
			Cost Variations	0.0			
			Net over (under) spend	0.0			

- 5.3 The schemes within the Environment and Operations programme are centred on improving the environment with the main focus on the control of waste disposal and promoting recycling.

Activities

- 5.4 The Waste Reduction Measures scheme is to procure 160,000 residual bins with 140 litre capacity to replace the current 240 litre bins to encourage recycling in communal properties and terraced housing. The first delivery of 6,600 bins has been received, for which, costs are yet to be incurred.
- 5.5 The Waste Contract scheme is a loan to Biffa which relates to the purchase of vehicles for use within the waste and street cleansing contract. To date, two vehicles have been purchased. Biffa have now also confirmed they have ordered further vehicles which are due to be delivered by the end of December.

Variations

- 5.6 The cost of the vehicles purchased and those due to be delivered form the current forecast. The slippage of £4.8m assumes no further vehicles are purchased within this financial year.

Risks

- 5.7 There is a risk that delivery of the recycling bins may not be concluded by 31 March which may require some minor adjustments to the phasing of the capital budget.

Leisure Programme

- 5.8 The Leisure programme is forecasting spend of £9.6m compared to a budget of £9.8m, a variance of £0.2m. Spend to date is £4.8m, or 50.0% of the current forecast. The programme is shown in the table below:

Leisure	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Parks Improvement Programme	0.4	2.0	2.0	0.0	29.4	29.4	0.0
Indoor Leisure – Abraham Moss	0.1	0.8	0.6	-0.2	14.8	17.1	2.3
Indoor Leisure – Moss Side	3.7	5.6	5.6	0.0	8.7	8.7	0.0
Other Projects	0.6	1.4	1.4	0.0	38.0	38.0	0.0
Total Leisure	4.8	9.8	9.6	-0.2	90.9	93.2	2.3
				Reprofiling			-0.2
				Cost Variations			0.0
				Net over (under) spend			0.0

- 5.9 The Leisure Programme provides leisure, sports and park facilities and services to communities across the City to promote health and wellbeing. It includes improvements to energy equipment to reduce consumption to realise economic and environmental benefits. The programme also includes improvements to facilities which are used for events and which may provide an economic benefit.

Activities

- 5.10 Four submissions were received from the mini competition issued via the North West Construction Hub (NWCH) High Value Framework for the Abraham Moss scheme. A contractor has been appointed
- 5.11 Moss Side Leisure Centre is in the final stage and is due to complete by November 2018.

- 5.12 The Velodrome Track project has completed and been handed over to the operator.
- 5.13 Parks have finalised a cash flow forecast for the Parks Development Programme covering a 2018/19 start with completion in 2024/25 and planning approvals have been received for the Somme Memorial project to be constructed in Heaton Park.

Variances – All Years

- 5.14 Business cases for the Indoor Leisure – Abraham Moss programme are currently being written to seek approval for additional budget using a safe steps approach which requests funding in an incremental way to ensure cost control at various stages. It is forecast that increased funds of £2.3m are required for works identified to date.

Variances – In Year

- 5.15 A slight delay in appointment in the contractor has led to a small variance in the 2018/19 forecast for Abraham Moss Leisure Centre. The programme has been reprofiled and a new cost report has been received. Further review is expected within the next period, with particular focus on the Parks Improvement Programme feasibility works, to identify the potential start date.

Risks

- 5.16 Parks have updated their risk profile to include the ability to secure match funding from external partners including Historic England and Heritage Lottery Fund. This will be monitored by their Programme Board.

Libraries Programme

- 5.17 The Libraries programme is forecasting spend of £1.0m against a budget of £1.1m. Spend to date is £0.2m, or 18.8% of the current forecast. The programme is shown in the table below:

Libraries	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Open Libraries	0.0	0.7	0.7	0.0	3.0	3.0	0.0
Other Projects	0.2	0.4	0.3	-0.1	0.0	0.0	0.0
Total Libraries	0.2	1.1	1.0	-0.1	3.0	2.9	-0.1
			Reprofiling	0.0			
			Cost Variations	0.0			
			Net over (under) spend	-0.1			

- 5.18 The library programme seeks to bring up to date accessible technology to communities, provide high quality exhibition areas attracting visitors and residents and create new community meeting spaces.

Activities

- 5.19 A number of projects within the Libraries programme are progressing and scheduled to complete in October 2018 including the Withington Library refurbishment and a review of the roll out of the Central Library ICT model has been undertaken.

Variances

- 5.20 The roll out of the Central Library ICT project has identified equipment on a revenue lease basis which will provide an improved specification compared to the planned capital purchase of equipment, therefore, an underspend of £0.1m is expected.

5.21 Risks

- 5.22 There is a continuous review of the Withington Library project, following delays earlier in the year, to ensure mitigations will enable the scheduled completion date to be met.

6 Strategic Development Programme

- 6.1 The Strategic Development programme is shown in the table below, and is split across three main themes, the details of which are provided separately below:

2018/19 Strategic Development Capital programme (September 18)

	Budget £m	Forecast £m	Variance £m	Spend to Date £m	Spend to Date as % of Forecast
Strategic Development					
Culture	16.7	26.3	9.6	9.0	34.2%
Corporate Estates	75.3	73.7	-1.6	16.4	22.3%
Development	69.1	69.2	0.1	4.6	6.7%
Total Strategic Development	161.1	169.2	8.1	30.0	17.7%
		Reprofiling	7.3		
		Cost Variations	0.0		
		Net over (under) spend	0.8		

Culture Programme

- 6.2 The Culture programme is forecasting to spend £26.3m compared to a budget of £16.7m, a variance of £9.6m. Spend to date is £9.0m or 34.2% of the forecast. The programme is shown in the table below:

Cultural	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
The Factory	9.0	16.7	26.3	9.6	114.1	114.1	0.0
Other Projects	0.0	0.0	0.0	0.0	26.8	26.8	0.0
Total Cultural	9.0	16.7	26.3	9.6	140.9	140.9	0.0
	Reprofiling			9.6			
	Cost Variations			0.0			
	Net over (under) spend			0.0			

- 6.3 The Factory will act as a driver of the next stage of Manchester's and the North's regeneration – with clear cultural, economic, educational and social benefits for the city and the wider region. It will be a new type of venue – one that can commission, produce and present the widest range of opera, dance, theatre, visual arts and popular culture, with an emphasis on new cross-art form collaborations, for a much wider audience than any traditional venue.

Activities

- 6.4 Planning and Listed Building consent for the Factory building design was received in July. Hoardings have been erected on the site with the existing structures currently being demolished. A wider clearance of the site is currently underway while enabling works are being undertaken in line with the programme. The land deal for the car park area has now completed.

Variances – In Year

- 6.5 The variance relates to a re-profiling of the cash flow mainly due to the construction and finalising of the land deal. Acceleration of £9.6m is currently forecast.

Corporate Estates Programme

- 6.6 The Corporate Estates programme is forecasting to spend £73.7m compared to a budget of £75.3m, a variance of £1.6m. Spend to date is £16.4m, or 22.3% of the current forecast. The programme is shown in the table below:

Corporate Estates	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Asset Management Programme	3.4	16.3	16.3	0.0	39.1	39.1	0.0

Strategic Acquisitions Programme	4.9	17.1	17.1	0.0	26.1	26.1	0.0
Hammerstone Road Depot	0.1	1.2	1.0	-0.2	15.0	15.0	0.0
Heron House and Registrars	7.4	15.8	15.8	0.0	19.9	19.9	0.0
Carbon Reduction Programme	0.0	0.1	0.1	0.0	9.9	9.9	0.0
Civic Quarter Heat Network	0.0	15.0	15.0	0.0	26.0	26.0	0.0
Estates Transformation	0.5	5.7	5.5	-0.2	16.0	16.0	0.0
Other Projects	0.1	4.1	3.0	-1.1	5.2	5.2	0.0
Total Corporate Estates	16.4	75.3	73.7	-1.6	157.2	157.2	0.0
			Reprofiling	-1.6			
			Cost Variations	0.0			
			Net over (under) spend	0.0			

6.7 The Corporate Estates programme supports the provision of fit for purpose accommodation for corporate, community and residential use, proactively maintaining and managing the corporate estate which includes reduction of carbon emissions across the estate.

Activities

6.8 The Hammerstone Road Project Board have agreed the requirements and governance structure for the project, a construction partner has been identified for both the Hulme District Office and Alexandra House refurbishment projects with the contractor now on site and the contractor for the Gorton Hub was appointed in August 2018.

Variances – All Years

6.9 All projects within the Corporate Estates programme are within budget, therefore, no variances across all years have been reported.

Variances – In Year

6.10 The Hammerstone Road scheme has experienced a slight delay in the signing of the pre-construction services agreement with the contractor leading to slippage of £0.2m.

6.11 Discussions are ongoing around the possible utilisation of the unallocated element of the Estates Transformation budget for a pipeline project and a minor slippage of £0.2m has been reported.

6.12 The Lincoln Square project timelines have been reviewed and, due to building works in the vicinity, the public realm works have been slipped into future years to the value of £1.2m.

Risks

- 6.13 It should be noted that there are a number of significant elements of the Corporate Estates programme, such as the 2019/20 Strategic Acquisitions programme (£17.1m), which are dependent on negotiations with third parties in order to achieve a successful outcome for projects such as land acquisition. This means that it is possible that the budget could be required to a different forecast than currently anticipated.
- 6.14 There may also be pressure on the Strategic Acquisitions budget as city wide strategies evolve. As such, the programme is currently subject to a detailed review and prioritisation exercise.
- 6.15 The Asset Management Programme profile is under a full review taking into account the planned and pipeline works and the resources available to deliver. Following the review, it is possible that slippage to future years could be required.
- 6.16 The Heron House scheme of works is being revisited which may affect the profile of spend which may result in slippage to 2019/20.

Development Programme

- 6.17 The Development programme is forecasting to spend £69.2m compared to a budget of £69.1m, a variance of £0.1m. Spend to date is £4.6m, or 6.6% of the current forecast. The programme is shown in the table below:

Development	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Digital Asset Base – One Central Park	1.2	7.7	9.5	1.8	9.0	10.8	1.8
Eastern Gateway – Central Retail Park	0.1	1.3	1.3	0.0	40.4	40.4	0.0
Eastern Gateway – New Islington Marina	0.2	4.0	4.0	0.0	5.2	5.2	0.0
Northern Gateway	0.0	15.0	15.0	0.0	25.0	25.0	0.0
City Labs 2	0.0	3.7	3.7	0.0	3.7	3.7	0.0
Airport City Power Infrastructure	2.2	2.4	2.4	0.0	6.0	6.0	0.0
Digital Business Incubators	1.5	3.5	3.5	0.0	4.0	4.0	0.0
Sustaining Key Initiatives	0.0	0.0	0.0	0.0	17.9	17.9	0.0
Manchester College	0.0	26.4	26.4	0.0	36.4	36.4	0.0
Other Projects	-0.5	5.1	3.4	-1.7	89.1	88.1	-1.0
Total Development	4.6	69.1	69.2	0.1	236.7	237.5	0.8

Reprofiling	-0.7
Cost Variations	0.0
Net over (under) spend	0.8

- 6.18 The Development Programme seeks to provide sustainable growth and transformation of the City, not only to support internal growth but also to retain international competitiveness by promoting opportunities to develop the City's fabric, infrastructure, business and skills base and connecting local communities to employment opportunities.

Activities

- 6.19 A number of Strategic Development projects will start in this financial year including works in the Medieval Quarter for which planning permission has been submitted and Peterloo Memorial for which a contractor has now been appointed. The grant agreement for the Tech Hub is underway and due to be complete by the end of the financial year.

Variances – All Years

- 6.20 The Space Project – Phase 2 has completed the Tenant Fit Out element of Space Studios, against which savings of £0.8m have been identified. The final accounts have been received which suggest an overall saving of £1.0m.
- 6.21 Additional works at One Central Park have been identified and quantified at a cost of £1.8m which is broken down into £1.0m for additional instructions to the construction contract, tenant fit out costs of £0.6m and contributions towards fit out cost of power, data and carpets of £0.2m. A request to increase the budget is expected, with the intention of part funding from the expected savings reported against the Space Project.

Variances – In Year

- 6.22 New Smithfield Market is conducting a review of the wholesale market and until this is complete, works have been put on hold resulting in slippage of £0.5m.

Risks

- 6.23 The Eastern Gateway - Central Retail Park may require reprofiling dependant on the scheme of works for the remediation of the site.

7 Our Town Hall Refurbishment

- 7.1 The Our Town Hall Refurbishment programme is forecasting to spend £11.6m compared to a budget of £11.0m, a variance of £0.6m. Spend to date is £1.7m, or 14.7% of the current forecast. The programme is shown in the table below:

Our Town Hall	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Our Town Hall Refurbishment	1.7	11.0	11.6	0.6	305.2	305.2	0
Total Our Town Hall Refurbishment	1.7	11.0	11.6	0.6	305.2	305.2	0.0
Reprofiling				0.6			
Cost Variations				0.0			
Net over (under) spend				0.0			

Activities

7.2 The intrusive surveys contract commenced in August with a key focus being on the external surveys required within Albert Square. A planning consultant has been appointed, general areas floor plans have been issued and the Phase 1 Traffic Survey report is being reviewed.

Variances – In Year

7.3 A number of early works have now been detailed by the design team that are greater than originally forecast. Following a number of procurement tenders, there is greater clarity on the forecast for this year and fees have been reviewed in line with the programme. This has resulted in an overall acceleration of £0.6m.

Risks

7.4 Due to the size and nature of the programme, there is an inherent risk of external factors causing delays or cost variations. The project will go through various design stages which may alter the cost projections. The refurbishment spans a number of years and therefore will also be subject to potential variations in inflation assumptions.

8 Housing - General Fund

8.1 The Private Sector Housing programme is forecasting to spend £24.8m compared to a budget of £30.7m, a variance of £5.9m. Spend to date is £11.1m, or 44.9% of the current forecast. The programme is shown in the table below:

Private Sector Housing (General Fund)	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Brunswick PFI Land Assembly	0.9	2.5	2.5	0.0	9.5	9.5	0.0

Disabled Facilities Grant	3.3	7.7	7.2	-0.5	53.0	53.0	0.0
Extra Care	2.0	3.6	3.6	0.0	6.0	6.0	0.0
Ben St Regeneration	3.5	5.9	5.5	-0.4	15.6	15.6	0.0
Marginal Viability Fund – New Victoria	0.0	1.8	0.0	-1.8	10.1	10.1	0.0
Marginal Viability Fund – Bowes Street	0.0	2.4	0.0	-2.4	3.3	3.3	0.0
Other Projects	1.5	6.9	6.1	-0.7	89.3	88.6	-0.7
Total Private Sector Housing (General Fund)	11.1	30.7	24.8	-5.9	186.8	186.1	-0.7
			Reprofiling	-5.2			
			Cost Variations	-0.7			
			Net over (under) spend	0.0			

8.2 The Private Sector Housing programme focuses on providing affordable housing including the facilities, adaptations and community focus required.

Activities

8.3 Within the Brunswick PFI Land Assembly scheme, work has started on the Turkish Centre site. Works have also commenced on the former Stagecoach Depot site in Moss Side for the development of an Extra Care facility and new homes for affordable rent.

8.4 Construction is on schedule for the new community facility in West Gorton.

8.5 The Homelessness programme is currently purchasing properties, in partnership with registered providers, to accommodate homeless families requiring more than four bedrooms. To date, four properties have been purchased. More are currently being sourced, with 20 acquisitions in total being forecast, at a cost of £1.54m which is equivalent to the City Council's contribution of 35%.

8.6 Proposals are currently under development for new build housing in addition to the current programme

Variations – All Years

8.7 Categorized under 'Other Projects' is Miles Platting PFI Land Assembly and Canada Street – Walking With Wounded, with respective underspends of £0.6m in 2018/19 and £0.1m in 2019/20.

Variations – In Year

8.8 The Disabled Facilities Grant allocation was increased in year. The majority of the grant has been assigned, with the remainder being utilised in 2019/20, resulting in slippage of £0.5m.

- 8.9 Marginal Viability Fund - New Victoria has been delayed due to the funds from Homes England for this scheme not being available until 2019/20. Works have been reprofiled leading to slippage of £1.8m.
- 8.10 The approach to the Marginal Viability Fund – Bowes Street scheme is being reviewed which has resulted in slippage of the scheme of £2.4m into future years.
- 8.11 Ben Street Regeneration are anticipating that the acquisition of three properties will not complete until 2019/20 which will delay part of the works. Slippage of £0.4m has been reported.
- 8.12 Categorized under 'Other Projects' is West Gorton Demolition and Commercial Acquisition, an element of the overall Private Sector Housing West Gorton programme. Negotiations to acquire a commercial property are ongoing. The forecast includes slippage of £0.3m

9 Housing Revenue Account (HRA)

- 9.1 The Public Sector Housing (HRA) programme is forecasting to spend £24.4m compared to a budget of £24.1m, a variance of £0.3m. Spend to date is £5.3m, or 21.7% of the current forecast. The programme is shown in the table below:

Public Sector Housing (HRA)	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Northwards	2.1	17.2	17.7	0.5	126.7	126.7	0.0
North Manchester New Builds	3.2	6.6	6.4	-0.2	20.6	20.6	0.0
Other Projects	0.0	0.3	0.3	0.0	46.4	46.4	0.0
Total Public Sector Housing (HRA)	5.3	24.1	24.4	0.3	193.7	193.7	0.0
			Reprofiling	0.3			
			Cost Variations	0.0			
			Net over (under) spend	0.0			

- 9.2 The Public Sector Housing programme seeks to bring the estate up to and maintain Decent Homes standard including statutory health and safety regulations and the reduction of CO2 emissions.

Activities

- 9.3 Contracts have been awarded for the Northwards Sprinkler Programme. Demonstration flats have been established at Hayden Court and Vauxhall Court for tenants to view the system and ask the contractor questions. Further demonstration flats are to be completed.

Variances – In Year

- 9.4 Northwards are providing internal and external capital works across the Public Sector Housing estate. Across the programme in 2018/19 there are small variances leading to acceleration of £0.5m.
- 9.5 The North Manchester New Builds Programme has been reviewed and identified a potential saving against the contingency value of £0.2m, however, this has been slipped into 2019/20 until this has been confirmed.

Risks

- 9.6 The programme is reliant on third parties to deliver the majority of the projects which may create a risk of delays, however, the service is in continuous communication with partners to mitigate these risks.

10 Children's Services

- 10.1 The Children's Services programme is forecasting spend of £45.2m compared to a budget of £46.0m, a variance of £0.8m. Spend to date is £24.1m, or 53.3% of the current forecast. The programme is shown in the table below:

Children's Services	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Basic Need programme	22.1	40.8	40.4	-0.2	299.5	299.5	0.0
School Maintenance programme	1.0	3.2	2.6	-0.6	18.9	18.9	0.0
Other Projects	0.9	2.0	2.2	0.2	5.3	5.6	0.3
Total Children's Services	24.1	46.0	45.2	-0.8	323.7	324.0	0.3
			Reprofiling	-1.0			
			Cost Variations	0.0			
			Net over (under) spend	0.2			

- 10.2 The main focus of the children's services programme is to provide additional school places for children across the City and maintain the school buildings. Ensuring that there is investment in modern, energy efficient and high quality education infrastructure which drives reductions in carbon across the estate of schools, 85% of materials are locally sourced and contractors recycle more than 75% of waste products.

Activities

- 10.3 The School's Maintenance programme's summer works have now been completed with schools reopening for the start of the 2018/19 academic year. St James Primary Academy, Crossacres Primary School and Ringway Primary

School have now been handed over as part of the Education Basic Need Programme.

Variances – All Years

- 10.4 The Healthy Pupil Capital Funding Grant has been received from Education and Skills Funding Agency. This grant is to improve children’s and young people’s physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions. The 2018/19 allocation is for £263k but is yet to be added to the capital programme budget.

Variances – In Year

- 10.5 The Basic Need and Schools Maintenance budgets have been allocated based on the current programme of works. The unallocated element requires slippage to 2019/20 of £0.2m Basic Need and £0.6m Schools Maintenance.
Risks

- 10.6 The Department for Education (DfE) recently announced the Basic Need grant award for 2020/21 and the City Council will not receive any funding. In part this is due to the level of grant funding received in previous years, but it is also a reflection of the significant investment in free schools that the DfE intend to make in the city. The statutory duty to provide places belongs to the City Council and the relationship with the DfE is key in ensuring that the free school places are delivered on time in order that the duty can be met.

11 ICT Capital Programme

- 11.1 The ICT programme is forecasting spend of £8.4m against a budget of £5.1m, a variance of £3.3m. Spend to date is £1.1m, or 12.8% of the current forecast. The programme is shown in the table below:

ICT	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
New Social Care System	0.3	2.0	2.0	0.0	2.7	2.7	0.0
ICT Investment Plan unallocated	0.0	0.3	3.9	3.6	38.4	38.4	0.0
Other Projects	0.8	2.8	2.5	-0.3	34.2	34.2	0.0
Total ICT	1.1	5.1	8.4	3.3	75.3	75.3	0.0
			Reprofiling	3.3			
			Cost Variations	0.0			
			Net over (under) spend	0.0			

- 11.2 The aim of the ICT programme is to reduce key risks, decommission legacy platforms and to create a simpler, more robust, resilient and easier to support

environment. The programme will move towards a modern infrastructure whilst adding business value.

Activities

11.3 Data centre project audits, as part of the Data Centre Programme, are underway in conjunction with the co-location partners for the project. The Public Services Network project is on programme with 14 Win 2003 servers removed by the end of July 2018. The Identity Access Management project is reporting all 2,672 users are now operating Callsign for remote access with the providers Signify system decommissioned in July. The Modern.gov meeting support web based software solution has now gone live for Members with opportunities to implement for officer meetings also being examined. The ONE System is now fully up-to-date for all modules.

Variances – In Year

11.4 The ICT Investment Plan forecast includes pipeline projects where this can be quantified. Based on the expected projects to take place in the current year, acceleration is required to the value of £3.6m.

11.5 Other projects have realised savings, for which, a virement of the funds back into the investment pot is requested.

Risks

11.6 ICT projects are often interdependent which can lead to adjustments to the schedule of activity should changes occur in a particular project.

12 Corporate Services Programme

12.1 The Corporate Services programme is forecasting spend of £134.3m compared to a budget of £134.6m, a variance of £0.3m. Spend to date is £62.3m, or 46.4% of the current forecast. The programme is shown in the table below:

Corporate Services	18/19 Spend to Date £m	18/19 Budget £m	18/19 Forecast £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Integrated Working – Gorton Health Hub	0.2	1.4	1.4	0.0	22.8	22.8	0.0
Airport Strategic Investment	62.1	125.0	125.0	0.0	125.0	125.0	0.0
Other Projects	0.2	8.2	7.9	-0.3	26.3	24.8	-1.5
Total Corporate Services	62.3	134.6	134.3	-0.3	174.1	172.6	-1.5
			Reprofiling	0.0			
			Cost Variations	0.0			
			Net over (under) spend	-0.3			

- 12.2 Included in the Corporate Services programme is Gorton Health Hub which will bring together key organisations responsible for tackling worklessness and low skills. This will have a positive impact providing new opportunities for local residents and will contribute to sustainable economic growth by replacing a number of old, poorly maintained and high carbon producing buildings into a more modern, energy efficient purpose built building.

Variances – All Years

- 12.3 The capitalisation of community equipment has previously been funded via revenue, however, the service are proposing to utilise the Disabled Facilities Grant for this project for the foreseeable future, leading to an underspend of £1.5m across all years which may be released in the future.

Variances – In Year

- 12.4 The variance is the 2018/19 value of the capitalisation of the community equipment budget which will not be spent as noted in 12.3.

Risks

- 12.5 The schemes noted in the table are the large projects within the Corporate Services programme. Due to the size and nature of the schemes, there is a risk of external factors causing delays.

13 Projects carried out on behalf of Greater Manchester

- 13.1 The Greater Manchester programme is forecasting to spend £132.3m against a budget of £141.8m, a variance of £9.5m. Spend to date is £43.6m, or 32.9% of the current forecast.
- 13.2 The profiling of pipeline Housing Investment Fund loans has been reviewed, leading to slippage of £9.5m into future years.
- 13.3 It is anticipated that the Housing Investment Fund will novate to the Greater Manchester Combined Authority. The Council will retain a number of loans which cannot easily be novated and the Combined Authority will provide loan finance to offset these assets and provide a guarantee against any losses. The exact number and value of loans retained will be reported once the detail of the novation is completed.

14 Capital Programme Re-phasing and Variations 2018/19 to 2023/24

- 14.1 Based on the monitoring information above, it is proposed that the capital programme budget is re-phased to reflect the planned delivery of projects in 2018/19 to 2023/24. The cumulative impact of these adjustments are shown in the table below:

Proposed Capital Programme variations 2018/19 to 2023/24

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total Programme £m
Revised Capital Budget (September 18)	616.1	539.8	322.8	181.8	78.1	31.9	1,770.5
Forecast Re-profile	-11.7	-5.8	14.0	20.6	-6.9	-10.2	0.0
Cost Variations	-0.7	0.0	0.0	0.0	0.0	0.0	-0.7
Proposed Capital Budget (September 18)	603.7	534.0	336.8	202.4	71.2	21.7	1,769.8
<i>Of which:</i>							
Manchester City Council Programme	471.4	415.3	307.5	202.4	71.2	21.7	1,489.5
Programme on behalf of Greater Manchester	132.3	118.7	29.3	0.0	0.0	0.0	280.3

14.2 Further details regarding the proposed adjustments to the programme are given below.

Budget re-profiling:

14.3 As highlighted in section 3 of this report, various schemes throughout the capital programme are now forecast to be accelerated into 2018/19, or delayed until 2019/20 or future years. The budgets for these projects will be re-profiled to reflect the changes, and the revised budget profiles are shown at Appendix B.

Virements

14.4 Various schemes across the programme require virements in 2018/19 and 2019/20, as shown in Appendix A. Virements may be required as cost variations from the original design work occur, or because the method of delivery has changed and projects are combined or split. The reasons for the required virements are:

- ICT - to rationalise unallocated funds across all projects
- Housing Revenue Account – for cost variations across various schemes and;
- Children’s Services – virements are required for cost variations on Basic Need and Maintenance schemes.

14.5 The Council is recommended to approve virements over £0.5m within the capital programme as outlined in Appendix A.

14.6 The Executive is recommended to approve virements under £0.5m within the capital programme as outlined in Appendix A.

- 14.7 The capital programme is undergoing continuous review to analyse and challenge the current approved spending profiles and updates will be reported to the Executive in the next capital monitoring report for 2018/19.
- 14.8 The revised capital budget is reflected in revised prudential indicators, which are reported as part of the Global Revenue Budget Report to Executive.

15 Social Value

- 15.1 All capital business cases are required to provide information on social value impact likely to be generated as part of the scheme. These include details of employment of local residents, training of local residents, improvements in key health outcomes, support of community cohesion, improvement in key education outcomes, help to other excluded groups and promoting environmental sustainability. These are considered as part of the scheme approval process via the Checkpoint system. Work is on-going as part of improving overall contract monitoring to review the monitoring of these activities.

16 Capital Resources

- 16.1 The capital programme is reviewed on an ongoing basis to confirm the capital resources required to finance 2018/19 capital spend are in place and the future years programme is fully funded. Work will continue to ensure that resources required to finance the capital programme are secured and the level of prudential borrowing remains affordable.
- 16.2 The table below summarises the current funding assumptions, although this will be reviewed during the year to ensure that the optimum value for money is being achieved through the programme:

Draft funding position for 2018/19 Capital Programme:

	Draft Funding £m
Grants	80.8
Contributions	20.7
Capital Receipts	167.1
Revenue Contribution to Capital	26.3
Capital Fund	12.0
Borrowing	297.3
Total	604.2

- 16.3 The City Treasurer will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the City Council.

- 16.4 The requirements of the capital programme over the next five years are significant and both spend and funding streams will require close monitoring, particularly with the level of uncertainty for future funding allocations.

17 Key Polices and Considerations

(a) Equal Opportunities

By investing in building adaptations, access for people with mobility difficulties is made easier.

(b) Risk Management

As a result of the national economic downturn the amount of usable capital receipts included in the resources calculation for the original capital budget is no longer achievable. In response to these circumstances the City Treasurer instigated a review of the whole capital programme in order to establish the most efficient and effective way to fund the programme. The review will be ongoing.

(c) Legal Considerations

None

Appendix A - Proposed Capital Virements

	2018/19 Virement	2019/20 Virement	2020/21 Virement	2021/22 Virement
Project Name				
	£m	£m		
Highway Programme				
Highways Planned Maintenance Programme				
Disabled Bays/ line markings		-150	-50	-50
Network Maintenance		-150	-50	-50
Carriageway Resurfacing		10		
Other Improvement works		300	100	100
Highways Stand Alone Projects Programme				
Velocity		-10		
Total Highways Programme	0	0	0	0
Public Sector Housing				
01.00 Northwards - External Work				
Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1			-3807	
Collyhurst Environmental programme	45			
Updating of Electricity Northwest distribution network phase 2 to multi storeys, maisonettes and retirement blocks	-53			
Updating of Electricity Northwest distribution network phase 3	-52			
External cyclical works ph 3b Moston Estates (Chauncy/Edith Cliff/Kenyon/Thorveton Sq)	-1			
External cyclical works ph 3b Ancoats Smithfields estate	257			
External cyclical works ph 4b Charlestown Chain Bar low rise	5			
External cyclical works ph 4b Charlestown Chain Bar Hillingdon Drive maisonettes	-5			
External cyclical works ph 4b Newton Heath Assheton estate	-1			
Charlestown - Victoria Ave multistorey replacement door entry systems		-30	-100	
ENW distribution network phase 4 (various)	113	291		
Dam Head - Walk up flats communal door renewal	309	2		
02.00 Northwards - Internal Work				

Decent Homes mop ups phase 8 and voids	-115			
One off rewires, boilers, doors, insulation etc	-15			
Retirement blocks lift programme	-2			
Multi-storey lift replacement	-8			
Boiler Replacement at Cheetham Hill Local Services Office	-1			
Lift replacement / refurbishment programme	-27			
Replacement warden call to Edward Grant Court	-1			
Fire precaution works - installation of fire seal box to electric cupboards on communal corridors in retirement blocks	-1			
Community Room emergency lighting at Victoria Square	-3			
Decent Homes mop ups ph 9 and decent homes work required to voids	-214			
Whitemoss Road and Cheetham Hill Road Local Offices - Improvements	8			
Job 40502 Aldbourne Court/George Halstead Court/Duncan Edwards Court works	20			
Install intercom systems to replace buzzers (various)	-172	-9		
Crumpsall - Bennet Rd flats fire upgrade works	-12	-1		
Collyhurst - Rainwater pipes/guttering rectification work		-62		
Boiler replacement programme - Job 40491		-62		
Kitchen and Bathrooms programme	109		60	
Decent Homes mop ups phase 10 and voids	329			
Installations of sprinkler systems - multi storey blocks		1400		
14.00 Northwards - Adaptations				
Disabled Adaptations	-145			
Adaptations	300			
Adaptations - Northwards	-575			
Adaptations - 18/19	420			
Northwards Housing Programme 2017/18	-512	-1529	3847	
Total Public Sector Housing (HRA) Programme	0	0	0	0
Children's Services Programme				
Basic Need Programme				

Crab Lane - Increase capacity	-9			
E-Act Academy - increase capacity	-36			
Crosslee - Increase capacity	-22			
Mauldeth Road - Increase capacity	-47			
Charlestown - Increase accommodation	-50			
St. John's CE Primary	-58			
Holy Trinity VC Primary	-28			
Stanley Grove - contribution to PFI	13			
Dean Trust Ardwick	-44			
Rodney House conversion	-63			
Basic need - unallocated funds	344			
Schools Maintenance Programme				
Moston Lane Primary	-68			
Wilbraham Primary Roof	-188			
Crowcroft Park PS-Rewire	10			
Pike Fold Community Primary - Ground Stabilisation	-1			
Charlestown Primary ED43076	-1			
All Saints PS	-5			
Collyhurst Nursery School	-35			
Armitage CE Primary	-28			
Crowcroft Park PS - Roof Repairs	-25			
Northenden Primary School - Part Reroof	-138			
Abbot Community Primary - Ext Joinery Repair	-15			
St Mary's PS - Joinery Repairs	-7			
Sandilands PS - Joinery Repairs	-65			
Lancasterian ID Secure Lobby	-4			
Cheetwood PS - Rewire	-112			
Schools Capital Maintenance -unallocated	682			
Total Children's Services Programme	0	0	0	0
ICT Capital Programme				
ICT Infrastructure & Mobile Working Programme				
End User Computing	-64			
Internet Resilience	-101			
ICT Investment Plan	165			
Total ICT Programme	0	0	0	0
Total CAPITAL PROGRAMME	0	0	0	0

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Appendix - B Revised Capital Budget 2018/19 to 2022/23

Proposed Revised Budget	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Project Name							
Highway Programme							
Highways Planned Maintenance Programme							
Planned Highways Maintenance Programme 14/15	72	0	0	0	0	0	72
Planned Highways Maintenance Programme 15/16	79	86	0	0	0	0	165
Planned Highways Maintenance Programme 16/17	70	421	0	0	0	0	491
Highway Asset Surveys	0	341	150	150	0	0	641
Drainage	800	488	577	577	0	0	2,442
Large Patching repairs	2,500	1,280	0	0	0	0	3,780
Carriageway Resurfacing	5,680	6,220	6,740	6,772	0	0	25,412
Footway schemes	1,498	2,588	2,731	2,731	0	0	9,548
Carriageway Preventative	3,159	6,210	8,282	8,314	0	0	25,965
Bridge Maintenance	140	1,412	2,824	2,824	0	0	7,200
Other Improvement works	130	2,473	4,626	4,626	0	0	11,855
Project Delivery Procurement	0	1,750	1,625	1,625	0	0	5,000
Highways Stand Alone Projects Programme							
Ardwick Grove Village Parking	0	20	0	0	0	0	20
Didsbury Village Tram Stop Traffic Mitigation	0	18	0	0	0	0	18
North Manchester Hospital Residents Parking	0	9	0	0	0	0	9
Section 106 Highways work around Metrolink	0	47	0	0	0	0	47
Hyde Road (A57) Pinch Point Widening	290	2,706	999	0	0	0	3,995
Barlow Moor Road	0	27	0	0	0	0	27
Etihad Expansion - Public Realm	0	59	0	0	0	0	59
Velocity	209	513	0	0	0	0	722
Cycle City Phase 2	552	3,969	0	0	0	0	4,521
Safe Routes to Loreto High School	50	0	0	0	0	0	50
Safe Routes to Schools	80	0	0	0	0	0	80
Congestion Target Performance	20	215	0	0	0	0	235

Piccadilly Undercroft Gating	8	0	0	0	0	0	8
20mph Zones (Phase 3)	100	0	370	0	0	0	470
ITB Minor Works	103	0	0	0	0	0	103
Flood Risk Management - Hidden Watercourses	0	49	0	0	0	0	49
Flood Risk Management - Higher Blackley Flood Risk	0	41	0	0	0	0	41
Manchester/Salford Inner Relief Road (MSIRR)	6,476	5,109	100	0	0	0	11,685
Great Ancoats Improvement Scheme	375	7,350	808	0	0	0	8,533
Mancunian Way and Princess Parkway NPIF	570	3,379	4,165	0	0	0	8,114
Cycle Parking	29	0	0	0	0	0	29
Shadowmoss Rd / Mossnook Rd	10	16	0	0	0	0	26
Birley Fields Campus improvements	0	34	0	0	0	0	34
Former BBC site Section 278	48	0	0	0	0	0	48
GMCRP Multi Sites	13	0	0	0	0	0	13
Princess Rd Safety Review	418	159	0	0	0	0	577
School Crossings	1,210	1,403	0	0	0	0	2,613
Kingsway Speed Cameras	24	0	0	0	0	0	24
Green Bridge at Airport City	800	2,091	91	0	0	0	2,982
North Manchester Hospital RPZ Expansion	0	80	0	0	0	0	80
Public Realm	545	542	400	400	0	0	1,887
Automatic Bollard Replacement	0	200	0	0	0	0	200
Street Lighting PFI	11,050	13,731	0	0	0	0	24,781
Didsbury West S106	63	0	0	0	0	0	63
S106 Whalley Grove	50	25	0	0	0	0	75
A56 Liverpool Road	10	70	0	0	0	0	80
A56 Chester Road	16	35	0	0	0	0	51
Parking Improvements	924	0	0	0	0	0	924
Parking Schemes	0	45	0	0	0	0	45
SEMMMS PROGRAMME							
Local Roads (temp SEMMMS A6 Stockport)	2,962	0	0	0	0	0	2,962
SEMMMs A6 to Manchester Airport	78	0	0	0	0	0	78
Bus Priority Package Programme							

Bus Priority Package - Oxford Road	215	137	0	0	0	0	352
Bus Priority Package - Princess Street/Brook Street	50	103	0	0	0	0	153
Bus Priority Package - Regional Centre	0	89	0	0	0	0	89
Total Highways Programme	41,476	65,540	34,488	28,019	0	0	169,523
Environment Programme							
Waste Reduction Measures	1,300	491	0	0	0	0	1,791
Waste Contract	523	5,910	0	0	0	0	6,433
Blackley Crematorium Heat Exchanger	107	0	0	0	0	0	107
Leisure Services Programme							
Parks Improvement Programme							
Hollyhedge Park Drainage IMPS	9	0	0	0	0	0	9
Heaton Park Pay & Display	464	0	0	0	0	0	464
PIP - Park Events Infrastructure	326	0	0	0	0	0	326
PIP - Unallocated	250	10,020	10,298	0	0	0	20,568
Smedley Lane Playing Fields S106	19	0	0	0	0	0	19
Somme 100 Year Memorial	130	0	0	0	0	0	130
Painswick Park Improvement	30	0	0	0	0	0	30
Heaton Park Southern Play Area	461	19	0	0	0	0	480
Didsbury Park Play Area S106	50	0	0	0	0	0	50
Wythenshawe Park Sport Facilities S106	129	0	0	0	0	0	129
Northenden Riverside Park	75	0	0	0	0	0	75
Age Friendly Benches	18	0	0	0	0	0	18
King George V Park	93	0	0	0	0	0	93
Leisure & Sports Facilities							
Arcadia (Levenshulme) Leisure Centre	10	0	0	0	0	0	10
National Taekwondo Centre	7	0	0	0	0	0	7
Indoor Leisure - Abraham Moss	675	1,709	9,076	3,107	0	0	14,567
Indoor Leisure - Moss Side	5,597	25	0	0	0	0	5,622
FA Hubs	0	13,000	0	0	0	0	13,000

Boggart Hole Clough - Visitors Centre	535	0	0	0	0	0	535
Mount Road S106	12	0	0	0	0	0	12
Event Seating Basketball	18	0	0	0	0	0	18
Velodrome Track	713	0	0	0	0	0	713
Libraries and Info Services Programme							
Central Library Wolfson Award	37	0	0	0	0	0	37
Library Refresh	4	0	0	0	0	0	4
Roll Out of Central Library ICT	220	0	0	0	0	0	220
Refresh of Radio Frequency Identifier Equipment	12	0	0	0	0	0	12
Newton Heath Library	168	0	0	0	0	0	168
Withington Library Refurbishment	200	0	0	0	0	0	200
Open Libraries	492	0	0	0	0	0	492
Total Neighbourhoods Programme	12,684	31,174	19,374	3,107	0	0	66,339
Cultural Programme							
First Street Cultural Facility	12	0	0	0	0	0	12
The Factory (Build)	23,292	34,939	37,900	1,734	0	0	97,865
The Factory (Public Realm)	3,025	1,425	0	0	0	0	4,450
Corporate Estates Programme							
Asset Management Programme	16,266	7,600	7,600	7,600	0	0	39,066
Strategic Acquisitions Programme	17,131	3,000	3,000	3,000	0	0	26,131
Town Hall Complex Transformation Programme	67	0	0	0	0	0	67
Hammerstone Road Depot	1,075	6,940	6,940	7	0	0	14,962
Heron House	14,380	0	0	0	0	0	14,380
Registrars	1,400	0	0	0	0	0	1,400
Carbon Reduction Programme	100	9,790	0	0	0	0	9,890
Civic Quarter Heat Network	15,000	9,000	2,000	0	0	0	26,000
Lincoln Square	0	0	1,200	0	0	0	1,200
Brazenose House	678	0	0	0	0	0	678
Estates Transformation	785	4,515	3,500	2,000	0	0	10,800

Estates Transformation - Hulme District Office	4,680	234	0	0	0	0	4,914
Ross Place Refurbishment	2,120	0	0	0	0	0	2,120
Development Programme							
Development Programme - East Manchester							
The Space Project - Phase 2	1,085	0	0	0	0	0	1,085
The Sharp Project	600	0	0	0	0	0	600
Digital Asset Base - One Central Park	7,652	620	0	0	0	0	8,272
Sustaining Key Initiatives	0	9,500	8,400	0	0	0	17,900
New Smithfield Market	32	468	0	0	0	0	500
Beswick Community Hub - Highway and Public Realm	2	0	0	0	0	0	2
Eastern Gateway - Central Retail Park	1,312	2,000	0	0	0	0	3,312
Eastern Gateway - New Islington Marina	4,036	1,081	15	0	0	0	5,132
Hall and Rogers	346	0	0	0	0	0	346
Development Programme - North Manchester							
Collyhurst Police Station liabilities	844	0	0	0	0	0	844
Northern Gateway	15,000	10,000	0	0	0	0	25,000
Development Programme - City Centre							
Hulme Hall Rd Lighting	39	0	0	0	0	0	39
ST Peters Square	602	400	0	0	0	0	1,002
Medieval Quarter Public Realm	862	1,126	0	0	0	0	1,988
City Labs 2	3,675	0	0	0	0	0	3,675
Manchester College	26,400	10,000	0	0	0	0	36,400
Development Programme - Enterprise Zone							
Airport City Power Infrastructure (EZ)	2,440	0	0	0	0	0	2,440
Development Programme - Stand Alone Projects							
Digital Business Incubators	3,500	0	0	0	0	0	3,500
Total Strategic Development Programme	168,438	112,638	70,555	14,341	0	0	365,972
							0
Town Hall Refurbishment Programme							0
Our Town Hall refurbishment	11,565	26,520	73,198	107,834	68,046	14,230	301,393

Total Town Hall Refurbishment Programme	11,565	26,520	73,198	107,834	68,046	14,230	301,393
Private Sector Housing Programme							
Brunswick PFI (PSH)							
Brunswick PFI Land Assembly	2,460	1,726	737	0	0	0	4,923
Collyhurst (PSH)							
Collyhurst Regeneration	10	678	4,265	0	0	0	4,953
Collyhurst Environmentals	30	97	0	0	0	0	127
Housing Investment Model							
Site Investigation and Early Works HIF Pilot Sites	286	141	155	0	0	0	582
Miles Platting PFI (PSH)							
Miles Platting PFI Land Assembly	210	677	0	0	0	0	887
Private Housing Assist Citywide Programme							
Disabled Facilities Grant	7,184	7,929	6,200	6,200	0	0	27,513
Toxteth St CPO & environmental works	73	141	0	0	0	0	214
Bell Crescent CPO	0	482	0	0	0	0	482
Private Sect Housing Standalone Projects							
HCA Empty Homes Cluster Phase 2	90	801	891	0	0	0	1,782
Empty Homes Scheme (Adactus)	2,000	0	0	0	0	0	2,000
Redrow Development Programme							
Redrow Development Phase 2 onward	300	0	0	0	0	0	300
West Gorton (PSH)							
West Gorton Compensation	0	4	0	0	0	0	4
West Gorton Ph 2A Demolition & Commercial Acquisitions	10	490	904	0	0	0	1,404
Armitage Nursery & Community Facility	1,215	2,160	0	0	0	0	3,375
Private Sector Housing - Stand Alone Projects							
HMRF	56	50	40	0	0	0	146
Collyhurst Acquisition & Demolition (Overbrook & Needwood Close)	5	661	0	0	0	0	666
Extra Care	3,555	2,445	0	0	0	0	6,000

Moston Lane Acquisitions	0	0	0	0	0	7,500	7,500
Equity Loans	0	0	397	0	0	0	397
West Gorton Community Park	0	250	0	0	0	0	250
Ben St. Regeneration	5,574	556	6,877	0	0	0	13,007
Homelessness	1,540	3,460	0	0	0	0	5,000
Marginal Viability Fund - New Victoria	0	1,827	6,263	1,984	0	0	10,074
Marginal Viability Fund - Bowes Street	0	929	2,385	0	0	0	3,314
Rent to Purchase	203	0	0	0	0	0	203
Total Private Sector Housing Programme	24,801	25,504	29,114	8,184	0	7,500	95,103
Public Sector Housing							
01.00 Northwards - External Work							
Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1	2,100	7,485	2,125	0	0	0	11,710
External cyclical works phase 3a	10	32	0	0	0	0	42
Collyhurst Environmental programme	312	0	0	0	0	0	312
Ancoats Anita St and George Leigh external cyclical works ph 3b	28	0	0	0	0	0	28
Harpurhey Lathbury & 200 Estates external cyclical works ph 3b	0	13	0	0	0	0	13
Environmental works	113	0	0	0	0	0	113
Harpurhey Shiredale Estate externals	0	15	0	0	0	0	15
Moston Miners Low Rise externals	16	4	0	0	0	0	20
Newton Heath Limestone Drive externals	0	6	0	0	0	0	6
Renewal of 4 automatic pedestrian gates at Victoria Square	45	0	0	0	0	0	45
Replacement door entry Clifford Lamb Ct and Monsall multi storey blocks	0	95	0	0	0	0	95
External cyclical works ph 3b Harpurhey - Jolly Miller Estate ph 3b	86	0	0	0	0	0	86

External cyclical works ph 3b Moston Estates (Chauncy/Edith Cliff/Kenyon/Thorveton Sq)	9	0	0	0	0	0	9
External cyclical works ph 3b Ancoats Smithfields estate	262	0	0	0	0	0	262
External cyclical works ph 4b Charlestown Chain Bar low rise	214	0	0	0	0	0	214
External cyclical works ph 4b Charlestown Chain Bar Hillingdon Drive maisonettes	1	4	0	0	0	0	5
External cyclical works ph 4b Crumpsall Blackley Village	131	0	0	0	0	0	131
External cyclical works ph 4b Higher Blackley South	312	0	0	0	0	0	312
External cyclical works ph 4b Newton Heath Assheton estate	109	0	0	0	0	0	109
External cyclical works Ph 4b Newton Heath Troydale Estate	866	0	0	0	0	0	866
External cyclical works Ph 5 New Moston (excl corrolites)	76	21	0	0	0	0	97
Environmental improvements Moston corrolites	180	0	0	0	0	0	180
Charlestown - Victoria Ave multistorey replacement door entry systems	37	182	0	0	0	0	219
ENW distribution network phase 4 (various)	122	382	0	0	0	0	504
Dam Head - Walk up flates communal door renewal	378	6	0	0	0	0	384
Delivery Costs	955	689	952	0	0	0	2,596
02.00 Northwards - Internal Work							
2 and 4 blocks heating replacement with Ground source heat pumps - Phase 1	95	51	0	0	0	0	146
Lift replacement / refurbishment programme	75	0	0	0	0	0	75
Fire precaution works - installation of fire seal box to electric cupboards on communal corridors in retirement blocks	6	0	0	0	0	0	6
Decent Homes mop ups ph 9 and decent homes work required to voids	185	0	0	0	0	0	185
One offs such as rewires, boilers, doors, insulation	377	0	0	0	0	0	377
Whitemoss Road and Cheetham Hill Road Local Offices - Improvements	202	0	0	0	0	0	202
Ancoats - Victoria Square lift replacement	215	50	0	0	0	0	265
Job 40502 Aldbourne Court/George Halstead Court/Duncan Edwards Court works	274	0	0	0	0	0	274

Collyhurst - Rainwater pipes/guttering rectification work	141	85	0	0	0	0	226
Boiler replacement programme - Job 40491	861	271	0	0	0	0	1,132
Kitchen and Bathrooms programme	2,107	3,012	60	0	0	0	5,179
Decent Homes mop ups phase 10 and voids	583	500	246	0	0	0	1,329
One off work - rewires, boilers, doors	100	200	0	0	0	0	300
Fire precautions multi storey blocks	676	1,824	1,500	0	0	0	4,000
Installations of sprinkler systems - multi storey blocks	2,000	5,159	221	0	0	0	7,380
Delivery Costs	1,352	1,237	223	0	0	0	2,812
05.00 Northwards - Off Debits/Conversions							
Bringing Studio Apartments back in use	97	78	0	0	0	0	175
Delivery Costs	13	12	0	0	0	0	25
06.00 Homeless Accommodation							
Improvements to Homeless accommodation city wide	45	0	210	0	0	0	255
Plymouth Grove Women's Direct Access Centre	22	0	0	0	0	0	22
Improvements to Homeless Accommodation Phase 2	501	689	23	0	0	0	1,213
Delivery Costs	136	59	26	0	0	0	221
12.00 Northwards - Acquisitions							
Northwards Acquisitions	102	0	0	0	0	0	102
Stock Acquisitions	64	0	0	0	0	0	64
Delivery Costs	29	0	0	0	0	0	29
14.00 Northwards - Adaptations							
Adaptations	300	0	0	0	0	0	300
Adaptations - 18/19	700	720	0	0	0	0	1,420
Northwards - Unallocated							
Northwards Housing Programme 2017/18	50	3,986	18,805	18,900	0	0	41,741
Retained Housing Programme							
Collyhurst Maisonette Compensation & Dem	0	89	0	0	935	0	1,024
West Gorton Regeneration Programme							
West Gorton PH2A Low & High Rise Demolition	0	26	0	0	0	0	26
Future Years Housing Programme							
Collyhurst Estate Regeneration	200	8,495	10,235	2,541	0	0	21,471

Collyhurst Regen - Highways Phase 1	0	190	0	0	1,394	0	1,584
Collyhurst Regen - Churnett Street	0	0	0	0	790	0	790
Collyhurst Regen - Needwood & Overbrook acquisition / demolition	3	124	0	0	0	0	127
Willert Street Park Improvements	36	0	0	0	0	0	36
North Manchester New Builds	6,358	163	0	0	0	0	6,521
North Manchester New Builds 2	75	500	10,700	0	0	0	11,275
Parkhill Land Assembly	0	0	0	4,270	0	0	4,270
Brunswick PFI HRA	30	0	0	0	0	0	30
Total Public Sector Housing (HRA) Programme	24,372	36,454	45,326	25,711	3,119	0	134,982
Children's Services Programme							
Basic Need Programme							
Cavendish Community - Increase capacity	266	0	0	0	0	0	266
Ashbury Meadow - Increase capacity	71	0	0	0	0	0	71
E-Act Academy - increase capacity	11	0	0	0	0	0	11
Claremont - Increase capacity	71	0	0	0	0	0	71
Briscoe Lane Academy	150	0	0	0	0	0	150
Stanley Grove - contribution to PFI	13	0	0	0	0	0	13
Manchester Communication Primary Academy	224	0	0	0	0	0	224
Dean Trust Ardwick	11	0	0	0	0	0	11
Ardwick PRU	40	0	0	0	0	0	40
Lytham Rd	343	0	0	0	0	0	343
Manchester Health Academy expansion	3,242	0	0	0	0	0	3,242
Co-op Academy expansion	3,471	0	0	0	0	0	3,471
St Margaret's C of E	54	0	0	0	0	0	54
St Matthews RC	192	0	0	0	0	0	192
Matthews Lane	10,267	28,155	1,138	0	0	0	39,560
Plymouth Grove Refurbishment	4,974	27	0	0	0	0	5,001
Beaver Rd Primary Expansion	4,661	15	0	0	0	0	4,676

Lily Lane Primary	3,761	11	0	0	0	0	3,772
St. James Primary Academy	3,005	12	0	0	0	0	3,017
Crossacres Primary School	2,019	11	0	0	0	0	2,030
Ringway Primary School	1,553	10	0	0	0	0	1,563
Webster Primary Schools	2,008	11	0	0	0	0	2,019
Basic need - unallocated funds	0	48,534	0	0	0	0	48,503
Universal Infant Free School Meals (UIFSM) - Unallocated	335	0	0	0	0	0	335
Schools Maintenance Programme							
Moston Lane - re-roof	338	0	0	0	0	0	338
Chorlton CofE Primary Rewire	15	0	0	0	0	0	15
Moston Lane Primary	8	0	0	0	0	0	8
Wilbraham Primary Roof	40	0	0	0	0	0	40
Abbott Primary School Fencing	109	0	0	0	0	0	109
Crowcroft Park PS-Rewire	531	0	0	0	0	0	531
Pike Fold Community Primary - Ground Stabilisation	16	0	0	0	0	0	16
Charlestown Primary ED43076	45	0	0	0	0	0	45
Armitage CE Primary	132	0	0	0	0	0	132
Higher Openshaw Comm School - Renew Boiler	126	0	0	0	0	0	126
Crowcroft Park PS - Roof Repairs	62	0	0	0	0	0	62
Northenden Primary School - Part Reroof	42	0	0	0	0	0	42
Abbot Community Primary - Ext Joinery Repair	262	0	0	0	0	0	262
St Mary's PS - Joinery Repairs	119	0	0	0	0	0	119
Sandilands PS - Joinery Repairs	169	0	0	0	0	0	169
Lancasterian ID Secure Lobby	38	0	0	0	0	0	38
Cheetwood PS - Rewire	387	0	0	0	0	0	387
Pike Fold Community Sch - Repairs to air handling units	64	0	0	0	0	0	64
Button Lane PS - Boiler Installation	84	0	0	0	0	0	84
Schools Capital Maintenance -unallocated	0	5,012	3,000	3,000	0	0	11,012
Education Standalone Projects							
Paintpots	31	0	0	0	0	0	31
Community Minded Ltd	28	0	0	0	0	0	28

Early Education for Two Year Olds	136	0	0	0	0	0	136
Gorton Youth Zone	538	962	0	0	0	0	1,500
Greenheys Toilets	67	0	0	0	0	0	67
Special Educational Needs grant	831	831	831	0	0	0	2,493
Total Children's Services Programme	44,960	83,591	4,969	3,000	0	0	136,520
ICT Capital Programme							
ICT							
Solaris	11	0	0	0	0	0	11
ICT Infrastructure & Mobile Working Programme							
Citrix 7.6 Migration	1	0	0	0	0	0	1
Mobile Device Refresh	49	0	0	0	0	0	49
PSN Windows 2003	140	0	0	0	0	0	140
Data Centre UPS Installation	20	0	0	0	0	0	20
Core Switch Firmware	58	0	0	0	0	0	58
New Social Care System	2,039	0	0	0	0	0	2,039
End User Computing	886	0	0	0	0	0	886
Core Infrastructure Refresh	533	0	0	0	0	0	533
Income Management	33	0	0	0	0	0	33
Customer & Bus. Relationship Management System	33	0	0	0	0	0	33
Corporate Reporting Tool (Business Objects)	11	0	0	0	0	0	11
Internet Resilience	154	0	0	0	0	0	154
New Rent Collection System	75	0	0	0	0	0	75
Communications Room Replacement Phase 2	500	4,455	69	0	0	0	5,024
ICT Investment Plan	3,859	13,110	15,231	6,399	0	0	38,599
ICT Stand Alone Projects							
Infrastructure							
Wider Area Network Redesign	26	0	0	0	0	0	26
Total ICT Programme	8,428	17,565	15,300	6,399	0	0	47,692

Corporate Capital Programme							
Capitalisation of Community Equipment	368	386	405	425	0	0	1,584
C&F ICT Projects	48	139	0	0	0	0	187
Phase 1 Implementation - Locality Plan Programme Office	874	0	0	0	0	0	874
Integrated Working - Gorton Health Hub	1,400	10,150	8,627	2,619	0	0	22,796
Airport Strategic Investment	125,000	0	0	0	0	0	125,000
BioMedical Investment	7,000	5,500	6,100	2,700	0	0	21,300
Band on the Wall	0	200	0	0	0	0	200
Total Corporate Capital Programme	134,690	16,375	15,132	5,744	0	0	171,941
							0
Total Manchester City Council Capital Programme	471,414	415,361	307,456	202,339	71,165	21,730	1,489,465
							0
Projects carried out on behalf of Greater Manchester							0
Housing Investment Fund	132,323	118,605	29,350	0	0	0	280,278
Total GM projects	132,323	118,605	29,350	0	0	0	280,278
							0
Total CAPITAL PROGRAMME	603,737	533,966	336,806	202,339	71,165	21,730	1,769,743

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**Manchester City Council
Report for Resolution**

Report to: Executive – 17 October 2018

Subject: Capital Programme Update

Report of: Chief Executive and City Treasurer

Summary

This report informs members of requests to increase the capital programme, seeks approval for those schemes that can be approved under authority delegated to the Executive and asks Executive to recommend to the City Council proposals that require specific Council approval.

Recommendations

To recommend that the Council approve the following changes to Manchester City Council's capital programme:

1. Strategic Development – Alexandra House. A capital budget allocation and transfer of £12.0m, £0.885m in 2018/19, £4.790m in 2019/20, £4.0m in 2020/21 and £2.325m in future years, to be met from £10.0m from the Estates Transformation budget funded by borrowing and £2.0m from the Asset Management Programme budget funded by capital receipts.
2. Neighbourhoods – Christmas Market Electrical Equipment. A capital budget increase of £0.137m in 2018/19, funded by borrowing.
3. Strategic Development – Car Hire, Etihad. A capital budget allocation and transfer of £0.960m in 2018/19, from the Strategic Acquisition budget, funded by Capital Fund.
4. Highways – Highways Asset Surveys. A virement from the capital budget to revenue of £1.5m, £1.2m in 2019/20, £0.15m in 2020/21 and £0.15m in 2021/22, funded via Capital Fund.

Under powers delegated to the Executive, to approve the following changes to the City Council's capital programme:

1. Strategic Development – West Gorton Park. An increase in the capital budget of £0.514m in 2018/19 and £1.336m in 2018/19, funded by grant of £1.1m and capital receipts of £0.750m.
2. ICT – Care Leavers Phase 1. A capital budget allocation and transfer of £0.091m in 2018/19, from the ICT Investment Plan budget, funded by borrowing.

3. ICT – ONE System Developments. A capital budget allocation and transfer of £0.048m in 2018/19, from the Children and Families ICT Projects budget, funded by borrowing.

Executive are also recommended to note the increases to the Programme of £0.423m as a result of delegated approvals.

Wards Affected: Various

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Contributions to various areas of the economy including investment in ICT services, Housing, and leisure facilities.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Investment in ICT services.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Improvements to services delivered to communities and enhanced ICT services.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in public buildings
A connected city: world class infrastructure and connectivity to drive growth	Investment in the enhanced provision of ICT services.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The recommendations in this report, if approved, will increase the revenue budget by £1.5m, funded from a corresponding decrease in the capital budget.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase Manchester City Council's capital budget by £0.660m, across the financial years as detailed in Appendix 1.

Contact Officers:

Name: Carol Culley
Position: City Treasurer
Telephone: 234 1647
E-mail: c.culley@manchester.gov.uk

Name: Tim Seagrave
Position: Group Finance Lead – Capital and Treasury Management
Telephone: 234 3459
E-mail: t.seagrave@manchester.gov.uk

Name: Tracey Read
Position: Principal Finance Manager (Capital)
Telephone: 234 1830
E-mail: t.read@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Report to the Executive 7th February 2018 – Capital Strategy and Budget 2018/19 - 2022/23)

Report to the Executive 7th March 2018 – Capital Programme – Proposed Increases

Report to the Executive 21st March 2018 – Capital Programme – Proposed Increases

Report to the Executive 30th May 2018 – Capital Programme Monitoring 2017/18 Outturn

Report to the Executive 30th May 2018 – Capital Programme – Proposed Increases

Report to the Executive 27th June 2018 – Capital Programme Update

Report to the Executive 11th July 2018 – Capital Programme Update

Report to the Executive 25th July 2018 – Capital Programme Update

Report to the Executive 12th September 2018 – Capital Programme Update

1 Introduction

- 1.1 This report outlines the requests for increases and decreases to the five-year capital budget 2018/19 to 2022/23.

2 Background

- 2.1 In February each year, the Executive receives a report on the capital budget for the forthcoming five financial years and approves a series of recommendations to make to the City Council. The City Council's resolutions on these recommendations constitute the approval of the five year capital programme for the City Council. Proposals for the 2018/19 to 2022/23 capital budget were presented to the Executive on 7th February 2018, including a revised 2017/18 budget.
- 2.2 The following requests for a change to the programme has been received since the previous report to the Executive on 12 September 2018.
- 2.3 Please note that where requests are made in the report to switch funding from capital to revenue, and to fund the revenue spend from the Capital Fund, this is a funding switch from within the capital programme and will not have a negative impact on the Fund itself.
- 2.4 For the changes requested below, the profile of the increase, decrease or virement is shown in appendix 1 for each of the projects.

3 City Council's Proposals Requiring Specific Council Approval

- 3.1 The proposals which require Council approval are those which are funded by the use of reserves above a cumulative total of £2.0m or where the use of borrowing is required. The following proposals require Council approval for changes to the capital programme
- 3.2 Strategic Development – Alexandra House. The refurbishment of the City Council office building Alexandra House and its underground car park is part of the Estates Transformation Phase 2 programme. The refurbishment will replace mechanical and electrical plant, including the provision of a new combined heat and power (CHP) unit. A full social value commitment from the contractor will be provided nearer to the commencement of the project. The project is also featured within the City Council's carbon reduction programme with measures to be considered including solar panels, LED lighting, external insulation and window upgrades. A capital budget allocation and transfer of £10.0m from the Estates Transformation budget, funded by borrowing and a transfer of £2.0m from Asset Management Programme is requested, funded by capital receipts.
- 3.3 Neighbourhoods – Christmas Market Electrical Equipment. To fund the purchase of the required electrical equipment in order to safely supply power to the Christmas Markets 2018 and in future years. Recent changes to Electrical Installation Regulations (BS7671) have seen changes to the

requirements on the supply to power the markets. A capital budget increase of £0.137m is requested, funded by borrowing on a spend to save basis.

- 3.4 Strategic Development – Car Hire, Etihad Campus. The project relates to the acquisition of a strategically significant parcel of land located within the newly adopted Sports and Innovation Zone of the Etihad Campus. The University presence at the Etihad Campus will underpin the development of a globally significant sports, leisure and recreation economic cluster attracting new industry partners to the city and driving forward new business start-ups. The diversity of resource requirements of this proposal will provide opportunity for local residents including educational opportunities. A capital budget allocation and transfer of £0.960m from the Strategic Acquisitions budget is requested, funded from the capital fund.
- 3.5 Highways – Highways Asset Surveys. The programme is for carrying out various highway asset surveys, including condition and customer satisfaction to determine priorities for planned maintenance and compliance with the ‘well managed highways’ code of practice. A capital budget decrease of £1.5m is requested and approval of a corresponding transfer of £1.5m to the revenue budget, funded by capital fund.

4 Proposals Not Requiring Specific Council Approval

- 4.1 The proposals which do not require Council approval and only require Executive approval are those which are funded by the use of external resources, the use of capital receipts, the use of reserves below £2.0m or where the proposal can be funded from existing revenue budgets and where the use of borrowing on a spend to save basis is required. The following proposals require Executive approval for changes to the City Council’s capital programme:
- 4.2 Strategic Development – West Gorton Community Park. The Grow Green West Gorton Project has been developed to deliver the public realm elements of the final phase of the West Gorton Regeneration Programme. New and improved user-friendly, high quality green space will produce climate resilience, environmental, social, and health and well-being outcomes and benefits. A capital budget increase of £1.6m is requested, funded by capital receipts of £0.5m and European grant of £1.1m which will be subject to exchange rate fluctuations during drawdown.
- 4.3 ICT – Care Leavers Phase 1. The new Care Leavers service requires an extension of the network and purchase and deployment of laptops, mobile phones and printers to staff. One of the service’s primary functions is to reduce the incidence of worklessness amongst care leavers, develop new opportunities for apprenticeships, work experience and education and employment. A capital budget allocation and transfer of £0.091m from the ICT Investment Plan budget is requested, funded by borrowing.
- 4.4 ICT – ONE System Developments. This proposal requests enhancements to the Education (ONE) system. The Early Years Portal will enable a digital

solution to collect assessment information from child care providers and the upload of Health related data, enabling the effective sharing of information to assess impact of service delivery. This initiative supports both “improvements in key health outcomes” and “improvement in key education outcomes” since the proposed developments will help track child attainment and enable the City Council to understand what services might be provided to help them achieve potential. A capital budget allocation and transfer of £0.048m from the Children and Families ICT Projects budget is requested, funded by borrowing.

5 Approvals under authority delegated to the City Treasurer

5.1 Under powers delegated to the City Treasurer in consultation with the Executive Member for Finance and Human Resources, the following schemes have been approved;

- Children’s - The Healthy Pupil Capital Funding Grant has been received from Education and Skills Funding Agency. This grant is to improve children’s and young people’s physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions. A capital budget increase of £0.263m is requested, funded by grant.
- Highways – M56. As part of this UK wide package of improvements, Highways England approached Manchester City Council Highway Authority about improving pedestrian and cyclist safety, access and integration at the M56 Junction 3a roundabout with A560 Altrincham Road within Baguley, South Manchester. The tender process will include consideration of the social value the project will bring. Due to the location of the scheme, there may be the possibility to work with the Open University in order to upskill students accessing Engineering/Construction courses. A capital budget increase of £0.160m is requested, funded by grant.

6 Prudential Performance Indicators

6.1 If the recommendations in this report are approved the General Fund capital budget will increase by £0.660m, across financial years as detailed in Appendix 1.

6.2 This will also result in an increase in the prudential indicator for Capital Expenditure in corresponding years. Monitoring of all prudential indicators is included within the Global Revenue Monitoring report.

6.3 There is an increase in the requirement for prudential borrowing, however, this has already been assumed within the City Council’s revenue budget and therefore there is no impact on the City’s Council Tax.

6.4 A request has been made to Council via the Global Revenue Monitoring and Budget Update report to approve the revised Prudential Indicator for non HRA Capital Expenditure to £600m.

7 Conclusions

- 7.1 The capital budget of the City Council will increase by £0.660m, if the recommendations in this report are approved.
- 7.2 The revenue budget of the City Council will increase by £1.5m, via the capital fund, if the recommendations in this report are approved.

8 Conclusions

- 8.1 The recommendations appear at the front of this report.

Appendix 1 - Requests for Adjustments to the Capital Budget Provision

Department	Scheme	Funding	2018/19 £'000	2019/20 £'000	2020/21 £'000	Future £'000	Total £'000
Council Approval Requests							
Strategic Development	Alexandra House	Borrowing	885	4,790	4,000	2,325	12,000
Strategic Development	Estates Transformation	Borrowing	-785	-4,300	-3,500	-1,415	-10,000
Strategic Development	Asset Management Programme	Capital Receipts	-100	-490	-500	-910	-2,000
Neighbourhoods	Christmas Market Electrical Equipment	Borrowing – Spend to Save	137				137
Strategic Development	Britannia Car Hire – Etihad	Capital Fund	960				960
Strategic Development	Strategic Acquisitions	Capital Fund	-960				-960
Highways	Project Delivery Procurement	Funding Switch to Revenue via Capital		-859			-859
Highways	Highways Asset Surveys	Funding Switch to Revenue via Capital		-341	-150	-150	-641
Total Council Approval Requests			137	-1,200	-150	-150	-1,363

Executive Approval Requests							
Strategic Development	West Gorton Community Park	Grant	514	586			1,100
Strategic Development	West Gorton Community Park	Capital Receipt	0	500			500
ICT	Care Leavers Ph1	Borrowing	91				91
ICT	Investment Plan	Borrowing	-91				-91
ICT	ONE System Developments	Borrowing	48				48
ICT	C&F ICT Projects	Borrowing	-48				-48
Total Executive Approval Requests			514	1,086	0	0	1,600
Delegated Approvals							
Children's Services	Healthy Pupil Capital Funding	Grant	263				263
Highways	M56	Grant	12	148			160
Total Delegated Approvals			275	148	0	0	423
Total Budget Adjustment Approvals			926	34	-150	-150	660

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Children's Services	Healthy Pupil Capital Funding	Grant	263				263
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Total Delegated Approvals			275	148	0	0	423
Total Budget Adjustment Approvals			926	34	-150	-150	660

**Manchester City Council
Report for Resolution**

Report to: Executive – 17 October 2018

Subject: Disposal of leasehold interests in land at Crown Street, Manchester to support comprehensive redevelopment of Great Jackson Street.

Report of: Strategic Director (Development)

Summary

This report sets out the detail of a series of connected leasehold disposals which will support the comprehensive redevelopment of Great Jackson Street in accordance with the recently updated Great Jackson Street SRF (the “SRF”). The SRF provides for the creation of a new residential neighbourhood in the City Centre, characterised by high quality high density residential development set in a transformed public realm, with a new park and enhanced connectivity. The leasehold disposals are extensions of existing leasehold arrangements, and will ensure that the early phases of development contemplated under the SRF will be delivered by a single developer, who has acquired the balance of interests in the remainder of this site.

Recommendations

The Executive is recommended to:-

1. Note the commitment by the Developer to provide new community amenities in the form of a new educational space, a medical centre and public park within their development proposals.
 2. Approve the disposal of new development leases to the existing leaseholder by way of a conditional agreement for lease and lease, on principle terms outlined in the body of this report.
 3. Delegate authority to the Strategic Director, Strategic Development, in consultation with the Leader and Executive Member for Housing and Regeneration, to finalise the detailed terms of the commercial agreements.
 4. Delegate authority to the City Solicitor to complete the necessary contracts to give effect to the above recommendations.
-

Wards Affected: Deansgate, Hulme

Manchester Strategy outcomes	Summary of the contribution to the strategy
<p>A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities</p>	<p>The comprehensive redevelopment of Great Jackson Street will provide a major focus for new investment within the area. With significant construction already underway, delivering the initial phases of development, the area will support the city's residential growth requirements providing high quality new homes within a distinctive neighbourhood. Development at Great Jackson Street will act as a catalyst for further investment across the area and will align with and support investment made at First Street in creating a gateway to the city centre. The SRF will also support direct employment opportunities through the creation of retail and amenity units at street level.</p>
<p>A highly skilled city: world class and home grown talent sustaining the city's economic success</p>	<p>This new residential led development within the region's economic hub will both support population growth, as well as the attraction and retention of the talent required to support Manchester's strong growth trajectory over a range of economic sectors. The residential development will facilitate the delivery of a well-connected neighbourhood within close proximity to the range of employment opportunities offered within the city centre.</p>
<p>A progressive and equitable city: making a positive contribution by unlocking the potential of our communities</p>	<p>The proposals within the updated SRF will support and stimulate regeneration at the southern gateway and across the wider city centre. The SRF proposals will contribute to the delivery of the Manchester Residential Growth prospectus and meet the growing demand for new homes in the city. The SRF details proposals that will provide new public realm and public space, together with high quality design and uses that will provide a positive amenity that local residents and adjoining neighbourhoods can benefit from. Improved links to Hulme will enhance access to the city centre for local residents.</p>

<p>A liveable and low carbon city: a destination of choice to live, visit, work</p>	<p>The SRF will prioritise the delivery of enhanced pedestrian walkways and cycling routes into the city centre at a key gateway location. This will enhance the connectivity of Great Jackson Street with surrounding districts and deliver improved links and access to established city centre neighbourhoods including Castlefield and First Street. A key component of the framework is to deliver significant new high quality public spaces and connections throughout the area, which will comprehensively improve the environment of this part of the city centre. Additionally as a result of the improved routes and permeability through the Great Jackson Street area, enhanced access will be provided to Hulme Park. Aligned with the anticipated increasing number of families moving into the Great Jackson Street area and adjacent neighbourhoods, the Council is currently undertaking work on a city-wide basis to examine the potential for further school and nursery provision, to satisfy demand generated by those living within the city centre. Ground floor uses within development at Great Jackson Street hold the potential for retail and leisure uses such as restaurants, cafes and local convenience stores as well as amenity facilities to support the primarily residential neighbourhood, such as a residents' lounge, gym, health care facilities and flexible working space. This establishes a mechanism for social infrastructure such as doctors, dentists and crèche facilities to be provided within the framework Area.</p>
<p>A connected city: world class infrastructure and connectivity to drive growth</p>	<p>The development of the Great Jackson Street area will deliver a significant new residential neighbourhood at a key city centre gateway. The neighbourhood will be connected to and benefit from key amenities at First Street, Castlefield and Hulme, in addition to providing a differentiated residential offer which will be unique to the Great Jackson Street area through its mixture of residential typologies and high quality public spaces. The Great Jackson Street neighbourhood will benefit from strong transport connectivity. This includes excellent public transport links with both rail and Metrolink stations within a 5 minute walk from the SRF area, negating resident's and visitor's reliance on car usage.</p>

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
 - Risk Management
 - Legal Considerations
-

Financial Consequences – Revenue

The educational and medical accommodation provided by the developer as part of their development proposals will attract holding costs if held vacant by the Council. This can be mitigated through appropriate management of the process.

Financial Consequences – Capital

The Council will receive a capital receipt for the land in the region of £2.1M plus indexation, calculated by reference to the draw down date of the relevant lease.

If a lease of the education or medical space is not entered into within specific timescales, as set out in the report, the Developer has the option to pay a premium to secure removal of the restrictions on use placed against these elements, this would result in a capital receipt for the Council. If future phases of development stall, the Council may receive a payment equivalent to the pro rata developer commitment costs outstanding at that time.

There will be a reconciliation valuation based on financial performance of the scheme, this will take into account the community amenity and social infrastructure the developer is delivering, and will establish the financial contribution which will be allocated to the affordable housing fund.

Contact Officers:

Name: Eddie Smith
Position: Strategic Director
Telephone: 0161 234 5515
E-mail: e.smith@manchester.gov.uk

Name: David Lord
Position: Development Manager, Strategic Development
Telephone: 0161 234 1339
E-mail: d.lord@manchester.gov.uk

Name: Pat Bartoli
Position: Head of City Centre Regeneration, Strategic Development
Telephone: 0161 234 3329
E-mail: p.bartoli@manchester.gov.uk

Name: Dave Roscoe
Position: Planning Development Manager
Telephone: 0161 234 4567
E-mail: d.roscoe@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Report to the Executive – Southern Gateway: Great Jackson Street Development Framework – 24 October 2007.
- Draft Great Jackson Street Development Framework – January 2015
- Report to the Executive – Great Jackson Street Development Framework – 18 March 2015
- Report to the Executive – Great Jackson Street Development Framework – 1 July 2015
- Great Jackson Street Strategic Regeneration Framework – July 2015
- Draft updated Great Jackson Street Strategic Regeneration Framework – August 2017
- Report to the Executive – Great Jackson Street Strategic Regeneration Framework update – 13 September 2017
- Report to the Executive – Great Jackson Street SRF (Update) – 10 January 2018

1.0 Introduction

- 1.1 The Executive, at its meeting of 10 January 2018, endorsed the principles of the Great Jackson Street SRF (the “SRF”) and these were adopted as a material planning consideration in respect of applications submitted in the SRF area.
- 1.2 Since endorsement by the Executive, officers have been working with the principal landowner, Renaker, to develop a detailed second phase of development, building on the initial phase of construction at Owen Street. This second phase scheme comprises 644 apartments, ancillary amenity provision, cycle and parking and commercial space and was approved by planning committee on 28 June 2018.
- 1.3 The Council holds strategic land interests within the SRF area, and as part of the developer’s commitment to providing the social infrastructure and public realm required by the SRF, this report sets out the legal and commercial structure whereby the Council will leverage and secure these significant commitments through the regear of its land interests.

2.0 Background

- 2.1 The developer, Renaker, acquired the overarching interest in the Crown Street area from the distressed owner in 2015. This area is outlined red on the attached plan. The Council has 3 reversionary freehold interests located within this area, tinted blue, pink and green on the attached plan. These freeholds are subject to long leases out to Renaker. At the time of Renaker’s acquisition of the wider site, heads of terms for an agreement to create 2 new over-riding development leases were agreed in principle between the two parties.
- 2.2 The developer is also bringing forward the first phase of development within the Great Jackson Street area, the four residential buildings within Owen Street development. Through a collaborative approach with the Council, Renaker commenced development of the Owen Street scheme, and significant progress has been made with regards to that development, with 2 landmark residential towers now adding to the City’s changing skyline, and the remaining 2 residential buildings and podium well out of the ground.
- 2.3 Given the scale of development being undertaken by the developer in the immediate vicinity of the subject sites, it was important to ensure capability and capacity of the developer before finalising the terms of any commercial deal at Great Jackson Street.
- 2.4 Over the course of this year, and following the adoption of the updated SRF by Executive in January, the developer and officers have been finalising proposals for the second phase of development in the Great Jackson Street area. This has culminated in an initial tranche of residential development on a plot fronting ‘Deansgate’ comprising a part 51-storey and part 22-storey high density residential development. This development was approved by Planning

Committee on 28 June 2018. The planning report set out the over-arching developer commitment to delivering high quality buildings, public space and place-making in line with the principles of the SRF.

- 2.5 Further, the developer has recognised the importance of providing community amenity space and quality social infrastructure to support the scale of residential development that is being brought forward through Great Jackson and other neighbouring regeneration frameworks.

Developer Contributions

- 2.6 The developer has committed, through signing up to deliver the wider SRF, to significant developer contributions in to social infrastructure and public realm on the site in accordance with planning policy. In principle, the developer will provide:

Phase 2 – Tranche 1:

- Medical Space - provision of 400 sq m (4339 sq ft) of ground floor shell and core space to be accessed independently to the main scheme entrance, but off Chester Road.
- 31% of the public realm and publicly accessible space.

Phase 2 – Tranche 2:

- Educational space - provision of 1300 sq m (13,993 sq ft) of shell and core space located over 2 floors within buildings C3, C4 and C5. This space will be separately accessed and there will be arrangements put in place through the management arrangements to secure specific access to the public park being created.
- Public park
- Remainder of the public realm and publicly accessible space (69%).

- 2.7 The developer has proposed shell and core space to enable the Council and its partners to specify the final layout, fit-out and finish. To benefit from the contribution officers will work with stakeholders, potential tenants and the developer to agree commercial terms and finalise layouts, access, M&E at an early stage as possible to maximise efficiency and minimise any abortive costs.
- 2.8 There is an imbalance in respect of the contributions, in that the majority of developer contributions will be delivered within second tranche of development. To mitigate the risk to the Council of the developer not commencing this second tranche of development a condition has been attached to the planning consent outlining a transitional treatment of the site if development is not commenced within 12 months. This requires the developer to provide a hard-surfaced car park, with appropriate lighting, drainage and security. This will effectively equalise this financial imbalance ensuring that the Council secures the planning contributions due for the relevant tranche of development.
- 2.9 The developer has only secured planning approval for the first tranche of Phase 2 of the development within the SRF area. A planning agreement to

capture the second tranche community amenity and public infrastructure will be sought as part a later application by the developer or their successors in title.

3.0 Land Arrangements

- 3.1 The Council owns the freehold reversion in 3 plots of land which have been tinted blue, pink and green on the attached plan. These interests are arranged in 3 land registry titles, but are captured in 2 leases to Renaker. These are subject to long leasehold interests currently held by the Developer. These leases are restrictive in their use, permitting only industrial and car parking uses. The unexpired term is insufficient to secure funding for redevelopment of the site in accordance with the SRF. The proposed transaction would comprise an over-arching Agreement for Lease between the Council and the Developer.
- 3.2 The Agreement for Lease would incorporate a series of conditions precedent that would have to be satisfied prior to the drawdown of the land required to deliver the first tranche of development. These would be related to securing an implementable planning consent, free from challenge, evidence of funding to deliver the scheme, entry into a bona fide build contract, approval of an estate management strategy for the management of the blocks in the first phase and the associated public realm. The second tranche of development will require satisfaction of the same conditions along with a further performance related condition which would involve construction of the first tranche of development to 80% of practical completion, this may be waived at the discretion of the Council if it is of the opinion that progressing future development is appropriate.
- 3.3 On satisfaction of the conditions precedent the Council would grant an over-riding lease of the land with the usual landlord controls. Given the fact that the Council only own partial interests across the site, and the ownership will be fragmented across the buildings to be constructed it has been provisionally agreed to grant 999yr leases out of the Council's freeholds on this occasion. It is still considered important for the Council to retain its freehold ownership to ensure the area is built out to completion, and the buildings on this important gateway into the city are appropriate.
- 3.4 The developer contributions are to be captured by way of a s106 agreement or Unilateral Undertaking. This is considered to be the most appropriate mechanism for ensuring the developer and any successors in title comply with these requirements. The reason being that the Council's land interest is only partial, and officers are recommending that the restrictions are placed across the whole of the site, so that they run with the land and compliance can be enforced through planning control.
- 3.5 Entry into the s106 agreement or Unilateral Undertaking will be a further condition precedent in the Agreement for Lease and will need to be satisfied prior to the granting of development leases.

- 3.6 It is envisaged that the Council and the Developer will, through the planning process, negotiate a s106 agreement to cover developer obligations in respect of the future phases of development. To protect the Council, the requirement to provide the base level of developer contributions, as outlined in 2.6 above, will be written into the Agreement for Lease, and removed only if superseded by entry into a s106 agreement.

4.0 Analysis of pupil demand

- 4.1 Officers are undertaking analysis of pupil demand to review yields from new developments being constructed as they are completed and occupied, along with an assessment of the likely demographic which will be attracted to occupy the pipeline of future residential development as this comes forward. This will be used to establish the demand for new pupil places in the context of any changes to take account of any variations in the demographic of residents in the City Centre. This will be reviewed as required through the design development process to ensure that the planned accommodation is appropriate to the needs of the community.
- 4.2 The process of establishing a school requires the Council to undertake a Free School Presumption to identify a multi-academy trust to operate the school. This is a competitive process mandated by the Department for Education and requires that the Council publish a specification for the type of school it requires. The final decision on operators (or sponsors) the school is with the Regional Schools Commissioner on behalf of the Secretary of State. The Council has a capital fund to commission school places but it can only be used where there is a clear demand which will be evidenced by the analysis outlined in 4.1 above.

5.0 Contributing to the Manchester Strategy

(a) A thriving and sustainable city

- 5.1 The comprehensive redevelopment of Great Jackson Street will provide a major focus for new investment within the area. With significant construction already underway, delivering the initial phases of development, the area will support the city's residential growth requirements providing high quality new homes within a distinctive neighbourhood. Development at Great Jackson Street will act as a catalyst for further investment across the area and will align with and support investment made at First Street in creating a gateway to the city centre. The SRF will also support direct employment opportunities through the creation of retail and amenity units at street level.

(b) A highly skilled city

- 5.2 This new residential led development within the region's economic hub will both support population growth, as well as the attraction and retention of the talent required to support Manchester's strong growth trajectory over a range of economic sectors. The residential development will facilitate the delivery of a well-connected neighbourhood within close proximity to the range of

employment opportunities offered within the city centre.

(c) A progressive and equitable city

- 5.3 The proposals within the updated Great Jackson Street SRF will support and stimulate regeneration at the southern gateway and across the wider city centre. The SRF proposals will contribute to the delivery of the Manchester Residential Growth prospectus and meet the growing demand for new homes in the city. The SRF details proposals that will provide new public realm and public space, together with high quality design and uses that will provide a positive amenity that local residents and adjoining neighbourhoods can benefit from. Improved links to Hulme will enhance access to the city centre for local residents.

(d) A liveable and low carbon city

- 5.4 The SRF will prioritise the delivery of enhanced pedestrian walkways and cycling routes into the city centre at a key gateway location. This will enhance the connectivity of Great Jackson Street with surrounding districts and deliver improved links and access to established city centre neighbourhoods including Castlefield and First Street. A key component of the framework is to deliver significant new high quality public spaces and connections throughout the area, which will comprehensively improve the environment of this part of the city centre. Additionally as a result of the improved routes and permeability through the Great Jackson Street area, enhanced access will be provided to Hulme Park. Aligned with the anticipated increasing number of families moving into the Great Jackson Street area and adjacent neighbourhoods, the Council is currently undertaking work on a city-wide basis to examine the potential for further school and nursery provision, to satisfy demand generated by those living within the city centre. Ground floor uses within development at Great Jackson Street hold the potential for retail and leisure uses such as restaurants, cafes and local convenience stores as well as amenity facilities to support the primarily residential neighbourhood, such as a residents' lounge, gym, health care facilities and flexible working space. This establishes a mechanism for social infrastructure such as doctors, dentists and crèche facilities to be provided within the framework Area.

(e) A connected city

- 5.5 The development of the Great Jackson Street area will deliver a significant new residential neighbourhood at a key city centre gateway. The neighbourhood will be connected to and benefit from key amenities at First Street, Castlefield and Hulme, in addition to providing a differentiated residential offer which will be unique to the Great Jackson Street area through its mixture of residential typologies and high quality public spaces. The Great Jackson Street neighbourhood will benefit from strong transport connectivity. This includes excellent public transport links with both rail and Metrolink stations within a 5 minute walk from the SRF area, negating resident's and visitor's reliance on car usage.

6. Key Policies and Considerations

(a) Equal Opportunities

- 6.1 A key aim of the wider Strategic Regeneration Framework is to promote the delivery of high quality residential development in close proximity to the region's economic hub. The provision of social infrastructure, such as medical provision, educational space and a public park will act as a catalyst for a wider demographic to locate into this part of the City Centre. This will enhance sustainability of communities and add to community cohesion. The ground floor commercial uses will also add employment opportunities for residents of Manchester.

(b) Risk Management

- 6.2 The provision of a conditional agreement and entry into a s106/Unilateral Undertaking will provide an appropriate framework to capture developer's obligations, in terms of the delivery of the development and the wider social infrastructure. This is a critical part of the Strategic Regeneration Framework to support the regeneration of this part of the City.

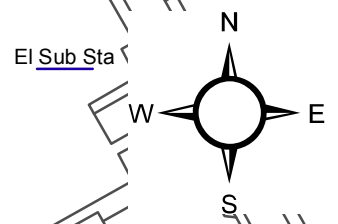
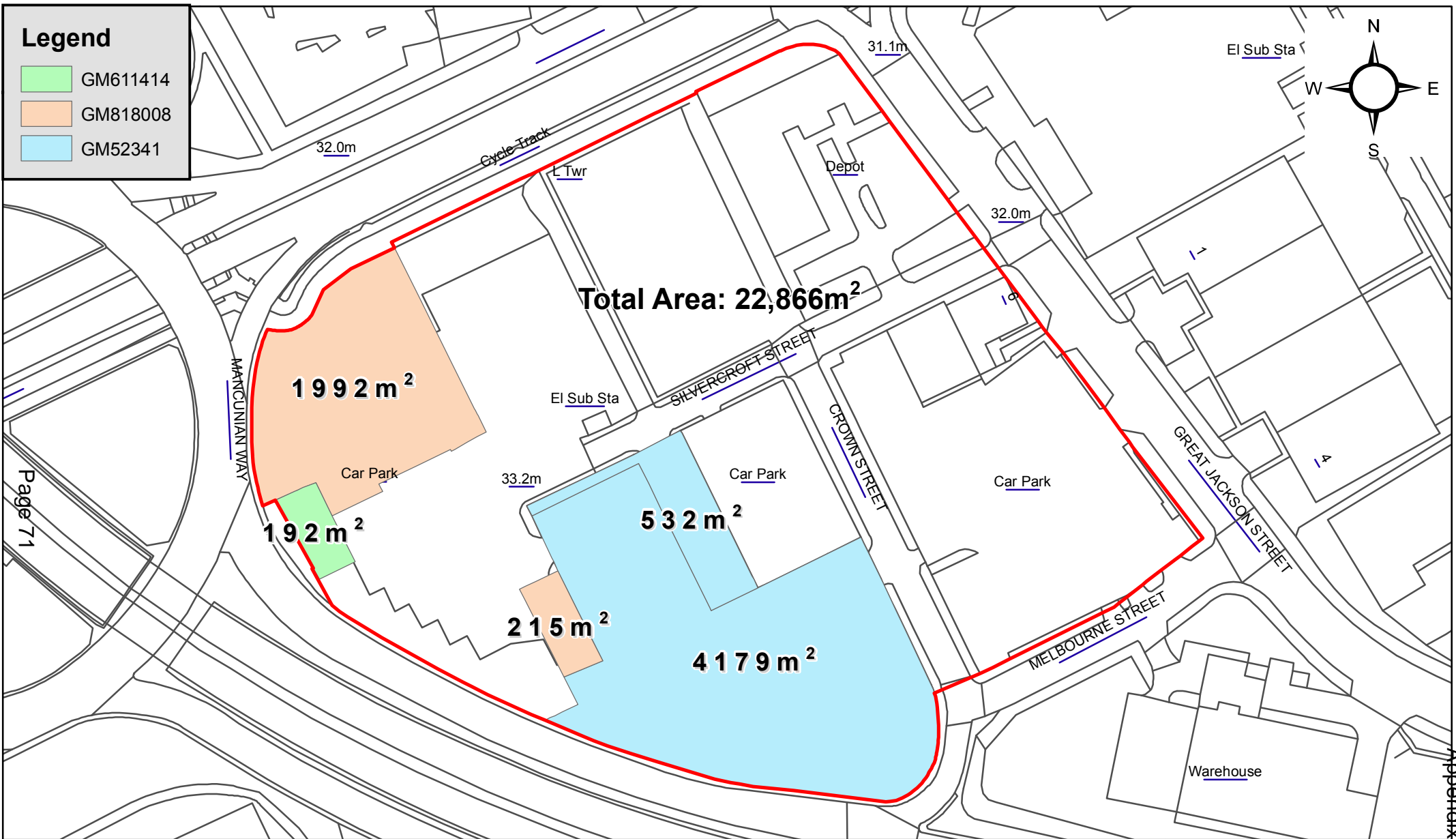
(c) Legal Considerations

- 6.3 To protect the Council's position creating a standalone planning agreement to capture the developer's obligations is deemed appropriate. Whilst this is not an absolute requirement of the planning permission, the Council can frustrate the development by withholding the new leases. By including a condition in the agreement for lease that the s106 agreement or Unilateral Undertaking is entered into, the developer will have to commit contractually to providing these obligations and suitable enforcement provisions can be secured through the planning framework.

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Legend

- GM611414
- GM818008
- GM52341



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PLAN FOR IDENTIFICATION PURPOSES ONLY

Capital Programmes and Property Growth and Neighbourhoods Directorate
P.O. Box 532
Manchester M60 2LA



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