



Executive

Date: Wednesday, 16 November 2022
Time: 2.00 pm
Venue: Council Antechamber, Level 2, Town Hall Extension

This is a **combined agenda pack** for information only

Access to the Public Gallery

Public access to the Council Antechamber 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. **There is no public access from any other entrance.**

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

Craig (Chair), Akbar, Bridges, Hacking, Igbon, Midgley, Rahman, Rawlins, T Robinson and White

Membership of the Consultative Panel

Councillors

Ahmed Ali, Butt, Collins, Douglas, Foley, Johnson, Leech, Lynch and Stanton

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 decisions taken at the meetings.

Agenda

1. Appeals

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

2. Interests

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

3. Minutes

To approve as a correct record the minutes of the meeting held on 19 October 2022.

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4. Our Manchester Progress Update

Report of the Chief Executive attached

All Wards

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5. Revenue Budget Update

Report of the Deputy Chief Executive and City Treasurer attached

All Wards

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6. Capital Programme Monitoring 2022/23

Report of the Deputy Chief Executive and City Treasurer attached

All Wards

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7. Capital Programme update

Report of the Deputy Chief Executive and City Treasurer attached

All Wards

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8. Enabling Independence Accommodation Strategy

Report of the Executive Director of Adult Social Services and Strategic Director of Children and Education attached

All Wards

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9. Manchester Playing Pitch and Outdoor Sport Strategy

Report of the Strategic Director (Neighbourhoods) attached

All Wards

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10. Delivery of Affordable Housing - Project 500 Update (Part A)

Report of the Strategic Director (Growth and Development) attached

All Wards

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11. King Street Multistorey Car Park & King Street West Shops (Part A)

Report of the Strategic Director (Growth and Development) attached

Deansgate

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- | | |
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| 12. Mayfield Phase 1 Update (Part A)
Report of the Strategic Director (Growth and Development)
attached | Piccadilly
221 - 234 |
| 13. Exclusion of Press and Public
The officers consider that the following item or items contains exempt information as provided for in the Local Government Access to Information Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. The Executive is recommended to agree the necessary resolutions excluding the public from the meeting during consideration of these items. At the time this agenda is published no representations have been made that this Executive part of the meeting should be open to the public | |
| 14. Delivery of Affordable Housing - Project 500 Update (Part B)
Report of the Strategic Director (Growth and Development)
attached | All Wards
235 - 242 |
| 15. King Street Multistorey Car Park & King Street West Shops (Part B)
Report of the Strategic Director (Growth and Development)
attached | Deansgate
243 - 252 |
| 16. Mayfield Phase 1 Update (Part B)
Report of the Strategic Director (Growth and Development)
attached | Piccadilly
253 - 270 |

Information about the Executive

The Executive is made up of 10 Councillors: the Leader and two Deputy Leaders of the Council and 7 Executive Members with responsibility for: Early Years, Children and Young People; Health Manchester and Adult Social Care; Finance and Resources; Environment and Transport; Vibrant Neighbourhoods; Housing and Development; and Skills, Employment and Leisure. The Leader of the Council chairs the meetings of the Executive

The Executive has full authority for implementing the Council's Budgetary and Policy Framework, and this means that most of its decisions do not need approval by Council, although they may still be subject to detailed review through the Council's overview and scrutiny procedures.

It is the Council's policy to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to a strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public and the press are asked to leave.

Joanne Roney OBE
Chief Executive
Level 3, Town Hall Extension,
Albert Square,
Manchester, M60 2LA

Further Information

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

Michael Williamson
Tel: 0161 2343071
Email: michael.williamson@manchester.gov.uk

Executive

Minutes of the meeting held on Wednesday, 19 October 2022

Present: Councillor Craig (Chair)

Councillors: Akbar, Bridges, Hacking, Igbon, Midgley, Rahman, T Robinson, White,

Also present as Members of the Standing Consultative Panel:

Councillors: Ahmed Ali, Butt, Douglas, Foley, Johnson, Leech, Lynch and Stanton

Apologies: Councillor Rawlins and Collins

Exe/22/80 Minutes

Decision

The Executive approved as a correct record the minutes of the meeting on 14 September 2022.

Exe/22/81 Our Manchester Progress Update

The Executive considered a report of the Chief Executive which provided an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which reset Manchester’s priorities for the next five years to ensure the Council could still achieve the city’s ambition set out in the Our Manchester Strategy 2016 – 2025.

The Leader and Deputy Leader both reported on the unveiling of an £8m package of support in response to the cost of living crisis which could adversely affect up to 100,000 Manchester households this winter. The money was being made available to support residents across the city through the expansion of welfare schemes, as well as helping to provide access to food. The response had been inspired by the Council’s work during the Covid-19 pandemic when emergency hubs were set up to help provide people with essentials. To ensure the widest safety net possible would be created, the Council would also take the lead in organising a cost-of-living summit that will bring together partner organisations in Manchester, marshalling their resources and providing a united front to help residents at risk.

In addition the Council would also continue to lobby central government on the urgent need to provide a Covid-like package of support to residents and businesses. Calls would also be made urging the government to increase the National Minimum Wage to match the Real Living Wage, and to increase Universal Credit and other benefits in line with inflation.

The Executive Member for Housing and Development provided an update on the progress that had been made with the commencement of construction for 274 low carbon homes (130 of them for social rent) in Collyhurst as part of the transformative Victoria North project. This phase of development included more than £35m of public investment and formed part of the wider Victoria North project to deliver 15,000

homes to the north of the city centre over the next decade, with at least 20% of them designated as affordable housing.

The Executive Member for Skills, Employment and Leisure reported on the opening of Wythenshawe Cycle Hub, a state-of-the-art cycle hub located around the park's existing athletics track area which included a pump track, a learn to ride area, mountain bike skills zone, woodland trails and a family trail. The new hub was designed to encourage Manchester residents to get on their bikes and enable them to practice cycling in a safe, traffic-free environment.

The Executive Member for Vibrant Neighbourhoods reported on the opening of Mayfield Park, Manchester's first new city centre park in more than a century, consisting of a new 6.5 acre green oasis in the heart of the city. The new park – the first phase in the £1.5bn Mayfield masterplan which was creating a new sustainable, mixed-use neighbourhood close to Piccadilly train station – created a family-friendly and inclusive green space with significant ecological benefits.

The Deputy Executive Member for Environment reported on the latest quarterly update report on the Council's Climate Change Action Plan 2020-25, which highlighted that the Council remained on target to halve its direct emissions by 2025, in line with the goal to become completely net zero carbon by 2038 or earlier. Since 2018/19 the Council had remained within its carbon budget. Figures for the first three months of municipal year 2022/23 (April-June inclusive) showed that the Council had emitted 5,366 tonnes of CO₂ – 9% less than last year and just 22% of the total budget for the year which was 24,784 tonnes.

The Deputy Leader (Statutory) reported on the strong social value impact the Our Town hall project was having on the city through its spending and employment practices – supporting local businesses and creating a legacy of skills, jobs and inspiration for Manchester residents. It was not just meeting those targets but exceeding them, generating an estimated £13.1m worth of social value benefits. Almost 60% of its spending had been with Manchester-based businesses, compared to a target of 40%, and 45% of the workforce consisted of local labour, against a 30% target. Some 237 new jobs had been created through the project with 40% of these filled by Manchester residents. So far 75 apprenticeships (level two and three) had been created with 68 of them taken up by Manchester people, and a further 48 higher level apprenticeships. The Our Town Hall project had also provided 110 work placements and almost 6,000 hours of volunteering on community and charity projects in the city.

Decision

The Executive note the report

Exe/22/82 Capital Programme Update

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which informed Members of requests to increase the capital programme, sought approval for those schemes that could be approved under authority delegated to the

Executive and asked the Executive to recommend to Council proposals that required specific Council approval.

The proposals which did not require Council approval and only required Executive approval were those which were funded by the use of external resources, use of capital receipts, use of reserves below £10.0m, where the proposal could be funded from existing revenue budgets or where the use of borrowing on a spend to save basis is required. The following proposals required Executive approval for changes to the City Council's capital programme:-

- Private Sector Housing – West Gorton Balconies. A capital budget increase of £0.350m in 2022/23 is requested, funded by HRA Reserve for essential work of making 40 balconies safe following the failure of a balcony ceiling which presented an immediate Health and Safety Issue.
- Growth and Development – Our Town Hall (OTH) Visitors Centre. A capital budget increase of £0.077m in 2024/25 was requested, funded by OTH reserve to account for significant changes in market conditions, including increases in preliminaries, to fully cost and deliver the full visitor experience.
- Highways Services – Auto Bollards Additional Funding. A capital budget increase of £0.123m in 2022/23 was requested, funded by Parking Reserve to account for several contract variations that had been submitted by the contractor due to change requests that had been reviewed by the project team. These included, but were not limited to, civil engineering work to establish power connections not included in original tender price and a redesign of static bollards due to improved design to ensure disabled access
- Highways Services – Chorlton Area 2 Cycle Scheme Additional Funding. A capital budget increase of £1m in 2023/24 was requested, funded by External Contribution to cover additional costs identified due to delays and contract termination. The delays were attributable to the contractor being unable to access the whole site in the first instance and following several issues with delivery, there was a protracted but sensible contract termination.

The report highlighted that there had been increases to the programme totalling £1.794m as a result of delegated approvals since the previous report to the Executive on 14 September 2022.

Approval had also been given for the following capital budget virements:-

- £3.0m to be allocated for Pioneer House High School from the Unallocated Education Basic Need budget. This project would increase the pupil capacity at the school from 128 to 168 places for SEND pupils aged 11-19 with an Education, Health, and Care Plan (EHCP).
- £2.6m allocated from Education Basic Need funding for William Hulme's Grammar School. This project would create an additional 18 places of resource provision and rebuild 12 which are currently located in temporary classrooms.

The places would be available exclusively for pupils with an Education, Health, and Care Plan (EHCP).

Decisions

The Executive:-

(1) Approve the following changes to the Council's capital programme:

- Private Sector Housing – West Gorton Balconies. A capital budget increase of £0.350m, funded by HRA Reserve
- Growth and Development – Our Town hall Visitors Centre Additional Funding. A capital budget increase of £0.077m, funded by OTH Reserve.
- Highways Services – Auto Bollard Additional Funding. A capital budget increase of £0.123m, funded by Parking Reserve
- Highways Services – Chorlton Cycle Scheme. A capital budget increase of £1m, funded by External Contribution.

(2) Note the increases to the programme of £1.794m as a result of delegated approvals.

(3) Note the virements in the programme of £5.6m as a result of virements from approved budgets.

Exe/22/83 Factory International

The Executive considered a report of the Deputy Chief Executive and City Treasurer and Strategic Director (Growth and Development), which provided an update on progress with the delivery of The Factory Arts Centre, progress with the redevelopment of St John's and the preparations for the opening of the building.

The Deputy Leader (Statutory) reported on the delivery of Factory International to date, the wider economic, cultural and social benefits to Manchester that the project would bring to Manchester and the significant programme of social value commitments that had been delivered so far.

It was noted that the external environment had remained and continued to be extremely challenging, particularly with the conflict in Ukraine which had disrupted the supply chain and contributed to unprecedented levels of inflation. The shortages in the labour market have also had an impact as well and Covid-19 restrictions had also remained for the construction industry throughout the whole period, which had continued to impact on productivity.

Consequently, in order to ensure that the project could complete to programme and to mitigate any other unforeseen discovery issues, a programme of acceleration works would be required which necessitated an additional budget requirement to £25.2m, funded by £10m from the Council's capital scheme inflation provision which

was already included in the Capital Budget and £15.2m to be underwritten from borrowing.

In addition the Council was requested to underwrite the £7.8m increased costs of the fit out of Factory International from capital receipts to provide the vital equipment required for the venue to successfully open and operate. This revised of Furniture, Fixtures and Equipment (FFE) budget included an appropriate level of contingency and would be paid to Manchester International Festival (MIF) as a grant that would be drawn down at appropriate intervals, as costs were incurred.

The Deputy Chief Executive and City Treasurer assured Members that the above could be contained within the existing revenue budget for capital financing and was within the planned and authorised borrowing limit for the Council. It was also highlighted that the value engineering and strive targets had been exceeded, contributing £2.1m back to the Factory International budget. The project team can also demonstrate a further £5m of cost mitigation or avoidance.

The Chief Executive assured the Executive that the project had been very tightly managed, and going forward from this point, there would be the most senior officer oversight from herself and partners to absolutely ensure the project remained within the financial envelope set out.

Councillor Leech, whilst acknowledging that the impact of COVID and the increase in inflation could not have been foreseen, expressed concern that the project had suffered from financial mismanagement, noting that the Council's contribution to the project had increased from an original budget of £114m to over £200m and felt that the project had not been managed as tightly as it could have been. He proposed that the Executive should not agree to recommendations relating to the underwriting of the fit out of Factory International until a clear breakdown was provided on what the money was to be spent on.

Decisions

The Executive:-

- (1) Note progress with the delivery of Factory International, the wider economic, cultural and social benefits to Manchester and the significant programme of social value commitments.
- (2) Recommend to Council to approve a Capital Budget increase for Factory International of £25.2m funded by:
 - £10m from the Council's capital scheme inflation provision
 - £15.2m to be met from borrowing

This will increase the total capital budget for the construction of Factory International from £185.6m to £210.8m

- (3) Recommend to Council to underwrite the £7.8m increased costs of Furniture, Fixtures and Equipment (FFE) of Factory International from capital receipts

and note that the venue will not be able to operate without this investment to enable the equipment to be in place.

- (4) Agree the funding for Furniture, Fixtures and Equipment (FFE) is to be paid to Manchester International Festival (MIF) as a grant that will be drawn down as costs are incurred. £500k of which will be retained as a contingency to cover any further unforeseen costs.
- (5) Note the long-term relationship with Factory International and the ability to recover a significant proportion of the borrowing costs from naming rights income.
- (6) Note the progress made by MIF to prepare the organisation to operate Factory International, including recruitment, business planning, artistic programme development and social value benefits, in the lead up to MIF23.
- (7) Note progress in the development of employment, training and education opportunities and creative engagement programmes as part of Factory International's skills development programme.

Exe/22/84 Admission Policies for 2024/25 for community and voluntary controlled primary schools and community high schools

The Executive considered a report of the Director of Education, that sought approval to commence consultation on revised admissions arrangements for community and voluntary controlled primary schools and community high schools.

The Executive member for Children and families reported that formal consultation on changing the admission arrangements for community and voluntary controlled primary schools and community high schools would commence on the 31 October 2022 and would cover the following key proposal:

- To change the reapplication process for parents applying for a school place in year from three times per year to one.

Currently, waiting lists for schools were cleared at the end of each term and parents wishing to be replaced on a waiting list need to reapply each time. This change would mean that when an application was made, and a lower preference or alternative school place is offered, applicant details would remain on the waiting lists for the higher preference school for the whole or remainder of that academic year only.

It was noted that each individual governing body was the admission authority for primary and secondary schools with voluntary aided, foundation or academy status. The same requirements for consultation applied to these schools/academies, when governors wished to change their admission arrangements (policy).

For those schools who wished to continue to mirror the new arrangements proposed by the Council, a joint consultation process would be undertaken where this was preferred by the governing body.

Decisions

The Executive:-

- (1) Agree in principle the proposed revised admissions arrangements.
- (2) Authorise the Director of Education to consult on the proposed implementation proposed revised admissions arrangements
- (3) Authorise the Director of Education to consider any responses received to the consultation and to agree to the implementation of the proposed arrangements
- (4) Agree to adopt the proposed arrangements under delegated powers after consultation:

Exe/22/85 School Place Planning

The Executive considered a report of the Director of Education, which provided an overview of Manchester's current school age population and the numbers forecast for future academic years. It also detailed work previously undertaken and that which was planned to achieve a sufficiency of school places.

The Executive Member for Children and Families reported that in response to the increasing demand for school places the Council continued to work with its partners to develop additional places in targeted areas, utilising capital funding provided by the Government to the Council for this purpose (known as Basic Need capital funding), as well as through access to some additional sources of funding where possible and the development of free schools through the Government's free school scheme.

The continued attractiveness of the city centre as a place to live and work and ongoing residential growth was expected to result in additional demand for primary school places as more residents choose to remain in the area when starting a family. In response to this forecast demand the Council was working with Renaker Build to establish a new primary school as part of the Crown Street phase 2 development. The school would provide 210 places for primary age children along with a 26-place nursery. It would be funded by S106 and basic need capital and is expected to open in 2024.

Historical growth of primary cohorts was continuing to drive increased demand for places at secondary schools along with new arrivals to the city. In response to this demand the Council had commissioned a significant programme of expansions and new schools funded from Basic Need capital and worked with the DfE to secure the delivery of centrally funded free schools. A further two pipeline secondary schools were planned to open and would be delivered by the DfE as part of the central free school programme. Dixons Newall Green Academy would open in 2023 and was set to provide a total of 700 places at the former site of Newall Green Academy in Baguley. The Dean Trust would open a new school in 2027 providing 1050 places at a site in Newton Heath.

It was also proposed that due to the ongoing high levels of demand for specialist provision across the City, a new secondary special school would be brought forward at a site located in Miles Platting. The school is expected to provide 150 places for pupils with an EHCP and would open in 2025. This new investment would be resourced from the High Needs Capital and Basic Need grants.

Decisions

The Executive:-

- (1) Support the principle that High Needs Capital and Basic Need funding is used to fund the new special high school;
- (2) Agree that the Council undertakes consultation to gather views on the plans to develop a new special high school as a first step towards identifying a provider for the new school;
- (3) Delegate responsibility to the Director of Education in consultation with the Executive Member for Children's Services to:
 - a) progress the publication of a specification for the new school and invitations to sponsor based on the outcomes of the consultation.
 - b) Identify a preferred sponsor for the new school to be recommended to the DfE.

Exe/22/86 Establishment of the GM Integrated Care Partnership Board

The Executive considered a report of the City Solicitor and Head of People, Place and Regulation (Legal Services), which sought agreement to the establishment of the Greater Manchester Integrated Care Partnership (GM ICP) as a joint committee and to agree the terms of reference for the GM ICP.

An ICP was one of two statutory components of an Integrated Care System, alongside the Integrated Care Board (ICB). The minimum core membership of the ICP would consist of 10 representatives from the 10 districts and a member of ICB.

ICPs had a statutory duty to create an integrated care strategy to address the assessed needs, such as health and care needs of the population within the ICB's area, including determinants of health and wellbeing such as employment, environment, and housing.

It was clarified that the Council's representative on the ICP would be the Executive Leader with the Executive Member for Healthy Manchester and Adult Social Care acting as deputy.

Decisions

The Executive:-

- (1) Agree to the establishment the GM Integrated Care Partnership as a joint committee of the ICB and 10 local authorities.
- (2) Agree that Council will appoint the Executive Leader as the Council's representative on the ICP and the Executive Member for Healthy Manchester as substitute member
- (3) Note the proposed Terms of Reference of the GM ICP.

Exe/22/87 Biodiversity Strategy

The Executive considered a report of the Director of Planning, Building Control and Licensing, which provided an overview of the draft Manchester Biodiversity Strategy for approval.

The Leader explained that the new Manchester Biodiversity Strategy focused on the need to conserve, protect and enhance biodiversity in the City for current and future generations. It was the third Biodiversity Strategy and Action Plan to be developed in the City, and provided a comprehensive, multi- agency 10-year Action Plan of activity and commitments which would support positive citywide biodiversity impact.

The Council was committed to support the new biodiversity strategy. It was recognised that this was a key strategy for the City, which would play an important role in developing future plans and policies. It was also recognised that there were significant cross overs, linkages and opportunities, to embed and integrate biodiversity into wider City priorities and challenges, to inform our strategic thinking and decision making.

Key thematic links for biodiversity would include influencing post COVID recovery, improving the health and wellbeing of communities, supporting climate resilience, improved place making, better sustainable transport connectivity, reducing flood risk and improving air quality.

The strategy would help to provide a platform for guidance on the conservation of biodiversity and the safeguarding of species. It would help identify the potential ecological impacts of development and highlight possible mitigation opportunities.

Decision

The Executive approve and endorse the Manchester Biodiversity Strategy.

Exe/22/88 Hackney Carriage Fare Review

The Executive considered a report of the Strategic Director (Growth and Development) which set out all the relevant information in relation to a full Hackney Carriage Fare Review.

The Hackney Fare Tariff was last fully reviewed in June 2017 when a 6.42% increase was applied to the distance element of the fare tariff only (waiting time tariff was not adjusted). Minor amendments were made in 2018 and 2020 to reflect charges

introduced at Manchester Airport. It is acknowledged that the fare tariff has not been fully reviewed since 2017.

It was noted that since the last review, running costs had increased by 23%, and that if this increase were to be applied to the fares, this wouldn't be an increase in profit but a recovery of the costs incurred by trade operators

Prior to consideration by the Executive, the proposals had been considered by the Council's Licensing and Appeals Committee, who had been conscious that a balance needed to be met between the need to ensure that the hackney carriage trade remained viable against the needs of the travelling public, particularly those disabled passengers who relied on wheelchair accessible vehicles as well as other residents and visitors to the city. The Committee had not been unanimous in its decision to recommend a 23% increase in distance to the night-time tariff and there had been concerns about the effect this would have on trade in what they considered a competitive night-time market.

When deciding on the recommendations the Committee took into account the volatile state of the economy and the fact that the Trade was still in a financially difficult position due to the effects of the pandemic. However, the Committee was also mindful that passengers were facing a cost of living crisis. Taking these factors into account as well as the fact that they would recommend a further review of Hackney carriage fares in 12 months' time the Committee did not consider it appropriate to recommend an increase in the waiting time tariff at this stage.

The Executive were asked to consider and if in agreement adopt the recommendations put forward by the Licensing and Appeals Committee.

Decisions

The Executive:-

- (1) Agrees to increase the Day flag tariff to £2.60.
- (2) Agrees to Increase the Night flag tariff to £3.00.
- (3) Agrees to apply the 23% increase to the rest of the fare on distance on Tariff 1.
- (4) Agrees to apply the 23% increase on the fare on distance on Tariffs 2 & 3 (Night and Bank Holiday Tariffs).
- (5) Agrees not to apply an increase to the waiting time on this occasion and review in 12 months.
- (6) Agrees to retain the current 20p charge for additional passengers but review this in 12 months.
- (7) Agrees to not re-introduce the 20p luggage surcharge at this time.

- (8) Agrees to permit the £1.80 airport pick-up charge to be applied as an extra on the fare card.
- (9) Agrees that the Fare is reviewed again in 12 months' time.
- (10) Agrees to increase the fouling charge from £30 to £50.

Exe/22/89 ICT and Digital Strategy

The Executive considered a report of the Director of ICT, which provided an update on the development of the ICT and Digital Strategy.

The Deputy Executive member for Finance and Resources reported that the strategy and technology road map were important for the delivery of council priorities to make sure that investment was prioritised in line with the Councils priorities, and that it sat upon robust and secure infrastructure.

The strategy would also underpin the delivery of the next phase of the Future Shape of the Council programme particularly:-

- Delivering an improved service to residents and businesses through an implementation of a new Customer relationship Management (CRM) system and website through the Resident and Business Digital Experience Programme;
- The replacement of the council's main Finance, Procurement and Human Resources system (SAP) which would be at end of life in 2027;
- Moving away from the current data centres to a hybrid cloud approach which would see over 50% of Council servers move to the cloud, thereby reducing costs and improving resilience; and
- Further embedding the systems and processes from the old Northwards Housing organisation into Housing Operations.

Work was ongoing to develop a four-year delivery and investment plan, which once the strategy was agreed, would go via the appropriate Council approval and budget setting routes.

Decision

The Executive approve the ICT and Digital Strategy

Exe/22/90 Heart of Manchester Business Improvement District

The Executive considered a report of the Strategic Director (Growth and Development) and Deputy Chief Executive and City Treasurer, which outlined proposals for the new Heart of Manchester Business Improvement District and the arrangements that were needed for the Chief Executive (as Ballot Holder) to hold the Heart of Manchester Business Improvement District ballot.

The Leader reported that in recent years the city centre, as the region's economic hub, had undergone transformational regeneration and benefitted from significant inward investment. This had underpinned Manchester's development as a leading

international city to live, work, study and visit. This proposal related to the third City Centre BID, to run from April 2023 for five years and was focused on both the retail and office sectors (whereas its predecessor BIDs focused solely on retail).

Legislation allowed for a BID to be set up once a vote (a “BID ballot”), with a majority in favour (both in terms of number and collective rateable value), had taken place. If approved in the BID ballot, the proposed HoM BID would be managed by an independent BID body, Heart of Manchester BID Ltd (a company limited by guarantee).

Decisions

The Executive:-

- (1) Note the receipt of the new Heart of Manchester Business Improvement District 2023 – 2028 proposal from the BID proposer, the Heart of Manchester BID Company Limited (Company Number 08422906)
- (2) Confirm that the proposals do not conflict with any policy formally adopted by, and contained in a document published by the Council.
- (3) Delegate to the Deputy Chief Executive and City Treasurer the authority to instruct the Ballot Holder to hold the HoM BID ballot.
- (4) Note that if the BID is approved, The Deputy Chief Executive and City Treasurer will be responsible for collecting the HoM BID levy in accordance with the BID arrangements.

Manchester City Council Report for Information

Report to: Executive – 16 November 2022

Subject: Our Manchester Progress Update

Report of: The Chief Executive

Summary

The report provides an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which resets Manchester's priorities for the next five years to ensure we can still achieve the city's ambition set out in the Our Manchester Strategy 2016 – 2025

Recommendations

The Executive is requested to note the update provided in the report.

Wards Affected - All

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
N/A

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
N/A

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The work to reset the Our Manchester Strategy considered all five of the Strategy's existing themes to ensure the city achieves its aims. The themes are retained within the final reset Strategy, Forward to 2025.
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	

A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

None

Financial Consequences – Capital

None

Contact Officers:

Name: Joanne Roney OBE, Chief Executive
 Position: Chief Executive
 Telephone: 0161 2343006
 E-mail: Joanne.Roney@manchester.gov.uk

Name: Alun Ireland
 Position: Head of Strategic Communications
 Telephone: 0161 2343006
 E-mail: Alun.Ireland@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.

Executive Report – 17th February 2021 - Our Manchester Strategy – Forward to 2025

1.0 Introduction

- 1.1 This is the latest in an ongoing series of reports highlighting examples of areas where strong progress is being made against key strategic themes identified in the Our Manchester Strategy.

2.0 Belle Vue affordable homes

- 2.1 A development of 130 affordable homes in Belle Vue reached a milestone last week with the opening of show homes.
- 2.2 The homes are being delivered by developer Countryside and housing association partner Great Places.
- 2.3 A mix of houses and apartments, there will be 89 homes for social rent, 12 homes available for rent at the Manchester Living Rent and 29 for shared ownership. The development will also have 117 properties for sale on the open market.
- 2.4 All homes are being built to greener by design standards including electric charging points for every house. The development is bring a brownfield site, the location of the former Belle Vue greyhound stadium, back into use.
- 2.5 The site will be completed by June 2024.

Relates to Our Manchester Strategy themes:

- Progressive and Equitable City
- Liveable and Zero Carbon City
- Thriving and Sustainable City

3.0 Gorton Hub

- 3.1 Gorton's new community, integrated health and learning hub was set to open its doors for the first time on Tuesday 15 November.
- 3.2 The Gorton Hub, on Garrett Way, will bring together a range of local services under the same roof for the first time, creating a one-stop-shop for local people to access a GP, health and social care services, employment support, cafe and a new Gorton library – all in a purpose built, highly accessible development.
- 3.3 Currently these services are delivered in different parts of the local neighbourhood, while the new hub will allow residents to access different support services much more easily, while also creating a new welcoming community space within the building.
- 3.4 Each of the services will open to the public in a phased way through to January 2023.

- A vibrant and modern library and learning space (Tuesday 15 November)
- NHS community health teams, such as district nurses, health visitors and physios – and will include treatment rooms for both children and adults (Tuesday 15 November)
- Manchester Adult Education Service (MAES) (Tuesday 15 November)
- Jobcentre Plus (from Monday 21 November)

3.5 Further services moving into the hub, include:

- a new home for the Gorton Medical Centre GP practice
- a pharmacy
- A new café
- Working with One Manchester to bring a housing office to the Hub.
- Detailed opening information for these organisations will be confirmed shortly.

3.6 The Hub building will be open from 8am to 8pm Monday to Friday and 8am to 5pm on Saturdays, although different services will have different opening times.

For more information visit www.manchester.gov.uk/gortonhub

Relates to Our Manchester Strategy themes:

- Progressive and Equitable City
- Thriving and Sustainable City
- Highly Skilled City

4.0 Homelessness additional winter provision

- 4.1 From 1st November right through until spring 2023, the Council and fellow members of the Manchester Homelessness Partnership are providing extra support to help people sleeping on the streets move into accommodation through the coldest months.
- 4.2 The increased accommodation provision, over and above that which is available all year round, will be available for as long as people need it. Together with support, it will help people who have been sleeping on the streets to rebuild their lives until they are ready to move into more permanent accommodation. More difficult-to-reach people who have been sleeping on the streets can be more likely to accept support as temperatures drop.
- 4.3 This echoes the successful approach from last winter, but this year the extended accommodation began a whole month earlier. It includes space for more than 50 people with en-suite rooms in a former hotel outside the city centre.
- 4.4 The bed spaces are offered on a referral system to people who have been identified by partners and outreach teams as high priority. The Booth Centre, Cornerstone and Coffee 4 Craig will be providing support and managing referral hubs in the daytime and evening.

- 4.5 Other organisations will provide support to those people coming off the street into the additional accommodation – for example Urban Village Medical Practice will provide Covid and flu vaccinations.
- 4.6 The extra accommodation is being funded by the Council, alongside funding from Government.
- 4.7 The city's cold weather response is being delivered through an extensive public, voluntary and community/charity sector partnership involving Barnabus, The Booth Centre, Coffee 4 Craig, Centrepont, The Men's Room, On the Out, Reach Out to the Community, MASH, Shelter, Boaz Trust, Change Grow Live, ABEN Providers, Greater Manchester Combined Authority, Urban Village Medical Practice, Street Engagement Hub, Caritas, Greater Manchester Police alongside the Council.
- 4.8 Anyone who is worried about someone sleeping rough can alert the Council via www.streetlink.org.uk

Relates to Our Manchester Strategy themes:

- Progressive and Equitable City

The Flu vaccine is being offered free to:

- people aged 50 and over
- those aged over six months to 49 with a specified health condition
- some secondary school-aged children
- 2 and 3 year olds
- pregnant women
- primary school-aged children
- those in care homes
- frontline health care workers
- frontline social care staff who do not have access to occupational health schemes
- household contacts of people with a weakened immune system

5.0 Winter vaccination campaign

- 5.1 Manchester residents are being encouraged to get vaccinated to avoid the 'twindemic' of Covid-19 and flu this winter.
- 5.2 Greater Manchester has launched an awareness campaign bringing both viruses to life in the form of over-sized monster characters. The characters – who are visible across the region – are causing chaos to highlight the disruption that both viruses bring, the health threat they pose, and what they can spoil for people.

5.3 The Monster Mayhem campaign is also accompanied by materials that embed both health messages and cost of living support in booklets that are being distributed throughout the city.

5.4 Free Covid-19 booster vaccine are available for people in the following categories:

- all adults aged 50 years and over
- those aged 5 to 49 years in a [clinical risk group](#), including pregnant women
- those aged 5 to 49 years who are household contacts of people with immunosuppression
- those aged 16 to 49 years who are carers
- residents in a care home for older adults and staff working in care homes for older adults
- frontline health and social care workers

5.5 The Flu vaccine is being offered free to:

- people aged 50 and over
- those aged over six months to 49 with a specified health condition
- some secondary school-aged children
- 2 and 3 year olds
- pregnant women
- primary school-aged children
- those in care homes
- frontline health care workers
- frontline social care staff who do not have access to occupational health schemes
- household contacts of people with a weakened immune system

Relates to Our Manchester Strategy themes:

- Thriving and Sustainable City
- Progressive and Equitable City

6.0 National Geographic ‘Best of the World’

6.1 Manchester has been named by National Geographic magazine as one its top 25 must-visit global destinations for 2023.

6.2 The city was the only UK city to be recognised in the publication’s influential ‘Best of the World’ list, joining destinations including New Zealand and San Francisco.

6.3 The accolade recognised the strength of Manchester’s post-pandemic revival and the raft of significant cultural openings in 2023 including Factory International and Manchester Museum after a £15m transformation including new galleries.

- 6.4 Manchester was featured in the ‘family’ category of the list, recognising destinations offering educational journeys for all generations.
- 6.5 Operating in over 170 countries, National Geographic’s titles are some of the best-known and most recognisable travel publications in the world, reaching over half a billion people on social media.

Relates to Our Manchester Strategy themes:

- Thriving and Sustainable City
- Liveable and Low Carbon City
- Connected City

7.0 Victoria North Community Hub

- 7.1 A new social benefit hub has opened at Red Bank – part of the Victoria North regeneration programme – to help people gain employment, training and digital access.
- 7.2 The Victoria North Community Hub has been set up by BAM Nuttall and Arup – the contractor working on the Red Bank phase of the regeneration project – as part of their social value commitment for the development.
- 7.3 Victoria North is one of the largest regeneration schemes in the UK and the community hub aims to demonstrate how projects such as this can be delivered in an inclusive way and positively impact nearby communities.
- 7.4 The Council has developed a programme of support to help residents in north Manchester, alongside a range of support services run by city-based voluntary organisations.
- 7.5 BAM Nuttall and Arup are providing the hub with access to laptops and free wi-fi allow residents to search for jobs, get support with applications and find training opportunities, as well as to access housing and income advice.
- 7.6 On-site staff are also providing computer literacy support – and the hub will be used to advertise job roles available as part of the Victoria North regeneration programme and wider employment opportunities in the contractor supply chain.
- 7.7 The hub, which will be available until spring 2024 at the BAM Nuttall site compound in Hargreaves Street, will be open to residents during pre-planned sessions with community organisations rather than on a drop-in basis.
- 7.8 Over the next 15 to 20 years, the Victoria North project will deliver more than 15,000 new homes (at least 20% of which will be affordable housing) using largely brownfield land, with each neighbourhood connected by high quality green spaces and a 46-hectare City River Park, opening up and celebrating the Irk River Valley for the first time in decades.

Relates to Our Manchester Strategy themes:

- Progressive and Equitable City
- Liveable and Zero Carbon City
- Thriving and Sustainable City
- Highly Skilled City
- Connected City

8.0 Our Rivers, Our City

- 8.1 The strategy to revitalise Manchester's rivers and put them at the heart of regeneration has been shortlisted for a prestigious award.
- 8.2 The Our Rivers, Our City strategy which covers a period up to 2030 aims to make Manchester's three rivers – the Irk in the north of the city, the Medlock in the centre and the Mersey in the south – a vital part of its future, not simply part of its heritage.
- 8.3 The strategy, co-ordinated by the Council, is a finalist in the Landscape Institute's annual awards on Thursday 24th November.
- 8.4 It is a vision for boosting the biodiversity and cleanliness of the rivers and other urban waterways, ensuring they are managed in a way which helps prevent and reduce flooding and contributes to the city's wider zero carbon goals. Rivers are recognised as an asset which can play a vital role in the character of new neighbourhoods such as Victoria North.
- 8.5 Its five main aims are to improve the quality and functioning of the city's river valleys and their catchments; to ensure river valleys and sustainable drainage are key components of new developments; improve the accessibility of river valley; promote the wider benefits of river valley and improve flood management and risk mitigation.
- 8.6 The strategy is funded by the GrowGreen project which is an EU Horizon 2020 programme for Research and Innovation.

Relates to Our Manchester Strategy themes:

- Liveable and Low Carbon City
- Connected City
- Thriving and Sustainable City

9.0 Arts Council England National Portfolio funding

- 9.1 Manchester-based arts organisations will benefit from almost £25m a year of Arts Council England national portfolio funding over the next three years.
- 9.2 New additions to the national portfolio include the National Football Museum, Brighter Sounds, Manchester Collective, Music Action International, Northern Lines, Reform Radio, Sheba Arts and Triple C.

- 9.3 Other organisations including arts and creative hub for children and young people Z-Arts, who will now receive £401k a year, have received an uplift in existing funding to expand their work. Comma Press, Commonsworld and Company Chameleon are other examples.
- 9.4 The Contact Theatre, Halle Concerts Society, HOME, Manchester Galleries, Manchester Jazz Festival, Manchester Jewish Museum and Manchester Literature Festival are among the other organisations to benefit from ongoing funding.
- 9.5 Collectively these organisations will create inspiration, jobs and skills for Manchester people both directly or indirectly through attracting visitors as well as playing a vital role in creating a liveable and inviting city.
- 9.6 The council continues a funding commitment to the arts and cultural sector and is inviting applications for its Cultural Partnership grants programme this autumn.
- 9.7 The funding runs from 2023 to 2026 for cultural organisations that contribute to making Manchester a thriving, equitable, vibrant and liveable city with high quality cultural and creative experiences that all Manchester people can benefit from.

Relates to Our Manchester Strategy themes:

- Liveable and Zero Carbon City
- Progressive and Equitable City
- Highly Skilled City
- Thriving and Sustainable City
- Connected City

10.0 Our Year Legacy Fund

- 10.1 National company IMPOWER has joined forces with the Council to launch a new Our Year Legacy Fund to provide ongoing opportunities for children and young people in Manchester.
- 10.2 The Fund has been set up as an ongoing legacy from the Council's year-long 2022 Our Year campaign through which the whole city has been asked to put children and young people first.
- 10.3 The year has already seen expanded opportunities for young people and mentoring from businesses across the city. The Council has invested an extra half a million pounds into additional youth and play services and expanded activities across Manchester including the city's first ever Baby Week and a bumper National Play Day.
- 10.4 The Our Year Legacy Fund, to which IMPOWER have made the first donation, will give children and young people access to social, cultural and educational

experiences which they might otherwise miss out on. Any Manchester based not-for-profit organisation or education setting will be able to apply for grants from the fund on behalf of individual young people or groups they work with.

- 10.5 IMPOWER's own work focuses on making a difference for children and young people by helping local areas to meet their needs and improve their life chances.
- 10.6 The Our Year Legacy Fund is being hosted and administered by the We Love MCR charity and the application process will be open to eligible settings from 7 November.
- 10.7 Organisations or individuals who are interested in supporting the Our Year Legacy Fund can email ouryear@manchester.gov.uk or visit ouryear.uk to find out more.

Relates to Our Manchester Strategy themes:

- Progressive and Equitable City
- Thriving and Sustainable City
- Highly Skilled City

11.0 Making Manchester Fairer Conference

- 11.1 In October 2021 Manchester's Health Scrutiny Committee heard from Professor Sir Michael Marmot, University College London - author of 'Fair Society Healthy Lives' (The Marmot Review, 2010) and 'Health Equity in England: The Marmot Review 10 Years On' (2020). He discussed the key issues relating to health inequalities and the measures to be taken to address these in Manchester. It was agreed that in order for the activities that address the social determinants of health - the conditions in which people are born, grow, live, work and age - to have maximum impact for individuals and communities, partners in the city would need to work as a collective system. Work began to bring together leaders from across Manchester's Population Health and Wellbeing System and this 'Marmot Task Group' collaborated to develop a clear plan for the city – now known as the Making Manchester Fairer Action Plan.
- 11.2 On 31st October 2022 the five-year Making Manchester Fairer Action Plan was launched at a conference held at the Etihad Stadium. In recognition that the continual engagement of the workforce and services across the social determinants of health is critical to developing the detail and successful delivery of the plan, invitations were targeted at frontline workers, managers and leaders in organisations and services that make up the population health system including the VCSE sector, health and housing as well as key city council teams and directorates.
- 11.3 More than 200 delegates attended the full day event which was opened by the Council's Chief Executive and Leader, reflecting the priority of tackling inequalities for the city. Speakers included Prof Sir Michael Marmot himself,

who provided an inspirational keynote speech evidencing the challenges, and Nazir Afzal OBE who focused on the importance of listening to communities and recognising the impact of structural racism and discrimination. The context and key principles of the city's plan were provided by the Director and Deputy Director of Public Health and delegates were encouraged to begin to explore what the plan would mean for their work in delivering services.

- 11.4 Central to the development of the plan has been the voice of residents and this was reflected throughout the day in the form of specially commissioned short videos and a 'call to action' performance piece devised and performed by local young people. Delegates were able to put questions directly to the speakers, who were joined in a panel discussion by the Executive Member for Healthy Manchester and Adult Social Care, who also closed the conference.
- 11.5 Feedback from the event has been overwhelmingly positive and work has already begun to sustain this engagement, starting with the first of a number of regular planned bulletins to attendees who form the starting point for Making Manchester Fairer's emerging workforce engagement strategy – part of a wider plan to continually engage and communicate with stakeholders that will be rolled out in 2023.

Relates to Our Manchester Strategy themes:

- Liveable and Zero Carbon City
- Progressive and Equitable City
- Highly Skilled City
- Thriving and Sustainable City
- Connected City

- 11.6 Achieving Manchester's zero carbon target has been reflected throughout the work on the Our Manchester Strategy reset, with sustainability being a key horizontal theme throughout. Forward to 2025 restates Manchester's commitment to achieving our zero carbon ambition by 2038 at the latest.

12.0 Contributing to the Our Manchester Strategy

- 12.1 The reset of the Our Manchester Strategy will ensure that the city achieves its vision. The five themes have been retained in the reset Strategy, with the new priorities streamlined under the themes.

13.0 Key Policies and Considerations

- 13.1 There are no particular equal opportunities issues, risk management issues, or legal issues that arise from the recommendations in this report.

14.0 Recommendations

- 14.1 The Executive is requested to note the update provided in the report.

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Manchester City Council Report for Information

Report to: Resource and Governance Scrutiny – 8 November 2022
Executive – 16 November 2022

Subject: Revenue Budget Update

Report of: Deputy Chief Executive and City Treasurer

Summary

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

Recommendations

The Executive and Resources and Governance Committee are recommended to:

- (1) Consider and comment on the forecast medium term revenue budget and
- (2) Consider the content of this report and comment on the proposed changes.

Wards Affected: All

<p>Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city</p>
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<p>The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.</p>
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Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti-Poverty Assessment.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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 ongoing implications of the pandemic and record levels of inflation on the Council's cost base will have a significant impact on the Council's finances for a number of years. With the scale of funding pressures and future resource constraints, it is important that the Council takes action to ensure financial stability. This includes holding a robust position on reserves and maintaining the ability to deal with issues that arise during the financial year.

Financial Consequences – Capital

There are no capital consequences arising specifically from this report.

Contact Officers:

Name: Carol Culley
 Position: Deputy Chief Executive and City Treasurer
 Tel: 0161 234 3406
 E-mail: carol.culley@manchester.gov.uk

Name: Tom Wilkinson
 Position: Deputy City Treasurer
 Tel: 0161 234 1017
 E-mail: tom.wilkinson@manchester.gov.uk

Name: Samantha McArdle
 Position: Corporate Finance Lead
 Telephone: 0161 234 3472
 E-mail: samantha.mcardle@manchester.gov.uk

Name: Tim Seagrave
 Position: Commercial Finance Lead
 Telephone: 0161 234 3445
 E-mail: t.seagrave@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.

- Revenue Budget Report - Executive Meeting February 2022
- Medium Term Financial Strategy 2022/23 to 2024/25 - Executive Meeting February 2022
- Revenue Monitoring to the end of July 2022 and Budget update 2023/24 to 2025/26 Resource and Governance Scrutiny – 6 September 2022

1. Context and Background

- 1.1. The Council's budget has seen considerable reductions since the programme of austerity started in 2010/11, which saw a significant reduction to central government support for local authorities, in which Manchester has been one of the hardest hit places in the country. Over the last 12 years the Council has had to make £428m of cuts and savings to cope with Government funding cuts and unavoidable cost pressures such as inflation and a growing population. Prior to 2015/16 reductions were made pro rata to government funding, without taking into account the size of the council tax base. This meant that the Council has had disproportionate budget reductions. Even if Manchester had received only the average cut to council funding between 2010/11 and 2022/23, we would still have £77m a year more to spend on services.
- 1.2. Nationally, the Institute of Fiscal Studies (IFS) has warned that public services face a shortfall of £18bn a year which is the amount needed to keep pace with inflation and demand pressures across public services. The Local Government share of this is estimated at £3.2bn.
- 1.3. The national funding outlook for Local Government is therefore volatile. The Chancellor, Jeremy Hunt MP, delivered an emergency financial statement on 17 October 2022 which reversed the majority of the tax changes announced on 23 September by the previous Chancellor. A further statement on government spending and tax rates was expected on 31 October 2022. Following the appointment of a new Prime Minister, on Monday 24 September, the date of the budget statement has been revised to 17 November 2022. This will now be a full Autumn statement, accompanied by an independent forecast from the Office of Budgetary Responsibility. The statement is expected to set out in detail plans to reduce debt and a medium-term plan to grow the economy.
- 1.4. Despite levels of inflation being significantly higher than forecast at the time of the Spending Review in October 2021, the government has communicated there will be no increase in the overall funding envelope over the spending review period. The Chancellor has committed to public debt falling as a share of the economy over the medium term which indicates that government departments are likely to have to find further efficiencies and cuts to some areas of spending to achieve this aim.

2. Executive Summary

- 2.1. The Council's 2023/24 funding from central government will be confirmed in the provisional finance settlement, expected late in December 2022, following the Autumn Statement.
- 2.2. The report sets out the scale of the budget challenge if, as expected, no further funding is received and:
 - Shows a budget gap of £43.4m in 2023/24 rising to £85.6m in 2024/25 and £111.9m by 2025/26 if no reserves are used to smooth the position

- Shows the use of reserves of £15.6m, £16.2m and £15.7m respectively across the three years helps to close the gap. This, along with the other planned uses of reserves, will reduce the council's ringfenced useable reserves from £482.9m in 2022/23 to £95m in 2026/27. It should be noted that the ongoing use of reserves is not sustainable, and the level of reserves will need to be replenished.
 - Presents the first round of budget cuts and savings of £42m over the three years as put forward by officers. The details are included in the individual reports to Scrutiny Committees and to the Executive.
 - Inflationary and pay award increases are estimated at a cumulative £58m for 2022/23 and 2023/24. This compares to a usual budget allowance of c£16m for that period, therefore resulting in an additional £42m of largely unavoidable costs to be funded.
 - The costs to meet rising demand for Children's and Adults social care adds a further £15m over the three years to 2025/26.
 - Whilst an increase in council tax is assumed, the majority of this is earmarked to fund £3.55m of additional investment to support residents during the cost-of-living crisis.
- 2.3. In addition to increasing inflationary pressures, increases in interest rates will have a significant impact on the cost of borrowing and the ability to support the future capital programme
- 2.4. Following the above a budget gap of £7m remains in 2023/24, rising to £36.7m in 2024/25 and £53.9m in 2025/26. Unless further funding is forthcoming additional and significant cuts to council services will be required to balance the budget. Therefore, a minimum of an additional savings target of £4m is required for 2023/24 (with a full year effect of £7m-£8m) alongside efforts to reduce the current 2022/23 overspend to free up extra capacity in the smoothing reserves to help balance the 2023/24 position.
- 2.5. The 2024/25 budget process needs to start immediately with further options to be explored following the Autumn Statement and Finance Settlement, to allow maximum time for the development and delivery of future budget cuts. There are likely to be very difficult decisions for the Council to make.
- 2.6. The latest position is shown in the table below.

Table One: Summary Budget position

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
Resources Available			
Business Rates / Settlement Related Funding	348,497	344,090	346,503
Council Tax	211,450	219,348	228,187
Grants and other External Funding	101,872	89,374	80,461
Dividends	0	0	0
Use of Reserves	13,584	11,703	6,222
Total Resources Available	675,403	664,515	661,373
Resources Required			
Corporate Costs	111,763	116,403	113,122
Directorate Costs	599,302	625,959	651,406
Total Resources Required	711,065	742,362	764,528
Shortfall	35,662	77,847	103,155
New budget pressures	7,785	7,785	8,785
Shortfall including new budget pressures	43,447	85,632	111,940
Use of Smoothing and Airport Reserve	(15,641)	(16,177)	(15,738)
Gap after use of Smoothing Reserves and emerging pressures	27,806	69,455	96,202
Savings options identified to date	(21,135)	(32,738)	(42,320)
Remaining Shortfall	6,671	36,717	53,882

3. Key Assumptions to the Medium-Term Financial Plan (MTFP)

- 3.1. The final budget position for 2023/24 and future years will be confirmed at February 2023 Executive. This will be after the key decisions confirming the Council Tax and Business Rates tax base to be used to determine the collection fund position have been made and the Final Finance Settlement is received.
- 3.2. When the 2022/23 revenue budget was approved the medium-term position was forecast at a shortfall of £33.8m next year increasing to £77.3m by 2025/26. The medium-term financial plan is updated a number of times during the year as new information and intelligence of the funding and spending position become available.
- 3.3. Table Two list the changes since the 2022/23 budget was approved in February 2022 and the latest assumptions are highlighted in the following section.

Table Two: Summary of changes to Budget position since the original 2022/23 MTFP

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
Forecast budget gap presented in 2022/23 MTFP	36,782	57,547	77,296
Changes to resources available:			
Revised assumption on Business Rates pilot	(12,000)	(2,250)	0
Forecast Business Rates surplus	(12,649)	0	0
Council Tax Base increase	(2,047)	(2,151)	(2,237)
Forecast Council Tax surplus	(2,783)	0	0
Updated rebate forecast from GMCA	(4,498)	0	0
Potential increases on BCF and IBCF	(2,000)	(2,000)	(2,000)
Slip risk of Fair Funding / BR reset a further year	(3,000)	(2,000)	0
Assume one further year of New Homes Bonus	(5,000)	0	0
Use of St Johns growth to support revenue budget	(1,156)	(830)	(830)
Reserve use to support cost of Anti-poverty measures	0	(2,000)	0
Use of reserves to fund New Care Models	(1,300)	(1,300)	(1,300)
Additional use of Smoothing reserve	4,741	(7,259)	(11,259)
Sub total changes to resources available	(41,692)	(19,790)	(19,426)
Changes to inflation requirements:			
Reversal of 1.25% National Insurance increase	(1,506)	(1,506)	(1,506)
Gas Inflation	2,000	0	0
Electricity Inflation	5,400	2,800	2,800
Price Inflation	6,100	6,100	6,100
Pay inflation	12,938	16,518	20,352
Sub total changes to inflation requirements	24,932	23,912	27,746
Changes to other pressures and adjustments pressures:			
Updated levy forecast from GMCA	1,534	1,536	1,536
Anti poverty measures	3,550	3,550	3,550
New Care Models	1,300	1,300	1,300
Children's reduced recharge to DSG	940	940	940
Town Hall pressures Increased from £1m in original MTFP to £2m)	0	0	1,000
ICT - Software Licenses	461	461	461
Sub total changes to other pressures and adjustments	7,785	7,787	10,587
Total changes since 2022/23 MTFP	(8,975)	11,909	18,907
Updated Budget Gap pre savings	27,806	69,455	96,202

Resources available

- 3.4. In the absence of any firm information, a rollover settlement has now been assumed for 2023/24 with the impact of 'fair funding' reforms being moved to

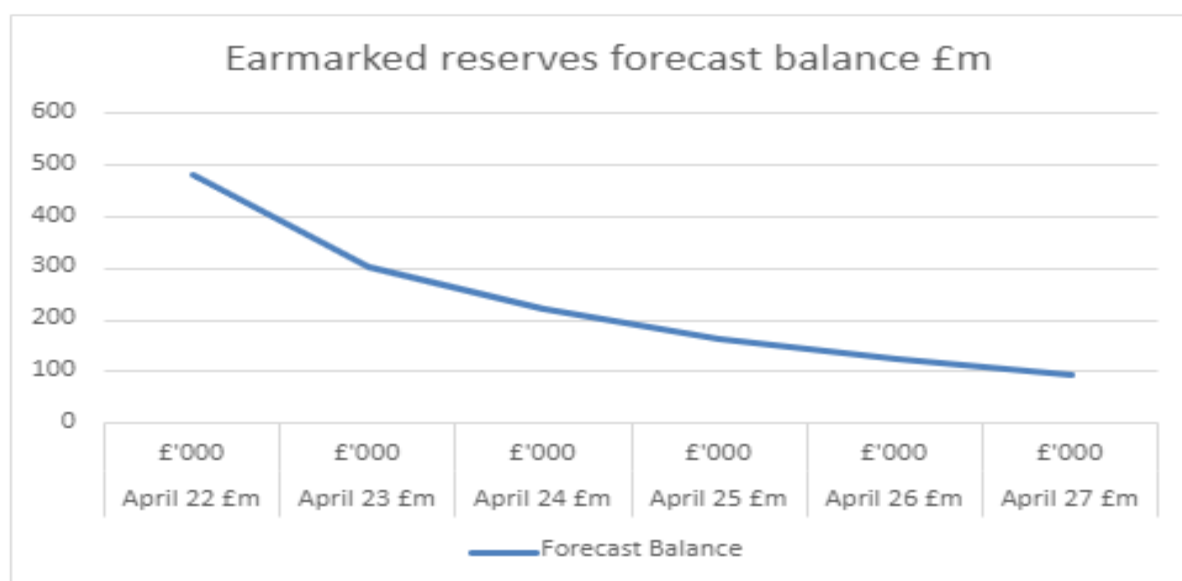
2024/25. The MTFS assumed that any redistribution of local government funding was likely to be detrimental to the Council. In addition, it is now assumed the current business rates regime and 100% retention pilot will continue for a further year which again means resources could be higher than budgeted for. This pushes the settlement risk in our financial plans from 2023/24 to 2024/25.

- 3.5. All budget proposals are subject to the political decision-making process, in summary the main working assumptions around income include:
- The Fairer Funding reforms are delayed to 2024/25 and all current government grants continue, including New Homes Bonus.
 - Business rates – continuation of 100% pilot for a further year, indexation of 2.6% and growth in the business rates base of £5m per annum.
 - Council tax – 2023/24 growth in base of 2.0% and increase in council tax of 2.99% in line with the current referendum limit, and Adult Social Care Precept. A 1% increase in council tax generates c£2m.
 - Collection Fund surpluses totalling £15.4m which will be available to support the 2023/24 position. This is linked to collection levels being higher than anticipated in 2021/22. Collection Fund accounting requires this to be recognised a year in arrears.
- 3.6. Each year the business rates income is uplifted by an inflationary uplift to the multiplier rate which is applied by the Government. This is usually linked to the September CPI increase. The Government has not yet committed to this and it seems unlikely that business rates will increase by this amount (10.1%). The Council's budget assumption is a 2.6% increase, which was the forecast CPI increase per the Office of Budgetary Responsibility at Spending Review 2021. Note, if the Government freezes the multiplier and does not compensate the Council for the resulting loss of income, this will result in a £6m reduction from the income levels currently assumed.
- 3.7. Whilst no decisions on the council tax precept have been made, this position assumes Council Tax increases of 1.99% a year and an Adult Social Care precept of 1% a year, with 1% of council tax generating c£2m of income. Without these increases the budget gap would be £6m per annum bigger. By 2025/26 the amount generated increases to £6.4m due to the growth in council tax base.
- 3.8. A **Rebate from GMCA** has been proposed relating to waste reserves of £25m. Manchester's indicative share of this is £4.498m which has been applied to reduce the gap in 2023/24.
- 3.9. **Grants and Other external funding** have been reviewed. The majority are assumed to continue at current rates. In relation to Better Care Fund (BCF) and Improved Better Care Fund (IBCF) it has been assumed that these funding streams will be uplifted in line with NHS funding, with £2m additional funding included in the MTFP to support the Adult Social Care budget in relation to demographic and Real Living Wage pressures.
- 3.10. **Reserves** - The St Johns business rates growth had been ringfenced into the St Johns Reserve and will continue until the business rates reset (date to be

confirmed). This funding has been released to support the revenue budget and help close the future budget gap. There is a forecast £1.156m available to support next year then £0.830m per annum.

- 3.11. The position also reflects the use of smoothing reserves of around £16m a year for the next three years. This is to reduce the budget gap and protect front-line services from higher cuts. Use of reserves cannot be viewed as a long-term strategy to balance the budget as this is unsustainable. They must be used in a planned way to avoid financial cliff edges while achievable long-term savings are developed and delivered, and whenever possible be replenished to enable greater resilience to absorb future risks.
- 3.12. Approximately £34m of reserves was already committed across 2023/24 and 2024/25 in line with the MTFP presented to February 2022 Executive. An unallocated reserve balance of £19m was created with £12m identified from existing reserves including the ASC reserve plus the £7m reported last year. Of the £19m, £10.8m will be required to meet the 2022/23 overspend, £3.9m of the ASC element has been used to support the continuing cost of the new care models (as outlined in paragraph 3.25), £1m is being used to fund future cost of living support to residents and the remaining balance of £3.3m has been used as part of closing the budget gap. In addition £10m risk based reserves have been released to support the 2025/26 position and reduce gap that year. This gives a total of £48m of support being applied to reduce the budget gap by c£16m a year for three years.
- 3.13. Airport Dividend Reserve – The current balance is £39m of which £24.9m is supporting the 2022/23 budget as planned, leaving a balance of £14.1m at the end of this financial year. This is being applied to close the budget gap in 2023/24 to 2025/26 at £4.7m, £4.9m and £4.5m respectively.
- 3.14. The Council's robust reserves strategy has proven successful in managing risk and timing differences to deliver balanced and sustainable budgets and provide the time necessary to deliver on its planned savings. Reserves should not be used to mitigate the requirement to make ongoing savings, they can only be a temporary support to enable permanent savings to be implemented effectively. However, over the next 4 years usable earmarked reserves are forecast to reduce to under £100m, as the Council seeks to protect residents from the worse of the cuts through the inflation and cost of living crisis. The following graph shows the expected reduction in earmarked reserves.

Forecast earmarked reserve balances



Resources required

- 3.15. As part of the budget process, it is important that, as well as identifying savings to balance the budget, service pressures are recognised and where unavoidable are correctly budgeted for. The budget assumptions that underpin 2023/24 to 2025/26 include the commitments made as part of the 2022/23 budget process to fund ongoing demand pressures. In addition, provision has been made to meet the ongoing effect of current year inflation and updated assumptions around future pay awards. Whilst this contributes to the scale of the budget gap it is important that a realistic budget is set which reflects ongoing cost and demand pressures.
- 3.16. **Inflationary pressures** - Budgets set aside for price inflation are held centrally and allocated in year once they materialise and are subject to consideration by the Deputy Chief Executive and City Treasurer, before being recommended to the Executive to be released to Directorates. The inflationary and pay award increases are estimated at a cumulative £58m for 2022/23 and 2023/24. This compares to a usual budget allowance of c£16m for that period, resulting in an additional £42m per year of unavoidable costs to be funded.
- 3.17. This reflects an additional £8.6m which has been made available for price inflation in 2023/24. This may be insufficient as the inflationary outlook continues to be volatile. Significant potential inflation requirements have already been highlighted for 2023/24. From 2024/25 it has been assumed price inflation reduces back to usual levels with £4m a year made available. It is also assumed electricity and gas prices will start to reduce. A pay award allowance of 4% has been made available for each of the following three years.

Table Three: Inflationary pressures

	Updated Forecast 2022 / 23	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000	£'000
Non Pay Inflation	5,395	8,641	4,000	4,000
Gas Inflation	6,300	0	(2,000)	0
Electricity Inflation	6,684	4,216	(2,600)	0
Pay Inflation	15,900	11,131	11,532	12,033
Pension Contribution Increase 1% estimate	0	0	2,200	0
Change to annual allowance	34,279	23,988	13,132	16,033
Cumulative allowance	34,279	58,267	71,399	87,432

- 3.18. *Reversal of the 1.25% National Insurance increase* - The 1.25% increase to National insurance which was implemented in April 2022 has been cancelled from 6 November. This means the Council can remove the £1.506m which was added to directorate budgets to fund the employer contribution to National Insurance. There will also be a part year cost reduction in 2022/23 of £0.6m. This will help reduce the current year overspend.
- 3.19. It has been indicated that the government will revise funding allocations to remove funding that was allowed for the employers 1.25% NI increase. For Local Government this funding came via the 2022/23 Services Grant. This was allocated based on the Settlement Funding Assessment and is un-ringfenced.
- 3.20. The 2023/24 budget assumes a roll over settlement with funding in cash terms the same as 2022/23. A £3m reduction to the amount for the Services Grant has been included to recognise the risk of redistribution and / or a clawback of the NI budget allocation.
- 3.21. **Directorate pressures** - For completeness Appendix 1 lists the directorate savings and pressures which were reflected in the Medium-Term Financial position when the 2022/23 budget was set. The details are included in the relevant November 2022 scrutiny reports. The pressures over and above those in the original MTFP are shown in the table below:

Table Four: Pressures and growth added / increased since the 2022/23 MTFP

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
Anti-poverty measures	3,550	0	0
Adults - New Care Models	1,300	0	0
Childrens reduced recharge to DSG	940	0	0
Town Hall pressures (Increased from £1m in original MTFP to £2m)	0	0	1,000

ICT - Software Licenses	461	0	0
Updated transport and waste levy forecast from GMCA	1,534	0	0
Total new pressures since 2022/23 MTFP	7,785	0	1,000
Cumulative new pressures since 22/23 MTFP	7,785	7,785	8,785

Investment in Anti-poverty measures

3.22. In response to the Cost-of-Living crisis, resources have been earmarked to provide £1.8m support in 2022/23 increasing to £3.55m in 2023/24 to residents who are most affected. This is in addition to Government support this year of £6.4m for the third round of the Household Support Fund. In addition, there has been a reallocation of existing staffing resources to prioritise this work.

3.23. The £3.5m in 2023/24 will enable the following:

- £1m will be used to increase the Discretionary Housing Payments budget and targeted to support people to remain in their accommodation to reduce homelessness. The budget had been reduced as part of the budget cuts in 2021/22 but it was recognised that it may need to be increased again if demand increased. In 2021/22 4,106 applications were received with a further 2,132 applications received between April and September 2022/23. DHP alongside the Prevention work in Homelessness are a key strand in the Prevention model to assist residents in maintaining their tenancy. As a result of the cost-of-living crisis it is expected that demand in this area will increase in the coming months.
- £1m to invest in food response infrastructure. Working with the Community Food Partnership the majority of this will be invested in longer life, non-perishable stock and storage which all food providers in the city can access. £150k of the total will be allocated to sustain food organisations in the 11 wards with the greatest % of households impacted by the cost-of-living crisis.
- £0.6m Increased funding to discretionary local welfare provision to meet increased demand, helping to cover essential costs of households in crisis
- £0.5m - support to voluntary and community organisation on the front line to help meet the increased demands from residents
- £200k - to invest in CHEM (COVID Health Equity Manchester) to support Communities Experiencing Racial Inequality and other inequalities, more likely to be impacted by the cost-of-living crisis.
- £200k - to expand the advice offer available to residents
- £50k for other welfare schemes, including S17 payments made to vulnerable families and to support care leavers living independently to help them deal with rising costs

3.24. Other measures underway include the following:

- Establishment of the Community Advice Hub – an online and freephone helpline service to connect Manchester residents to the support available, which has been up and running since 03 October 2022.
- Advice and information to schools to poverty proof the school day and help families to ameliorate costs e.g. school uniforms at key points in the school year
- Team Around the Neighbourhoods focusing on cost of living and poverty in the 11 priority wards to bring together the local advice and support offer
- Communications and Engagement campaign across multiple channels to promote the Advice Hub and wider support offer for Manchester residents.
- Work with partners – Registered Providers, VCSE and MLCO to provide a coordinated offer, align resources and extend reach and impact
- Creation of warm spaces through Neighbourhood Living Rooms in Libraries and in community and faith venues where people can access information and support in warm settings.

Other proposed increases to required spend

- 3.25. As part of the Adult Services transformation programme Manchester CCG funded a New Care model approach to better support residents to prevent admission to hospital and long-term care. This funding has ceased, however, in order to sustain the social work infrastructure and reablement capacity, it is recommended that this capacity is maintained at £1.3m per annum for 2023/24 to 2025/26. This is funded from the Adult Social Care reserve which had been increased to meet future demand.
- 3.26. The Dedicated Schools Grant (DSG) is significantly overspent and is subject to a recovery plan, following a line-by-line review of spend to ensure it fully reflects the spending guidance. In order to reduce pressures in the DSG it is proposed that £0.940m commissioned training in relation to early years high needs will no longer be charged to the high needs block and charged to the Early Years council budget instead. This represents a growth pressure, and it is requested that additional Council budget is allocated to accommodate this transfer.
- 3.27. Updated levy and rebate forecasts have been received from the Greater Manchester Combined Authority (GMCA). These are still subject to change as their budget goes through the approval process. The waste levy costs are driven by forecast tonnages of waste to be disposed of and the costs of disposal through the contract. Based on latest forecasts it is anticipated that this will increase by 6% overall in 2023/24, with the increase to Manchester being c£2.023m. This increase is due to a large proportion of the costs in the contract being linked to CPI, this has been partially offset by a better outlook for income from energy and recyclates. A further increase of £0.959m has been assumed for 2024/25. These increases are reflected in the current budget proposals. The budget position also reflects a one-off return of waste reserves from GMCA of £25m, of which Manchester's share is £4.5m. This has also been built into the budget model.

- 3.28. The Transport levy is expected to increase by 4% overall, for Manchester this is an increase of £1.5m, following a levy reduction in 2015/16 and no increases since.
- 3.29. Compared to the original assumptions this is a net additional cost of £0.636m in 2023/24 increasing to £1.536m from 2024/25.

4. Progress on identifying savings and cuts options

- 4.1. Officers have identified options to reduce the budget gap which are subject to approval. The first round of officer proposals total £42.320m across all committees, over the next three years, and are illustrated in the table below. As far as possible these are aimed at protecting the delivery of council priorities and represent the least detrimental options. The detail is included in the budget reports to individual scrutiny committees.

Table Five: Savings Options identified to date

Directorate	Amount of Saving				Indicative FTE Impact
	2023/24	2024/25	2025/26	Total	
	£'000	£'000	£'000	£'000	
Adults Services	5,575	2,250	2,200	10,025	TBC
Public Health	1,000	-	-	1,000	3
Children's Services	5,297	3,320	3,108	11,725	-
Neighbourhoods	3,293	2,818	745	6,856	13
Homelessness	1,244	2,070	1,332	4,646	-
Corporate Core	3,667	975	1,382	6,024	53
Growth and Development	1,059	170	815	2,044	1
Total profiled savings options	21,135	11,603	9,582	42,320	70

- 4.2. Work is underway to identify further measures to bring forward in January to close the remaining gap and deal with any implications of the finance settlement or other government announcements.

Table Six: Revised gap following savings and pressures

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
Gap after use of Smoothing Reserves and emerging pressures	27,806	69,455	96,202
Savings options identified to date	(21,135)	(32,738)	(42,320)
Shortfall	6,671	36,717	53,882

- 4.3. There remains a forecast shortfall of almost £7m next year increasing to £37m the year after. Officers are working to identify further measures to bring forward in January. The proposed approach is two-fold:
- a further £3m to £4m of savings targeted and deliverable in 2023/24 with a full-year effect of at least £8m.
 - work to control expenditure in 2022/23 to reduce the in year overspend by a further £3-4m to free up reserves to further smooth the 2023/24 position.
- 4.4. This will help close the remaining gap and deal with any implications of the finance settlement or other government announcements. The updated position will be reported to Executive and RAGOS in January 2023 and the further savings considered by scrutiny committees in February. Work will continue throughout 2022/23 to focus on the delivery of the approved savings alongside work to close the 2024/25 gap.

5. Budget Consultation

- 5.1. There is a statutory requirement to consult with business rates payers. Public consultation on proposed Council Tax levels and the savings and cuts measures put forward by officers will open on Monday 7 November and run until 7 January 2023. The provisional results from the consultation will be reported to Executive in February. The full analysis and results, alongside comments from scrutiny committees, will be reported to the Budget Scrutiny meeting on 27 February to ensure they are fully considered before the final budget is set.
- 5.2. None of the budget options set out to date require formal statutory consultation.

6. Workforce Implications

- 6.1. The City Council continues a journey to achieving equality, diversity, and inclusion for its workforce. It is a long-term commitment that must be supported and regularly reviewed. To support this, an overarching Workforce Equalities Strategy was developed and considered by Resources and Governance Overview and Scrutiny Committee in October 2021. The strategy provides the framework for the actions agreed following the 2019 race review and those across all protected characteristics to be tracked and scrutinised. A separate report on the Resources and Governance Scrutiny Committee agenda sets out the progress over the last 12 months.
- 6.2. The indicative workforce reduction linked to the savings proposals is 70 Full-Time Equivalent (FTE) over the three years. Of these, 53 of these posts relate to the back office in the Corporate Core directorate. At this stage, it is anticipated that this will be managed via natural turnover and vacancies and that there will be no requirement for any formal voluntary early retirement or voluntary severance scheme.
- 6.3. The Council's establishment is fully budgeted for at the top of the grade. In reality there are vacancies caused by staff turnover, recruitment difficulties and staff employed throughout the grade scale. In order to avoid budgeting for costs that

will not be required and making bigger cuts elsewhere, adjustments are being made to reflect these issues by applying a vacancy factor to recognise that vacancies will always exist. The continued challenges in filling posts also means that the Council is working hard on ensuring we are an employer of choice and can attract people and minimise the pressures on our existing workforce.

7. Equalities Impact and Anti-Poverty Assessments

- 7.1. Each saving proposal will be supported by robust business cases where consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and a Poverty Impact Assessment as part of the detailed planning and implementation. Work is also underway on the way in which equalities data is collected across the Council, supporting the ability to be better informed on the impact of changes being made to services.
- 7.2. The work that will be carried out on individual business cases will be complemented by work to consider the collective impact of the options proposed and how the overall budget changes will impact on equalities, poverty and ultimately our residents. Each Directorate will review how the use of their budget as a whole, not just that of budget savings/reductions, might mitigate or positively impact on equality, anti-poverty, and how social value can be maximised.
- 7.3. Council wide we will assess the overall impact of the collective savings proposals and the resulting baseline budget on delivery against our Equality priorities.

8. Scrutiny of the draft budget proposals and the budget reports

- 8.1. At the November meetings all scrutiny committees will receive a short update on the Council's budget and a high-level update on the three-year position. The reports have been tailored to the remit of each scrutiny as shown in the table below.
- 8.2. Each Committee is invited to consider the proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

Date	Meeting	Services Included
8 Nov 22	Resources and Governance Scrutiny Committee	Chief Exec Corporate Services Revenue and Benefits / Customer and Welfare Support Business Units
8 Nov 22	Communities and Equalities Scrutiny Committee	Sport, Leisure, Events Libraries Galleries and Culture Compliance and Community Safety Housing Operations including Homelessness Neighbourhood teams

9 Nov 22	Health Scrutiny Committee	Adult Social Care Public Health
9 Nov 22	Children and Young People Scrutiny Committee	Children and Education Services
10 Nov 22	Environment and Climate Change Scrutiny Committee	Waste and Recycling Parks Grounds maintenance
10 Nov 22	Economy Scrutiny Committee	City Centre Regeneration Strategic Development Housing and residential growth Planning, Building Control, and licensing Investment Estate Work and skills Highways

9. Proposed budget process for the update of the Capital Strategy

- 9.1. The current approved capital programme will deliver over c.£1bn of investment in the city over this and the next three financial years, in highway infrastructure, leisure facilities, zero carbon initiatives, schools, housing and regeneration. This commitment will be funded, in part, by a forecast over c. £500m of additional borrowing.
- 9.2. Whilst this commitment is fully funded, current market conditions are combining to place pressure on the Council's future borrowing capacity. There are inflationary pressures on scheme costs, both within the current approved programme but also for any future schemes. Further, the relatively high level of inflation has been one of the contributing factors to interest rates on debt rising, which means it is more expensive to borrow to fund capital expenditure.
- 9.3. Therefore there is a clear need to prioritise capital investment, and to review the process through which such prioritisation takes place. The Capital Strategy work is being developed and will include:
 - A review of the approval process to ensure it remains fit for purpose and supports strong decision making for capital projects.
 - Work on a new Strategic Asset Management Plan which provides a transparent methodology and approach to review all building assets across the operational and investment estates in terms of how the assets are being used, and opportunities for alternative use. This will also provide a more structured approach to identifying assets for disposal to generate capital receipts for reinvestment in the Council's assets.
- 9.4. Allowing continued investment in the Council's key assets such as highways and the corporate estate.
- 9.5. To support prioritisation the following key principles will be adhered to in terms of support:
 - The project is externally funded and meets strategic objectives;

- For development projects, the project can be funded through robust investment to save means and aligns with the Council's approach to place; or
- For other projects, the investment is critical to the organisation.

9.6. Financing capacity will continue to be reviewed as the macroeconomic picture develops, and investment proposals will be brought forward within the Capital Strategy as part of the budget process.

10. Next Steps

10.1. The proposed next steps are as follows:

- 8-10 November - Scrutiny Committees
- 7 November - Budget consultation launched to close 7 January
- 6 December – RAGOS – Update on Autumn Statement (expected 17 November) and Council Tax and Business Rates Key Decisions report
- Late December - The Local Government Finance Settlement expected
- 10 January - Resources and Governance Scrutiny Committee -settlement outcome, update on the budget position and consultation responses.
- 11-13 January - Further options to Scrutiny Committees.
- 18 January - Executive -settlement outcome, update on the budget position and consultation responses
- 7-9 February - Scrutiny Committees
- 15 February - Executive receive proposed budget
- 27 February - Resources and Governance Budget Scrutiny.
- 3 March - Council approval of 2023/24 budget

11. Conclusion

11.1. The economic and government spending position is extremely uncertain, with a radical policy agenda and corresponding policy reversals having taken place since the “fiscal” event, making the predictions around the impact on Local Government finances even more complex than normal.

11.2. This report sets out the estimated budget position for the next three years and the potential scale of budget cuts required. The assumptions are based on a realistic view of the expected settlement announcements and a forecast of local tax funding available. This results in forecast gap of £28m in 2023/24 increasing to £96m by 2025/26. To date saving options totalling £42m over three years have been brought forward by officers for member consideration. A significant shortfall remains which must be addressed.

11.3. This results in a shortfall to balancing the 2023/24 budget of almost £7m increasing to £37m the year after. Officers are working to identify further measures to bring forward in January. The proposed approach will include identifying a further £3m to £4m of savings targeted and deliverable in 2023/24 with a full-year effect of at least £8m, coupled with work to control expenditure in 2022/23 to reduce the in year overspend by a further £3-4m to free up reserves to further smooth the 2023/24 position.

- 11.4. The government's Autumn Statement is expected to be published 17 November 2022. This may provide more clarity on the direction of funding for Local Government. The provisional settlement expected late in late December will provide the funding allocations for 2023/24. The provisional settlement outcome and revised position will be reported to RAGOS and the Executive in January to consider the longer-term position. They will also consider the final cuts and savings proposals to ensure a balanced budget is set and the council remains financially stable.

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Appendix 1 – Savings and pressures included in 2022/23 MTFP

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
<i>Savings approved in 2021/22 budget setting</i>	(2,872)	705	0
<i>Pressures and growth included in the 2022/23 MTFP:</i>			
Adults Demography	2,329	2,636	2,936
Adults Contract costs of the National Living Wage	5,590	5,983	4,000
Adults allocation for Real Living Wage	3,500		
Children's Demography	2,357	2,419	2,479
Corporate Core Capital Programmes - Gorton Hub	500		
Corporate Core Finance - additional support costs for the Civica income management system	10	10	
Corporate Core HROD - reduction in fee income for payroll services	23	23	
Corporate Core Corporate Property - Additional costs of maintaining/running town hall following capital investment		1,000	
Corporate Core ICT - Ongoing costs of ICT hardware refresh post roll out of EUD		750	
Neighbourhoods - Improving basic services – with focus on street cleaning	1,000		
<i>Sub total pressures and growth included in the 2022/23 MTFP</i>	15,309	12,821	9,415
<i>Pressures and growth added / increased since the 2022/23 MTFP:</i>			
Increased Town Hall pressure			1,000
ICT - Software Licenses	461	0	0
Childrens reduced recharge to DSG	940	0	0
Anti poverty measures	3,550	0	0
Adults budget increase for New Care Models	1,300	0	0
<i>Sub total pressures and growth since the 2022/23 MTFP</i>	6,251	0	1,000
Total Changes to Directorate budgets	18,688	13,526	10,415

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Manchester City Council Report for Information

Report to: Executive – 16 November 2022

Subject: Capital Programme Monitoring 2022/23

Report of: The Deputy Chief Executive and City Treasurer

Summary

This report informs members of:

- (a) Progress against the delivery of the 2022/23 capital programme to the end of September 2022.
- (b) The latest forecast of capital expenditure and the major variances since the Capital Programme Monitoring report submitted in September 2022.
- (c) The proposed financing of capital expenditure for 2022/23 and affordability of the Capital Programme.

Recommendations

Executive are asked to note the report.

Wards Affected: All Wards

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
Under the governance process for capital expenditure decision making, zero and low carbon measures are a key component. All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

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 2022/23 for Manchester City Council is £513.0m compared to the current approved budget of £582.9m. Spend as of 30th September 2022 was £150.4m. The £1,038.5m multi-year 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.

Contact Officers:

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

Name: Tom Wilkinson
Position: Deputy City Treasurer

Telephone: 0161 234 1017
E-mail: tom.wilkinson@manchester.gov.uk

Name: Tim Seagrave
Position: Commercial Finance Lead
Telephone: 0161 234 3445
E-mail: tim.seagrave@manchester.gov.uk

Name: Kirsty Cooper
Position: Group Finance Lead – Capital and Treasury Management
Telephone: 0161 234 3456
E-mail: kirsty.cooper@manchester.gov.uk

Name: Kate Stonehouse
Position: Group Finance Lead – Capital and Treasury Management
Telephone: 0161 245 7856
E-mail: kate.stonehouse@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 16th February 2022 – Capital Strategy and Budget 2022/23 to 2024/25
- Report to the Executive 29th June 2022 – Capital Outturn Report
- Report to the Executive 22nd July 2022 – Capital Update Report
- Report to the Executive 14th September – Capital Update Report
- Report to the Executive 14th September – Capital Programme Monitoring (P4)
- Report to the Executive 19th October – Capital Programme Update Report

1. Introduction

1.1 The purpose of the report is to:

- Provide an update to members on the progress of the global capital programme in the four months to the end of September 2022, including activity, benefits realised, financial implications and risk;
- Provide a more detailed update on the major projects within the programme;
- Confirm that there are adequate levels of resources available to finance the capital programme.

2 Background

2.1 The Executive approved the Capital Budget for the period 2022/23 to 2024/25 in June 2022 as part of the Capital Outturn Report. Since then, subsequent capital budget update reports were submitted to the Executive, the cumulative effects of which can be seen at Appendix B. The revised capital budget for 2022/23 is therefore £582.9m, with a further £455.6m budgeted to be spent across 2023-2025, taking the whole programme to £1,038.5m.

3 Contributing to a Zero-Carbon City

3.1 To reflect the climate change emergency that the Council has declared, capital expenditure business cases are now required to include carbon measures for both during the project progression stage and the ongoing lifecycle post completion. The intention is that the carbon footprint of a scheme is considered as part of the decision-making process. This work is ongoing and will reflect the decisions taken by the Council on how it will meet the future carbon reduction targets in order to become carbon neutral by 2038.

3.2 In February 2021 Executive agreed to the adoption of the Manchester Low Carbon Build Standard for future capital projects, and this has been implemented. Work is now ongoing to develop specific measurable carbon metrics across the capital programme, for both during and post-acquisition/construction phases of a project, that will enable comprehensive reporting on the intended and achieved carbon reductions created through the programme. It is intended that this will form part of these monitoring reports.

3.3 Current ongoing projects which feature carbon reduction works include the refurbishment of the National Cycling Centre and the Manchester Aquatic Centre, two of the highest gas and electricity consuming buildings in the estate. Full refurbishment of the buildings has seen the dependency on gas removed, full refurbishment of plant rooms, LED lighting installed throughout, fabric improvements and renewable generation installed. In the case of the National cycling Centre, the total impact of these works is forecast to achieve c60% reduction in carbon emissions.

4 Capital Programme Forecast 2022/23

- 4.1 The latest forecast of expenditure for the Manchester City Council Capital Programme in 2022/23 is shown in the table below. The main variances relate to Active Travel schemes, Housing Infrastructure Fund (HIF), Our Town Hall, House of Sport, This City Housing Delivery Vehicle, Housing Affordability Fund, Special Educational Needs Grant Unallocated and ICT Network Refresh Programme and are discussed in more detail in the following sections.

Manchester City Council Programme	2022/23					Spend to Date
	Current Budget	Forecast at P4	Forecast at Q2	Forecast at Q3	Variance to current budget	
	£'m					£'m
Highways	52.5	40.5	39.9		(12.6)	14.7
Neighbourhoods	83.4	82.9	86.1		2.7	29.2
The Factory and St John's Public Realm	79.4	46.4	79.4		0.0	19.1
Growth and Development	118.0	97.6	95.3		(22.7)	16.8
Our Town Hall Refurbishment	82.3	76.5	74.9		(7.4)	24.6
Housing – General Fund	27.4	24.1	16.3		(11.1)	8.4
Housing – Housing Revenue Account	44.8	34.8	40.8		(4.0)	11.3
Children's Services	45.4	42.6	44.9		(0.5)	16.4
ICT	7.6	4.9	4.8		(2.8)	1.3
Corporate Services	15.2	15.1	15.2		0.0	8.6
Total (exc. contingent budgets)	556.0	465.4	497.6		(58.4)	150.4
Contingent Budgets	26.9	41.4	15.4		(11.5)	0.0
Total	582.9	506.8	513.0		(69.9)	150.4

- 4.2 The total forecast for the contingent budgets reflects additional grant allocations in 2022/23 for the SEN Grant and Housing Affordability Fund, and the utilisation of the Council's inflation budget reported in previous Executive reports.
- 4.3 The all-years capital forecast is shown in the table below:

Manchester City Council Programme	2022/23	2023/24	2024/25	2025/26	All Years Variance to Current Budget
£'m					
Highways	39.9	28.2	5.2	0.0	0.0
Neighbourhoods	86.1	16.1	4.4	2.9	(0.1)
The Factory and St John's Public Realm	79.4	0.0	0.0	0.0	0.0
Growth and Development	95.3	93.5	29.9	3.6	(0.9)
Town Hall Refurbishment	74.9	86.1	40.7	0.0	0.0
Housing – General Fund	16.3	36.8	17.6	7.8	0.0
Housing – Housing Revenue Account	40.8	58.8	30.7	6.4	0.1
Children's Services	44.9	5.4	0.5	0.0	(0.1)
ICT	4.8	2.0	0.1	0.0	0.0
Corporate Services	15.2	1.4	0.5	0.0	0.0
Total (exc. Contingent budgets)	497.6	328.3	129.6	20.7	(1.0)
Contingent Budgets	15.4	18.0	28.2	0.0	0.0
Total	513.0	346.3	157.8	20.7	(1.0)

- 4.4 The report also shows an overall underspend of £1.0m against the programme. This includes:
- £0.8m for Heron House,
 - £0.1m for St Peters Square and Medieval Quarter Public Realm, all completing within budget.
 - £0.1m for the Cremator & Mercury Abatement project which is nearing completion.
- 4.5 The budget will be reduced by these amounts when it is next revised. There are also a number of projects which are currently forecast to require reprofiling over years, which can be seen in Appendix A, and these will also be reflected in the February 2023 budget report.
- 4.6 A more focussed look at the top 10 projects is provided in Section 5 below. These projects cover 77.4% of the total programme. Section 6 provides details of any other material changes relating to other parts of the programme.
- 4.7 The programme contains some budgets yet to be allocated to specific projects but reserved for a particular purpose, such as Education Basic Need funding, Special Educational Needs Grant, Housing Affordability Fund, the ICT Fund, HRA Unallocated funding and the budget for inflation pressures. These will be allocated once the specific schemes are progressed and approved, or in the case of inflation the business case showing the impact of inflationary pressures on a scheme completed. They are then subject to approval through the Council's capital approval process.

- 4.9 The most significant risk facing the programme and major projects overall is the continued high levels of inflation being experienced, as set out in Section 7 of this report.

5 Major Projects

- 5.1 The top ten budget by value remaining are shown in the table below:

Project	Current Budget 2022/23	Forecast at P6	In Year Variance	Spend to date 2022/23	Total Budget (All Years)	Total Variance (All Years)
£m						
Our Town Hall Refurbishment	82.3	74.9	(7.4)	24.6	306.4	0.0
The Factory and St John's Public Realm	79.4	79.4	0.0	19.1	229.8	0.0
Housing Infrastructure Fund (Victoria North)	20.0	8.5	(11.5)	2.7	51.0	0.0
Carbon Reduction Programme and Public Sector Decarbonisation Scheme	17.7	17.7	0.0	4.6	46.3	0.0
Collyhurst*	3.3	2.6	(0.7)	0.0	37.9	0.0
This City Housing Delivery Vehicle	12.7	2.7	(10.0)	1.6	36.1	0.0
Manchester Aquatics Centre	17.5	19.9	2.4	9.9	33.5	0.0
Back of Ancoats Mobility Hub and Public Realm	7.9	7.9	0.0	0.7	32.7	0.0
Hammerstone Road Depot	11.4	8.4	(3.0)	3.5	31.6	0.0
Co-op Academy Belle Vue	19.6	19.6	0.0	11.5	31.5	(0.4)

*Public and Private Sector Housing

Our Town Hall Refurbishment

- 5.2 Works continue to progress well on site for the Town Hall Project. As at October 2022, package procurement is in advance of 90%. There are 21 works packages still to procure, at a budget value of £17.5m. Despite a challenging 18-month period due to multiple factors including further impact of COVID-19, ongoing market and inflationary conditions, and other 'uncontrollable' elements such as nesting falcons, the contract date for completion of construction works remains 25 June 2024.

- 5.3 The project is still reporting on budget, but as a result of these challenges the budget remains under significant pressure. As the project team establishes better certainty on the level of the likely outturn position and the extent to which this can be covered within the existing inflation provision it will be known if a budget increase is likely to be required. The would be against the council's inflation contingency budget within the current approved capital programme, provided it has sufficient budget at the time the request is made. More information can be found in the detailed report that was considered at Resource and Governance Committee in October.
- 5.4 The project is 50% through the construction period, and the quality of the works continues to be first rate. Replacement facing stones and the window stone replacements to the Courtyard have started to be installed. A new lift core has opened from the lower ground level to the top of the building and steel is being erected to form a new lift shaft. Conservators have commenced works on the restoration of decorative finishes to the Great Hall ceilings, and mosaic repairs are well advanced to the ground floor corridors.
- 5.5 The project is making excellent progress against its Social Value objectives and has already exceeded a number of its KPI objectives. A significant percentage of project spend has been delivered in Manchester and opportunities for Manchester residents have been delivered through new jobs, training and development.
- 5.6 The Our Town Hall Refurbishment project is currently forecasting slippage of £7.4m in to 2023/24. This is largely due to delayed commencement to a substantial part of the Mechanical, Electrical and Plumbing (MEP) installation works due to further works to work faces and structural alteration works and re-design in some areas due to discovery which affected the design of fire-rated equipment and the design of the electrical sub-station. The slippage includes £2.4m of contingency which has been reprofiled into future years.

Factory International

- 5.7 Executive approved a budget increase to Factory International in October, taking the total budget for Factory International and St John's Public Realm to £229.8m. This is due to go to Council in November, but for the purpose of this Capital Budget monitoring the budget increase has been applied in this financial year. A revised cash flow is expected later in the year, so there may be some reprofiling into 2023/24 required.
- 5.8 A detailed report has recently been to Resources and Governance Scrutiny and the previous Executive. This highlighted the positive benefits that Factory International is already having in the city and the role of the Factory Academy in supporting our residents and young people to access jobs and opportunities in the creative industries. The report also highlighted the financial challenges the construction project is facing.
- 5.9 As at October 2022, all the detailed design works have been completed and

static completion dates are now instructed. Of the work packages, £50.3m have gone through the final account stage, £58.8m have been procured at a fixed lump sum, £16.3m are provisional sums and £3.3m is year to be procured. Good progress is being maintained on site with internal and external works progressing well.

- 5.10 The project continues to be tightly managed and the Council is currently engaged in negotiations with the management contractor to conclude their costs for their remaining works. However, total cost surely will only be reached when all packages are procured, and the project is nearing completion.
- 5.11 The construction design for the St John's Public realm is moving towards completion to allow works to commence. Consultation of the Water Street adaptation has concluded, but a decision on the application of the prohibition of driving will not be decided until the consultation on the adaptation of Deansgate has also concluded. The Public Realm forecast is to budget and the project is expected to be completed in line with the overall programme.

Housing Infrastructure Fund (Victoria North)

- 5.12 The total budget for the Housing Infrastructure fund is £51.0m, and the project is due to complete in 2024. The project is broadly split into two packages of work, Infrastructure Works and River Works.
- 5.13 Detailed design and legal documents have now been completed for the main infrastructure works package and the contract is due to be signed and sealed in November 2022. The pre-construction services agreement (PCSA) has been extended with the main contractor BAM Nuttall in order to extend the works included in the enabling package. Treatment of invasive species and tree felling has already commenced. BAM have also set up their full site office and compound, ready for the full works starting. The site compound includes the Victoria North Community Hub, which is part of BAM's social value commitment and opens on 28th October 2022. Manchester will be operating from the hub, where they will be providing support to help families become economically active.
- 5.14 On the River Works package, the design team, in discussion with the Environment Agency, has developed a number of options for flood defences. These are currently under review, and are being discussed with the Council's joint venture partner FEC.
- 5.15 The project is reprofiling £11.5m into future years primarily down to delays in getting ground investigation results for the flood scheme from the contractor and bad weather, which is having a knock-on effect on the wider programme. Results from site investigations have meant options are being modelled further and has caused delays to the design process. Decisions on other elements of the infrastructure package are being delayed due to costs being unknown on the flood defence design.

Carbon Reduction Programme including PSDS

- 5.16 The current budget for Carbon Reduction Programme and Public Sector Decarbonisation Fund (PSDS) is £17.7m and is forecasting to budget.
- 5.17 Phase 1 of the Carbon Reduction Programme is almost complete and will save 1,400 tCO₂ annually. Remaining works include the installation of LED lighting at the Sharp Project (installation commenced and almost complete) and at the Tennis & Football Centre. This project has been delayed as the building is being used as a vaccination centre.
- 5.18 Projects to deliver renewable generation at the National Cycling Centre and Hammerstone Road, part funded by the European Regional Development Fund (ERDF) have been reviewed and scope amendments agreed with fund administrators. The Hammerstone Road Solar PV project will no longer be delivered with support of ERDF as it wasn't possible to achieve the June 2023 deadline for completion due to dependencies on essential refurbishment works. The intention is to still install solar PV on the roof of Hammerstone Road, but via the main refurbishment contract, making use of the existing carbon reduction budget. The solar car ports at the National Cycling centre will still be delivered, but a smaller scheme will be delivered due to budget increases as a result of design development and market pressures.
- 5.19 Public Sector Decarbonisation Scheme Phase 1 grant funded works completed at the end of June 2022 with the exception of some commissioning and handover activities and the delivery of the battery at Hough End Leisure Centre. The commissioning and handover costs will be funded via the grant; however, the battery cost and some minor ICT networking costs will need to be funded by the Authority and the existing carbon reduction budget will be utilised.
- 5.20 Public Sector Decarbonisation Scheme Phase 3 grant funded works are in flight with an ambitious deadline of March 2023 for completion of works. A contractor has been appointed to design and deliver this phase of works under the strategic partnership recently agreed. The works are in the detailed design phase, which is expected to complete in November 2022. Key risks to programme include the lead time for key components, in particular heat pumps and inverters for the Solar PV installations. Approval to raise early orders for long lead time items has been secured and the contractor has been instructed.
- 5.21 The programme has submitted a further bid for PSDS funding in round 3(b). The bid was for funding to deliver carbon reduction works within the Town Hall Extension and Woodhouse Park Leisure Centre. The total project value was £2.0m, of which £1.8m PSDS grant was requested. This investment is forecast to save circa 800 tCO₂ each year, a significant saving for the scale of investment. This largely as a result of the investment in the Town Hall Extension and the additional efficiencies that will be realised from the Civic Quarter Heat Network as a result.

- 5.22 A delivery partner has been appointed to complete 80 building energy audits, with the intention of developing a pipeline of carbon reduction investment proposals to take us up to 2025 and beyond. These energy audits will be used to inform future checkpoint submissions, drawing down against the previously budgeted £15.0m for additional carbon reduction works. Audits have commenced and are expected to complete early in the new year.
- 5.23 The PSDS programme is scrutinised and monitored regularly in order to satisfy funding requirements regarding completion date. Spend is weighted toward the end of the programme and the Project Manager and Quantity Surveyor are working closely together to ensure spend is maximised in year.

This City Housing Delivery Vehicle

- 5.24 The total current budget for This City Housing Delivery is £36.1m. There are two sites currently being brought forward as the first phase of This City development. Both are at different stages of design and development
- 5.25 The business plan for This City has been developed and is now in final draft form. The plan outlines the vision for the company, along with clear financial performance models, as well as a range of key performance indicators and clear details on risk. Alongside this, a detailed piece of work is underway regarding investment models for potential phase 2 developments to be brought forward with a partner.
- 5.26 Planning permission has been granted for This City Ancoats (Rodney Street), with the preferred contractor for the scheme currently working under a pre-construction services agreement (PCSA). This City Northern Quarter (Postal Street) design continues to progress with sessions held with Planning to agree principles regarding orientation and massing of the development in order to finalise RIBA 2 design proposals.
- 5.27 This City is bringing its first sites forward in a significantly challenging time for delivery. The volatility of the construction sector, inflationary pressures, cashflow and changes in the private rented sector are all impacting on the business plan. An independent commercial review is currently underway, including a full cost and design assessment, to ensure the scheme remains financially viable whilst both demonstrating value for money for the Council and constituting an attractive proposition for residents and potential future investors. This is due to conclude in the next few months and £10m has been reprofiled into 2023/24.

Back of Ancoats Mobility Hub and Public Realm

- 5.28 The project was approved in March 2022 with a total budget of £32.7m. The project is expected to complete in 2025/26.
- 5.29 Demolition of the existing structures on site will commence in November and conclude before the end of the year. Changes to the external elevations and ground floor, plus the introduction of a layby on Poland Street, require a s73

planning application. This will be submitted at the start of the December. Design development has continued in order to try to mitigate the impact of construction inflation on the project, but the project may require additional funding.

- 5.30 Soft market testing is due to take place for the future operation of the Mobility Hub in the coming weeks prior to a tender being issued.
- 5.31 Within the Public Realm Strategy (PRS), tenders have now been received for the work on Jersey Street Bridge and the Council are in negotiations with a contractor to start on site January 2023 for a period of 4 months. Ancoats Green design is progressing and design workshops with local residents have taken place Site surveys and tree surveys are now complete with the intention to get to design freeze by end of November 2022.
- 5.32 Work is progressing on a Traffic Regulation Order (TRO) strategy that supports the functioning of the Mobility Hub, stops rat running through the area and creates streets that are pedestrian and cycle friendly and not dominated by vehicular traffic.

Co-op Academy Belle Vue

- 5.33 The total budget for the Co-op Academy Belle Vue project is £31.5m and construction packages continue to be completed in line with the revised programme. There has been some minor programme movement due to productivity problems associated with drylining and ceiling installation which are continuing to have a stacking effect on M&E installation and commissioning, which in turn delays the finishing trades from freely progressing. However, the project is now due for practical completion in November 2022, with handover to Co-op agreed for the end of that month.
- 5.34 The current forecast has been reduced by £0.4m due to the risk sum set aside for the provision of temporary units being returned to the client team. As a result of the long lead times in the supply of these units it has now been deemed too late to proceed.
- 5.35 All permits for the Highways work included in the project were issued by the Council on 22nd September with works commencing to Hyde Road in early October. This work is programmed to be complete by mid-January 2023.

Collyhurst

- 5.36 In September 2022, Executive approved a budget increase of £6.6m for the Victoria North Collyhurst programme, increasing the budget for the first phase of the Collyhurst Programme to £37.9m. This is due to be spent by March 2024. The project has minimal slippage into future years due to the ongoing negotiations with FEC, but remains within the overall budget.
- 5.37 During the period, there has been significant progress with the drafting of the legal agreements with FEC (Far East Consortium) and commercial

negotiations, resulting in the finalisation and acceptance of the commercial offer for the scheme. FEC continue to work through the PCSA process with preferred contractor and the Shared Ownership and Affordable Homes Programme (SOAHP) contract with Homes England is being finalised. Community engagement continues, liaising with residents affected by the scheme.

Manchester Aquatic Centre

- 5.38 Following the successful application to host the World Para Swimming Championships in 2023, Executive approved a capital budget increase of £3.0m in July 2022 to allow for a rephasing of refurbishment works. The current budget for the Manchester Aquatics Centre refurbishment is £32.5m and the project is scheduled to complete in Summer 2024.
- 5.39 Work within the period includes continued removal of plant and equipment from the basement and the continuation of the ceramic tiling preparation. Work also continues to the filter vessel refurbishment and pool tank areas. There are some risks to the project, the condition of the existing pool tanks is being monitored and investigation works instructed for the leaking from the roof/roof lights. However, the key risks remain the significant inflationary pressures.
- 5.40 The project requires acceleration of £2.4m in to 2022/23. The original forecast was based on a standard project planning model; however, the actual forecast is more front loaded with high value MEP/specialist pool equipment costs earlier in the programme.

Hammerstone Road Depot

- 5.41 In July 2022, Executive approved a budget increase of £6.6m for the Hammerstone Road Project, for increased works required alongside inflationary pressures. The total budget for the Hammerstone Road Depot project is now £31.6m. The project requires reprofiling of £3.0m in to 2023/24 due to a delay in entering into the main contract to allow further investigative works to the brickwork and steel frame within the loco shed, drainage and boundary wall to reduce risk within the main contract and respond to comments from planners.
- 5.42 The main contract for the scheme has now been signed with a start date of 24th October. Demolition work across the site have completed as well as the internal relocation of Biffa to enable the complete strip out of the Plating Shed and scaffolding works have begun. Elsewhere, procurement of key works packages is ongoing, including MEP, cladding, structural steel and windows, and further investigation surveys are being carried out in relation to the cathodic protection.
- 5.43 The scheme remains a priority because of its strategic importance as the main depot facility owned by the Council. It is well located for servicing the whole city, is the depot that forms part of the waste collection contract with

Biffa, and hosts other city services such as the library store, fleet and taxi servicing facilities and HGV electronic charging infrastructure.

6 Other material changes to the programme

6.1 Other material changes to the Capital Programme are detailed below:

Project	Current Budget 2022/23	Forecast at P6	In Year Variance	Spend to date 2022/23	Total Budget (All Years)	Total Variance (All Years)
£m						
Special Educational Needs Grant Unallocated	7.7	1.0	(6.7)	0.0	18.7	0.0
Housing Affordability Fund	9.1	4.6	(4.5)	0.0	9.1	0.0
Manchester Cycleway	4.2	0.2	(4.0)	0.1	4.9	0.0
House of Sport	7.3	4.0	(3.3)	2.6	9.4	0.0
Network Refresh Programme	5.6	2.6	(3.0)	0.3	9.5	(1.0)
Northern Quarter Cycling Scheme	4.1	1.5	(2.6)	0.8	10.7	0.0
Levenshulme Active Neighbourhood	3.4	1.0	(2.4)	0.3	4.7	0.0
Carriageway Preventative	3.3	1.3	(2.0)	0.8	24.4	(0.4)
HOME Arches	2.1	0.6	(1.5)	0.2	2.7	0.0

Special Education Needs Grant Unallocated

6.2 Within the contingent budgets there is budget of £7.7m for Special Educational Needs Grant unallocated. A report was submitted to Executive in October 2022 recommending that this budget will be used to fund a new special high school and to agree that the Council undertakes a consultation to gather views on these plans as a first step towards identifying a provider for the new school.

6.3 A total of £6.7m has been reprofiled into 2023/24 to allow for early market testing to be undertaken and for a full business case to be developed. Following this, an accurate profile of spend for the proposed scheme will be presented to Executive.

Housing Affordability Fund

6.4 Following the Council's approval of the Housing Affordability Policy Framework in December 2016, in October 2017 the Council's Executive agreed to establish the Housing Affordability Fund (HAF) to bring together in one place a range of funding streams targeted at the provision of affordable

homes. The HAF is to support schemes to enable them to be delivered by providing GAP funding, supplementing any existing grants, and funding already in place to get them off the ground and or deliver more quickly. The funding will be used as a form of 'top-up' for schemes that are still marginal due to low rental and sales values.

- 6.5 The fund is expected to deliver a range of affordable housing types needed for Manchester residents including acquisitions and refurbishment of large properties for families living in temporary accommodation, reducing the pressure on homelessness and ensuring housing needs of large families are met. Other empty properties will be brought back into use for Affordable Home ownership and to also provide move on from homelessness accommodation. It is expected that the majority of grant applications to the Housing Affordability Fund will be made in 2023/24 and as a result a total of £4.5m will be reprofiled into next financial year.

Manchester Cycleway

- 6.6 As reported to Executive in September, the Manchester Cycleway scheme has slipped by £4.0m. Delivery of the scheme has been paused, with only development to be progressed at this stage. This will enable the forecast delivery funding allocation to be released to the wider MCC programme. Several components of this scheme require subsequent approvals - including maintenance agreements and commuted sums, informing the decision not to progress to delivery at this stage. The costs are forecast up to the end of RIBA Stage 4.

House of Sport

- 6.7 Due to the discovery of unforeseen building condition issues within the House of Sport project, including inadequate or missing fire compartmentation/dampers, floor screed delamination across most of the existing floor slab, and roof and gutter leaks, a total of £3.3m has slipped into 2023/24. These issues have had an impact to works on site, causing delays whilst solutions were agreed and implemented. The project is due to complete in 2023/24.

Levenshulme Active Neighbourhood

- 6.8 Phase 1 of the two phased Levenshulme Active Neighbourhood project continues on site. A total of £2.4m has been reprofiled in to 2022/23 with phase 2 no longer commencing this financial year as the project is awaiting final funding approval from GMCA which is due in April 2023. The outline design is also taking longer than originally anticipated which is pushing back the start of the works.
- 6.9 The legal process has completed and the design of phase 2 continues. Implementation of the permanent phase one filters has continued this quarter.

Network Refresh Programme

- 6.10 There is slippage on the Network Refresh Programme of £3.0m due to delays in equipment orders from suppliers. There is currently a worldwide shortage of networking components and issues with the global supply chain. The Council is actively working with the suppliers and the technology providers to escalate the priority of the Council orders. As mitigation, the project plan has been revised in line with known hardware supply dates and the team will look to complete prerequisite tasks that are not dependant on hardware, reducing the time to complete the implementation phase.
- 6.11 A bill of materials has been signed off and the majority of the hardware has now been ordered in order to complete the programme. Using the existing hardware, the project continues to set up the pilot environment which will allow the Council and the supplier to test the design, ready for wider implementation
- 6.12 Significant risks to the Network refresh Programme are the likelihood of cost increases due to price increases from the suppliers. This is actively being managed to reduce the impact.

Northern Quarter Cycling Scheme

- 6.13 This scheme is split across 4 areas, Areas 1 and 3 have been completed.
- 6.14 As reported to Executive in September, the ongoing project has a slippage of £2.6m into 2023/24. Area 2 is subject to bus operator challenges that are having to be resolved and as such is impacting programme and design which is why some of the statutory cost's estimates are being realigned to suit revised programmes.
- 6.15 Further to this, Area 4 is on hold and is not progressing as is part of the Mayors Challenge Fund reprioritisation works. Aspects of this project are currently subject to a Levelling Up Fund bid.

Carriageway Preventative

- 6.16 The Carriageway Preventative Programme will require reprofiling of £2.0m into next financial year due to procuring a resource to carry out the works taking longer than originally anticipated. These works are now expected to begin in Spring 2023 and therefore the project will run into next financial year. The overall estimated cost is expected to reduce as some roads are no longer suitable for this treatment. Any remaining budget will be utilised against other Highways projects.

HOME Arches

- 6.17 A redesign of the HOME Arches project has been carried out, as the original design exceeded the awarded Government grant. This process took 2 months and has therefore pushed back the date to enter into a contract. As a result, a total of £1.5m has slipped into future years. A revised cost plan has now been

received.

7 General Programme Risks

- 7.1 The Capital Budget is prepared on the best estimate of the start date and spend profile for each scheme and as the scheme develops this may change. This report is intended to highlight the total life and cost of schemes, and the risks associated with their development. All projects carry risk such as delivery risk, third party risk and market risk, including build cost and inflation. Some of the current risks are outlined below.
- 7.2 The significant inflationary pressures previously reported in the construction market are being maintained. The latest statistics from the Department for Business, Energy and Industrial Strategy (BEIS) for June 2022 show an overall increase of 26.4% in prices for 'all work' (new housing, other new work, and repairs and maintenance) compared to June 2021, and a 1.3% increase since the previous month. In particular, the price for concrete reinforced bars is up 58.2%, fabricated structural steel is up by 46.3% and pre-cast concrete products are up by 28.3% compared to prices seen in June 2021. While material prices continue to increase month on month, the rate of increase of total prices appears to have slowed slightly, perhaps reflecting a stabilising employment market following the upheavals of Brexit and a reduction in additional costs associated with the pandemic being passed on to the client.
- 7.3 This is clearly a considerable risk that impacts across the programme, particularly where contracts are not yet agreed. There are options available to the Council, such as entering fixed price agreements or elevating risk costs, but the inflationary risk is likely to be priced in on a prudent basis. There is also an inflation contingency budget of £11.3m for the whole programme which can be accessed if inflationary pressures are greater than the contingency budgets built into existing cost plans.
- 7.4 As noted above, some of the funding sources for the programme are time-limited, such as the Public Sector Decarbonisation Scheme. Officers will continue to monitor progress against these schemes to seek to maximise the level of grant funding used.

8 Capital Resources

- 8.1 The table below summarises the current funding assumptions for the Capital Programme based on the current forecast. This will continue to be reviewed for the remainder of the financial year to ensure that the optimum value for money is achieved.

	Draft Funding 2022/23 £m	Draft Funding 2023/24 £m	Draft Funding 2024/25 £m	Draft Funding 2025/26 £m	Draft Funding All Years £m
Grants	106.6	83.1	41.8	3.6	235.1
Contributions	29.0	19.8	0.0	0.0	48.8
Capital Receipts	37.0	27.0	12.6	7.8	84.4
Revenue Contributions to Capital	47.2	45.9	22.7	6.4	122.2
Capital Fund	5.3	3.2	1.3	0.0	9.8
Borrowing	287.9	167.3	79.4	2.9	537.5
Total	513.0	346.3	157.8	20.7	1,037.8

- 8.2 Modelling the Council's future cash flow based on the funding assumptions above and the forecast revenue use of reserves and anticipated changes to working capital provides an assessment of the ongoing affordability of the forecast capital programme.
- 8.3 The current modelling forecasts that the programme remains affordable within the revenue budget available including reserves. The model forecasts that the capital financing reserves held by the Council will be required to meet the costs associated with the Council's borrowing by 2025/26.
- 8.4 The model is based on a significant number of assumptions, including the timing of any future borrowing and forecast future interest rates. As these assumptions change, the outcome of the capital financing model including use of capital financing reserves can also change.
- 8.5 The current forecast for the Council's indicators, compared to those reported to members in Executive in the budget reports, based on the current forecast capital expenditure and funding is shown at appendix C.

9 Social Value

- 9.1 Every capital project is required to consider the social value which could be realised, either through procurement or other routes, through the creation of the asset. This is one of the key requirements of any capital business case brought forward.
- 9.2 By capturing the expected social value benefits, this allows projects to monitor their social value output on an ongoing basis. In some cases, such as where social value is monitored with groups like the Northwest Construction Hub, this is done on an aggregate basis rather than project by project. Work is ongoing to monitor the outcomes across the programme on a regular basis, with details of social value achieved during 2021/22 reported to Executive in June. Some examples of the social value delivered to date during 2022/23 include:

- 9.3 Our Town Hall (OTH): Throughout July OTH project employers supported a total of ten school aged work placement students in office-based work placements. The students came from five different educational establishments across Manchester. Plans are in place to support another Manchester school with 'in school' work placements in Q3 of 2022. Lendlease graduates have been working with young Manchester residents at Gorton Youth Zone to offer a range of support services; this includes money management sessions as well as introductions to STEM learning. This support will continue through the coming months. NG Bailey and Lendlease have also hosted golf days in support of Manchester organisations, raising money for Royal Manchester Children's Hospital and Wood Street Mission respectively. STEM podcast recordings have continued to take place on site. This quarter an apprenticeship 'myth busting' podcast was recorded with contributions from four different apprentices all studying at different levels. Appropriate social media posts will be used to promote this podcast to Manchester residents with a view to supporting the choices of those in educational transition from one level of study to another.
- 9.4 Highways are currently using the Social Value Portal to track, monitor and report social value delivery across the service. Common areas of social value have been around community support e.g. offer of materials, labour and donations in kind as well as volunteering hours and help for the homeless. During the second quarter of 2022/23 highlights have included:

Major Projects:

- Donation in kind of £10,000 for the installation of four shed bases to Hardy Farm which is a path and green space next to West Didsbury and Chorlton football club.
- Charitable donations of £2,200 to Greater Manchester Christmas Toy Appeal and £5,000 to support the Northwest Ambulance Service Charity Bike Ride.

Network Management:

- Donation of soil and plants towards Eco School awards at St Richard's Primary, Longsight.
- Rosgals invested over £6,000 to drop four kerbs on the street after learning of disabled resident who was unable to access the park on Bowler Street, Levenshulme.
- £1,000 donation in kind to SPIN (supporting People in Need), a charitable organisation in Manchester, tackling the ongoing issue of homelessness and poverty

10 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

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.

(b) A highly skilled city

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.

(c) A progressive and equitable city

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.

(d) A liveable and low carbon city

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.

(e) A connected city

The capital programme includes investment in highways infrastructure, and broadband expansion.

11 Key Policies and Considerations

(a) Equal Opportunities

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

(b) Risk Management

The capital programme is based on forecast costs and funding, and as such there are risks to achieving the programme from external factors such as shortage of labour or materials, alongside market risks such as price fluctuations and interest rate charges. The Strategic Capital Board, and associated Portfolio Boards for each part of the programme, are tasked with regular monitoring of costs, delivery, quality and affordability, to help manage and mitigate these risks.

(c) Legal Considerations

None.

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Appendix A – Capital Monitoring by Portfolio Area

Project Name	2022/23 Current Revised Budget	Current Forecast	Year to Date spend	2023/24 Budget	2023/24 Forecast	2024/25 Budget	2024/25 Forecast	2025/25 Budget	2025/26 Forecast	Total Variance to Budget (All Years)
Drainage	2,097	2,058	599	0	39	0	0	0	0	0
Large Patching repairs	2,100	569	79	0	19	0	104	0	0	1,408
Patching Defect repairs	6,077	7,485	4,280	0	0	0	0	0	0	-1,408
Carriageway Resurfacing	5,166	6,104	2,130	0	179	0	243	0	0	-1,360
Footway schemes	4,260	2,707	643	0	476	0	176	0	0	901
Carriageway Preventative	3,303	1,259	751	0	1,506	0	79	0	0	459
Bridge Maintenance	1,466	1,185	259	1,465	1,746	0	0	0	0	0
Other Improvement works	1,000	865	91	2,000	2,135	4,443	4,443	0	0	0
Woodlands Road Emergency works	602	602	0	0	0	0	0	0	0	0
Highways Maintenance Challenge Fund	952	485	17	0	403	0	64	0	0	0
Hyde Road (A57) Pinch Point Widening	0	0	-63	0	0	0	0	0	0	0
Manchester/Salford Inner Relief Road (MSIRR)	0	176	165	0	0	0	0	0	0	-176
Great Ancoats Improvement Scheme	151	126	79	280	305	0	0	0	0	0
Mancunian Way and Princess Parkway NPIF	133	105	3	419	394	0	53	0	0	0
Christie Extension RPZ	224	297	290	0	0	0	0	0	0	-73
North Mcr General Hospital RPZ	26	0	0	0	26	0	0	0	0	0
St George's RPZ	64	5	5	0	59	0	0	0	0	0
Rusholme RPZ	212	52	11	0	160	0	0	0	0	0
School Crossings	435	1,420	755	1,199	214	0	0	0	0	0
Chorlton Cycling Scheme	4,513	4,169	1,119	1,000	1,302	0	42	0	0	0

Northern Quarter Cycling Scheme	4,116	1,515	809	3,370	5,971	0	0	0	0	0
Manchester Cycleway	4,150	210	106	0	3,940	0	0	0	0	0
Beswick Filtered Neighbourhood Development Costs	117	114	18	276	279	0	0	0	0	0
Green Bridge at Airport City	24	47	-70	0	0	0	0	0	0	-23
A6 Stockport Road Pinch Point Scheme	23	11	11	0	12	0	0	0	0	0
Levenshulme Active Neighbourhood	3,391	970	325	242	2,663	0	0	0	0	0
Northern/Eastern GW Walking and Cycling scheme	1,359	1,259	308	107	207	0	0	0	0	0
Accident Reduction and Local Community Safety schemes	1,659	1,789	675	0	0	0	0	0	0	-130
20mph Zones (Phase 3)	0	0	-1	0	0	0	0	0	0	0
Princess Rd Safety Review	20	20	0	0	0	0	0	0	0	0
Public Realm	927	303	103	0	624	0	0	0	0	0
Street Lighting PFI	755	50	0	0	705	0	0	0	0	0
Sunbank Lane S278	5	5	0	0	0	0	0	0	0	0
Manchester College Crossing Improvements	150	150	0	0	0	0	0	0	0	0
Manchester Trash Screens	36	36	0	0	0	0	0	0	0	0
Oldham Rd Feasibility study	0	1	4	150	149	0	0	0	0	0
Enterprise Car Club Bays	16	16	1	0	0	0	0	0	0	0
Electric Vehicle Charging Points Ph 1	0	0	2	0	0	0	0	0	0	0
TfGM Bus Enhancements	13	17	7	0	0	0	0	0	0	-4
Bee Network Crossings	517	922	503	405	0	0	0	0	0	0
Active Travel Development Costs	492	429	199	4,610	4,673	0	0	0	0	0
Greater Manchester Improvement Prog (GMIP) Dev Cost - Tranche 1	200	200	0	0	0	0	0	0	0	0
Back George Street	23	23	0	0	0	0	0	0	0	0
Clean Air Zone Street Lighting	59	32	3	0	27	0	0	0	0	0
Princess Parkway/Palatine Rd Feasibility	35	35	0	0	0	0	0	0	0	0
Traffic Free Deansgate Permanent Works	654	1,089	424	456	21	0	0	0	0	0

Restoration of Ordinary Water Course	429	429	69	0	0	0	0	0	0	0
40mph Speed Limit Reduction Programme	292	292	4	0	0	0	0	0	0	0
Security and Bollards	250	250	0	0	0	0	0	0	0	0

Total Highways Programme	52,493	39,883	14,711	15,979	28,234	4,443	5,204	0	0	-406
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Waste Reduction Measures	99	99	0	0	0	0	0	0	0	0
Waste Contract	350	821	737	471	0	0	0	0	0	0
Purchase of Electric RCVs	187	187	430	0	0	0	0	0	0	0
Cremator & Mercury Abatement Plant Replacement Strategy	555	423	330	0	4	0	0	0	0	128
Off Street Car Parks post JV project	877	877	23	0	0	0	0	0	0	0
Chester Road Roundabout Advertising	1,569	1,569		0	0	0	0	0	0	0
EV Charging Points	71	71		0	0	0	0	0	0	0
City Centre Litter Bins	0	59	52	0	0	0	0	0	0	-59
Upgrade CCTV System	618	618	46	0	0	0	0	0	0	0
Parks Development Programme	924	924	416	2,815	2,815	2,815	2,815	2,814	2,814	0
Wythenshawe Cycling Hub	862	862	820	0	0	0	0	0	0	0
Angel Meadow S.106	18	18	1	0	0	0	0	0	0	0
Gately Brook Pre-Development Fees	44	44		0	0	0	0	0	0	0
Whitworth Park s.106	76	76	44	0	0	0	0	0	0	0
Wythenshawe Track Changing Rooms	485	485		0	0	0	0	0	0	0
Indoor Leisure - Abraham Moss	16,630	16,630	4,905	420	420	0	0	0	0	0
Boggart Hole Clough - Visitors Centre	0	0		535	535	0	0	0	0	0
Mount Road S106	32	32		0	0	0	0	0	0	0
Mellands Playing Fields - Levenshulme	45	45	1	0	0	0	0	0	0	0
Gorton & Abbey hey Project	52	52	12	0	0	0	0	0	0	0
Hough End Master Plan - Strat Football Hub Development Costs	10,463	10,463	176	1,771	1,771	0	0	0	0	0
MAC - Car Park Improvements	12	0		0	0	0	0	0	0	12

Non-Turf Wickets - Parks & Playing Fields	51	51		0	0	0	0	0	0	0
Manchester Aquatics Centre	17,473	19,861	9,886	10,957	8,957	1,934	1,554	70	62	0
National Cycling Centre	18,630	18,630	11,156	42	42	0	0	0	0	0
Rugby Football League Project - Beswick Hub	2,566	2,566	0	0	0	0	0	0	0	0
Wind Tunnel at MIHP	390	390	46	0	0	0	0	0	0	0
P2R Platt Fields	72	72		0	0	0	0	0	0	0
Withington Baths Loan	1,000	1,000		0	0	0	0	0	0	0
Manchester Regional Area Changing Rooms	83	0		0	83	0	0	0	0	0
Replacement of MRA Outdoor Track Floodlights	171	171		0	0	0	0	0	0	0
Citywide Tennis Improvements	323	323		0	0	0	0	0	0	0
Relocation of Manchester Visitor Info Centre (MVIC)	0	0	-6	0	0	0	0	0	0	0
Central Library Refresh	718	718	21	0	0	0	0	0	0	0
Open Libraries	192	192	1	0	0	0	0	0	0	0
Chorlton Library Refurbishment	600	600		0	0	0	0	0	0	0
Library Refurbishment (City Wide)	339	339	101	50	50	0	0	0	0	0
Galleries Collection Housing & Remediation Works	6,807	6,807	14	1,426	1,426	0	0	0	0	0

Total Neighbourhoods Programme	83,384	86,075	29,212	18,487	16,103	4,749	4,369	2,884	2,876	81
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The Factory (Build)	76,761	76,761	19,178	0	0	0	0	0	0	0
St Johns (Public Realm)	2,681	2,681	-82	0	0	0	0	0	0	0

Total Factory Programme	79,442	79,442	19,095	0	0	0	0	0	0	0
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Asset Management Programme	6,551	6,551	2,775	5,246	5,246	0	0	0	0	0
Early Years tendered daycare sites	3,000	2,315		0	685	0	0	0	0	0

Hammerstone Road Depot	11,423	8,423	3,480	11,944	14,944	4,333	4,333	0	0	0
Carbon Reduction Programme	5,651	5,651	253	7,712	7,712	5,000	5,000	0	0	0
Public Sector Decarbonisation Scheme	12,058	12,058	4,311	0	0	0	0	0	0	0
Greening of the City	541	289	131	0	252	0	0	0	0	0
Changing Places Toilets	190	190		160	160	0	0	0	0	0
Estates Transformation	0	0		800	800	0	0	0	0	0
Estates Transformation - Alexandra House	0	11	11	0	0	0	0	0	0	-11
Estates Changes Arising from FWOW	64	64		0	0	0	0	0	0	0
Space - Phase 3	60	18	18	0	0	0	0	0	0	42
Space Studios - Disposal Costs	44	44	-21	0	0	0	0	0	0	0
Digital Asset Base - One Central Park	468	234		0	234	0	0	0	0	0
Site Acquisition - The Yard, Vaughan Street	679	672	672	0	0	0	0	0	0	7
Strategic Acquisitions Programme	1,468	1,468		1,542	1,542	0	0	0	0	0
Asset Disposal	0	0	-6,667	0	0	0	0	0	0	0
Sustaining Key Initiatives	0	0		0	0	0	0	0	0	0
Mayfield Park	83	83		0	0	0	0	0	0	0
Wythenshawe Town centre	12,950	12,950	60	0	0	0	0	0	0	0
Housing Infrastructure Fund	19,980	8,445	2,720	25,446	25,671	0	11,310	0	0	0
Acquisition of land at Red Bank	191	191		0	0	0	0	0	0	0
Victoria North	3,800	3,800	3,800	5,448	5,448	5,447	5,447	0	0	0
Eastern Gateway - Central Retail Park	519	400		0	119	0	0	0	0	0
Eastern Gateway - New Islington Marina	52	0		0	0	0	0	0	0	52
New Islington Marina Bridge Works	1	0		0	0	0	0	0	0	1
House of Sport	7,265	4,007	2,579	0	3,258	0	0	0	0	0
Mcr Equipment and Adaptations Partnership relocation	2,313	2,313	1,554	0	0	0	0	0	0	0
St. Peters Square - Peterloo memorial	191	35	34	0	0	0	0	0	0	156
Medieval Quarter Public Realm	81	14	18	0	0	0	0	0	0	67
Lincoln Square	40	40		0	0	0	0	0	0	0

Piccadilly Gardens - Phase 1	1,559	232	79	0	664	0	663	0	0	0
Manchester Digital Security Innovation hub (Cyberhub)	1,998	1,998	7	0	0	0	0	0	0	0
Campfield Redevelopment	10,603	10,603	-21	6,889	6,889	0	0	0	0	0
HOME Arches	2,100	578	166	379	1,901	0	0	0	0	0
Angel Meadow Land Acquisition	150	150		0	0	0	0	0	0	0
Back of Ancoats Mobility Hub & Public Rm	7,937	7,937	712	17,942	17,942	3,180	3,180	3,628	3,628	0
First Street Cultural Facility	12	12	0	0	0	0	0	0	0	0
New Smithfield Market	0	365		365	0	0	0	0	0	0
Heron House & Registrars	797	12	12	0	0	0	0	0	0	785
Civic Quarter Heat Network	2,861	2,861	38	0	0	0	0	0	0	0
Beswick Hub - Beswick Shops	241	241	128	0	0	0	0	0	0	0
Levenshulme railway station - Access for All	50	50		0	0	0	0	0	0	0

Total Growth & Development Programme	117,971	95,305	16,850	83,873	93,467	17,960	29,933	3,628	3,628	1,099
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Our Town Hall refurbishment	82,266	74,933	24,619	83,552	86,078	35,906	40,713	0	0	0
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Total Town Hall Refurbishment Programme	82,266	74,933	24,619	83,552	86,078	35,906	40,713	0	0	0
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Brunswick PFI Land Assembly	210	25	22	526	711	0	0	0	0	0
Collyhurst Regeneration	0	5	4	997	992	2,700	2,700	0	0	0
Collyhurst Land Assembly Ph1	29	0		0	29	0	0	0	0	0
Collyhurst Land Acquisitions Ph2	210	0		799	210	0	799	0	0	0
Eccleshall Street - 3 Sites	0	1	1	500	499	0	0	0	0	0
Private/RTB - Acq/Comp/Relocation	200	0		600	0	989	1,470	0	319	0
Miles Platting PFI Land Assembly	141	158	158	266	249	0	0	0	0	0
Disabled Facilities Grant	8,088	8,088	4,667	7,628	7,628	0	0	0	0	0

Toxteth St CPO & environmental works	0	1	1	0	0	0	0	0	0	-1
Bell Crescent	0	0		0	0	482	482	0	0	0
HCA Empty Homes Cluster Phase 2	248	248	0	683	683	0	0	0	0	0
Redrow Development Phase 2 onward	10	10	2	4	4	0	0	0	0	0
West Gorton Ph 2A Demolition & Commercial Acquisitions	348	0		904	348	0	904	0	0	0
HMRP	29	29		89	89	0	0	0	0	0
Extra Care	0	0		1,245	1,245	1,200	1,200	0	0	0
Moston Lane Acquisitions	0	0		0	0	0	0	7,500	7,500	0
Equity Loans	0	0		397	397	0	0	0	0	0
West Gorton Community Park	23	23	9	0	0	0	0	0	0	0
Ben St. Regeneration	352	352	8	626	626	0	0	0	0	0
Marginal Viability Fund - New Victoria	1,905	1,905	835	0	0	0	0	0	0	0
This City Housing Delivery Vehicle	12,669	2,700	1,559	23,000	23,000	0	9,969	0	0	0
Social Housing Decarbonisation Fund	794	777	777	0	0	0	0	0	0	17
Rough Sleepers Accommodation Programme	1,980	1,980	343	0	0	0	0	0	0	0
Sprinkler Systems – Tower Block PFIs Private	147	15		0	70	0	62	0	0	0

Total Private Sector Housing Programme	27,383	16,317	8,387	38,264	36,780	5,371	17,586	7,500	7,819	16
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Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1	4,225	3,981	1,864	100	344	0	0	0	0	0
External cyclical works ph 3b Ancoats Smithfields estate	60	60	0	30	30	0	0	0	0	0
Environmental improvements Moston corrolites	0	0	0	22	0	0	0	0	0	22
ENW distribution network phase 4 (various)	25	131	16	0	67	0	0	0	0	-173
Various Estate based environmental works	94	80	26	74	88	0	0	0	0	0
Moston Corrolites external work	93	93	80	106	106	0	0	0	0	0

Charlestown Clifford Lamb Court Reroofing	393	393	188	32	32	53	0	0	0	53
Higher Blackley Central House Door Entry System	0	0	0	16	0	0	0	0	0	16
Ancoats Anita St/ George Leigh St Estate	250	0	0	1,266	1,266	168	418	0	0	0
Monsall High Rise Blocks Various Works	50	50	0	3,650	3,650	1,692	1,692	0	0	0
Riverdale Sandyhill Court Various Works	100	100	0	1,437	1,437	137	137	0	0	0
Newton Heath Croyden Drive Various Works	100	0	0	857	957	0	0	0	0	0
New Build Bungalows - Rectification Work	10	10	0	140	140	0	0	0	0	0
Riverdale Maisonettes	1,163	0	6	1,366	2,529	0	0	0	0	0
Newton Heath High Rise Blocks Improvements	100	0	0	7,612	5,154	4,777	5,254	0	2,081	0
Woodward Court external concrete repairs and Enveloping	500	500	0	2,505	2,505	0	0	0	0	0
West Gorton Balconies	350	350	0	0	0	0	0	0	0	0
Retaining Walls	179	32	25	118	265	0	0	0	0	0
Delivery Costs	980	771	1,320	2,188	2,088	888	975	0	222	0
Harpurhey - Monsall Multis Internal Works	101	101	0	0	0	0	0	0	0	0
Newton Heath - Multies Internal Works	179	93	0	0	0	0	0	0	0	86
Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works	28	28	0	32	0	0	0	0	0	32
Charlestown - Rushcroft/Pevensey Court Internal Works	24	24	18	19	0	0	0	0	0	19
Collyhurst - Mossbrook/Roach/Vauxhall/Humphries Court Internal Works	0	0	0	27	0	0	0	0	0	27
Decent Homes mop ups phase 10 and voids	0	0	0	70	70	0	0	0	0	0
One off work - rewires, boilers, doors	7	7	0	0	0	0	0	0	0	0
ERDF Heat Pumps	1,573	1,242	95	106	504	0	0	0	0	-67
Charlestown - Rushcroft/Pevensey Courts Lift Refurb	350	350	0	187	452	0	0	0	0	-265

One off type work (rewires/boilers/doors)	14	14	12	0	0	0	0	0	0	0
Fire Risk Assessments	5,070	4,386	619	1,384	2,068	0	0	0	0	0
Rushcroft and Pevensey Courts Ground Source Heat Pumps	84	49	-4	0	35	0	0	0	0	0
Newton Heath Troydale and Croyden Drive Low Rise Estates	123	45	1	198	172	0	0	0	0	104
Responsive Investment Works	254	110	42	196	221	0	0	0	0	119
Retirement blocks various M&E/H&S works	85	116	63	51	20	0	0	0	0	0
One off type work such as rewires boilers doors	17	17	4	0	0	0	0	0	0	0
Harpurhey Monsall Estate (Excluding High Rise and 40 properties around Cannons Grove)	1,877	1,600	867	481	758	0	0	0	0	0
Harpurhey Shiredale Estate (Including Replacement Floors)	551	766	584	161	39	0	0	0	0	-93
Cheetham Halliwell Lane Estate Internal Works	1,416	1,514	396	623	525	0	0	0	0	0
Higher Blackley South Estate Internal Works	1,750	1,750	542	318	318	0	0	0	0	0
New Lightbowne Estate Halliford & Thorverton	1,054	1,054	468	284	263	0	0	0	0	21
Newton Heath Estates Internal Works	50	482	0	984	667	115	0	0	0	0
Monston New Moston Estates Internal Works	50	50	0	1,730	1,730	198	198	0	0	0
Higher Blackley North Estate Int Works	100	100	0	2,850	2,850	2,384	2,384	0	0	0
Individual Gas Boiler Replacement Programme	376	176	0	696	896	118	118	0	0	0
Newton Heath Duncan Edwards Court	33	35	0	0	0	0	0	0	0	-2
Harpurhey Kingsbridge Court Gas Boiler	100	100	0	1,311	1,311	157	157	0	0	0
Charleston Victoria Ave HR Blocks Lift	50	50	0	1,250	1,250	1,008	1,008	0	0	0
Collyhurst High Rise Lift Programme	50	50	0	1,050	1,050	748	748	0	0	0
Moston Braford & Charleston Whitebeck	100	135	0	15	15	0	0	0	0	-35
Bradford Court enclosed platform lift	20	20	0	0	0	0	0	0	0	0
Whitemoss & Cheetham Hill Office Toilets	10	10	0	90	90	0	0	0	0	0

Ancoats Smithfield Estate Internal Works	153	72	35	39	120	0	0	0	0	0
One Off type work - rewires/boilers/doors	304	304	223	0	0	0	0	0	0	0
Avro Hollows District Heating	114	114	0	0	0	0	0	0	0	0
One Off type work - rewires/boilers/doors	150	250	0	350	250	0	0	0	0	0
Responsive Investment Works	50	200	0	450	300	0	0	0	0	0
Delivery Costs	1,734	1,863	0	1,848	1,894	614	600	0	0	-161
Various Locations - bringing bedsits back into use	0	0	0	116	116	0	0	0	0	0
Delivery Costs	0	0	0	15	15	0	0	0	0	0
Improvements to Homeless accommodation city wide	0	0	0	14	0	0	0	0	0	14
Plymouth Grove Women's Direct Access Centre	0	0	0	28	0	0	0	0	0	28
Improvements to Homeless Accommodation Phase 2	0	1	0	115	114	0	0	0	0	0
Woodward Court reroofing	38	6	0	0	32	0	0	0	0	0
Woodward Court lift replacement	0	0	0	434	434	0	0	0	0	0
Delivery Costs	5	1	0	77	75	0	0	0	0	6
Adaptations	43	193	132	0	0	0	0	0	0	-150
Various Locations - Adaptations	34	34	0	0	0	0	0	0	0	0
Various Adaptations	537	887	282	500	0	0	0	0	0	150
Delivery Costs	60	144	0	65	0	0	0	0	0	-19
Northwards ICT Work	2,491	2,491	43	1,599	1,599	0	0	0	0	0
Collyhurst Maisonette Compensation & Dem	600	625	21	200	200	224	199	0	0	0
Capital Receipts - Right to Buy	0	35	35	0	0	0	0	0	0	-35
Buy Back Properties - Right to Buy	450	450	310	278	278	0	0	0	0	0
North Manchester New Builds	40	40	17	0	0	0	0	0	0	0
North Manchester New Builds 3	9,929	8,660	2,945	776	1,840	153	358	0	0	0
Collyhurst New Council Housing - Design Stage	78	78	0	0	0	0	0	0	0	0
Construction of Social Homes & Assoc PR	2,875	2,500	0	18,390	13,783	8,546	14,683	5,000	3,845	0

Relocation/Acq/Comp/Dem Costs - Public	180	0	0	320	0	0	275	0	225	0
Construction of Park - public realm	0	0	0	0	0	0	0	0	0	0
Sprinkler Systems – Tower Block PFIs Public	786	786	0	1,754	1,754	1,474	1,474	0	0	0

Total Public Sector Housing (HRA) Programme	44,819	40,759	11,279	63,000	58,766	23,454	30,678	5,000	6,373	-303
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Brookside Rd Moston	17	17	-63	0	0	0	0	0	0	0
North Hulme Adv Playground	46	46	-40	0	0	0	0	0	0	0
Roundwood Road	13	13		0	0	0	0	0	0	0
Coop North Expansion	436	436		0	0	0	0	0	0	0
Co-op Academy Belle Vue - Permanent	19,611	19,611	11,545	722	351	0	0	0	0	371
Our Lady's RC Permanent Expansion	1,667	1,667	1,259	0	0	0	0	0	0	0
Melland High School Expansion (SEN Grant)	3,777	3,777	303	0	0	0	0	0	0	0
The Barlow RC High School - Resource Provision	1,049	1,049	0	0	0	0	0	0	0	0
City Centre School	5,942	5,942	249	250	250	0	0	0	0	0
Manchester Secondary PRU	50	50	34	0	0	0	0	0	0	0
Manchester Academy School Bulge Class	2,400	2,400	1,616	0	0	0	0	0	0	0
Gorton Primary School	200	200	0	0	0	0	0	0	0	0
Dixons Brooklands Academy	24	24	0	0	0	0	0	0	0	0
SEND Expansions	526	526	96	0	0	0	0	0	0	0
Pioneer House	1,000	1,000	0	2,000	2,000	0	0	0	0	0
William Hulme's Grammar School	600	600	0	1,500	1,500	500	500	0	0	0
Universal Infant Free School Meals (UIFSM) - Allocated	2	2		0	0	0	0	0	0	0
Universal Infant Free School Meals (UIFSM) - Unallocated	0	0	-75	0	0	0	0	0	0	0
Broad Oak Primary School Kitchen-ED44321/1	318	275	189	0	0	0	0	0	0	43

Lily Lane Prim Windows-ED44535/1	96	0		0	0	0	0	0	0	96
Ringway Primary roof ph2	0	0	-1	0	0	0	0	0	0	0
Medlock Primary - Boundary Wall rebuild	80	31		0	0	0	0	0	0	49
Mauldeth Rd Rewire	0	0	-11	0	0	0	0	0	0	0
St Wilfreds CE Ph 1 roof repairs	12	12	0	0	0	0	0	0	0	0
Manley Park Primary Ph1 roof repairs	0	0	-3	0	0	0	0	0	0	0
Broad Oak Reception class and roof repair - ED44891	0	0		0	0	0	0	0	0	0
Manley Park Roof	89	89	-5	0	0	0	0	0	0	0
Manley Park Joinery	58	53	-23	0	0	0	0	0	0	5
The Birches Special School Roof	353	26		0	327	0	0	0	0	0
Broad Oak Primary	103	103	20	0	0	0	0	0	0	0
New Moston Primary School	0	6	6	0	0	0	0	0	0	-6
St. Agnes CEP Structural Repairs	656	656	122	844	844	0	0	0	0	0
Chapel Street	182	0		0	182	0	0	0	0	0
Peel Hall Primary Emergency Heating Works	17	29	-24	0	0	0	0	0	0	-12
St John's Primary School Heating System	109	109	17	0	0	0	0	0	0	0
Broad Oak Primary School Hall/Dining Room Roof	214	214	25	0	0	0	0	0	0	0
Button Lane Primary School Radiators and Heating ED45271	611	611	524	0	0	0	0	0	0	0
CharlestownCommunity Primary School Remedial Works ED44939	108	108	39	0	0	0	0	0	0	0
Manley Park Primary School Phase 2 Joinery repairs ED45273	219	219	83	0	0	0	0	0	0	0
New Moston Primary School Phase 2 Electrical Rewire ED45274	1,960	1,960	49	0	0	0	0	0	0	0
New Moston Primary School Safeguarding Issues ED45275	152	152	86	0	0	0	0	0	0	0
Pike Fold Primary School Remedial Works ED44252	92	92	27	0	0	0	0	0	0	0
St Wilfreds CofE Ph 2 roof repairs	556	556	130	0	0	0	0	0	0	0

Baguley PS Elec Rewire Phase 2 ED45270	750	750	170	0	0	0	0	0	0	0
Medlock Primary School New Fence ED45361	27	27		0	0	0	0	0	0	0
Chapel Street Primary School Entrance Atrium	514	514		0	0	0	0	0	0	0
Schools Capital Maintenance -unallocated	146	321		0	0	0	0	0	0	-175
Early Education for Two Year Olds - Unallocated	5	5		0	0	0	0	0	0	0
Healthy Pupil Capital Funding	257	257		0	0	0	0	0	0	0
North Ridge SEN	0	0	-77	0	0	0	0	0	0	0
Grange School	3	3		0	0	0	0	0	0	0
Piper Hill Expansion SEN Grant	87	87	69	0	0	0	0	0	0	0
Grange School Expansion SEN Grant	20	20		0	0	0	0	0	0	0
Acquisition of land at Hyde Road	27	27		0	0	0	0	0	0	0
Lyndene Children's Home Refurbishment	58	58	-7	0	0	0	0	0	0	0
Varley Street Site Investigations	35	35	35	0	0	0	0	0	0	0
MCMA Completion works	165	165		0	0	0	0	0	0	0

Total Children's Services Programme	45,439	44,930	16,363	5,316	5,454	500	500	0	0	371
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Network Refresh Programme	5,637	2,588	303	0	2,031	0	0	0	0	1,018
End User Experience	574	930	620	0	0	0	0	0	0	-356
Microsoft 365	44	44	10	0	0	0	0	0	0	0
Telephony	0	20	20	0	0	0	0	0	0	-20
TEC Digital Platform	29	0		0	0	0	0	0	0	29
Platform Compliance	37	37	36	0	0	0	0	0	0	0
Security Software Upgrade	650	548	279	0	30	0	72	0	0	0
Future Council Infrastructure Implementation – Hybrid Cloud Programme	618	618		0	0	0	0	0	0	0

Total ICT Programme	7,589	4,785	1,267	0	2,061	0	72	0	0	671
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Pay and Display Machines	5	0		0	0	0	0	0	0	5
Phase 1 Implementation - Locality Plan Programme Office	251	251	38	0	0	0	0	0	0	0
Adults - Stepping Stone capital works	130	130	43	0	0	0	0	0	0	0
Integrated Working - Gorton Health Hub	11,641	11,641	8,534	0	0	0	0	0	0	0
Elizabeth Tower GP Surgery	2,600	2,600		0	0	0	0	0	0	0
HR and Finance System Replacement project	525	525	13	900	900	0	0	0	0	0
VCSE Small premises works	0	0		500	500	500	500	0	0	0
Total Corporate Capital Programme	15,152	15,147	8,629	1,400	1,400	500	500	0	0	5
Total Capital Programme (exc. Contingent Budgets)	555,938	497,576	150,413	309,871	328,343	92,883	129,555	19,012	20,696	1,534
Northwards Housing Programme - Unallocated	1,129	808	0	0	0	0	53	0	0	268
Basic need - unallocated funds	0	0		0	0	19,750	20,121	0	0	-371
Special Educational Needs grant	7,658	1,000		11,080	11,080	0	6,658	0	0	0
ICT Investment Plan	0	0		0	0	720	1,391	0	0	-671
Housing Affordability Fund	9,111	4,555		0	4,556	0	0	0	0	0
Inflation	9,020	9,020		2,330	2,330	0	0	0	0	0
Total Contingency Budgets	26,918	15,383	0	13,410	17,966	20,470	28,223	0	0	-774
Total Capital Programme	582,856	512,959	150,413	323,281	346,309	113,353	157,778	19,012	20,696	760

Appendix B – Changes to Capital Budget since outturn

Dept	Scheme	Funding	2022/23	2023/24	2024/25	Total
			£'000	£'000	£'000	£'000
Children's Services	Manchester Academy Bulge Class	Government Grant	2,400			2,400
Children's Services	Send Expansions	Government Grant	526			526
Children's Services	Education Basic Need Unallocated	Government Grant	- 526	- 2,400		- 2,926
Neighbourhoods	Hough End Masterplan	Government Grant	4,000			4,000
Neighbourhoods	Hough End Masterplan	Waterfall Fund	4,302	1,197		5,499
Neighbourhoods	Hough End Masterplan	Borrowing on an Invest to Save basis	1,832			1,832
Neighbourhoods	Hough End Masterplan	Borrowing		574		574
Children's Services	St John's Primary School Heating System	Government Grant	109			109
Children's Services	Broad Oak Primary School Hall/Dining Room Roof	Government Grant	214			214
Children's Services	Schools Capital Maintenance -unallocated	Government Grant	- 323			- 323
Private Sector Housing	Housing Affordability Fund	External Contribution	1,997			1,997
Private Sector Housing	Housing Affordability Fund	Capital Receipts	7,114			7,114
Neighbourhoods	Galleries Collection Housing and Remediation	Capital Receipts	6,450			6,450
Growth and Development	Asset Management Programme	Capital Receipts	- 1,950			- 1,950
ICT	ICT Investment Plan	Borrowing			- 1,101	- 1,101
Public Sector Housing	North Manchester New Builds 3	RCCO - HRA Reserves	109	238	153	500
Growth and Development	Asset Management Programme	Capital Receipts	- 1,990			- 1,990
Growth and Development	House of Sport	Capital Receipts	1,990			1,990
Growth and Development	House of Sport	External Contribution	183			183
Growth and Development	House of Sport	Waterfall Fund	533			533

Growth and Development	House of Sport	Borrowing on an Invest to Save basis	- 2,909	- 1,053		- 3,962
Growth & Development	Public Sector Decarbonisation Scheme	Government Grant	- 1,842			- 1,842
Neighbourhoods	National Cycling Centre	Government Grant	1,842			1,842
Neighbourhoods	National Cycling Centre	Borrowing	- 264			- 264
Childrens Services (Excl. BSF)	Dixons Brooklands Academy	Government Grant	24			24
Childrens Services (Excl. BSF)	Gorton Primary School	Government Grant	200			200
Childrens Services (Excl. BSF)	Basic need - unallocated funds	Government Grant	- 224			- 224
Private Sector Housing	This City Housing Delivery Vehicle	Capital Receipts	2,400			2,400
Public Sector Housing	Collyhurst Phase 1	Capital Receipts		6,645		6,645
Chief Executives (ICT)	ICT Investment Plan	Borrowing			- 161	- 161
Growth & Development	House of Sport Fire Mitigation and Roof repairs	Capital Receipts	2,260			2,260
Highway Services	Restoration of Ordinary Water Course	Government Grant	300			300
Highway Services	Security and Bollards	RCCO	250			250
Highway Services	Public Realm	Capital Receipts	400			400
Childrens Services (Excl. BSF)	Basic need - unallocated funds	Government Grant	- 115	- 1,656	- 3,829	- 5,600
Childrens Services (Excl. BSF)	Pioneer House	Government Grant	1,000	2,000		3,000
Childrens Services (Excl. BSF)	William Hulme's Grammar School	Government Grant	600	1,500	500	2,600
Childrens Services (Excl. BSF)	St. Agnes CEP Structural Repairs	Government Grant		844		844
Neighbourhoods	Manchester Aquatics Centre	Borrowing	996	1,934	70	3,000
Growth & Development	Hammerstone Road Depot	Borrowing		2,267	4,333	6,600
Neighbourhoods	Indoor Leisure - Abraham Moss	Borrowing	980	420		1,400

Corporate Services	Inflation Budget	Borrowing	- 980	- 4,333	- 1,337	- 6,650
Chief Executives (ICT)	ICT Investment Plan	Borrowing			- 3,279	- 3,279
Chief Executives (ICT)	Future Council Infrastructure Implementation – Hybrid Cloud Programme	Borrowing	618			618
Public Sector Housing	Fire Risk Assessments	RCCO - HRA Reserves	4,112	774		4,886
Public Sector Housing	Woodward Court external concrete repairs and Enveloping	RCCO - HRA Reserves	500	2,505		3,005
Highways Services	Manchester College Crossing Improvements	External Contribution	150			150
Neighbourhoods	Citywide Tennis Improvement Programme	External Contribution	159			159
Neighbourhoods	Citywide Tennis Improvement Programme	Borrowing	164			164
Neighbourhoods	Parks Development Programme	Borrowing	- 164			- 164
Growth & Development	Changing Places Toilets	External Contribution	45			45
Growth & Development	Changing Places Toilets	Government Grant	70	105		175
Growth & Development	Changing Places Toilets	Capital Receipts	75	55		130
Public Sector Housing	West Gorton Balconies	RCCO - HRA Reserve	350			350
Growth and Development	Our Town Hall Visitors Centre	RCCO - OTH Reserve			77	77
Highways Services	Auto Bollards Additional Funding	RCCO - Parking Reserve	123			123
Highways Services	Chorlton Cycle Scheme	External Contribution		1,000		1,000
Growth & Development	The Factory (Build)	Borrowing	25,200			25,200
Growth & Development	The Factory (Build)	Capital Receipts	7,800			7,800
Corporate Services	Inflation Budget	Borrowing	- 10,000			- 10,000
						-
Total Budget Adjustment Approvals			61,090	12,616	-4,574	69,132

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Appendix C – Prudential Indicators

No	Prudential Indicator		Target		As at end Sept 22	Target Breached Y/N
			£m		£m	
1	Estimated Financing Costs to Net Revenue Stream		5.8%		5.8%	N
2	Forecast Capital Expenditure	Non – HRA	498.2		468.6	N
		HRA	39.4		38.2	N
		Total	533.1		506.8	N
3	Forecast Capital Financing Requirement	Non – HRA	1,794.5		1,580.3	N
		HRA	321.0		287.5	N
		Total	2,115.5		1,867.8	N
4	Authorised Limits for External Debt	Borrowing	1,816.1		825.3	N
		Other Long-Term Liabilities	190.0		156.4	N
		Total	2,006.6		889.3	N
5	Operational Boundaries for External Debt	Borrowing	1,580.2		825.3	N
		Other Long-Term Liabilities	190.0		156.4	N
		Total	1,770.2		889.3	N
6	Upper Limits for Principal Sums Invested for over 364 days.		0		0	N
			<i>Upper</i>	<i>Lower</i>		
7	Maturity Structure of Borrowing	under 12 months	70%	0%	12.0%	N
		12 months and within 24 months	70%	0%	8.9%	N
		24 months and within 5 years	60%	0%	20.8%	N
		5 years and within 10 years	60%	0%	0.0%	N
		10 years and above	90%	30%	58.3%	N

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Manchester City Council Report for Resolution

Report to: Executive – 16 November 2022

Subject: Capital Programme Update

Report of: Deputy Chief Executive and City Treasurer

Summary

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 Council for the approval of the capital programme. Proposals for the capital budget were presented to the Executive on 16th February 2022.

Throughout the year new and emerging projects are brought forward, as well as changes to on-going projects which require investment. The Capital Update Report informs members of these requests to increase the capital programme, seeks approval for those schemes that can be approved under authority delegated to the Executive and asks the Executive to recommend to Council proposals that require specific Council approval.

Recommendations

- (1) To recommend that the Council approve the following changes to Manchester City Council's capital programme:
 - Growth and Development - Back of Ancoats Mobility Hub. A capital budget virement of £3.739m is requested from the Inflation Budget.
 - Under powers delegated to the Executive, to approve the following changes to the Council's capital programme:
 - ICT - Jadu Forms Migration. A capital budget decrease of £0.179m is also requested and approval of a corresponding transfer of £0.179m to the revenue budget, funded by Capital Fund.
 - ICT – Remote Access Solution. A capital budget decrease of £0.095m is also requested and approval of a corresponding transfer of £0.095m to the revenue budget, funded by Capital Fund.
 - Highways Services – Patching Defect Repairs Programme Additional Funding. A capital budget increase of £2.758m is requested, funded by External Contribution

(2) Executive is also asked to note:

- The increases to the programme of £0.309m as a result of delegated approvals.
- The virements in the programme of £0.164m as a result of virements from approved budgets

Wards Affected – Various

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city

All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

Our Manchester Strategy outcomes	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 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	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 cultural and leisure services and housing.
A connected city: world class infrastructure and connectivity to drive growth	Through investment in ICT and the City's infrastructure of road networks and other travel routes.

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 revenue budget of the City Council will increase by £0.274m, if the recommendations in this report are approved.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase Manchester City Council's capital budget by £2.484m across the financial years as detailed in Appendix 1.

Contact Officers:

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

Name: Tom Wilkinson
 Position: Deputy City Treasurer
 E-mail: tom.wilkinson@manchester.gov.uk

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

Name: Kirsty Cooper
 Position: Principal Finance Manager – Capital
 Telephone: 0161 234 3456
 E-mail: k.cooper@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 16th February 2022 – Capital Strategy and Budget 2022/23 to 2024/25

Report to the Executive 16th March 2022 - Capital Programme Update

Report to the Executive 1st June 2022 – Capital Programme Update

Report to the Executive 29th June 2022 – Capital Outturn Report

Report to the Executive 22nd July 2022 – Capital Programme Update

Report to the Executive 14th September 2022 - Capital Programme Update

Report to the Executive 19th October 2022 – Capital Programme Update

1.0 Introduction

- 1.1 This report outlines the requests for changes to the capital budget from 2022/23.

2.0 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 Council for the approval of the five-year capital programme. Proposals for the capital budget were presented to the Executive on 16th February 2022.
- 2.2 The capital programme evolves throughout the financial year, and as new projects are developed, they will be reviewed under the current governance framework and recommendations made regarding whether they should be pursued.
- 2.3 The following requests for a change to the programme have been received since the previous report to the Executive on 19th October 2022. The impact of changes to the Capital Budget from previous reports are detailed in Appendix 3.
- 2.4 The capital programme budget was reset for 2022-23 and future years as part of the Capital 2021-22 Outturn report which came to Executive at the end of June.
- 2.5 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.
- 2.6 For the changes requested below, the profile of the increase, decrease or virement is shown in Appendix 1 for each of the projects.

3.0 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 £10.0m, where the use of borrowing is required or a virement exceeds £1.0m. The following proposals require Council approval for changes to the capital programme.
- 3.2 Growth and Development – Back of Ancoats Mobility Hub. £18.761M of grant funding has been received from Homes England for the construction of this innovative scheme that will provide sustainable mobility solutions and car parking to Ancoats Phase 3, thereby supporting the delivery of 1,500 new homes and accompanying jobs. The scheme is also a catalyst for the comprehensive public realm strategy approved by Executive in March this year.
- 3.3 The main contractor has been appointed under a two-stage design and build contract however, despite a thorough design review and cost management process over recent months, the project cost has risen to £24.780m. This

increase of £6.019m is driven primarily by construction inflation of 19.9% which totals £3.739m, and is being requested from the Inflation budget, as well as:

- amendments to the design following changes to operational assumptions about how the Hub will function (for example, the introduction of a layby on Poland St to service the delivery function of the Hub, and the adjustment of car park aisle widths to ensure more efficient traffic flow)
- fees and costs arising from a s73 planning application that is required to cater for the design changes that have been made. (For example, amendments to the exterior of the building are proposed to make more efficient use of materials, and to accommodate changes to the fire strategy)

3.4 These changes, and the wider design review and cost management process, have been made whilst maintaining the original vision and ambition of the Mobility Hub. Whilst the project cost has risen, the design management process has secured savings in the cost of construction and thereby avoided an increase greater than the £6.019M set out here. The main contractor will seek to mitigate further inflationary risk through early engagement with the sub-contractor market and ongoing management of design and construction risk as the project progresses.

3.5 It has been requested that a portion of the Homes England grant funding allocated for the Public Realm aspect of the Back of Ancoats project is reallocated to cover the additional Mobility Hub costs, this is subject to Homes England approval and is included in the £32.7m overall project budget approved in March 2022.

3.6 A capital budget virement of £3.739m is requested in 2023/24 from the Inflation Budget.

4.0 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, use of capital receipts, use of reserves below £10.0m, where the proposal can be funded from existing revenue budgets or 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 ICT - Jadu Forms Migration. All the forms used by residents (about 345) on Manchester City Council's website were developed on the Classic XFP Forms system which is now old and outdated. The third- party support for this platform will end February 2023, but the product will reach end of life and there is a need and urgency to upgrade the platform to the latest version to enable residents to continue to be able to use the website. A capital budget decrease of £0.179m is also requested and approval of a corresponding transfer of £0.179m to the revenue budget, funded by Capital Fund.

- 4.3 ICT – Remote Access Solution. Callsign (Citrix Remote Access) is a business critical 24/7/365 service, used by approximately 2066 users (Manchester City Council staff, Partners, Suppliers, and vendors) to provide multi-factor authentication for remote access to Council systems, authenticating users via Smartphone or a physical token. The Callsign contract has already been extended beyond its original term and is due to end in March 2023. This project will lead to the replacement of Callsign, exploiting existing technologies, simplifying the user experience, and utilising existing licenses already procured as part of an enterprise agreement. A capital budget decrease of £0.095m is also requested and approval of a corresponding transfer of £0.095m to the revenue budget, funded by Capital Fund.
- 4.4 Highways Services – Patching Defect Repairs Programme Additional Funding. Additional funding has recently been awarded via the City Region Sustainable Transport Settlement (CRSTS) and approved by the Greater Manchester Combined Authority (GMCA). The funding will be utilised, in the first instance, to address the current funding pressure on the patching programme due to increasing construction and general inflation costs, but also to continue to reduce the backlog of defects and therefore, limiting our exposure to highways claims. A capital budget increase of £0.552m in 2022/23 and £2.206m in 2023/24 is requested, funded by External Contribution.

5.0 Delegated budget Approvals

- 5.1 There have been increases to the programme totalling £0.309m as a result of delegated approvals since the previous report to the Executive on 19th October 2022. These are detailed at Appendix 2.

6.0 Virements from Approved Budgets

- 6.1 Capital budgets approved for an agreed programme pending allocation can seek approval under delegated powers from the Deputy Chief Executive and City Treasurer.
- 6.2 Approval has been given for Citywide Tennis Improvements project utilising £0.164m from the Parks Development Programme (PDP) to match fund an external contribution from the Lawn Tennis Association (LTA). This is a joint project between the Council / Manchester Active and the LTA. It is proposed that the existing tennis facilities located across the city will be upgraded, with a number of improvements being made.

7.0 Prudential Performance Indicators

- 7.1 If the recommendations in this report are approved the General Fund capital budget will increase by £2.484m across financial years, as detailed in Appendix 1.
- 7.2 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 Capital Monitoring Report during the year.

8.0 Contributing to a Zero-Carbon City

- 8.1 All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

9.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 9.1 Contributions to various areas of the economy including investment in ICT services, housing, and leisure facilities.

(b) A highly skilled city

- 9.2 Investment provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

(c) A progressive and equitable city

- 9.3 Improvements to services delivered to communities and enhanced ICT services.

(d) A liveable and low carbon city

- 9.4 Investment in cultural and leisure services and housing.

(e) A connected city

- 9.5 Through investment in ICT and the City's infrastructure of road networks and other travel routes.

10.0 Key Policies and Considerations

(a) Equal Opportunities

- 10.1 None.

(b) Risk Management

- 10.2 Risk management forms a key part of the governance process for all capital schemes. Risks will be managed on an ongoing and project-by-project basis, with wider programme risks also considered.

(c) Legal Considerations

10.3 The approvals set out in this report are in accordance with the Council's constitution.

11.0 Conclusions

11.1 The revenue budget of the City Council will increase by £0.274m, if the recommendations in this report are approved.

11.2 The capital budget of the City Council will increase by £2.484m, if the recommendations in this report are approved.

12.0 Recommendations

12.1 The recommendations appear at the front of this report.

Appendix 1

Requests for Adjustments to the Capital Budget Provision

16th November 2022 EXECUTIVE

Dept	Scheme	Funding	2022/23	2023/24	2024/25	Future	Total
			£'000	£'000	£'000	£'000	£'000
<u>Council Approval Requests</u>							
Growth and Development	Back of Ancoats Mobility Hub & Public Rm	Borrowing		3,740			3,740
Corporate Services	Inflation Budget	Borrowing		- 3,740			- 3,740
<u>Total Council Approval Requests</u>			0	0	0	0	0
<u>Executive Approval Requests</u>							
ICT	Jadu Forms Migration	Borrowing reduction, funding switch via Capital Fund			- 179		- 179
ICT	Remote Access Solution	Borrowing reduction, funding switch via Capital Fund			- 95		- 95
Highways Services	Patching Programme Additional Funding	External Contribution	552	2,206			2,758
<u>Total Executive Approval Requests</u>			552	2,206	-274	0	2,484
<u>Total Budget Adjustment Approvals</u>			552	2,206	-274	0	2,484

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Appendix 2

Approvals under authority delegated to the City Treasurer 16th November 2022 EXECUTIVE							
Dept	Scheme	Funding	2022/ 23	2023/ 24	2024/ 25	Futu re	Total
			£'000	£'000	£'000	£'000	£'000
Highways Services	Manchester College Crossing Improvements	External Contribution	150				150
Neighbourhoods	Citywide Tennis Improvement Programme	External Contribution	159				159
							0
							0
Total Delegated Approval Requests			309	0	0	0	309

Appendix 3

Capital Programme Budget 2021-25 16th November 2022 EXECUTIVE				
	Approvals			
	Council	Executive	Delegated	Total
	£'000's			
Capital Outturn 2021/22		969,370		969,370
Capital Update Report 1st June 2022	11,905			11,905
Capital Update Report 22nd July 2022	4,350	9,764		14,114
Capital Update Report 14th September 2022	5,230	11,144	-264	16,110
Capital Update Report 19th October 2022		1,550	1,794	3,344
Capital Update Report 16th November 2022			309	309
Total Revised Budget	21,485	991,828	1,839	1,015,152

Appendix 1 - Requests for Adjustments to the Capital Budget Provision

Dept	Scheme	Funding	2022/23	2023/24	2024/25	Future	Total
			£'000	£'000	£'000	£'000	£'000
<u>Council Approval Requests</u>							
Growth and Development	Back of Ancoats Mobility Hub & Public Rm	Borrowing		3,740			3,740
Corporate Services	Inflation Budget	Borrowing		- 3,740			- 3,740
<u>Total Council Approval Requests</u>			0	0	0	0	0
<u>Executive Approval Requests</u>							
ICT	Jadu Forms Migration	Borrowing reduction, funding switch via Capital Fund			- 179		- 179
ICT	Remote Access Solution	Borrowing reduction, funding switch via Capital Fund			- 95		- 95
Highways Services	Patching Programme Additional Funding	External Contribution	552	2,206			2,758
<u>Total Executive Approval Requests</u>			552	2,206	-274	0	2,484
<u>Total Budget Adjustment Approvals</u>			552	2,206	-274	0	2,484

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Manchester City Council Report for Resolution

Report to: Executive – 16 November 2022

Subject: Capital Programme Update

Report of: Deputy Chief Executive and City Treasurer

Summary

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 Council for the approval of the capital programme. Proposals for the capital budget were presented to the Executive on 16th February 2022.

Throughout the year new and emerging projects are brought forward, as well as changes to on-going projects which require investment. The Capital Update Report informs members of these requests to increase the capital programme, seeks approval for those schemes that can be approved under authority delegated to the Executive and asks the Executive to recommend to Council proposals that require specific Council approval.

Recommendations

- (1) To recommend that the Council approve the following changes to Manchester City Council's capital programme:
 - Growth and Development - Back of Ancoats Mobility Hub. A capital budget virement of £3.739m is requested from the Inflation Budget.
 - Under powers delegated to the Executive, to approve the following changes to the Council's capital programme:
 - ICT - Jadu Forms Migration. A capital budget decrease of £0.179m is also requested and approval of a corresponding transfer of £0.179m to the revenue budget, funded by Capital Fund.
 - ICT – Remote Access Solution. A capital budget decrease of £0.095m is also requested and approval of a corresponding transfer of £0.095m to the revenue budget, funded by Capital Fund.
 - Highways Services – Patching Defect Repairs Programme Additional Funding. A capital budget increase of £2.758m is requested, funded by External Contribution

(2) Executive is also asked to note:

- The increases to the programme of £0.309m as a result of delegated approvals.
- The virements in the programme of £0.164m as a result of virements from approved budgets

Wards Affected – Various

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city

All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

Our Manchester Strategy outcomes	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 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	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 cultural and leisure services and housing.
A connected city: world class infrastructure and connectivity to drive growth	Through investment in ICT and the City's infrastructure of road networks and other travel routes.

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 revenue budget of the City Council will increase by £0.274m, if the recommendations in this report are approved.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase Manchester City Council's capital budget by £2.484m across the financial years as detailed in Appendix 1.

Contact Officers:

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

Name: Tom Wilkinson
 Position: Deputy City Treasurer
 E-mail: tom.wilkinson@manchester.gov.uk

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

Name: Kirsty Cooper
 Position: Principal Finance Manager – Capital
 Telephone: 0161 234 3456
 E-mail: k.cooper@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 16th February 2022 – Capital Strategy and Budget 2022/23 to 2024/25

Report to the Executive 16th March 2022 - Capital Programme Update

Report to the Executive 1st June 2022 – Capital Programme Update

Report to the Executive 29th June 2022 – Capital Outturn Report

Report to the Executive 22nd July 2022 – Capital Programme Update

Report to the Executive 14th September 2022 - Capital Programme Update

Report to the Executive 19th October 2022 – Capital Programme Update

1.0 Introduction

- 1.1 This report outlines the requests for changes to the capital budget from 2022/23.

2.0 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 Council for the approval of the five-year capital programme. Proposals for the capital budget were presented to the Executive on 16th February 2022.
- 2.2 The capital programme evolves throughout the financial year, and as new projects are developed, they will be reviewed under the current governance framework and recommendations made regarding whether they should be pursued.
- 2.3 The following requests for a change to the programme have been received since the previous report to the Executive on 19th October 2022. The impact of changes to the Capital Budget from previous reports are detailed in Appendix 3.
- 2.4 The capital programme budget was reset for 2022-23 and future years as part of the Capital 2021-22 Outturn report which came to Executive at the end of June.
- 2.5 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.
- 2.6 For the changes requested below, the profile of the increase, decrease or virement is shown in Appendix 1 for each of the projects.

3.0 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 £10.0m, where the use of borrowing is required or a virement exceeds £1.0m. The following proposals require Council approval for changes to the capital programme.
- 3.2 Growth and Development – Back of Ancoats Mobility Hub. £18.761M of grant funding has been received from Homes England for the construction of this innovative scheme that will provide sustainable mobility solutions and car parking to Ancoats Phase 3, thereby supporting the delivery of 1,500 new homes and accompanying jobs. The scheme is also a catalyst for the comprehensive public realm strategy approved by Executive in March this year.
- 3.3 The main contractor has been appointed under a two-stage design and build contract however, despite a thorough design review and cost management process over recent months, the project cost has risen to £24.780m. This increase of £6.019m is driven primarily by construction inflation of 19.9% which totals £3.739m, and is being requested from the Inflation budget, as well as:

- amendments to the design following changes to operational assumptions about how the Hub will function (for example, the introduction of a layby on Poland St to service the delivery function of the Hub, and the adjustment of car park aisle widths to ensure more efficient traffic flow)
 - fees and costs arising from a s73 planning application that is required to cater for the design changes that have been made. (For example, amendments to the exterior of the building are proposed to make more efficient use of materials, and to accommodate changes to the fire strategy)
- 3.4 These changes, and the wider design review and cost management process, have been made whilst maintaining the original vision and ambition of the Mobility Hub. Whilst the project cost has risen, the design management process has secured savings in the cost of construction and thereby avoided an increase greater than the £6.019M set out here. The main contractor will seek to mitigate further inflationary risk through early engagement with the sub-contractor market and ongoing management of design and construction risk as the project progresses.
- 3.5 It has been requested that a portion of the Homes England grant funding allocated for the Public Realm aspect of the Back of Ancoats project is reallocated to cover the additional Mobility Hub costs, this is subject to Homes England approval and is included in the £32.7m overall project budget approved in March 2022.
- 3.6 A capital budget virement of £3.739m is requested in 2023/24 from the Inflation Budget.

4.0 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, use of capital receipts, use of reserves below £10.0m, where the proposal can be funded from existing revenue budgets or 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 ICT - Jadu Forms Migration. All the forms used by residents (about 345) on Manchester City Council's website were developed on the Classic XFP Forms system which is now old and outdated. The third- party support for this platform will end February 2023, but the product will reach end of life and there is a need and urgency to upgrade the platform to the latest version to enable residents to continue to be able to use the website. A capital budget decrease of £0.179m is also requested and approval of a corresponding transfer of £0.179m to the revenue budget, funded by Capital Fund.
- 4.3 ICT – Remote Access Solution. Callsign (Citrix Remote Access) is a business critical 24/7/365 service, used by approximately 2066 users (Manchester City Council staff, Partners, Suppliers, and vendors) to provide multi-factor authentication for remote access to Council systems, authenticating users via Smartphone or a physical token. The Callsign contract has already been extended beyond its original term and is due to end in March 2023 This project will lead the replacement of Callsign, exploiting existing technologies, simplifying the user

experience, and utilising existing licenses already procured as part of an enterprise agreement. A capital budget decrease of £0.095m is also requested and approval of a corresponding transfer of £0.095m to the revenue budget, funded by Capital Fund.

- 4.4 Highways Services – Patching Defect Repairs Programme Additional Funding. Additional funding has recently been awarded via the City Region Sustainable Transport Settlement (CRSTS) and approved by the Greater Manchester Combined Authority (GMCA). The funding will be utilised, in the first instance, to address the current funding pressure on the patching programme due to increasing construction and general inflation costs, but also to continue to reduce the backlog of defects and therefore, limiting our exposure to highways claims. A capital budget increase of £0.552m in 2022/23 and £2.206m in 2023/24 is requested, funded by External Contribution

5.0 Delegated budget Approvals

- 5.1 There have been increases to the programme totalling £0.309m as a result of delegated approvals since the previous report to the Executive on 19th October 2022. These are detailed at Appendix 2.

6.0 Virements from Approved Budgets

- 6.1 Capital budgets approved for an agreed programme pending allocation can seek approval under delegated powers from the Deputy Chief Executive and City Treasurer.
- 6.2 Approval has been given for Citywide Tennis Improvements project utilising £0.164m from the Parks Development Programme (PDP) to match fund an external contribution from the Lawn Tennis Association (LTA). This is a joint project between the Council / Manchester Active and the LTA. It is proposed that the existing tennis facilities located across the city will be upgraded, with a number of improvements being made.

7.0 Prudential Performance Indicators

- 7.1 If the recommendations in this report are approved the General Fund capital budget will increase by £2.484m across financial years, as detailed in Appendix 1.
- 7.2 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 Capital Monitoring Report during the year.

8.0 Contributing to a Zero-Carbon City

- 8.1 All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

9.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 9.1 Contributions to various areas of the economy including investment in ICT services, housing, and leisure facilities.

(b) A highly skilled city

- 9.2 Investment provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

(c) A progressive and equitable city

- 9.3 Improvements to services delivered to communities and enhanced ICT services.

(d) A liveable and low carbon city

- 9.4 Investment in cultural and leisure services and housing.

(e) A connected city

- 9.5 Through investment in ICT and the City's infrastructure of road networks and other travel routes.

10.0 Key Policies and Considerations

(a) Equal Opportunities

- 10.1 None.

(b) Risk Management

- 10.2 Risk management forms a key part of the governance process for all capital schemes. Risks will be managed on an ongoing and project-by-project basis, with wider programme risks also considered.

(c) Legal Considerations

- 10.3 The approvals set out in this report are in accordance with the Council's constitution.

11.0 Conclusions

- 11.1 The revenue budget of the City Council will increase by £0.274m, if the recommendations in this report are approved.

- 11.2 The capital budget of the City Council will increase by £2.484m, if the recommendations in this report are approved.

12.0 Recommendations

12.1 The recommendations appear at the front of this repo

Appendix 3 - Capital Programme Budget 2021-25

	Approvals			
	Council	Executive	Delegated	Total
	£'000's			
Capital Outturn 2021/22		969,370		969,370
Capital Update Report 1st June 2022	11,905			11,905
Capital Update Report 22nd July 2022	4,350	9,764		14,114
Capital Update Report 14th September 2022	5,230	11,144	-264	16,110
Capital Update Report 19th October 2022		1,550	1,794	3,344
Capital Update Report 16th November 2022			309	309
Total Revised Budget	21,485	991,828	1,839	1,015,152

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Manchester City Council Report for Resolution

Report to: The Executive – 16 November 2022

Subject: Enabling Independence Accommodation Strategy (2022-2032)

Report of: Executive Director of Adult Social Services, Strategic Director Growth & Development, Strategic Director Children and Education Services, Strategic Lead for Commissioning, Children and Education and Strategic Lead for Homelessness

Summary

The purpose of this report is to present an Enabling Independence Accommodation Strategy for Manchester (2022-2032) – attached at Appendix 1. Its key aim is to improve housing with care and support options to meet people's needs and better enable their independence. It is a partnership strategy, developed between Adults, Children's, Homelessness, Strategic Housing & MHPP providers. The product of extensive consultation - internally and externally – with key stakeholders, it sets out four key objectives:

1. Work collaboratively to identify the need and demand for homes that will better enable independence.
2. Ensure better care and support at home.
3. Build the supported housing we need and improve pathways into it.
4. Improve “move on” from temporary supported housing into good quality independent accommodation.

Recommendations

The Executive is recommended to consider and adopt the Manchester Enabling Independence Accommodation Strategy (2022-2032)

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Emissions from Manchester are split almost evenly between transport, industrial and commercial uses, and housing and buildings. Therefore, making better use of existing supported housing by remodelling decommissioned schemes to meet identified need and increasing the new build supported housing provided by our MHPP partners who are committed to reducing the carbon footprint of new homes will help to make significant progress towards achieving the zero-carbon target for the city.

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

The housing disadvantages suffered by some individuals or groups were comprehensively evidenced in the Marmot Report 'Build Back Fairer in Greater Manchester: Health Equity and Dignified Lives'. It has since been acknowledged that housing inequality in Manchester is directly related to the disadvantages suffered by some individuals or groups because of their characteristics.

The implementation of this strategy will inform our understanding of any inequality related to individuals and families requiring care, support and adaptations at home and also within supported accommodation because of their characteristics and address those inequalities.

Key to this will be strengthening the city's evidence base in relation to users, providers and properties within which care, and support, is provided, to ensure that our partners build the right supported and move on accommodation in the right places to meet the needs of all user groups and individuals and provide required adaptations to people's homes.

The Enabling Independence Accommodation Strategy will work in conjunction with other strategies, including the Housing Strategy, and engage in the development of the new Local Plan to identify the needs of people from protected or disadvantaged groups where these are different from the needs of other people by increasing the supply of suitable accommodation.

An Equality Impact Assessment for the Strategy has been undertaken and can be found in Appendix 2

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Enabling Independence Accommodation Strategy sets out our ambitions to ensure that the needs of people requiring care and support at home or within supported accommodation are met, so that they can retain or recover their independence and engage in the opportunities offered in the city.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Better understanding and meeting of the needs of people requiring care and support within their accommodation will provide a supportive environment where people can develop talents and skills at home or within a workplace.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Enabling Independence Accommodation Strategy sets out aims to meet the accommodation needs of our most vulnerable and at-risk residents, which will provide a home

	environment meeting their needs, within which their potential can be unlocked.
A liveable and low carbon city: a destination of choice to live, visit, work	This partnership strategy will increase the provision of new and remodelled supported housing and increase adaptations to homes provided by our MHPP partners, who are committed to the use of low carbon construction methods. Working towards an increase in the number and percentage of wheelchair accessible properties built within new residential development will make the city more liveable for those with accessibility challenges at home.
A connected city: world class infrastructure and connectivity to drive growth	The promotion of supported housing residential development on sites close to public transport connections and other service infrastructure will help provide connectivity within the city for our most vulnerable and at-risk residents.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

There are no direct revenue consequences to the Council arising from this report

Financial Consequences – Capital

There are no direct capital consequences to the Council arising from this report

Contact Officers:

Contact Officers

Name: Bernie Enright
Position: Executive Director of Adult Social Services
Telephone: 0161 234 4207
E-mail: bernadette.enright@manchester.gov.uk

Name: Sarah Broad
Position: Deputy Director Adult Social Services
Telephone: 07966 229569
E-mail: sarah.broad@manchester.gov.uk

Name: Sarah Austin

Position: Strategic Lead for Commissioning, Directorate for Children and Education
 Telephone: 07966277755
 E-mail: sarah.austin@manchester.gov.uk

Name: Nicola Rea
 Position: Strategic Lead for Homelessness
 Telephone: 07940795195
 E-mail: nicola.rea@manchester.gov.uk

Name: Martin Oldfield
 Position: Head of Housing Services
 Telephone: 0161 234 3561
 E-mail: martin.oldfield@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose key 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.

- Manchester Housing Strategy 2022- 2032
- Better Outcomes, Better Lives Programme documentation
- Adults, Children's and Homelessness Commissioning Plans/Strategies
- Homelessness Strategy

1.0 Introduction

- 1.1 This report provides an update on the development of an Enabling Independence Accommodation Strategy for Manchester (2022 – 2032). A draft of the strategy is included in Appendix 1. Following feedback and support from the Health Scrutiny Committee on 12th of October 2022, the Executive is asked to consider and adopt the Strategy.

2.0 Background

- 2.1 For over a year, a group of commissioners from Strategic Housing, Adults, Children's and Homelessness plus representatives from MHPP supported housing providers, have met to consider developing a strategy to address challenges and issues related to providing appropriate accommodation for Manchester residents with care and support needs.
- 2.2 What began as a draft supported housing strategy developed into a wider Enabling Independence Accommodation (EIA) strategy, ensuring that whilst there continues to be a focus on ensuring there is the right supported housing in the city, that consideration is also given to ensuring that we have put in place the right approach to preventing people from needing supported housing (through the right care and support at home and in the community. There is also a focus on identifying what people often need when they are ready to move out of supported housing - secure affordable accommodation to move on to and resettlement in neighbourhoods.
- 2.3 What also became clear and was supported by consultation was the need for a more interlinked evidence base in relation to users, providers, properties and costs. Marrying together baseline user, property, provider and cost data – currently held in an array of different systems and locations - will provide a clearer picture around current provision and need and demand, to enable evidence-based value for money and “spend to save” solutions to be developed. This evidence base will also strengthen our bids for capital and revenue funding related to housing with care and support and be in accordance with the Government's National Statement of Expectations for Supported Housing guidance.
- 2.4 This strategy has been developed against a backdrop of reductions to local authority budgets, rising costs following Brexit and the pandemic, the increasing cost of living crisis having a disproportionate impact upon our most vulnerable and at-risk residents, and labour shortages and rising material costs impacting upon construction costs. Whilst taking those challenges into account this strategy will build upon our successes – such as the Extra care programme and Learning Disability housing re-provision. The strategy will increase our understanding of what we have and how it can be used more efficiently, developing new value for money commissioning models and agreeing clear objectives across all MCC related services and with our MHPP partners to bring forward a new build programme of supported housing and move on accommodation

- 2.5 The strategy has been drafted based on the findings of engagement activity, which captures the views and opinions of key stakeholders in relation to both the challenges and opportunities facing commissioners, providers and users. This engagement has established key objectives and practical commitments to respond to both challenges and opportunities.
- 2.6 The development of the Strategy has been overseen by the Strategic Housing Board, a partnership board with representatives from relevant Manchester City Council services and the Manchester Housing Providers (MHPP). This Board, and the partnership it represents, will be integral to the successful delivery, governance and oversight of the Enabling Independence Accommodation Strategy over the next ten years.

3.0 Main issues

- 3.1 The Manchester Enabling Independence Accommodation Strategy (2022-2032) sets out a long-term vision which considers how best to improve accommodation options for people in need of care and support to help them remain independent for as long as possible, building on progress already made, and building an improved partnership approach to tackle the challenges faced, better understand and meet need and demand. The four key objectives for the Enabling Independence
- 3.2 Accommodation Strategy have been agreed as follows:
- 1: Work collaboratively to identify the need and demand for homes that will better enable independence.
 - 2: Ensure better care and support at home.
 - 3: Build the supported housing we need and improve pathways into it.
 - 4: Improve “move on” from temporary supported housing into good quality independent accommodation.
- 3.3 A delivery plan for each of the four objectives will follow the strategy, with named responsible officers overseeing the programme boards (with partner representation) which will be set up for each objective to oversee delivery of the commitments that have been set out.
- 3.4 Following support from the Health Scrutiny Committee and considering the above, the Executive are asked to adopt the attached Enabling Independence Accommodation Strategy (Appendix 1).

4.0 Consultation

- 4.1 A comprehensive programme of consultation has been carried out with a range of audiences including Members, commissioners, providers and user groups. Key sessions included:
- An away day consultation with Manchester commissioners and providers across all user groups
 - 2 partnership workshops of commissioners and providers

- 2 Policy panels with Members
- Direct engagement with specific representative groups – including the Manchester Disability led People's Access Group (MDPAG); Manchester Homeless Partnership Board; Homeless Partnership Advisory Group; and
- A range of one-to-one meetings with colleagues across the organisation (e.g., Planning, Revs and Benefits, Development)
- Greater Manchester Health Group
- Engagement with the Department for Levelling Up, Housing and Communities (DLUHC)

4.2 Alongside this regular progress updates have been provided to:

- MHPP Connecting People workstream meetings & the MHPP Forums
- Strategic Housing Board
- Housing Board

4.3 Several common themes featured at all the various consultation events – most notably:

- Our current supported housing provision does not always meet people's needs, especially those with more complex needs.
- The Council needs to better understand demand across different directorates. For example, some young people who need mental health support, may also require learning disability as well as substance misuse support as well as being homeless. Officers do not currently have a clear understanding of how individuals access different services.
- We need to use our existing stock more efficiently to maximise suitable housing outcomes.
- Increasing MHPP provision will provide a higher quality value for money supported provision.
- More clarity is needed around funding models and commissioning processes
- Competing for limited sites in the city impacts upon supported housing development
- Some people live in supported housing simply because wheelchair accessible properties, adaptations and care needed within their own homes is not available.
- People ready to move on to independent accommodation are not always able to due to a lack of available affordable accommodation, particularly one bed properties and accessible homes.
- There is a need for some long-term low-level supported accommodation for a cohort of people who leave and return to temporary supported housing.
- We need commitment from all the MCC services with an influence upon the provision of accommodation to prioritise accommodation options for people with care and support needs.

5.0 Next Steps

- 5.1 Once the Enabling Independence Accommodation Strategy has been finalised, considered, and pending approval by the Executive, delivery plans and a programme board for each objective will be established. The actions detailed in the delivery plans will set out a clear blueprint for how officers will realise the Strategy's vision and fulfil the commitments that have been made. The delivery plan will be reviewed on an ongoing basis. The Strategic Housing Board, which has representation from all relevant Council services and MHPP, will oversee the strategy implementation and an annual performance update will be published to report progress on the various objectives set.

6.0 Recommendations

- 6.1 The Executive is asked to consider and adopt the Manchester Enabling Independence Accommodation Strategy (2022-2032)

Appendix 1 – Manchester Enabling Independence Accommodation Strategy 2022-2032

Our Vision

The Enabling Independence Accommodation strategy looks to improve housing options to meet people's needs and better enable their independence. It sets out our aspirations around improving care and support at home, accessible design, and adaptations, and improving our supported housing offer and move on options, taking an evidence-based needs approach to achieve value for money partnership delivery. To achieve this, we will need to rely on the strong partnership between Manchester City Council, the Manchester Housing Provider's Partnership (MHPP) and trusted providers from the private and charitable sectors. Collaboration is a golden thread running through this strategy and will be engrained in all work we undertake.

Commissioning is pivotal in the provision of care and support at home, the provision of supported housing, and any care and support provision required when people move on from supported housing. The recently updated Adults, Children's and Homelessness outcome focused commissioning plans and strategies are key to the delivery of accommodation providing independence, as is the Homelessness Strategy working to reduce homelessness in the city and our Better Outcomes, Better Lives programme building on work to integrate health and social care and supporting people to achieve better life outcomes through maximising independence.

This strategy also sits beneath Manchester's new Housing Strategy, within which there is a clear commitment to develop and deliver the Enabling Independence Accommodation Strategy aspirations working with housing partners. The Housing Strategy commits to the delivery of 1000 affordable homes each year of which a proportion will be supported housing. Both strategies are 10-year commitments within which we will seek to address the challenges identified, providing assurance to our residents, providers, and partners of our continued commitment to the ambitions set out.

We know that in Manchester:

- The needs of our children and young people should help inform our future adult care and support provision
- Our current supported housing provision does not always meet people's needs, especially those with more complex needs.
- We need to use our existing stock more efficiently to maximise suitable housing outcomes.
- We need to develop some long-term low-level support accommodation for some people who leave and return to temporary supported housing.
- People ready to move on to independent accommodation are not always able to due to a lack of available affordable accommodation, particularly one bed properties and accessible homes.
- Some people live in supported housing because the adaptations and care needed within their own homes is not available.

These issues are complex in nature and to address them we will need a better understanding of individuals' needs and the demand for different housing types. As such, an important foundation for this strategy will be to develop our understanding through a more robust evidence base in accordance with the National Statement of Expectations for Supported Housing guidance. This will allow us to build stronger business cases for new capital expenditure, targeted more efficiently across all types of supported housing. This evidence will guide our best use of existing and new sites so we can maximise funding opportunities.

Focused around 4 key objectives, our strategy seeks to address the challenges set out above. These objectives are:

Objective 1: Work collaboratively to identify the need and demand for homes that will better enable independence.

Objective 2: Ensure better care and support at home.

Objective 3: Build the supported housing we need and improve pathways into it.

Objective 4: Improve “move on” from temporary supported housing into good quality independent accommodation.

Foreword

Care and support at home services, supported housing and appropriate move on accommodation enable people to live as independently as possible within their chosen community. This includes older people, disabled people with a physical, mental, or sensory impairment or learning disability, young people with a support need (such as care leavers or teenage parents), families experiencing domestic abuse, people in recovery from drug or alcohol dependence and individuals and families at risk of or who have experienced homelessness. These are not always distinct groups, and many individuals may fit into multiple categories with multiple needs.

Over the 10 years from 2010 to 2020 there was an increase of 2.7 million people with a reported disability bringing the total to 14.1 million people. Despite this increase, there remains a significant shortage of accessible homes in the UK – the latest English Housing Survey shows that only 9% of homes meet basic accessibility features. Nationally, Covid-19 and Lockdowns have increased physical and mental health issues across all user groups. This is reflected in an increased number of people requiring care and support which the Audit Office estimated to be 839,000 adults during 2019-20, at a net local authority expenditure of £16.5bn. This is especially acute for the significant numbers of homeless people, many of whom have multiple and complex support needs including mental health and drug and alcohol dependency. In 2021, the number of Children Looked After (CLA) by local authorities in England rose to 80,850, up 1% on the previous year and continuing the rise seen in recent years. Higher numbers of children in care equates to increasing numbers of care leavers in need of housing. Research shows tenancies for care leavers have a relatively high failure rate in the first few months after leaving care.

Government statistics show that at any one time, over 600,000 people in England rely on supported housing to provide a secure place to live and to offer appropriate care and support. Local authorities have a statutory duty to accommodate some

people in supported housing, and in temporary homeless accommodation. The supported housing sector is diverse, comprising housing associations and local council housing, as well as private sector providers, charities and voluntary organisations. The way accommodation and support services are delivered varies between schemes; some organisations own properties, some provide support (either within their own or another property), and some may do both. This can impact where legal and regulatory responsibility lies for each property.

In Manchester, there are significant gaps in life expectancy at birth for both men and women between those living in the most and least deprived parts of the city (8.1 years for men; 7.3 years for women). Adults from the most deprived parts of Manchester, mainly in the north of the city, are more likely to have a diagnosed LTC (COPD, Heart Disease, Stroke or Diabetes) than those living in the least deprived parts of the city. The health of our population directly impacts upon our health and social care spending on care and support at home and supported housing provision.

Around 1,800 Manchester residents currently receive homecare in their own homes, this is not just limited to older people, but also includes families where there is a disabled child or parent. Our Housing Register includes 100 households in need of a home that is wheelchair accessible and other households who require adaptations such as level access showers or stairlifts. Residents who need properties suited to their care and support at needs compete with the already high need and demand for general needs lets, very few accessible adapted properties come up for relet and very little new build housing meets accessibility standards. This leaves too many people, including children, living in homes that do not meet their needs. Our Better Lives, Better Outcomes approach aims to keep people in independent accommodation as long as possible, diverting them from residential or supported housing. However, we know that sometimes supported housing offers the best outcomes for some people. Supported accommodation is provided on both a long term (permanent) and short term (temporary) basis depending on need, with some people requiring supported housing for the rest of their lives and others requiring it only at times of crisis.

Currently, almost 500 adult people with a learning disability are in receipt of a permanent supported accommodation service in a variety of settings in Manchester. Of all Greater Manchester authorities, Manchester has the greatest number of people with a learning disability and/or autism ready but unable to leave secure settings due to a lack of suitable supported accommodation within the city. 230 adults of working age with mental health support needs are currently accommodated in Residential and Nursing Care provision. 192 adults are housed in short term mental health supported accommodation, where with improved recovery orientated practice people can socially recover their lives and ambitions, reducing the reliance on Residential and Nursing Provision. Annually, approximately 90 care experienced young people for whom we have a responsibility as a corporate parent, will require move on to general needs housing as they reach 18. A further 10 will require a level of commissioned specialist support to live independently and some young people who continue to live with their parents and receive community-based support will require supported accommodation after the age of 18.

For homeless services, demand currently outstrips capacity. An estimated 3,376 people are housed in Homeless supported accommodation in Manchester as follows:

- 482 single people/couples and 1,846 families with a statutory duty are in homeless accommodation
- 405 families & singles in emergency accommodation awaiting homeless accommodation
- 452 homeless single people with support needs in commissioned housing related support accommodation
- 191 people who have slept rough who are accommodated in A Bed Every Night (ABEN) schemes

Reductions to local authority budgets, the impact of the pandemic on health funding and services and the post Brexit escalation in the price of materials and labour, means the additional costs of new build supported housing are even more difficult to meet. Competition for both public and private sites for development in Manchester means land values remain high, which impacts upon the financial cost and viability of developing new supported housing. Manchester's strong rental market also means that when people are ready to move out of supported accommodation there is a lack of available affordable homes to move onto.

Complex revenue funding models and the business planning limitations of short-term accommodation funding programmes, particularly for non-tenancy related temporary/short term accommodation, also affect the amount of supported housing able to be developed. In addition, restricted use of Intensive Housing Management funding makes for a challenging local landscape for the delivery of supported and move on housing. Meanwhile, some for-profit exempt providers benefit from short term commissioning practices and exhaustive demand as they are able to provide quick but low quality and expensive housing solutions used on a needs must basis. This impacts the reputation of the supported housing market in Manchester and can undermine trusted partners who work hard to support the needs of Manchester's residents in high quality accommodation. Short-term commissioning contracts pose an inherent risk to the quality and cost effectiveness of supported housing delivery in Manchester.

Despite the challenges, by working collaboratively and intelligently, in recent years Manchester City Council with MHPP partners have brought forward some fantastic projects to meet the needs of specific client groups. Manchester City Council Adults, Children's and Homelessness services have updated their commissioning strategies and plans to bring forward more effective, strategic, and compassionate commissioning focused upon outcomes that put people from all backgrounds and walks of life at the heart of what we do. The forthcoming Manchester Housing Needs Assessment study, which will be commissioned by Strategic Planning, will provide further intelligence on housing needs across the city. Adult Social Care Commissioners have been involved in setting out preliminary permanent housing options for both North Manchester General Hospital and Wythenshawe hospital developments, with a view to exploring the potential for supported housing, working across several 'in need' cohorts. The proposed GM Places for Everyone Joint Development Plan sets out a long-term plan for jobs, new homes, and sustainable

growth, and intends to tackle the inequality experienced by so many of our communities.

Each of the key Enabling Independence Accommodation strategy objectives builds upon these successes and plans which will inform how we innovate with providers and shape local markets to respond to the short, medium, and long-term challenges that we collectively face.

Our Key Objectives

Objective 1: Work collaboratively to identify the need and demand for homes that enable independence

The provision of supported and move on accommodation is inter-dependent upon a wide range of strategy and policy considerations, related to the supply and cost of land – both private and public estate, planning policy and guidance, capital funding for bespoke design and specification and revenue funding for the costs of care and support. Effective partnership working is the key to providing a tailored housing with support offer and ensuring that value for money is at the heart of thinking. Agreeing shared service objectives in relation to housing our most vulnerable people is therefore critical. Improved engagement and coordination across MCC Directorates will build an understanding of shared objectives and implement coordinated action and it is imperative that this strategy feeds into planning policy and the development of new Manchester Local Plan.

We know that demand for supported accommodation outstrips suitable supply across all user groups. However, we need to work on the evidence base to ensure we can confidently plan and prepare business cases to bring forward local authority capital or land to support the delivery of new supported accommodation, in response to demand. To address this, we will undertake a thorough review of existing evidence in relation to users, providers and schemes and develop a multi-service system for better data collection. This will confirm the need and demand, and identify opportunities to improve value for money, address gaps in provision, make best use of existing supported accommodation and identify new sites for development. We will prioritise the continued protection and rights of individuals under the Data Protection Act in this exercise.

Manchester City Council Adults, Children's and Homelessness services have recently updated their Commissioning strategies and plans to bring forward a more effective, strategic, and compassionate focus upon outcomes that put people, from all backgrounds and walks of life, at the heart of what we do. Adult Social Care is managed within the Manchester Local Care Organisation (MLCO), which is better enabling the integration of health and social care services and providing a platform to strengthen links with Children's Services. This integrated approach helps ensure people are supported across their entire journey and represents a joined-up approach to how we support people in our commissioning models. This engagement alongside the Bringing Services Together (BST) programme can create a more co-ordinated approach to identifying need and housing solutions.

Whilst our commissioning strategies are responsive to local needs in a truly placed based way, we appreciate that they can only be delivered through trusted relationships and collaboration. Providers of these, especially our partners in the MHPP, are vital in the delivery of new accommodation to support these models, understanding long term commitment and direction is essential to enable the right accommodation to be developed at the right time. MSV and Children's services have recently developed a 10-year contract for The Lodge, a foyer model accommodation. This is built on the excellent partnership and outcomes achieved through our existing foyer, resulting in over 25% of the cohort moving onto university and a 98% rate of planned move-on. Further development of joined up long-term strategies will provide certainty to trusted partners that their continued investment into quality services has long-term financial and political support from the council.

The National Statement of Expectations states that, *'quality ultimately determines outcomes – higher quality means individuals are more likely to experience better outcomes, whether that means successfully living independently, navigating and staying out of crisis or managing their health effectively. This not only results in a better quality of life for residents but can also support more effective use of resources elsewhere for public services and local councils.'* With this in mind, we want to produce local guidance in accordance with the aspirations of the National Statement. This will focus upon improving the quality and value for money of supported accommodation, develop longer term - less risk-averse commissioning options, and provide guidance on available funding and parameters.

Working at a Greater Manchester level with health services, RPs and other GM local authorities will help to build business cases through integrated commissioning strategies, using devolved structures to bring together capital and revenue funding streams to create a connected care and supported housing market. For example, Adult Social Care Commissioners are working closely with the NHS Greater Manchester Integrated Care who have recently tendered a complex mental health and learning disability framework for adults. The framework is opened periodically, and prospective providers are invited to apply via the 'The Chest' procurement portal.

An Enabling Independence Accommodation Strategy group will meet to oversee the development of new partnership governance arrangements and programmes of work. The group will also consider funding opportunities at a national and Greater Manchester level to develop partnership bids. Funding opportunities currently include the 'People at the Heart of Care' legislation which is making £300 million available for the development of new supported housing, £150 million to drive the adoption of innovative technology, increasing Disabled Facilities Grant funding and providing further pots of money for local innovation and planning. In addition, the Department for Levelling Up, Housing and Communities are also making available £20 million Supported Housing Improvement Programme (SHIP) which aims to support local authorities address poor quality in supported housing provision to drive improvements in their local supported housing market.

Our commitments to Work collaboratively to identify the need and demand for homes that enable independence

- We will adopt a more interlinked user, provider and property data system, to improve our evidence base so we can better meet current needs and forward plan for future housing needs across all user groups.
- We will develop integrated long-term commissioning models covering Housing Related Support and care provision, which links capital and revenue funding.
- We will produce guidance in accordance with the National Statement of Expectations for Supported Housing in relation to needs assessment and delivery of safe, good quality accommodation and services.
- We will develop new Manchester partnership governance arrangements to deliver this strategy and work at a local, national and Greater Manchester level to identify funding and partnership delivery opportunities.

Objective 2: Better enable care and support at home

Working more closely with our NHS partners is vital to reduce pressures on already strained services. The NHS has been under increasing pressure due to demographic changes, cuts to local care budgets, all made worse by the recent pandemic. Our Better Outcomes, Better Lives programme aims to put into place measures to help people live independently in their chosen community or neighbourhood. This is achieved through maximising people's independence through strength-based assessments with a focus on early intervention and prevention. This includes remaining in their current home with home care services and adaptations or being rehoused to more suitable housing such as homes designed and built for older people or those with physical access requirements. Supporting people to stay at home not only helps people remain independent for longer but also reduces over reliance on expensive residential care the council must pay for when the resident is unable. In providing suitable housing options we reduce pressures on NHS services needed as a result of inappropriate housing e.g., ambulance services visiting a person who has had repeated falls as a result of living in a poorly/ un-adapted property.

The Manchester Housing Options for Older People provides tailored advice and assistance to people over 50 when their current home no longer suits their needs. The service can signpost people to housing where their needs can be better met, and their independence retained within the home. Learning from this service will inform the extension of housing options services to other user groups, such as people with learning, sensory and physical disabilities.

An increased focus on Technology Enabled Care (TEC) and the use of Voluntary, Community and Social Enterprise (VCSE) partners and services is supporting independence at home for longer. Frontline practitioners are encouraged to identify gaps in services and provision so that these services can be more readily provided. We need to continue identifying and providing access to these facilities to further improve the outcomes of those people able to stay at home with support for longer. We are actively promoting "Just Checking" an activity monitoring system which helps care professionals to complete objective, evidence-based care needs assessments

of adults with dementia, learning disabilities and autism, which would work well in supported housing across mostly LD and mental health.

When people are ready to be discharged from hospital their own homes are often not suitable for their recovery or even for the long term. This blocks much needed beds. To help address this Adult Social care working with Registered Provider partners have brought forward 30 Neighbourhood Apartments to provide temporary accommodation with care for people who might otherwise be admitted to hospital or residential care or unable to leave hospital due to the unsuitability of their home environment. Expansion of this programme will further reduce pressure on hospitals whilst promoting better housing outcomes for individuals.

If disabled people are to have choice and control over their lives, then urgent action is required to make sure that future housing supply is accessible for everyone. As a local authority, we have a duty under the Equality Act 2010, to assess the need for housing different groups and reflect this in our planning policies. We know that some people cannot remain in their own home because it does not suit their needs, including some young people who come into care simply because their home does not meet their needs as a person with disabilities. We need to work together to make the best use of Disabled Facilities Grant funding and capital funding for adaptations to homes. However, there is also a recognition that to increase the supply of accessible homes new developments should provide a percentage of homes to M4 (3) Building Regulation wheelchair accessible standards. With this in mind and taking into account GM Places for Everyone accessibility standards, policy matters within the emerging Local Plan, which will include zero carbon and affordable homes targets and open space standards, we will seek to increase the supply of accessible and adapted housing to meet identified needs into the future.

Our commitments to *Better enable care and support at home*

- We will continue to reduce overreliance on residential care by helping people to remain independent at home.
- We will improve communication around available housing options for all user groups, learning from successful programs such as the Housing Options for Older People (HOOP) service and improve housing options for people with a housing need who are ready to leave hospital.
- We will improve access to equipment, adaptations, and TEC within the home for disabled people across all tenures.
- We will provide more homes for disabled households by working with housing providers to make best use of existing adapted properties and build more new accessible homes and by seeking a Local Plan requirement for a percentage of all new build homes to meet the M4 (3) Building Regulation for wheelchair accessible standard.

Objective 3. Build the supported housing we need and improve pathways into it

The development of some supported housing in the city has been more by opportunity in the past than it has by a long-term evidence approach based on need. In Manchester most supported accommodation is commissioned by the local authority and provided by a mix of trusted private and charitable provider partners and Housing Associations. In addition, there are over 200 units of non-commissioned supported accommodation in the city. We know that our MHPP Housing Association supported accommodation provision provides a high-quality value for money option and we aim to increase this provision. Manchester's Supported Needs Monitoring Group which reviews applications for new supported accommodation reports an increase in speculative applications from non-commissioned accommodation providers, however we want to reduce non-commissioned accommodation, as part of a move towards increasing evidence-based commissioning of supported housing to meet identified needs and improve property and support standards.

Reaching a better understanding of our current and pipeline user groups and analysing their housing needs will help us to plan and programme focussed new build supported housing delivery and the more efficient use of our existing supported accommodation. A Housing Needs Assessment is being produced as part of the new Local Plan which will evidence supported housing needs in general terms. We will also commission more specialised housing needs analysis that will help us develop clearer pathways into supported housing for each user group, including those with multiple needs, which will sit alongside the Strategic Planning housing Needs Assessment and help to inform the new Local Plan. We know this work needs to be undertaken based on the success of our Manchester Extra Care programme, where an evidence led approach regarding older peoples housing needs, commissioned from the Housing LIN, resulted in MCC putting forward sites and capital funding to develop a programme of extra care with RP partners. With 5 new schemes now open and 3 more in the pipeline, including one to meet the needs of Manchester's older LGBT community, not only have health outcomes for residents improved, but family homes have also been released by rightsizing and a cost benefit analysis indicates a return on investment of approximately £1.90 for every £1 spent.

The supported housing needs of individuals are complex and subject to change. Those user groups in need of lifetime supported housing require a clear pathway as they transition from childhood to adulthood, children leaving care may need supported accommodation on a permanent basis going forward or some temporary supported housing until they are ready to take on and retain their own tenancy, people in crisis due to homelessness, mental health or addiction will require supported housing for a period of time and each of their pathways into and sometimes out of supported accommodation should be clear. Our new evidence base drawn from improved intelligence systems and our housing needs analysis will inform a review of pathways into and out of supported housing. A post 16 Accommodation workstream has recently redefined our care leaver housing pathway, offering sufficient supported lodgings, foyer models and forever homes for Manchester's care leavers. This includes the acquisition and refurbishment of properties for care leaver House Project accommodation, and we will continue to build this RP offer. Our use of A Bed Every Night (ABEN) funding has brought

forward 9 new schemes for people sleeping rough, including an LGBT+ scheme and an enhanced support scheme for female rough sleepers. We are keen to continue to increase focused pathways into homeless accommodation to better meet the needs of minority groups and a new pathway approach is being introduced to better match people to housing related support services. The council has identified a further pathway area for focus as targeting and supporting veterans who find themselves homeless and/or involved in the criminal justice system.

Developing our understanding of user groups, existing schemes and available sites will enable us to take opportunities to recommission and repurpose existing and decommissioned facilities. Developing these sites with MHPP partners for new supported housing will help us achieve not only the objectives of this strategy, but also wider corporate priorities such as reducing carbon impact and achieving best value.

Supported housing development costs can be high due to space and accessibility standards, greater wear and tear, additional design features and fittings and location requirements. To meet these costs and ensure value for money, working collaboratively and with transparency on rent and service charge setting and capital and revenue funding models is essential. The development of 4 new build purpose-built housing schemes, providing 70 self-contained apartments for people with Learning disabilities, developed via an open book approach between Manchester City council and a consortium of 3 MHPP partners, is an example of shared cost collaborative working which has improved the user group offer and made staffing arrangements more efficient.

Many occupants of both short term and long term supported housing have physical disabilities. Just as we intend to increase the supply of wheelchair accessible and adaptable housing within the general needs sector, so too do we need to undertake a stock condition survey of all current supported housing to assess accessibility standards and utilise disabled facilities grant to bring up to standard and if necessary, decommission and re-provide. In addition, we need to ensure that any new supported housing provision is built to accessible/adaptable build standards to better accommodate people with physical and neuro disabilities and as they age. The Our Manchester Strategy commits our services to coproduction principles and the engagement of the user group in the remodeling or new build design of schemes. We now from engagement with older residents in the development of extra care schemes and homeless people in the remodeling of a homelessness direct access scheme that architects, interior designers, scheme managers and care providers can learn a lot from service users, and we intend to build upon this experience.

Our commitments to build the supported housing we need and improve pathways into it

- We will undertake a Housing Needs Analysis for each user group to identify existing and future supported housing supply and demand.
- We will review and improve housing pathways and increase commissioned supported housing whilst reducing non –commissioned supported housing, to

ensure there is high quality value for money supported accommodation offer to meet people's needs, from transition to adulthood and into older age.

- We will develop a clearer process for the identification and development of sites (including vacant buildings) to bring forward a partnership new build and re-provision supported housing programme to meet identified needs.
- We will better engage people with care and support needs in the design, delivery and running of supported housing, taking into account the need for more accessible/adaptable build standards.

Objective 4: Improve move on from temporary supported housing into good quality independent accommodation

Having enough suitable housing to enable move on from supported accommodation helps to ensure people continue to thrive and do not re-enter the system. Our lack of secure, affordable housing for people ready to leave supported housing creates bottlenecks within schemes, which prevents the creation of vacancies for people in crisis and in need of supported housing. Working with our RP partners £8.6m in Next Steps Accommodation Programme (NSAP) and Rough Sleeper Accommodation Programme (RSAP), funding has been secured to support a range of homeless schemes and move on accommodation. We are continuing to work together to develop bids for further funding rounds which are targeting new build move on provision which, alongside our plans to promote one bedroom move on cottage flats within RP general needs new build, will increase our targeted move on supply and improve pathways out of short term supported housing. The introduction of the APEX model of short-stay temporary accommodation in Manchester will reduce the use of B&B accommodation for homeless families and reduce time spent in homeless temporary accommodation.

Many people ready to leave supported accommodation will need some enhanced tenancy management and commissioned support at home for a period, ensuring funding is available for this help tenancy retention, increase move on accommodation options, and in turn release supported housing places for those who need them. The introduction of Mental Health recovery-oriented practice providing post supported accommodation models, homecare and floating support is helping people socially recover their lives and ambitions while reducing the reliance on residential and nursing provision. A more focused enhanced support for people who require a multi-disciplinary team and partnership approach will reduce frequency of return to residential and supported housing. Although we know that support within move on accommodation helps people to settle, we are aware that some people may also need some help settling into the neighbourhood they move to. Working with local services we want to help people settle in their local neighbourhood and community through signposting local services, activities and opportunities.

Many people leaving supported housing settle well in their new homes and communities, however, there is a cohort of individuals in Manchester who, sometimes over a period of decades have left supported housing, lost their tenancy, returned to homelessness and then again to supported accommodation. To halt this

cycle, we want to explore options for a light touch permanent supported housing model for this cohort.

Statistics indicate that care leavers often lose the accommodation they move on to from care within a short period of time and without a family network are at increased risk of street homelessness and exploitation. A Manchester care leaver accommodation panel established in 2017 to review care leaver readiness for independent housing options has allocated 300 tenancies to care leavers, the vast majority of which have been successfully retained. We plan to build upon this by introducing processes for earlier identification of and transition to forever homes for care leavers.

Our commitments to Improve move on from temporary supported housing into good quality independent accommodation

- We will ensure there are effective pathways in place to move on from temporary supported housing into secure and affordable tenancies with the support of a neighborhood resettlement service
- We will increase the provision of targeted one bedroom move on accommodation as part of new-build general needs housing developments.
- We will develop as a “move on” option a long-term housing scheme with light touch support for repeat return users.
- We will introduce processes for earlier identification of and transition to forever homes for care leavers.

Looking Ahead

This Strategy represents a renewed focus on how we take a more collaborative and evidence-based approach to improving life chances by understanding and meeting people's housing with support needs to better enable them to remain independent for longer. Understanding the challenges faced, building upon our successes, and embedding shared objectives across all services and partnerships provides the foundation for the delivery of this strategy. Adopting an intelligence led approach to need and demand, taking funding opportunities and reviewing commissioning practices will build upon that foundation and enable supply of care and support at home and supported housing to be carefully targeted. Our evidence base will allow us to take a more long-term strategic solution-based approach providing value for money and comfort to partners seeking the reassurance of long-term commissioning strategies.

As one of a suite of strategies to build upon our ambitions as a city, we recognise that our shared objectives can only be achieved through commitment across all relevant MCC services and in partnership and consultation with people in need of or receipt of housing with care and support, registered housing providers, care providers, developers, contractors, the voluntary sector, community groups and other health and care partners and colleagues throughout the city.

Consultation with a range of audiences has taken place around the key objectives and ambitions of the strategy. This engagement will be built upon as a programme of work and delivery plans are developed beneath each objective. The actions in the delivery plan will set out a clear blueprint for how we will realise this strategy's vision

and fulfil the commitments that have been set out. Progress will be reported on a regular basis and the plan will be reviewed and updated to ensure that it remains relevant.

The achievement of our key objectives will be evidenced through improved options to live at home with care and support, more supported housing to meet identified shortfalls and more affordable homes suitable as move on accommodation. More detailed measures of outcomes will be developed as part of each objectives programme of work.

The Enabling Independence accommodation strategy sits beneath and is supported by:

Better Outcomes, Better Lives Manchester Local Care Organisation's transformation programme for Adult Social Care, which builds on work to integrate health and social care in Manchester, to support the people of Manchester to achieve better life outcomes.

Adults, Childrens and Homelessness Commissioning strategies and Plans recently updated to bring forward more effective, strategic, and compassionate commissioning focused upon outcomes that put people from all backgrounds and walks of life

Homelessness Strategy setting out the vision, aims and aspirations shared by the Housing Strategy and partner organisations who work to reduce homelessness in the city.

Manchester Housing Strategy 2022 to 2032 which sets out 4 key principles:

- Increase affordable housing supply & build more new homes for all residents
- Work to end homelessness and ensure housing is affordable & accessible to all
- Address inequalities & create neighbourhoods where people want to live
- Address the sustainability & zero carbon challenges in new and existing housing

There are also a range of individual plans and strategies that will support, and be supported by the strategy including:

Our Manchester Strategy – Forward to 2025 setting out the city's priorities to ensure Manchester can achieve its aim of being a top-flight world class city by 2025 with equality, inclusion and sustainability at its heart.

Local Plan the spatial planning framework for the city, setting out the long-term strategic policies for Manchester's future development. The new Local Plan is due to be published in 2023

Powering Recovery: Manchester Economic Recovery & Investment Plan setting out Manchester's plans to sustain the economy and its people, and what the city proposes to do in the future in response to the Covid-19 pandemic.

Family Poverty Strategy which aims for everyone in the city to have the same opportunities and life chances, no matter where they were born or live.

Making Manchester Fairer, a collaboration between Greater Manchester and Michael Marmot's Institute of Health Equity brings forward recommendations on how to reduce health inequities and build back fairer from the COVID-19 pandemic for future generations.

MCC Allocations Policy, the legal document that describes how the Council allocates social homes to people who need them.

Private Rented Sector Strategy, the city's strategy to improve the condition and management standard of homes in the private rented sector and increase good quality options for lower income residents in the sector.

Neighbourhood Plans, created by local communities, which set out policies for the future development of their areas and will be part of the Local Development Framework for their area.

Places for Everyone, a long-term plan of nine Greater Manchester districts (Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Tameside, Trafford, and Wigan) for jobs, new homes, and sustainable growth.

Manchester Climate Change Framework strategy for tackling climate change and reducing the city's carbon footprint.

Appendix 2 – Equality Impact Assessment

1. Service

Directorates:

Growth & Development/Adults/Childrens/Homelessness

Services:

Strategic Housing/ Adults Commissioning/Childrens Commissioning
/ Homelessness commissioning

2. Activity

The Enabling Independence Accommodation strategy looks to improve housing options to meet people's needs and better enable their independence, so at its core it champions equality and inclusion. Care and support at home services, supported housing and appropriate move on accommodation enable people to live as independently as possible within their chosen community. This includes older people, disabled people with a physical, mental, or sensory impairment or learning disability, young people with a support need (such as care leavers or teenage parents), families experiencing domestic abuse, people in recovery from drug or alcohol dependence and individuals and families at risk of or who have experienced homelessness. These are not always distinct groups, and many individuals may fit into multiple categories with multiple needs.

This strategy sets out a vision for better enabling the independence for our most vulnerable residents by providing accommodation which meets needs and it articulates what we need to do to get there. It outlines aspirations to improve care and support at home, increase accessible design, improve access to adaptations at home, improve our supported housing offer and move on options, and to better understand and meet need and demand so we can bring forward an evidence-based approach. These aspirations are encapsulated in 4 key objectives:

1: Work collaboratively to identify the need and demand for homes that will better enable independence.

2: Ensure better care and support at home.

3: Build the supported housing we need and improve pathways into it.

4: Improve “move on” from temporary supported housing into good quality independent accommodation

The Enabling Independence Accommodation Strategy sits beneath Manchester's new Housing Strategy, within which there is a clear commitment to develop and deliver Enabling Independence Accommodation Strategy aspirations by working with housing partners to bring forward a new build supported housing programme that meets not only the needs of people with disabilities and those with a wide range of care and support requirements and also, affordable move on accommodation options. It will seek to influence the new Local Plan to increase the percentage of wheelchair accessible homes within new build developments. Our new Adults, Childrens and Homelessness outcome focused commissioning strategies will be key to the delivery of accommodation providing independence, as is the Homelessness Strategy and our Better Outcomes, Better Lives strategy

which builds on work to integrate health and social care to support people to achieve better life outcomes.

This strategy cannot be delivered by Adults, Childrens, Homelessness and Housing services in isolation and success will require other services supporting the objectives of the strategy and working collaboratively with public sector organisations at both the local and national level alongside private sector partners. A delivery plan will follow this strategy. The delivery plan actions will set out a clear blueprint for how we will realise this strategy's vision and fulfil the commitments that have been set out. This may include more bespoke operational plans for specific vulnerable groups that require highly specialist accommodation, such as Adults with a Learning Disability or Autistic citizens

3. Analysing the impact on equality

Remove or minimise disadvantages suffered by individuals or groups because of their characteristics	a
Meet the needs of people from protected or disadvantaged groups where these are different from the needs of other people	a
Promote diversity and encourage people from protected or disadvantaged groups to participate in activities where they are underrepresented	

Fundamental to meeting the needs of people from protected or disadvantaged groups, where these are different from the needs of other people, is increasing the supply of suitable accommodation. We know that our current supported housing provision does not always meet people's needs, especially those with more complex needs. We also know that some people live in supported housing simply because the adaptations and care needed within their own homes is not available. However, the information we hold relating to who needs housing options with care and support, whether they come from under-represented communities in Manchester and whether their needs are met by our provision is dispersed and sparse and held on a variety of data systems. This strategy commits to undertaking a thorough review of existing evidence in relation to users, providers and schemes and developing a multi-service system for better data collection. This will confirm need and demand and identify opportunities to address inequalities and gaps in provision. Addressing how we collect, retrieve and analyse the information we hold on residents, providers and properties, will provide the local authority and providers with a better understanding of the need and demand within our diverse communities and provide evidence-based cases or bringing forward accommodation which addresses inequalities.

The needs of people from protected or disadvantaged groups can be different from the needs of other people, an ambition of this strategy is to increase the proportion of wheelchair accessible new build housing in Manchester by working with planners, developers and providers to secure this. This change to new build provision and a further ambition to streamline adaptations processes will improve

living conditions for residents, including families with children, who are currently seeking wheelchair accessible accommodation and prevent people having to move into supported housing simply because there is not a wheelchair accessible property available.

This strategy will seek for new supported housing schemes to be developed in coproduction with users and their family members and advocates. This will give residents from protected or disadvantaged groups the opportunity to participate in design development and scheme governance and management proposals. As a local authority we are in the process of seeking an RP partner to engage the LGBT community via coproduction to bring forward an LGBTQ+ extra care scheme to celebrate diversity whilst recognising that people from a protected group require their needs to be understood and addressed via a variety of housing options

	1. What is the impact of your proposal on this group?	2. What evidence have you used to reach this assessment?	3. What actions could be taken to address the impacts?
<u>Age (older people)</u>	The Enabling Independence Accommodation Strategy aims to enable older people to live as independently as possible within their community via care and support at home services and extra care supported housing. This strategy will build upon Manchester's successful extra care programme to deliver more homes for older people.	Manchester's Extra Care delivery programme was developed on an evidence base provided by the commissioning in 2014 of a housing needs analysis for older people in Manchester. This is to be updated as part of the strategy and alongside our Better Outcomes, Better Lives programme outcomes will inform further development of older people's accommodation across the city.	<p>A key action identified in the strategy will be ensuring that we continue to develop our extra care and specialist older people's housing offer.</p> <p>More broadly than that the strategy commits us to diversifying the older people's housing offer – including in the city centre – so that there is the right home at the right time when people are ready to move.</p>

<u>Age (children and young people)</u>	<p>There are increased risks to the physical and mental health and educational achievements of children and young people arising from poor housing conditions. For children and young who also have a disability this risk is even higher. This strategy will seek delivery of improved housing options to better meet the needs of families with disabled children and young people with disabilities.</p>	<p>The negative impacts of poor housing on children and young people are evidenced in the Building Research Establishment study – “The Cost of Poor Housing in England” (2021). This is confirmed via the City’s work on the Family Poverty Strategy and the Build Back Fairer Marmot Review, which highlights how poor and unsuitable housing is harmful to health and widens inequalities for residents.</p>	<p>We will introduce processes for earlier identification of and transition to forever homes for care leavers.</p> <p>RP partners have developed both permanent and short term supported housing models for care leavers – however current commissioning strategies can make bringing forward such housing challenging. Something we will address over the lifetime of the strategy.</p>
	<p>A sufficiency of high-quality accommodation for our children will provide the stability to enable future generations to contribute to the City’s economic success.</p>	<p>There are currently xx families with disabled children on Manchester Move awaiting properties that are wheelchair accessible.</p>	<p>This strategy’s ambition to seek a requirement for new build housing developments in the city to provide a set percentage of wheelchair accessible homes will increase homes available and suitable for children and young people who use wheelchairs.</p>
	<p>Continuing to improve accommodation will contribute to improving educational outcomes, aspirations and job opportunities for our children and contribute to Manchester’s young people</p>	<p>Manchester has high levels of children in care which means we need more supported and move on housing for care leavers.</p>	<p>The strategy’s ambition to work with partners to create a more streamlined adaptations service so that</p>

	<p>becoming happy, safe and successful adults.</p> <p>Improving outcomes for children and families across the city helps build and develop communities.</p> <p>Investment in accommodation will enhance the City's attractiveness to potential residents and contribute to the development of high-quality neighbourhoods.</p>		<p>more existing properties can be adapted to help young people and children with disabilities live with improved independence will be a key action to address impacts.</p>
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<p><u>Disability</u></p>	<p>Suitable homes for some of our most vulnerable residents, including those with disabilities, have been in very short supply.</p> <p>This strategy seeks to increase the supply of suitable accommodation, including new build homes built to wheelchair accessible standards, to meet the needs of our disabled residents.</p>	<p>Manchester is working on a long-term of programme of change in Adult Social care focused on maximising independence – Better Outcomes, Better Lives. This has informed the Strategy.</p> <p>We know there are people with a disability on the housing register awaiting social housing which suits their needs and we also know from growing numbers of inquiries from disabled people living in the private rented sector in accommodation not suited to their needs that there are not enough homes in Manchester designed to suit the needs of people with a disability or homes suitable for adaptations and that some people's home environment is disadvantaging them, sometimes for many years.</p> <p>There are a number of citizens in acute mental health (hospital) placements who</p>	<p>This strategy in its focus on improving data held regarding people with protected characteristics in need of care and support will analyse improved data systems to identify the housing with care and support needs of people with protected characteristics and work with partners to deliver housing to meet those needs.</p> <p>We will find more housing solutions for disabled households and families who are currently living in inappropriate homes.</p> <p>The Strategy commits us to strengthening the development of supported housing options for Manchester residents and independent living options for those who need our support.</p> <p>We are implementing a remodelling our homecare and adaptations services to overcome some of</p>
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		<p>do not have suitable accommodation options available, in order to ensure expedient discharge, consequently this is causing delays and/or the necessity to move to other boroughs and cities. This opposes the principles of national agendas and strategies such as Transforming Care and Building the Right Support for Adults with a Learning Disability and/or Autism.</p>	<p>the barriers disabled people are facing when it comes to continuing to live in their existing homes. There will be a focus on doing things earlier and better.</p> <p>We will work together with Registered Providers and funders to look at more specialist supported housing options for citizens that require them.</p>
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<u>Race</u>	<p>Housing inequality in Manchester is directly related to the disadvantages suffered by some individuals or groups because of their characteristics (including race).</p> <p>This inequality remains a significant issue in the city and something the Housing Strategy seeks to address via general needs housing delivery, whilst the EIA strategy will focus upon identifying and addressing any race inequality related to care leaver options, older peoples housing, supported housing and move on accommodation.</p>	<p>The poorer quality private rented sector has higher numbers of ethnic minority residents, private sector landlords are less likely to carry out adaptations to homes to meet individuals' health needs.</p> <p>Some client user groups such as mental health have a higher proportion of residents from Black and Asian backgrounds.</p>	<p>This strategy commits to improving data and information process to analyse the health care and support needs of BAME residents in supported housing, move on accommodation and homes in need of adaptations, so that the accommodation with care and support needs of BAME residents can be better addressed and met.</p>
Sex			

<p><u>Sexual Orientation</u></p>	<p>The Enabling Independence Accommodation Strategy commits to ensuring that appropriate & accessible housing is available to cement the city's reputation as an inclusive and welcoming city for all including members of the LGBTQ+ community</p>	<p>Following consultation, it was identified that older members of the LGBTQ+ community were facing prejudices in existing Extra Care schemes across Manchester</p>	<p>This strategy in its focus on improving data held regarding people with protected characteristics in need of care and support will analyse improved data systems to identify the housing with care and support needs of people with protected characteristics and work with partners to deliver housing to meet those needs.</p> <p>This strategy will build upon the Pride in Ageing standard within older people's housing schemes and the commissioning of the development of the UK's first purpose-built LGBTQ+ Extra Care scheme to create safe celebratory spaces for LGBT residents with care and support needs to live in.</p>
<p><u>Pregnancy / maternity</u></p>			

Gender Reassignment	This Strategy commits to ensuring that appropriate & accessible housing is available to cement the city's reputation as an inclusive and welcoming city for all including members of the LGBTQ+ community	<p>Following consultation, it was identified that older members of the LGBTQ+ community were facing prejudices in existing Extra Care schemes across Manchester.</p> <p>Homelessness accommodation for people from the LGBTQ+ community has been made available in response to identified needs.</p>	<p>This strategy in its focus on improving data held regarding people with protected characteristics in need of care and support will analyse improved data systems to identify the housing with care and support needs of people with protected characteristics and work with partners to deliver housing to meet those needs.</p> <p>This strategy will build upon the Pride in Ageing standard within older people's housing schemes and the commissioning of the development of the UK's first purpose-built LGBTQ+ Extra Care scheme to create safe celebratory spaces for LGBT residents with care and support needs to live in.</p>
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<u>Faith / religion / belief</u>			
Additional / Optional Characteristics			
<u>Families living in Poverty</u>	<p>This strategy sets out a priority to improve access to adaptations and new build wheelchair accessible homes. Many families with a parent or child with a disability, are on lower income and in poverty due to their employment options being limited due to their condition or caring responsibilities. More appropriate housing to meet needs could improve options for working from home and increase family income.</p>	<p>The city is becoming increasingly reliant on private sector dispersed accommodation (which currently houses over 90% of all households in TA) and we are having to accommodate people outside of the city away from family networks due to demand and lack of supply.</p> <p>Manchester's Extra Care and older peoples HAPPI scheme development programmes, in addition to improving the independence of older people with care and support needs also free up family housing for families in poverty and in need of affordable secure homes as the schemes are marketed towards older people in under occupied family homes.</p>	<p>MCC will work with partners in the Manchester Housing Provider Partnership to develop more extra care and older people's schemes and request that these schemes be marketed to older people under occupying family homes.</p>

<u>Carers</u>	See above		
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<p><u>Homelessness</u></p>	<p>People become homeless for a variety of reasons, these can relate to mental physical and economic crisis. People in crisis due to homelessness, mental health or addiction will require supported housing for a period and each of their pathways into and sometimes out of supported accommodation should be clear.</p> <p>Our new evidence base drawn from improved intelligence systems and our housing needs analysis will inform a review of pathways into and out of homeless supported housing.</p> <p>The strategy will build on our continued increase of focused pathways into homeless accommodation to better meet the needs of minority groups and a new pathway approach to better match people to housing related support services.</p>	<p>Manchester has significant numbers of homeless people, many of whom have multiple and complex support needs including mental health and drug and alcohol dependency. For homeless services, demand currently outstrips capacity. An estimated 3.5k people are housed in Homeless supported accommodation in Manchester</p> <p>The number of people presenting as homeless is continuing to increase (over 9,500 presentations in 2020-21 – 60% more than in 2017-18). This is costing the Council c.£15m annually.</p> <p>Evidence from the Manchester Homelessness Partnership highlights the difficulty of finding suitable homes in the private sector – especially larger family properties where competition for limited stock is high.</p>	<p>Reducing the use of B&B & temporary accommodation through more affordable and appropriate housing solutions linked to Better Outcomes, Better Lives</p> <p>We will ensure there are effective pathways in place to move on from temporary supported housing into secure and affordable tenancies with the support of a neighborhood resettlement service</p> <p>We will increase the provision of targeted one bedroom move on accommodation as part of new-build general needs housing developments.</p> <p>We will develop as a “move on” option a long-term housing scheme with light touch support for homelessness repeat return users.</p>
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Ex-Armed Forces	<p>The Armed Forces community should not face disadvantage compared to other citizens in the provision of public and commercial services.</p> <p>Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.</p> <p>This strategy will build upon the council's new pathway targeting and supporting veterans who find themselves homeless and/or involved in the criminal justice system.</p>	<p>MCC is signed up to the Armed Forces Covenant.</p> <p>The purpose of this Covenant is to encourage support for the Armed Forces Community working and residing in Manchester –n supported and move on accommodation and in general needs housing - and to recognise and remember the sacrifices made by members of this Armed Forces Community, particularly those who have given the most.</p> <p>This includes in-Service and ex-Service personnel their families and widow(er)s in Manchester</p>	<p>MCC's commitments, as a member of the Covenant, will be upheld as part of the delivery of the Enabling independence Accommodation Strategy and associated policies.</p>
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Manchester City Council Report for Resolution

Report to: Executive Committee – 16 November 2022

Subject: Manchester Playing Pitch and Outdoor Sport Strategy

Report of: Strategic Director – Neighbourhoods

Summary

In December 2017, the council adopted Manchester Playing Pitch Strategy (2017-2021) which set out the framework for investment into playing pitch and outdoor facility improvements. The updated Playing Pitch and Outdoor Sport Strategy 2022-2031 (PPOSS) builds upon the preceding strategy and whilst no substantial changes have been identified, there are some important updates to analysis that guides the strategic framework for improvement of existing playing pitch and accompanying ancillary facilities up to 2031.

There is an existing network of indoor and outdoor sport facilities and strong community infrastructure that provides a platform for growth. The updated strategy sets out the headline recommendations for improvements to meet current and future community needs across Manchester.

This report provides an update on the key strategy findings, sport specific and strategic recommendations which apply across the outdoor sporting infrastructure, and short-term action plan to be taken forward with partners over the next 18-month period. The evidence base created provides a robust and objective justification for future playing pitch provision that will be implemented into planning policy and other relevant corporate strategies to enable local policies, planning and sport development criteria to work efficiently and effectively. PPOSS will be the key document utilised by the Manchester Planning Authority when considering planning applications in consultation with Sport England as a statutory consultee, who in turn will consult with National Governing Bodies of Sport as appropriate.

The Strategy and associated Action Plan recommends the priority projects to be realised over the Local Plan period to ensure there is a sufficient supply to meet current and projected demand. Investment will be sought for outlined projects via potential partners and sources of external funding to progress capital priorities. Any development or disposal will also be subject to the development of a clear business case, impact assessment and where appropriate a funding application.

The PPOSS will be published as a public facing document and will remain a live document managed by the Council and partners to update and monitor throughout the lifespan of the Strategy (2022 – 2031).

Recommendations

The Executive is recommended to approve the Manchester Playing Pitch and Outdoor Sport Strategy for adoption by Manchester Planning Authority.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Delivery of priority projects identified in the Playing Pitch Strategy and Site Action Plan will contribute to achieving the zero-carbon target for the City. All projects will be subject to individual business case and agreed funding strategy

Equality, Diversity, and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

As part of the refresh of the Strategy, MCRactive has added the following to ensure we instill EDI within our work practices: Future investment and associated capital projects will be considered in line with the equality act 2010. The key drivers for improvement and / or development of playing pitch and outdoor sport infrastructure with our partners includes:

- Aims and objectives for improving health and well-being, tackling inequalities, and increasing participation from underrepresented groups
- Prioritisation of capital and revenue investment - targeting resources into places / communities with the greatest need.
- Accessible outdoor sport facilities to support and encourage use of by disabled people.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Sport and Leisure sector is a key economic driver within the city not only as an employer, but also in attracting inward capital investment to create sustainable world class sporting facilities and neighbourhood services that support to deliver a diverse sport and cultural offer for our residents.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	The Strategy identifies the need to investment in education and training and also contributes meaningfully to employment within the Manchester economy, creating new operating models to manage and deliver our playing field assets.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Manchester Playing Pitch and Outdoor Sport strategy identifies the need to invest into our clubs and local services at the core of neighbourhoods and creates significant opportunities for all communities within the

	city to engage and participate at all levels of the sporting pathway. All of which contribute towards Our Manchester Strategy
A liveable and low carbon city: a destination of choice to live, visit, work	Manchester Playing Pitch and Outdoor Sport Strategy identifies the need to improve our playing field sites, notably investment in ancillary facilities to operate community sport services, contributing to creating a destination of choice. The Strategy provides an evidence base to inform Sport and Leisure Capital Programme which sets out the plans for the refurbished and replacement of outdoor sport facilities over the next five years.
A connected city: world class infrastructure and connectivity to drive growth	The Sport and Leisure sector has over the last twenty years invested significantly in Sport and Leisure assets that have helped drive the city's growth agenda. The Strategy identifies a need for further investment to enhance and provide outdoor sport facilities citywide. This will be done in a sustainable manner that will continue to support our growth ambitions over the next decade.

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

- Equal Opportunities Policy – Where appropriate Equality Impact Assessments will be undertaken.
- Risk Management – Where appropriate a risk management approach will be undertaken.
- Legal Considerations – There are no legal considerations arising from this strategy.

Financial Consequences – Revenue

There are no revenue consequences arising from the development of this strategy. Any future investment decisions for playing pitches will be subject to an agreed business case and funding.

Financial Consequences – Capital

There are no capital consequences arising from the development of this strategy.

Contact Officers:

Name: Neil Fairlamb
Position: Strategic Director - Neighbourhoods
Telephone: 0161 219 2539

Email: neil.fairlamb@manchester.gov.uk

Name: Yvonne O'Malley
Position: Commercial Lead – Neighbourhoods
Telephone: 0161 219 6907
Email: yvonne.o'malley@manchester.gov.uk

Name: Louise Harding
Position: Facility Strategy and Capital Projects Lead – MCR Active
Telephone: 0161 974 7841
E-mail: l.harding@mcractive.com

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 Scrutiny - Manchester Playing Pitch Strategy (2017-2021), 13th December 2017
- Report to Scrutiny - Manchester Playing Pitch Strategy, 6th February 2020
- Report to Scrutiny Manchester Playing Pitch Strategy Update, 20th July 2021
- 2022 Manchester Playing Pitch and Outdoor Sport Needs Assessment Report

1.0 Introduction

- 1.1 This report is intended to update the Committee on the key findings identified in Manchester Playing Pitch and Outdoor Sport Strategy (PPOSS), specifically regarding sport specific playing pitches and courts. The site-specific action plan that accompanies the strategy will remain a live document managed by the Council and partners for the lifespan of the Strategy (2022 – 2031).
- 1.2 Manchester PPOSS provides a robust evidence base of current and future need for outdoor sports facilities using national Sport England Guidance and is used by the authority and stakeholders as a strategic document to support the determination of relevant planning applications through the associated consultation process.
- 1.3 The PPOSS provides a clear strategic framework for the maintenance and improvement of existing outdoor sports pitches and ancillary facilities between the strategy period 2022 - 2031. As such formal adoption of the strategy is required by the Council. Its robustness is built on the extensive consultation carried out with clubs, leagues and providers including education establishments and community organisations and users to provide:
 - A vision for the future improvement and prioritisation of playing pitches.
 - A number of aims to help deliver the recommendations and actions.
 - A series of strategic recommendations which provide a strategic framework for the improvement, maintenance, development and, as appropriate, rationalisation of the playing pitch stock.
 - A series of sport-by-sport recommendations which provide a strategic framework for sport led improvements to provision.
 - A prioritised area-by-area Action Plan to address key issues on a site-by-site basis.
- 1.4 The Manchester PPOSS frames the priorities for future investment and the continued development of the playing pitch and associated infrastructure. Whilst the analysis within the PPOSS will assist in determining the priorities for investment, it does not guarantee deliverability of projects. All projects will be subject to sources of funding (primarily from external sources) being made available to be developed in consultation with National Governing Bodies of Sport and supported as appropriate by the Council. In many instances, the Council will not be the agency which delivers these actions or recommendations; the PPOSS is not just for the Council to act upon, it applies to/for all the stakeholders and partners involved.

2.0 Background

- 2.1 This strategy follows on from the 2017 – 2021 Playing Pitch Strategy (PPS) adopted by the Council at the 13 December 2017 Executive meeting. The 2017 PSS set the framework for investment into playing pitch and outdoor facility improvements at the Regional Athletics Arena (completed July 2020), Range Sports Stadium (completed March 2020) , Active Lifestyle Centre (November 2019) Debdale and Greenbank Park (October 2021), as well as

citywide pitch improvement works at major multi pitch sites including Broadhurst Park, Merseybank Playing Fields, and Hollyhedge Park (ongoing enhanced maintenance works), and delivery of a Manchester non turf cricket wicket programme at 15 sites citywide (completed June 2022). Detailed updates on progress of Manchester Playing Pitch Strategy are available as background documents to this report.

- 2.2 The 2022 – 2031 PPOSS provides the strategic rationale for future investment into a range of playing pitches and outdoor sport facilities across the city. The PPOSS will also be used to compliment the emerging Built Facility Strategy and other corporate strategies i.e. Our Manchester Strategy, Residential Growth Strategy and Capital Schools Programme.
- 2.3 Manchester Playing Pitch and Outdoor Sports Facilities were assessed in 2021. Supply and demand information was gathered and used to assess the quality, capacity, and accessibility of playing pitch provision in Manchester. It focused on how much use each site could potentially accommodate (on an area-by-area basis – North, Central, South, and Wythenshawe) and demand modelling on a sport-by-sport basis. Its robustness is built on the extensive consultation carried out with playing pitch NGB's, clubs, community groups, leagues and facility providers including education establishments and community organisations.
- 2.4 The Strategy provides a clear picture of the balance between the local supply of, and demand for, playing pitches and other outdoor sports facilities. The data gathered together with stakeholder input and community consultation has informed the sport specific priorities and area site action plan.

3.0 Context

- 3.1 The key planning document for Manchester is the Local Plan (the key element of which is the Core Strategy 2012-2027) which is currently under review. This, together with the National Planning Policy Framework (NPPF), provides the strategic planning context for Manchester. The vision set out within the Core Strategy refers to Manchester as a successful city with a growing economy, an increasing and healthy population, and a place where people choose to live. This vision has been further developed through the council's "Our Manchester Strategy", which provides a long-term vision and strategy for Manchester and provides a framework for actions by our partners working across Manchester's public sector organisations, businesses, the voluntary sector, and our communities.
- 3.2 Within Manchester's Local Plan, the key planning policies which are of particular relevance to the PPOSS are Core Strategy Policies EN9, EN10, EN11 and EN12. Policy EN9 provides the overarching approach to green infrastructure in all its types and functions. Policy EN10 looks at how the city's open spaces should be safeguarded. Policy EN11 refers to how opportunities for new open space provision will be considered, whilst EN12 sets out priorities for improving quality across the city. These policies are applied in the context of a growing city which seeks to balance all the needs of Manchester's

residents - whether they be for housing, shops and services, places to work or places to relax and enjoy sport.

- 3.3 The mission statement of the Manchester Local Plan review is:

*‘Development in Manchester is at record levels: investment here is creating jobs and new homes are being built. At the same time, we want any future growth to support our ambition to be a zero-carbon city by 2038 or before’.*¹

- 3.4 The PPOSS will be an evidence base document for the Manchester Local Plan review, as will the Indoor and Built Sports Facility Strategy concurrently being produced and forthcoming Open Space Strategy. It will ensure that existing facilities are the most appropriate in terms of quantity, quality and location and consider how best to meet the additional needs generated by the planned housing and economic growth.

Places for Everyone

- 3.5 Places for Everyone is the long-term joint development plan document of nine of the Greater Manchester Combined Local Authorities (excluding Stockport) for housing, jobs, and sustainable growth. The Plan has been approved by each of the nine districts, published and submitted to secretary of state.
- 3.6 The plan will determine the kind of development that takes place in the nine boroughs (including Manchester Local Authority area), maximising the use of brownfield land and urban spaces while protecting Green Belt land from the risk of unplanned development. It will also ensure all new developments are sustainably integrated into Greater Manchester’s transport network or supported by new infrastructure.
- 3.7 Places for Everyone will form part of the development plan for each of the Greater Manchester districts and its key purpose is to:
- Identify how Greater Manchester should develop up until 2031.
 - Identifies the amount of new development that will come forward across the nine districts, in terms of housing, offices, and industry and warehousing, and the main areas in which this will be focused.
 - Supports the delivery of key infrastructure, such as new roads, transport, education and health facilities.
 - Protects the important environmental assets across the city region.
 - Allocates sites for employment and housing outside of the existing urban area; and
 - Defines a new green belt boundary for Greater Manchester
- 3.8 Policy Number JP-H 1: Scale, Distribution and Phasing of New Housing Development, states that the nine local authorities will deliver a minimum of 164,880 net additional dwellings over the period 2021-2037. Whilst there is no strategic housing allocation within Manchester as part of Places for Everyone,

¹https://secure.manchester.gov.uk/info/200074/planning/6572/local_plan/2

it is to provide the most housing units of the nine local authorities over the course of the plan, an expected 60,029 to be delivered in Manchester.

- 3.9 The Plan directly links with the PPOSS with the proposed policy, JP-P7, sports and recreation. The PPOSS should be used to inform strategic priorities for sport playing fields and recreational facilities over the life course of the strategy.

Population growth

- 3.10 The current resident population in Manchester is 588,560². By 2031 (the period to which this assessment projects population based future demand) the population is projected to increase to 673,545⁶ representing an increase of 84,985 (or equivalent to a percentage increase of 14.4%) based on Manchester City Council population projections.
- 3.11 As Council data is available by individual age brackets (to reflect sport specific team growth) this is considered the most accurate data set to apply to calculate likely future demand on a sport by sport and area basis.

Housing growth

- 3.12 The Manchester Housing Strategy (2021) is presently in development and aims to bring together the previous Housing Strategy (2015-21) and the Residential Growth Strategy (2015-25) into a single document.
- 3.13 In March 2016, Manchester published a refreshed Residential Growth Strategy, setting out the City's aim to deliver a minimum 25,000 new homes by 2025. The Residential Growth Strategy proposes a set of priorities for action to support the City's sustained growth and ensure there are affordably priced houses and apartments for sale and rent.

The Strategy comprises six key objectives:

- Increase house building on existing and new sites
 - Improve the quality and sustainability of the City's housing
 - Increase opportunities for home ownership
 - Expand the family housing offer
 - Professionalise the private rented sector across the City
 - Provide appropriate housing options for retirement living
- 3.14 To deliver a minimum of 25,000 units over the next ten years, the Strategy sets a target of 2,500 units per annum over the ten-year delivery period (2016-2025).
- 3.15 The PPOSS includes a range of Housing Growth Scenario's based on the Core Strategy and housing requirements that estimates the amount of

² Source: MCC in-house population model, 2021-31, for wards by Single Year of Age and Sex

additional demand for pitch sports generated by new housing development from 2021 - 2037.

- 3.16 Accumulatively across Manchester the scenarios identify that, through overall housing growth estimated at 60,029 dwellings up to 2037, new population demand will be generated to some extent for all pitch sports.
- 3.17 Although some of this demand can be accommodated on the current stock of provision it is probable that new provision will need to be established due to the substantial levels of growth, particularly in the North (35,801 dwellings) and Central analysis (22,159 dwellings) areas.
- 3.18 As a result, strategy recommendations need to take into consideration any specific planning policy requirements within the City. This includes, but is not limited to, the gathering and/or spending of S106 monies within a designated catchment area from a development.

Manchester Capital Schools Programme (2021 – 2026)

- 3.19 Since 2008, there has been a rapid growth of the child population in the City and the consequent need for additional primary school places, secondary and special school places.
- 3.20 A plan for creating further and extra capacity has been developed to keep pace with the continued increase in demand. Manchester Schools Sport Facility Strategy was produced in September 2018 to set out key principles to inform the design and management of new community sports facilities.
- 3.21 There is a need to apply the strategy principles when assessing the future pipeline of capital schools to inform the recommendation of new outdoor sport facilities for Manchester Capital School Programme by site. Recommendations will need to be considered in the context of Department for Education school design principles, cost expectations, school requirements, and availability of capital funding.
- 3.22 Sport England will be consulted on all new school build proposals, as part of the planning process. MCRactive will also be engaged to influence facility developments and programmes in-line with Manchester School Sport Strategy.
- 3.23 Given the strategic context of playing fields provision, population growth, housing growth, and education Growth, the Council is working in a strategic way with Sport England to ensure that this strategic context is considered and that the optimum balance of meeting the needs of communities is achieved. The PPOSS, relationship with Sport England and the planning process provides the mechanism to this approach going forward.

Manchester's Sport & Physical Activity Strategy 2019-2028

- 3.24 MCRactive is a not-for-profit organisation established and overseen by Manchester City Council, responsible for driving sport and physical activity across Manchester, inspiring and encouraging everyone to lead a more active and healthier lifestyle. Its role is to provide leadership and a common narrative, working with the whole sport and physical activity sector to activate all publicly accessible sport and leisure places that exist across the city.
- 3.25 The Sport and Physical Activity Strategy adopted in 2018 and recently refreshed in September 2022 sets out the long-term vision for the future of sport and leisure which was informed by residents following extensive public consultation. The strategy's vision is 'to establish Manchester in the top-flight of world class sporting cities, with active lives for all, helping to transform their health and well-being'. It's eight themes are:
- Encourage residents to move more
 - Positive experiences for Children and Young People
 - Active adults increasing and sustaining activity levels
 - World-class sport that inspires positive change
 - Active Place and Neighbourhoods
 - Communicating with and connecting communities
 - Realising the potential of the workforce
 - Contributing to a zero-carbon future
- 3.27 The Manchester Sport and Physical Activity Strategy sets out a vision to get all residents moving more across the life course helping to transform their health and wellbeing. The Strategy aligns to Our Manchester principles as follows:
- Better Lives (about the people) – leisure centres at the heart of neighbourhoods.
 - Listening (listen, learn, respond) - consulting with residents, user groups and local members.
 - Recognising Community strengths of Individuals and Communities - listening to feedback from consultations, understanding the work of clubs, community groups and working together to achieve the desired outcome.
 - Working together - building relationships, keeping residents, user groups and local members informed throughout the process.
- 3.28 The PPOSS and associated Action Plan will support the progression of the Manchester Sport and Physical Activity Strategy, investing in playing pitches and outdoor sport provision throughout Manchester enabling more residents to move more with a range of affordable place-based approaches.

4.0 Scope

- 4.1 The following sports are included in the Strategy and were assessed using Sport England's Playing Pitch Strategy and Outdoor Sports Guidance. The strategy covers both playing pitches and three priority outdoor sports:

Pitch sports:

- Football pitches
- Rugby union pitches
- Rugby league
- Cricket pitches
- Third generation artificial grass (3G) pitches
- Hockey pitches (artificial grass pitches - including use for football)
- Other pitch sports - Gaelic sports, Lacrosse, American football, Baseball and Softball.

Outdoor sports:

- Outdoor bowling greens
- Outdoor tennis courts
- Athletics facilities
- Golf facilities
- 3x3 basketball courts

- 4.2 Pitch sports have been assessed using the guidance set out in Sport England's Playing Pitch Strategy Guidance: An approach to developing and delivering a playing pitch strategy.
- 4.3 Outdoor sports have been assessed using Sport England's Assessing Needs and Opportunities Guidance (2014). Non-pitch outdoor sports require a different methodology to assess demand and supply to that used for pitch sports.
- 4.4 The city has been split into four distinct areas, termed analysis areas, for the purpose of this study. The site-by-site action plans are also aligned to the four analysis areas:
- North area – population 155,189³
 - Central area – population 188,634
 - South area – population 137,396
 - Wythenshawe area - population 74,522
- 4.5 The Analysis Areas fit in-line with the Council's community strategy Our Manchester and ward-based plans to support the Council's ambition to provide Manchester residents with access to high quality sport facilities at a neighbourhood level.
- 4.6 Whilst the analysis areas should be used for the basis of reporting, the strategy also addresses the sport specific geography of Manchester. Many sports and leagues cross these boundaries and pitch facilities in one area may

³ ONS Mid-2020 Population Estimates for Lower Layer Super Output Areas in England and Wales

also be suitable for clubs in another area. This cross-boundary movement has therefore been taken into consideration when producing the strategy.

5.0 Governance

- 5.1 A Project Steering Group was established to lead the development and implementation of Manchester PPOSS. It is made up of representatives from the Council, Sport England, Greater Sport, pitch sport National Governing Bodies of Sport (NGBs), namely the Football Association (FA), Manchester County Football Association (MFA), England and Wales Cricket Board (ECB), Lancashire County Cricket Board (LCCB), the Rugby Football League (RFL), the Rugby Football Union (RFU) and England Hockey (EH), English Lacrosse, and the Lawn Tennis Association (LTA), Softball Baseball UK (SBUK) plus the University of Manchester and Manchester Metropolitan University.
- 5.2 The steering group will remain operational for the lifespan of the strategy. The focus of work is as follows:
- Be a champion for playing pitch and outdoor sport provision in the area and promote the value and importance of the PPOSS.
 - Ensure implementation of the PPOSS recommendations and action plan.
 - Monitor and evaluate the outcomes of the PPOSS.
 - Ensure that the PPOSS is kept up to date and refreshed.
- 5.3 The sports organisations and education establishments have a vested interest in ensuring existing playing fields, pitches and ancillary facilities can be protected and enhanced. Many of the objectives and actions will be delivered and implemented by sports organisations and education establishments in addition to the Council.

6.0 Vision and Strategic Aims

Vision

- 6.1 The proposed vision has been developed following engagement with stakeholders and describes what we are seeking to achieve through the PPOSS.

“To be a city recognised for its high quality of life, with a network of quality, accessible and sustainable green spaces and world-class sports, leisure and playing pitch facilities, which offer inclusive services to all and capable of supporting sport, health and wellbeing of all residents across their life course; enabling the inactive to become active and more residents to fulfil their potential by participating in sport and physical activity, thus improving their long-term health and well-being.”

Strategy Aims and Recommendations

- 5.2 The following overarching aims are based on the three Sport England themes. It is recommended that they are adopted by the Council and

partners to enable delivery of the overall PPOSS vision and Sport England planning objectives.

Table 1 – AIMS and Recommendations

AIMS	Recommendations
To protect the existing supply of outdoor sport facilities where it is needed to meet current and future needs.	<p>A. Ensure through the provision of the Playing Pitch and Outdoor Sport Strategy that the outdoor sport facilities are protected through the implementation of local planning policy.</p> <p>B. Secure tenure and access to sites for high quality, development minded clubs, through a range of solution and partnership agreements.</p> <p>C. Maximise the use of community sites where there is a need to do so.</p> <p>D. Protect all current supply of provision for each sport, in order to cater for the current and future demand, no matter if it's considered to be sufficient.</p>
To enhance outdoor sport facilities and ancillary facilities through improving quality and management of sites.	<p>E. Improve quality.</p> <p>F. Adopt a tiered approach (hierarchy of provision) to the management and improvement of sites.</p> <p>G. Work in partnership with stakeholders to secure funding.</p> <p>H. Secure developer contributions.</p>
Aim 3 - To provide new outdoor sports facilities where there is current or future demand to do so	<p>I. Identify opportunities to add to the overall stock to accommodate current and future demand.</p> <p>J. Rectify quantitative shortfalls through the current stock.</p> <p>K. Consider opportunities to meet the need of community demand for playing pitches and outdoor sport facilities through new and proposed education facilities.</p>
Aim 4 - To provide a collaborative and holistic approach across all sporting provision given substantial levels of cross authority (imported and exported) demand.	<p>L. work with neighbouring local authorities to identify co investment opportunities in order to deliver strategic projects to address cross authority demand issues/shortfalls.</p>

6.0 Supply and Demand Update

6.1 The table below sets out the current and future demand sport by sport to inform where there is either current and / or future shortfalls in facility supply.

Table 2 – Headline Findings

Sport	Analysis area	Current demand		Future demand (2031)
		Pitch type	Current capacity total in MES ^[1]	Future capacity total in MES
Football (grass pitches)	North	Adult	At capacity	Shortfall of 4
		Youth 11v11	Spare capacity of 1.5	Shortfall of 1.5
		Youth 9v9	Spare capacity of 1	Shortfall of 1
		Mini 7v7	Spare capacity of 0.5	Spare capacity of 0.5
		Mini 5v5	N/A ⁴	N/A
	Central	Adult	Spare capacity of 2.5	Shortfall of 1
		Youth 11v11	Shortfall of 0.5	Shortfall of 3
		Youth 9v9	At capacity	Shortfall of 0.5
		Mini 7v7	At capacity	Shortfall of 2.5
		Mini 5v5	N/A	N/A
	South	Adult	Spare capacity of 9.5	Spare capacity of 7.5
		Youth 11v11	Shortfall of 1.5	Shortfall of 3.5
		Youth 9v9	Shortfall of 1.5	Shortfall of 1.5
		Mini 7v7	Spare capacity of 5	Spare capacity of 5
		Mini 5v5	N/A	N/A
	Wythenshawe	Adult	Shortfall of 2.5	Shortfall of 5.5
		Youth 11v11	Spare capacity of 0.5	Shortfall of 1.5
		Youth 9v9	Shortfall of 1.5	Shortfall of 2.5
		Mini 7v7	Shortfall of 1.5	Shortfall of 2.5
		Mini 5v5	N/A	N/A
Football (3G pitches)	Manchester	Full size, with sports lighting.	Significant capacity issues within the South and Wythenshawe	Significant capacity issues within the South and Wythenshawe

^[1] MES – match equivalent sessions per week (per season for cricket)

⁴ Mini 5v5 matches are not presently played on grass football pitches, therefore there is no relevant position because all play is held on 3G pitches.

Sport	Analysis area	Current demand		Future demand (2031)
		Pitch type	Current capacity total in MES ^[1]	Future capacity total in MES
			areas which have limited amounts of spare capacity for additional demand.	areas which have limited amounts of spare capacity for additional demand.
Cricket	North	Senior grass cricket wickets	Shortfall of 14 match equivalent sessions a season.	Shortfall of 14 match equivalent sessions a season.
	Central	Senior grass cricket wickets	At capacity	At capacity
	South	Senior grass cricket wickets	Shortfall of 14 match equivalent sessions a season.	Shortfall of 26 match equivalent sessions a season.
	Wythenshawe	Senior grass cricket wickets	At capacity	At capacity
Rugby union	North	Senior	Shortfall of 1	Shortfall of 1
	Central	Senior	At capacity	At capacity
	South	Senior	Shortfall of 7	Shortfall of 9
	Wythenshawe	Senior	Shortfall of 1.25	Shortfall of 2.75
Rugby league	Manchester	Provision	Spare capacity	Potential shortfall of grass pitches based on growth ambitions.
Hockey (sand AGPs)	Manchester	Full size, with sports lighting.	Shortfall of relevant pitches of suitable	Shortfall of relevant pitches of suitable accessibility and quality.

Sport	Analysis area	Current demand		Future demand (2031)
		Pitch type	Current capacity total in MES ^[1]	Future capacity total in MES
			accessibility and quality.	
Tennis	Manchester	Courts	Shortfall	Shortfall
Bowls	Manchester	Greens	Spare capacity	Spare capacity
Athletics	Manchester	Tracks	Sufficient quantity, but quality issues	Sufficient quantity, but quality issues
Golf	Manchester	Courses	Spare capacity	Spare capacity
Other sports	Manchester	Provision	Sufficient for American football, Lacrosse and Softball & Baseball. Insufficient for Gaelic Sports and MUGAs / Outdoor (3x3) Basketball.	Sufficient for American football, Lacrosse and Softball & Baseball. Insufficient for Gaelic Sports and MUGAs / Outdoor (3x3) Basketball.

- 6.2 The existing position for each sport is either that demand is being met or that there is a shortfall, whereas the future position shows the creation of shortfalls for some pitch types and in some areas where demand is currently being met, as well as the exacerbation of existing shortfalls.
- 6.3 Where demand is being met, this does not necessarily equate to a surplus of provision, with any spare capacity instead considered to be a solution to addressing current or future demand shortfalls. There is a resultant need to protect all existing outdoor sport provision until all demand is met, or there is a requirement to replace provision in accordance with Sport England's Playing Fields Policy.
- 6.4 For football there are current grass pitch capacity shortfalls for adult pitches (Wythenshawe Analysis Area), youth 11v11 pitches (Central and South analysis areas), youth 9v9 pitches (South and Wythenshawe analysis areas) and mini 7v7 pitches in the Wythenshawe Analysis Area. Additional capacity shortfalls will be created for adult pitches (North and Central analysis areas) youth 11v11 football pitches (North and Wythenshawe analysis areas), youth

9v9 pitches (North and Central analysis areas) and mini 7v7 pitches in the Central Analysis Area when accounting for future demand.

- 6.5 These grass pitch shortfalls for football can generally be alleviated with pitch enhancements as part of sports development initiatives.
- 6.6 There are 3G pitch shortfalls identified within the South and Wythenshawe areas for full size 3G pitches. There are advanced plans to address shortfalls underway.
- 6.7 Rugby league has no current shortfalls, however, has minor future shortfalls which can be alleviated by converting existing grass pitches where there is a need to do so.
- 6.8 For rugby union, overplay can generally be alleviated via maintenance of drainage enhancements, however, other options such as greater utilisation of World Rugby compliant 3G provision, removal of rugby league demand and creation of additional sports lighting/more even dispersal of demand should be explored.
- 6.9 There is a shortfall of hockey suitable pitches of a suitable quality and security of tenure. To overcome the AGP pitch shortfalls, options should be explored, to refurbish a number of pitches in addition to securing long term hockey usage on them, particularly at Brantingham Road, Parrs Wood High School and William Hulme Grammar School.
- 6.10 For cricket, although most shortfalls can be reduced through improving quality, there is still a need to consider increasing capacity at certain sites, either through greater utilisation of Non-Turf Pitches or the creation of hybrid wickets.
- 6.11 For non-pitch sports such as Tennis, Multi Use Games Areas, and Gaelic sports there are projected shortfalls, whereas, bowls, golf, American football, Lacrosse, and Softball & Baseball has sufficient provision. There is sufficient provision of athletics tracks, however, there is a need to improve their quality.
- 6.12 For most sports the future demand for provision identified in Manchester can be overcome through maximising use of existing pitches through a combination of:
 - Improving pitch quality in order to Improve the quality of such provision (i.e., through increased maintenance or improved drainage) will increase capacity at the sites and as a consequence reduce both current and future shortfalls.
 - Transferring demand from overplayed sites to sites with spare capacity.
 - Reinstate disused / unused sites where there is a need to do so in order to help alleviate future shortfalls.
 - Replace Artificial Grass Pitches (AGPs) at end of life.

- Where possible, strategically and sustainability transfer football demand from hockey suitable AGPs, particularly within the South Analysis Area, to 3G pitches to release capacity for the growth of hockey.
 - Securing long term community use at school sites.
- 6.13 In addition to above there is insufficient access to quality changing provision citywide to meet current and future sport specific needs (short-term priorities are detailed in the Action Plan). Sites which predominantly accommodate adult and/or older junior age group sports should be prioritised for improvements (e.g., Hough End Playing Fields), whilst there is a trend for younger junior age groups (particularly for football) not to require use of changing provision, with suitable male and female toilet provision for players and spectators considered to be of greater importance.
- 6.14 Given the need to protect all existing playing fields until demand can be met, Manchester's population growth, housing growth, and education Growth, the Council is already working closely with Sport England to ensure that this strategic context is considered and that the optimum balance of meeting the needs of communities is achieved. The Playing Pitch Strategy, relationship with Sport England and the planning process provides the mechanism to this approach going forward.
- 6.15 Adopting the PPOSS will enable the Council to cement the framework for investment with stakeholders and enable the continued development of our playing field infrastructure.

7 Key Recommendations

- 7.1. Based on the assessment of supply and demand, a number of sports specific recommendations have been made that can be found in appendix 1. Furthermore, a series of strategic recommendations have been developed via a combination of information gathered during consultation, site visits and analysis have been made and can be found in appendix 2. These recommendations reflect the overarching and common areas to be addressed, which apply across the outdoor sporting infrastructure and may not be specific to just one sport.

8.0 Short-Term Action Plan

- 8.1 The table below sets out the recommended short-term actions to be delivered over the next 12 – 18 months.

Table 3 – Short-Term Action Plan

Site/organisation name	Analysis Area	Recommended Action	Indicative costs
Various	Various	Seek FA/FIFA certification of full-sized pitches to	Low

		increase capacity available for match play at peak time – may include need to improve quality to pass testing.	
New School Build Extensions	All	Determine mix of new sporting provision and secure access through Community Use Agreement for community use.	High
Various	Various	Explore opportunities to improve pitch quality via enhanced maintenance.	Low
Multi	Various	Explore opportunities to improve quality and provision of high-quality ancillary facilities in particular on multi pitch sites. At the same time explore opportunities to develop new management arrangements with anchor clubs / community groups to sustain quality and increase capacity of use.	Medium-High
Various	Various	Explore opportunities to improve quality of tennis courts and provision of new gate systems to track and monitor access and use of.	Low
Various	Various	Explore opportunities to enhance and provide new Multi Use Games Areas via FA Playzone Programme in areas of most need to tackle inequalities in participation.	Low-Medium

Manchester Regional Arena	North	Sustain track quality with appropriate maintenance. Explore the potential of improving ancillary provision. Prioritise upgrading sports lighting to meet lux level requirements to host championship events	Low-Medium
The Manchester College Openshaw Campus	North	Re-provide One Full Size 3G pitch as a like for like replacement for The Manchester College - Nicholls Community Football Centre. Secure, Monitor and Implement a Community Use Agreement.	High Low
Cheetham Hill Cricket Club	North	Provide new non turf cricket wicket to address junior demand.	Low
Manchester Communications Academy	North	Explore the opportunity to resurface poor quality 3G Pitch.	High
Scotland Hall Road Park	North	Upgrade Multi Use Games Area to include installation of Lighting as part of a National Playzone Pilot.	Medium
Wright Robinson College	Central	Improve and sustain 3G pitch quality with enhanced levels of maintenance.	Low
Brantingham Road	South	Secure community access to the Sand Dress AGP for community hockey clubs.	Low
Lloyd Hotel	South	Sustain green quality with appropriate	Low

		<p>maintenance.</p> <p>Explore the potential of improving ancillary provision.</p> <p>Ensure renewal of the lease agreement to ensure continued use of the green for Lloyd Hotel BC.</p>	
Ladybarn Park	South	Upgrade Multi Use Games Area to include installation of Lighting as part of a National Playzone Pilot.	Medium
Hough End Playing Fields	South	Development of Football Hub Facilities including two new 3G pitches (cork infill), Leisure Centre Extension, new car parking and grass pitch improvements via enhanced maintenance.	High
Hough End Playing Fields	South	Explore the opportunity to relocate Gaelic Sport pitches and develop two compliant Gaelic sport pitches with championship facility requirements adjacent to Broughton Park FC.	Medium-High
Brooms Edge	South	Consider establishing alternative management arrangement onsite with Didsbury Sports Associate to alleviate identified overplay at Didsbury Sports Club. This would include the relocation of a manhole cover.	Low-Medium
Newall Green High School	Wythenshawe	Engage new school to ensure both grass pitches and full size 3G pitch are enhanced in quality, via relevant methods (pitch	

		improvements and refurbishment), to meet school and community need. Secure Community Use Agreement to protect future use in accordance with local sport priorities.	
Wythenshawe Park	Wythenshawe	Improve pitch quality through enhanced maintenance. Explore the opportunity to replace current changing block with a new development purpose-built facility to service all sports. Reinstate disused pitches. Explore the feasibility for the site to be developed to alleviate 3G issues in co-ordination with Trafford council.	Low-Medium-High
Disposal / Housing Developments	Various	Any disposals or housing development where section 106 funds are realised may result in a mitigation strategy to address any impact on the PPS. This may result in specific proposals coming forward over the 18 months.	Low-Medium-High

5 Low - less than £50k; Medium - £50k-£250k; High £250k and above.

- 8.2 The short-term action plan includes the need to inform new school facility plans to ensure the right facilities are in the right place to deliver school and community priorities, as well as development of anchor club and new management arrangements at key Council / Community / Education playing

pitch sites. A key action will be the development of community use agreements for adoption by planning authority and continued development of long-term partnership agreements / new lease arrangements to provide security of tenure and platform for growth of local clubs and community groups at each site. All management arrangements will be underpinned by local sport development plans and a viable facility business plan.

- 8.3 All short-term facility priorities are identified in Leisure's Capital Programme or currently being brought forward with external partners.
- 8.4 Manchester PPOSS Site by Site Action Plan will remain a live document until the end of 2031.

9.0 Investment Opportunities

- 9.1 Manchester City Council with the Sport and Leisure sector is seeking to bring forward a long-term capital investment strategy that delivers growth and secures a sustainable future for our outdoor sport facilities.
- 9.2 Manchester outdoor sport facility investment strategy will be developed in a manner that addresses the current and future sport specific and area needs, which in turn have informed the evidence base and strategic considerations for priority projects. Facility proposals will be brought forward in consultation with the community and will be subject to a strong business case, viable business plan and funding being secured – primarily from external partners and sources.
- 9.3 National investment is prioritised for projects that can demonstrate a considerable impact to grow sport participation and tackling inequalities in physical activity and access to facilities in areas of most need. The following table of National Governing Bodies have a facility grant investment programme in place.

National Governing Body Funding

National Funding Bodies	Capital Investment Programme
Sport England	Various Capital and Revenue Grants available under and over £10,000, no set threshold for Local Authority Strategic Facility Fund.
Lawn Tennis Association	Capital Grants – no set threshold Interest free loan up to £250,000. Specific Local Authority Funding Programmes include: <ul style="list-style-type: none"> • Parks Tennis Court Refurbishment Programme • Access Gate Systems

Rugby Football Union	Grants and interest free loan up to £100,000
Rugby Football League	Capital Grants available under and over £15,000, no set threshold.
Softball Baseball UK	Baseball Tomorrow Fund – no set threshold.
The England and Welsh Cricket Board	Club interest free loan scheme Local Authority Non -Turf Cricket Wicket Investment Programme under and over £12,000, no set threshold.
Football Foundation	Capital and Pitch Improvement Revenue Grants – no set threshold. Specific Local Authority Funding Programmes include: <ul style="list-style-type: none"> • Grass Pitch Improvement Programme • Football Hubs Programme • PlayZones Programme (Enhancement and Development of Multi Use Games Areas and Recreational Football Facilities)
Gaelic Athletics Association	Game Development Fund – no set threshold.

- 9.4 It should be noted that additional projects will be added to the pipeline from time to time, often in response to the council identifying external funding to support partner ambitions and following contributions being made following a property/ housing development which will be assessed in consultation with Sport England and relevant National Governing Bodies of Sport. These funding opportunities are set out below.

Section 106 Funding (S106)

- 9.5 All proposed developments for alternative use of playing field land would need to refer to the PPOSS to help determine what impact the development will have on the current supply and demand of playing field facilities in the area. The PPOSS outlines the need to protect, enhance or provide playing field facilities to address current and future demand. If alternative plans are to be brought forward a mitigation plan will need to be agreed and signed off by Sport England and relevant NGB's as statutory consultees for replacement of loss of recreational green space and / or playing field land. In this case, a sum will be agreed to re-provide and /or improve sport facilities in the locality area.
- 9.6 The PPS also highlights the need to 'ensure adequate provision for increased demand generated by housing developments is secured through appropriately calculated developer contributions'. Sport England have developed a planning portal to inform developer contributions. The planning portal will provide increase demand generated from the proposed development and if there is a

requirement to contribute to sport facilities to address new demand. If there is a case for improvements or new provision, a S106 agreement and sum towards the required provision will be agreed before planning approval is granted.

Sale of Assets

- 9.7 The sale of club owned assets either part or in full can enable clubs to capitalise the land receipt to build more modern efficient facilities to deliver club development plans and develop a sustainable operating model. Clubs' facilities are often not fit for purpose and are not designed to maximise income opportunities. In this case, clubs may consider land for housing to create an investment strategy to improve facilities from the existing location and / or provide a capital receipt to build facilities at a new location. Whalley Range Cricket Club is an example of this, whereby they sold part of their land to modernise the club house and improve playing field land.

Private Investment

- 9.8 There are opportunities to work with private organisations to invest into sport and leisure assets across Manchester. This involves working with potential investors to identify sport and leisure space and to assist them in understanding the implications of an investment in the sector. Private investment will be explored where there are opportunities to deliver a balanced offer of commercial and community programmes to deliver the priorities identified in the indoor and outdoor facility strategy.

10.0 Conclusion

- 10.1 The current position for all pitch sports is either demand is being met or there is a shortfall. The future position shows exacerbation of current shortfalls in some playing pitch types. Majority of the sites have recommendations to maximise use through improve pitch quality and maintenance. There is also a need to secure long-term community use at school / Council / Community sites to sustain and grow affiliated sport and informal play. The Action Plan identifies there is a need to either protect, provide, or enhance existing facilities to address projected deficiencies over the lifespan of the strategy (2022 – 2031).
- 10.2 The Council led steering group will monitor and lead implementation of the PPOSS which will remain live working documents to be updated annually to reflect current area and sport specific priorities. Site specific plans will be added to the Leisure Capital Programme once the business case and investment strategy is brought forward.

11.0 Recommendations

The Executive is recommended to approve the Manchester Playing Pitch and Outdoor Sport Strategy for adoption by Manchester Planning Authority.

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APPENDIX 1 – SPORT SPECIFIC RECOMMENDATIONS

Recommendations – Football

Grass Pitches

- Protect existing quantity of pitches until all shortfalls are met (unless replacement provision meets Sport England Playing Field Policy requirements).
- Sustain pitch quality and seek improvements where necessary, focusing on poor quality and overplayed sites.
- Look at reinstating unmarked pitches in order to help alleviate future shortfalls.
- Reconfigure pitches from adult to youth 11v11 provision at those sites which have spare capacity.
- Look to work with clubs with their strategic ambitions to develop football provision for example Blackley FC (Plant Hill Park), Kingsway Athletic FC (Cringle Fields) and Wythenshawe Amateurs FC (Hollyhedge Park).
- Work to accommodate future demand at sites which are not operating at capacity or at sites not currently available for community use.
- Improve ancillary facilities where there is a clear need to do so.
- Ensure clubs playing within, or with aspirations to play within, the National League System can meet Ground Grading requirements to progress.
- Undertake PitchPower technical quality assessment of Council managed sites as part of the Football Foundation local authority pitch improvement pilot programme. Review PitchPower evidenced quality at Stage E and review and update PPOSS action plan where required.
- Support non-local authority providers to undertake PitchPower assessment and to access and implement measures to improve pitch quality.
- Update the Local Football Facility Plan following completion of the PPOSS.

3G pitches - Recommendations

- Protect current stock of 3G pitches.
- Ensure the pitch at The Manchester College (Nicholls Community Football Centre) is suitably replaced by a new pitch at The Manchester College Openshaw Campus in mitigation for its loss.
- Look to refurbish the 3G pitches at end of life.
- Deliver new 3G pitch provision within the South Area, proposed at Hough End Playing Fields, to meet current and future shortfalls.
- Develop a co-ordinated approach, with Trafford Council, regarding the development of new 3G pitch provision to address cross boundary issues in the Wythenshawe Analysis Area. Suitable sites should include, but not be limited to, Wythenshawe Park. Furthermore, this should factor in potential refurbishment of the pitch at disused site Newall Green High School.
- Ensure any potential future 3G pitch aspirations are strategically assessed by the PPOSS Steering Group to safeguard the long-term viability of current provision.

- Explore increasing the utilisation of World Rugby compliant 3G pitches for rugby union training demand.
- Encourage more match play demand to transfer to 3G pitches to alleviate overuse of grass pitches where appropriate.
- Ensure all current and future providers have in place a sinking fund to ensure long-term sustainability, repairs, and resurfacing.
- Ensure all pitches remain on the relevant NGB registers and retested as required.
- Look to move youth 9v9 demand away from Council grass pitches and onto 3G pitches in a phased approach.
- Look to explore options to prevent the unsolicited conversion of artificial grass surfaces including, but not limited to, the removal of permitted development rights.
- Aim to strategically and sustainably transfer football demand from hockey suitable AGPs, particularly within the South Analysis Area, to 3G pitches to release capacity for the growth of hockey. This should not be done to the detriment of either sport.
- In line with Sport England guidance, Manchester City Council Planning Authority requires a planning application where any playing pitch surface is being changed from one type to another, such as sand based to 3G as this would constitute an engineering operation (there are some exceptions to this, but the advice would always be to check with the Local Planning Authority first.) This is to enable consideration of potential issues including those relating to surface drainage, noise, lighting, and to allow consultation to take place with Sport England to ensure that any impact on sports provision is assessed.
- In line with Manchester City Council guidelines where a playing pitch surface is being replaced with the same type i.e., sand based to sand based or 3G to 3G, this would be considered maintenance and no planning application would be required.
- Establish a PPOSS Task and Finish Group as part of the Stage E process in order to monitor and examine ongoing developments in more depth.
- The Stage E process should look to understand the following regarding supply and demand for 3G and AGPs including but not limited to; levels of community access and utilisation on all provision at the Armitage Sports Centre, re-evaluate the aspirations from Manchester Metropolitan University to develop hockey suitable provision at Platt Lane Sports Complex and understanding the impact of the conversion of the hockey suitable AGP to 3G at Armitage Sports Centre on the overall supply and demand for each sport.

Recommendations – Cricket

- Protect existing quantity of cricket squares.
- Improve all poor and standard quality grass squares to good quality through enhanced levels of maintenance.
- Sustain and maintain the provision of community available NTPs, particularly from the significant issue of vandalism, within parks sites to support the growing demand of midweek and recreational cricket.

- In the longer term, explore the feasibility of installing hybrid wickets on sites which are overplayed and have limited capacity, particularly at Didsbury Cricket Club and Whalley Range Cricket and Lawn Tennis Club.
- Work with clubs and grounds staff to review quality issues on squares to ensure appropriate quality is achieved/sustained.
- Work with clubs to improve the quality of their ancillary provision where there is a clear need to do so.
- Assist clubs in developing/refurbishing their training facilities where there is a clear need to do so.
- Continue to support the development of cricket with the engagement of ECB initiatives such as All Stars, Dynamos and Softball cricket.
- Ensure that any developments nearby to existing cricket sites do not prejudice the use of the provision (e.g. through ball-strike issues).

Recommendations – Rugby League

- Maintain access to RFL Community Standard 3G pitch at Belle Vue Sports Village and use of grass pitches at Painswick Park.
- As part of RFL location look establish use of grass infield area at Manchester Regional Arena for Rugby League use if required.
- Continue the developing of provision at Our League Life Nation Centre.
- Support the creation of a CUA at East Manchester Academy and look to increase community engagement.
- Look to develop further grass pitches, based on levels of demand, within the North and/or Central analysis area.

Recommendations – Rugby Union

- Existing quantity of rugby union pitches to be protected.
- Improve the levels of maintenance by either one or two increments at Didsbury Sports Ground, Fletcher Moss Park, North Manchester Rugby Club, Old Bedians Sports Club, Painswick Park and Hough End Playing Fields (pitches leased by Broughton Park RUFC).
- If maintenance can be enhanced at North Manchester Rugby Club, Old Bedians Sports Club and Hough End Playing Fields, as required, look to disperse demand more evenly across the pitches. This may require additional sports lighting.
- Explore the feasibility of improving drainage at Painswick Park and Fletcher Moss Park.
- Look to improve relevant accompanying ancillary provision as required.
- Seek to establish greater utilisation of current World Rugby compliant 3G pitch stock to transfer training demand away from overplayed grass pitches.
- Continue to develop strong relationships between rugby clubs and schools through curricular and extracurricular programmes in order to increase levels of mini and junior participation.
- Explore the feasibility of relocating a manhole cover on the disused pitch at Didsbury Sports Ground and reinstating the pitch in order to alleviate overplay.

Recommendations – Hockey

- Protect all current full-size hockey suitable AGPs and retain for hockey demand.
- Aim to relocate football demand, strategically and sustainably off hockey suitable AGPs, particularly within the South Analysis Area, in order to provide additional capacity for the growth of hockey. This should not be done to the detriment of either sport and should also be in the partnership with the FF/MFA.
- Work to ensure that community use is secured long term at Brantingham Road and Chorlton High School South.
- Look to refurbish the pitch at William Hulme Grammar School as a hockey suitable surface and secure long term community use.
- Once a pitch is refurbished ensure that a condition of funding is that an appropriate sinking fund is in put in place.
- To agree secured usage, in consultation with the Hockey User Group and relevant stakeholders, on the remaining hockey suitable AGPs at the Armitage Sports Centre to ensure there are suitable levels of capacity to meet demand.
- Establish a PPOSS Task and Finish Group as part of the Stage E process in order to monitor and examine on going developments in more depth.
- The Stage E process should look to understand the following regarding supply and demand for 3G and AGPs including but not limited to; levels of community access and utilisation on all provision at the Armitage Sports Centre, re-evaluate the aspirations from Manchester Metropolitan University to develop hockey suitable provision at Platts Lane Sports Complex and understanding the impact of the conversion of the hockey suitable AGP to 3G at Armitage Sports Centre on the overall supply and demand for each sport.
- In line with Manchester City Council guidelines where a playing pitch surface is being replaced with the same type i.e. sand based to sand based or 3G to 3G, this would be considered maintenance and no planning application would be required.

Recommendations – Tennis

- Retain and sustain quality of club courts for competitive play through implementation of appropriate maintenance regimes.
- Examine potential options on how to alleviate shortfalls at Whalley Range Cricket and Lawn Tennis Club including enhancing/developing on site provision.
- Monitor levels of pay and play demand at Fallowfield Bowling & Tennis Club as part of the Stage E process to understand if additional provision is required.
- As a priority, look at establishing a bespoke package of investment between the Council and LTA to improve the quality and accessibility of identified park sites particularly within the North Analysis Area.
- If successful with the above recommendation monitor levels of demand and examine the feasibility of creating dedicated indoor tennis provision in partnership with established tennis clubs in the City.

- Where applicable, assist clubs in enhancing their ancillary provision (Whalley Range Lawn TC and Fallowfield Lawn TC).
- Consider the feasibility of operating LTA programmes such as Tennis for Kids, Tennis for Free and Great British Tennis Weekend in the City to attract new players to the sport.

Recommendations – Athletics

- As a priority look to refurbish the athletics tracks at Boggart Hole Clough and Wythenshawe Park and ensure the provision is protected to accommodate current and future athletics demand.
- Look to improve accompanying ancillary where appropriate.
- Consider the feasibility of operating additional athletic programmes such as Park Runs, Couch to 5K.

Recommendations – Golf

- Retain all current, in-use affiliated golf facilities.
- Sustain course quality and seek improvements where necessary through implementation of appropriate maintenance regimes.
- Support clubs in membership retention and potential growth.
- Encourage clubs and providers to work more collaboratively in terms of creating pathways for existing and new players.

Recommendations - Other Playing Pitch Sports and Outdoor Facilities

American football

- Current demand for American football in Manchester can be accommodated with no known requirement for additional access to provision.
- There is a need for development of the 3G pitch inside the speedway track at Belle Vue Sports Village to meet requirements and guidelines for the 2023 season.

Bowls

- Retain existing quantity of greens.
- Ensure that any potential development of greens considered as disused are mitigated in line with Sport England NPPF.
- Assist clubs, where possible, with any future ancillary provision improvements
- Support clubs with plans to increase membership so that growth can be maximised.

Lacrosse

- Current quantitative supply of lacrosse pitch provision is considered sufficient to meet both current and future demand for lacrosse match play.
- There is a need for access to better quality training facilities for community clubs in the City (i.e. 3G and AGP surfaces).

Gaelic sports

- Existing supply of Gaelic sports pitches in Manchester is insufficient to meet current and anticipated future demand for Gaelic sports.

- There are issues with quality, pitch specification and compliancy which require addressing in order to meet current, future and presently exported demand.

Softball and baseball

- Current supply of baseball and softball pitch provision is considered sufficient to meet both current and future demand for the sports.

Multi-Use Games Areas (MUGA) and Outdoor (3X3) Basketball

- There is an insufficient supply of MUGAs and basketball courts across the City. This predominately relates to poor quality.
- There is a need to develop a dedicated outdoor basketball venue suitable to host outdoor 3X3 competitions.

APPENDIX 2 – STRATEGIC RECOMMENDATIONS

Recommendation – Ensure, through the use of the Playing Pitch & Outdoor Sport Strategy, that outdoor sports facilities are protected through the implementation of local planning policy.

- The PPOSS Assessment shows that all currently used outdoor sports sites require protection and therefore cannot be deemed surplus to requirements because shortfalls would occur both now and, in the future, if they were lost.
- Consideration should also be given to the protection of underused and poor quality sites from development or replacement as they may offer potential to meet shortfalls, particularly for rugby, in the future.
- National Planning Policy Framework (NPPF) Paragraph 99 states that existing open space, sports and recreational buildings and land, including playing fields, should not be built on unless:
 - An assessment has been undertaken which has clearly shown the open space, buildings or land to be surplus to requirements; or
 - The loss resulting from the proposed development would be replaced by equivalent or better provision in terms of quantity and quality in a suitable location; or
 - The development is for alternative sports and recreational provision, the benefits of which clearly outweigh the loss of the current or former use.
- Although there are some identified shortfalls of match equivalent sessions i.e. for rugby union and cricket pitches, most demand is currently being met and most shortfalls are likely able to be addressed through quality improvements. However, qualitative improvements should be secured as a sports development initiative and should not be used to mitigate the loss of playing field arising from a non-sport development. It is therefore, not recommended as a priority to identify 'new' sites for provision.
- The PPOSS should be used to help inform Development Management decisions that affect existing or new outdoor sports and ancillary facilities. All applications are assessed by the Local Planning Authority on a case by case basis taking into account site specific factors. In addition, Sport England is a statutory consultee on planning applications that affect or prejudice the use of playing fields and will use the PPOSS to help assess those planning applications against its own Playing Fields Policy¹.

Recommendation – Secure tenure and access to sites through a range of solutions and partnership agreements.

- Several education sites are being used in Manchester for competitive play, predominately for football (e.g. grass pitches at Parrs Wood High School, grass and 3G pitches at Wright Robinson Leisure) or for hockey (William Hulme Grammar School). However, use is not necessarily formalised and further work should be carried out to ensure an appropriate community use

¹https://www.sportengland.org/how-we-can-help/facilities-and-planning/planning-for-sport#playing_fields_policy

agreement is in place (including access to changing provision where required).

- For the remaining providers, National Governing Bodies, Sport England and other appropriate bodies such as the Football Foundation can often help to negotiate and engage with providers where the local authority may not have direct influence. This is particularly the case at sites that have received funding from these bodies or are going to receive funding in the future as community access can be a condition of the agreement.
- In the context of the Comprehensive Spending Review, which announced public spending cuts, it is increasingly important for the District Council to work with voluntary sector organisations to enable them to take greater levels of ownership and support the wider development and maintenance of facilities. To facilitate this, where practical, it should support and enable clubs to generate sufficient funds, providing that this is to the benefit of sport.
- The Council should continue to explore alternative options for the future management of some sites within its playing field stock, including long-term leasehold or Community Asset Transfer (CAT). Potential benefits of this include reducing costs which may allow for the retention and possible improvement of other retained sites, as well as potentially opening up new routes to improvement of sites and access to external funding opportunities through club-led management models. This should be brought forward in a sustainable manner that supports to deliver local sport-specific priorities.

Recommendation - Maximise community use of education facilities where there is a need to do so

- To maximise community use of education facilities it is recommended to establish a coherent, structured relationship with schools. Several sporting facilities are located on education sites and making these available to sports clubs can offer significant benefits to both the school/college and the local clubs.
- The Council and other key partners must work with schools and colleges to develop an understanding of the issues that restrict or affect community access.
- The highest priority sites for securing formal community access arrangements should be those schools which already have community use but do not have secured community use arrangements. These already provide an important role in meeting community needs but this must be secured to ensure continued use into the future. Where appropriate, it will be important for schools to negotiate and sign formal and long-term agreements that secure community use.

Recommendation – Improve quality

- Where facilities are assessed as standard or poor quality and/or overplayed, maintenance regimes should be reviewed and, where possible, improved to ensure that what is being done is of an appropriate standard to sustain/improve pitch quality.

- Ensuring continuance of existing maintenance of good quality sites is also essential.
- There is a need to improve poor quality changing provision and provide fit for purpose ancillary facilities in particular on multi pitch sites that accommodate adult and youth programmes.
- There is also a need to provide suitable male and female toilet provision on junior playing field sites to service players and spectators.

Recommendation – Secure developer contributions

- The PPOSS should be used to help determine the likely impact of a new development on demand and the capacity of existing sites in the area, and whether there is a need for improvements to increase capacity of existing provision or if new provision is required. Where a development is located within access of existing high-quality provision, this does not necessarily mean that there is no need for further provision or improvement to existing provision, as additional demand arising from the development is likely to result in increased usage (which can result in overplay or quality deterioration).
- Where it is determined that new provision is required to accompany a development, priority should be placed on providing facilities that contribute towards alleviating existing shortfalls within the locality. To determine what supply of provision is provided, it is imperative that the PPOSS findings are taken into consideration and that consultation takes place with the relevant National Governing Bodies of Sport (NGBs). This is due to the importance of ensuring that the stock of facilities provided is correct to avoid provision becoming unsustainable and unused, such as single grass pitch football sites without adequate ancillary facilities or new cricket/rugby grounds located away from existing clubs. Instead, multi-pitch and multi-sport sites should be developed, supported by a clubhouse and adequate parking facilities which consider the potential for future artificial grass pitch development.
- Several planning policy objectives could be implemented to enable the above to be delivered:
 - Planning consent should include appropriate conditions and/or be subject to specific planning obligations. Where developer contributions are applicable, a Section 106 Agreement should be made that specifies, when applied, the amount that will be linked to Sport England's Building Cost Information Service from the date of the permission and timing of the contribution/s to be made.
 - Contributions should also be secured towards the first ten years of maintenance on new pitches. NGBs and Sport England can provide further and up to date information on the associated costs.
 - External funding should be sought/secured to achieve maximum benefit from the investment into appropriate playing pitch facility enhancement and its subsequent maintenance.
 - Where new multiple pitches are provided, appropriate changing rooms and associated car parking should be located onsite.
 - All new or improved outdoor sports facilities on school sites should be subject to community use agreements.

Recommendation - Consider opportunities to meet the need of community demand for playing pitches through new and proposed education facilities

- The Council and its relevant education partners should consider how the creation of new school facilities in Manchester can meet the needs of community sport. New facilities (and particularly those in major new residential developments) may provide opportunities to address shortfalls for grass playing pitches which have been identified in the PPOSS. Securing the use of new school facilities through a formal community use agreement is now embedded as part of planning process. This provides a platform for local sports organisations to securely access facilities and ensure local sport development priorities can be met from each site.
- The PPOSS should be used as a baseline to inform the facility mix of playing pitches at any new school developments in the City (in line with consultation with the National Governing Bodies of Sport) to ensure that both community and educational needs are provided for.

Recommendation – Consider opportunities for cross boundary development

- There is evidence, provided within the PPOSS, indicating Manchester accommodates significant levels of imported demand from surrounding local authorities, which puts additional strain on the capacity and accessibility of its provision. To a lesser extent there is also Manchester based demand accessing provision in surrounding authorities such as Tameside, Trafford, Bury, Salford, Stockport, Oldham and Rochdale (otherwise known as exported demand).
- In order to effectively address this problem, it is recommended that the Council works collectively with neighbouring local authorities and other relevant stakeholder (such as Sport England and NGBs) to identify co investment opportunities in order to deliver strategic projects to address cross authority demand issues/shortfalls. This will include which local authority any new provision should be located in, based on strategic viability, in addition to agreeing match contributions to any relevant funding streams.

Manchester City Council Report for Resolution

Report to: Executive – 16 November 2022

Subject: Delivery of Affordable Housing - Project 500 (Update)

Report of: Strategic Director (Growth and Development)

Summary

This report responds to a meeting of the Executive in September 2019 where delegated authority was given to agree the disposal of a portfolio of sites in Council ownership for the provision of affordable homes in relation to Project 500.

It provides a progress update on the delivery of affordable homes as part of Project 500 and seeks agreement for the disposal of the first phase of sites. Phase 1 represents 378 homes delivered across 27 sites predominantly in the North and East of the city. Future phases of the programme in order to reach the 500 homes originally proposed are currently under consideration subject to evolving market conditions and will be informed by a review of the work to date on Phase 1.

Recommendations

The Executive is recommended to:

- (1) Note the progress to date.
 - (2) Approve the disposal of the identified land on the principal terms set out in this report.
 - (3) Authorise and delegate the Strategic Director of Growth and Development in consultation with the Deputy Chief Executive and City Treasurer to agree and finalise the detailed terms of the transactions.
 - (4) Authorise the City Solicitor to seek such statutory consents as may be necessary in regard to the disposal of identified land and conclude and complete all documents and agreements necessary to give effect to the terms agreed and the recommendations in this report.
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Wards Affected - Citywide

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-
The schemes which will be developed as part Project 500 will be designed in accordance with the environmental principles set out at Appendix 4. This includes looking at a fabric first approach to development, seeking to source low carbon

materials to reduce embodied carbon, intentions to exceed part L of the building regulations, use of renewable energy where possible, employing Modern Methods of Construction (MMC) and encouraging the inclusion and use of Electric Vehicle Charging points (EVC) and cycle facilities to promote sustainable travel.

Where possible the schemes will also incorporate landscaping features to encourage biodiversity, protect natural resources, enhance amenity and retain existing trees.

Project 500 delivers against a number of strategic objectives with carbon reduction being one of them. Despite inflationary cost pressures, low carbon principles have been preserved throughout the development of the project, and the Council will seek to embed this within the final schemes.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The proposed developments will create high quality, low carbon, affordable homes available to Manchester residents contributing to a diverse and distinctive economy. The developments will bring new people to the development locations helping to sustain economic activity within the city's neighbourhoods.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	The development of these sites will create a number of associated jobs, especially in construction. The proposed developments will provide quality homes on sites close to public transport and jobs. This will enable good mobility for future residents who work elsewhere in the city and chance for others to access opportunities for work and skills/ education outside of their immediate neighbourhood.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The delivery of Project 500 will provide much needed affordable housing – across a range of tenures including 89% of which are available at Social Rent or at the Manchester Living Rent alongside a proportion of home ownership products such as Rent to Buy and Shared Ownership.
A liveable and low carbon city: a destination of choice to live, visit, work	RP partners have committed to work towards zero carbon initiatives as part of Project 500. This will be embedded in the design of all new homes and includes a range of measures to explore (see Appendix 4).

A connected city: world class infrastructure and connectivity to drive growth	The schemes are being developed on well-connected sites close to existing transport links, communities, local amenities and jobs, designed to support a growing workforce.
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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 Financial Consequences – Revenue are contained within Part B of this report.

Financial Consequences – Capital

The Financial Consequences - Capital are contained within Part B of this report.

Contact Officers:

Name: Rebecca Heron
Position: Strategic Director, Growth & Development
Telephone: 0161 234 3030
E-mail: rebecca.heron@manchester.gov.uk

Name: David Lynch
Position: Director of Development
E-mail: david.lynch@manchester.gov.uk

Name: David Lord
Position: Head of Development
Telephone: 0161 235 1339
E-mail: david.lord@manchester.gov.uk

Name: Tommy Chapman
Position: Project Manager Strategic Housing
E-mail: tommy.chapman@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.

Draft Residential Growth Strategy, Executive, 4th November 2015

Housing Affordability in Manchester, Executive, 1st June 2016
Housing Affordability in Manchester, Executive, 14th December 2016
Housing Affordability Plan, Executive, 18th October 2017
Housing Affordability Plan New Products, Executive, 7th March 2018
Delivering Manchester's Affordable Housing Strategy, Executive, 12th December 2018
Delivering Manchester's Affordable Homes to 2025, Executive, 11th September 2019
Delivering Manchester's Affordable Housing Strategy, Executive, 25th March 2020
Manchester Housing Strategy (2022 – 2032), Executive, 22nd July 2022

1.0 Introduction & Background

- 1.1 The Council's Executive approved 'Delivering Manchester's Affordable Homes to 2025' in September 2019. Authority to dispose of a portfolio of sites was delegated to Strategic Director - Development, Deputy Chief Executive & City Treasurer and the City Solicitor, in consultation with the Executive Member for Housing and Regeneration. An update of the delivery of Project 500 is contained within this report.
- 1.2 Project 500 sets out to deliver affordable homes on small, non-commercially facing land assets owned by the Council. This is to be facilitated by 7 Registered Providers (RPs) - One Manchester, Great Places, Southway Housing Trust, Mosscafe St Vincents, Guinness, Jigsaw and Irwell Valley Housing Association. All providers are members of the Manchester Housing Providers Partnership (MHPP) framework.
- 1.3 Project 500 was conceived to deliver the following objectives:
 - Deliver 100% affordable housing on brownfield infill land
 - Address viability and deliverability issues through a portfolio approach to smaller sites
 - Dispose of multiple public owned sites at the same time to improve efficiencies around the associated work for the Council and RPs i.e. site finding, valuations, due diligence etc
 - Identify common areas of agreement i.e. legal matters relating to disposals.
 - Work to establish new ways of working with MHPP partners i.e. engagement through a single point of contact.
- 1.4 The project aims to provide an alternative delivery route for affordable housing that compliments traditional models and compliments the Councils wider Affordable Housing Programme.
- 1.5 The programme represents a new way of working between MCC and MHPP and this has impacted the speed of mobilisation along with inflationary market conditions impacting on the financial viability of some of the original sites.
- 1.6 Due diligence on ground conditions has been completed by the relevant RPs. Tenures and scheme designs have been negotiated by officers – identifying suitable tenures that match identified local demand but also unlock development viability.
- 1.7 Following this period of analysis, 27 sites have been identified as deliverable as part of Phase 1 of Project 500. This will deliver 378 affordable homes – 89% available for Social Rent or Manchester Living Rent. Further detail on the size and tenure of these homes can be found at Appendix 1¹.

¹ Final tenures may be subject to further change, but sites will always remain as affordable housing

2.0 Delivering our Housing Strategy objectives

- 2.1 Many of the sites are in areas of very high demand for affordable housing – principally North and East Manchester (as shown in Appendix 2) and correlate with areas of intervention identified within the city’s recently published Housing Strategy (2022-2032) seeking to deliver 10,000 new affordable homes over the decade.
- 2.2 The tenure mix across the project has been designed to deliver the optimal outcome to support the Council’s objectives, whilst remaining viable at a portfolio level. A breakdown of the phase 1 programme outputs is shown in Appendix 1 of this report. 30% of the homes will be available at Social Rent, 59% at Manchester Living Rent. It is therefore envisaged that Project 500 will provide housing for those most in need, contributing to wider Council efforts to reduce waiting times on the Housing Register and those currently housed in Temporary Accommodation.
- 2.3 The remaining 11% are due to be available for Shared Ownership or Rent to Buy. This will provide residents with an affordable route into home ownership and in accordance with our home ownership aspirations outlined in the new Housing Strategy.
- 2.4 Manchester has a target of becoming a Zero Carbon city by 2038. Project 500 prioritises low carbon housing and construction utilising Modern Methods of Construction (MMC) and recycled materials. Full details of the programmes environmental credentials are shown in Appendix 4.

3.0 Demonstration of Best Value

- 3.1 In line with the Council’s obligations to demonstrate and achieve Best Value, an appraisal has been undertaken for each site to consider residual land value. The appraisals had regard to the schemes proposed and was benchmarked against current build costs and values.
- 3.2 A full breakdown of residual land values is included within Part B of this report.
- 3.3 It should be noted that the programme is constituted of predominantly smaller sites which are less efficient in terms of design and remediation efficiencies.
- 3.4 The programme has been subject to additional viability pressures including high construction cost, inflation, labour and material shortages and the impact of Covid 19. Homes England affordable housing grant enables development to remain viable.
- 3.5 Cost savings have been achieved both through geographical grouping of sites between individual organisations and that RPs have worked collectively to procure legal and professional services.
- 3.6 It is acknowledged that Project 500 demonstrates strategic fit with the wider Council priorities in that:

- Project 500 schemes are achieving 100% affordable housing with 89% in either Social Rent or Manchester Living Rent tenures and a mix of housing suitable for those persons in most housing need across the city.
- Site viability is constrained but demand remains high for these affordable housing products. Despite these challenges this programme provides a new supply of affordable homes.
- The programme disposes of surplus land. This is due to the nature of the sites for which the majority would be difficult to develop in isolation and unlikely to be market facing. Disposal of sites will generate revenue savings by negating maintenance costs and completed homes will generate council tax income.
- The partnership has agreed to exploring low carbon principles as set out in Appendix 4 - which is a key strategic objective of the Council.

3.7 In summary, the sites included within this programme are generally more difficult to develop and face rising development costs however Project 500 demonstrates a strategic fit with the wider Council's aspirations for low carbon affordable homes in localities of high demand.

4.0 Disposal of land on a freehold basis

4.1 The September 2019 report to Executive committed the city to deliver an initial programme of affordable homes on small infill sites "on a leasehold basis unless there is an over-riding reason not to".

4.2 The fragmented nature of the sites and challenging development environment has prompted officers to review the proposal to dispose of the sites by way of a long lease. Following long discussions with MHPP regarding the tenure of the sites to be disposed of and the difficulties expressed by MHPP that would be presented if the disposals were on a long leasehold basis it is considered that the reasons put forward by MHPP represent an overriding reason not to dispose of the sites on a leasehold basis. The fundamental reasons (amongst others expressed by MHPP) is the change to Homes England funding requirements as well as the recent leasehold legislative changes relevant to long leaseholds for residential premises. In addition, although Shared Ownership structures are exempted from such legislative changes, MHPP anticipates that across the project there will be a large presence of initial shared ownership structure sales to buyers. In view for the potential of such buyers to eventually staircase to 100% and then call on the freehold transfer of their home, MHPP have stipulated that a freehold interest is needed to meet the requirements on final staircasing and the demand to take the freehold by the buyer. The Council is able to continue to secure their required objectives by way of freehold disposals of the sites rather than by way of long leasehold disposals and so proposes to dispose of the sites on a freehold basis. This is also aligned with the revised Homes England position, which requires as a minimum a 999-year lease where this is available.

4.3 Phase 2 future sites

- 4.4 The Council continues to evaluate the remaining sites within the original Project 500 programme along with engaging Homes England and GMCA on external grant funding opportunities.
- 4.5 It is envisaged that additional future sites may be identified as part of the asset review process currently being piloted as part of the new Strategic Asset Management Plan and subject to ongoing market conditions.
- 4.6 It is anticipated that Phase 2 will constitute 200+ new affordable homes with also a continuation of the prioritisation of Social Rent.

5.0 Conclusion

- 5.1 The delivery of a sustainable supply of Affordable Homes remains a challenge given current market conditions. Project 500 constitutes a new innovative method of supplementing the wider Affordable Housing Programme, utilising surplus non-market facing brownfield land.
- 5.2 Executive approved the disposal of the land in September 2019 and this reports updates Executive of the conclusions of the feasibility stage of the programme, outlining evaluation of the development proposals and finances along with the wider opportunity to mould the output to demonstrate the Council's delivery of the wider Housing Strategy.
- 5.3 The next stage of the project will move to supporting the delivery of the project working with MHPP, applying when needed Housing Affordability Funding (HAF) funding when required. Lessons learnt, identified efficiencies and accelerated processes shall be reflected in future phases.

6.0 Contributing to a Zero-Carbon City

- 6.1 Details on the environmental principles of Project 500 are set out in Appendix 4. This includes looking at a fabric first approach to development, seeking to source low carbon materials to reduce embodied carbon, intentions to exceed part L of the building regulations, use of renewable energy where possible, employing Modern Methods of Construction (MMC) and encouraging the inclusion and use of Electric Vehicle Charging (EVC) points and cycle facilities to promote sustainable travel.
- 6.2 Where possible the schemes will also incorporate landscaping features to encourage biodiversity, protect natural resources, enhance amenity and retain existing trees.
- 6.3 It is important to note however that evolving market conditions are putting increasing pressures on the ability of Registered Providers to deliver viable low carbon initiatives. Regardless, low carbon principles have consistently been part of discussions with RPs and will be investigated and acted upon on a site by site basis where viability allows.

7.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 7.1 The proposed developments will create high quality, low carbon, affordable homes available to Manchester residents contributing to a diverse and distinctive economy. The developments will bring new people to the development locations helping to sustain economic activity within the city's neighbourhoods.

(b) A highly skilled city

- 7.2 The development of these sites will create a number of associated jobs, especially in construction. The proposed developments will provide quality homes on sites close to public transport and jobs. This will enable good mobility for future residents who work elsewhere in the city and chance for others to access opportunities for work and skills/ education outside of their immediate neighbourhood.

(c) A progressive and equitable city

- 7.3 The delivery of Project 500 will provide much needed affordable housing – across a range of tenures including 89% which are set to be available for Social Rent or at the Manchester Living Rent alongside a proportion of home ownership products such as Rent to Buy and Shared Ownership.

(d) A liveable and low carbon city

- 7.4 RP partners have committed to work towards zero carbon initiatives as part of Project 500. This will be embedded in the design of all new homes and includes a range of measures to explore (see Appendix 4).

(e) A connected city

- 7.5 The schemes are being developed on well-connected sites close to existing transport links, communities, local amenities and jobs, designed to support a growing workforce.

8.0 Key Policies and Considerations

(a) Equal Opportunities

- 8.1 The properties developed as a result of disposal will be available to all people regardless of their age, race, religion, gender or other characteristics. The Council's Allocations Policy will be used and properties allocated via Manchester Move for affordable properties with which the city Council nominate tenants i.e social rented tenures.

(b) Risk Management

- 8.2 The extensive due diligence and scheme analysis undertaken to date provides a high level of certainty in relation to the viability of the proposals. The use of a wide range of partners across the MHPP to deliver the homes, along with support from HE at a strategic level to the proposition mitigates the risk associated with delivery. By simplifying the land sale and delivery arrangements, barriers to promoting the scheme are removed.

(c) Legal Considerations

- 8.3 Legal Considerations – Legal contained in Part B of this report

Appendix 1- List of Sites

Scheme Name	Ward	Registered Provider	Total Homes	Tenure				Mix			
				Social Rent	Affordable Rent	Shared Ownership	Rent to Buy	1 Bed	2 Bed	3 Bed	4 Bed
Heatherdale Dr & Tamerton Dr	Cheetham	MSV	48		48				26	15	7
Alderford Parade	Cheetham	MSV	29		17		12	16	13		
Parkmount Road	Harpurhey	MSV	24		16		8	6		10	8
Jonas Street (Princedom Street)	Harpurhey	MSV	22		12		10			22	
Whitemoss Road	Charlestown	Guinness	40	40					28	12	
Whitemoss Day Centre	Charlestown	Guinness	20	20					10	10	
Queens Road	Harpurhey	Guinness	8	8					6	2	
Palgrave Avenue	Harpurhey	Guinness	7	7					3	4	
Canberra Street	Clayton & Openshaw	Guinness	4	4					2	2	
Brigham Street	Clayton & Openshaw	One Manchester	24	4	10	10			14	7	3
Audrey Street	Moston	One Manchester	10		10				8	2	
Winston Rd	Moston	One Manchester	9		9			4	3	2	
Blackwin Street	Gorton & Abbey Hey	One Manchester	7		7				2	4	1
Hodge Street	Moston	One Manchester	5		5				3	2	

Egbert St / Faversham St	Moston	One Manchester	2		2				1	1	
Parkhill Avenue / Delauneys Rd	Crumpsall	Great Places	25		25			13	6	6	
Longhurst Rd	Higher Blackley	Great Places	22		22			6	2	14	
Kenyon Lane	Moston	Jigsaw	10		10				6	4	
Lathbury Road	Harpurhey	Jigsaw	6		6				3	3	
Old Market St / Domett St	Harpurhey	Jigsaw	4	4				4			
Jurby Avenue	Higher Blackley	Irwell Valley	13	13				11	2		
Plant Hill Police Station	Higher Blackley	Irwell Valley	12		12					12	
Cross Lane	Gorton & Abbey Hey	Southway	8		8			4	4		
Varey Street	Gorton & Abbey Hey	Southway	5		5			4		1	
Minden Close	Didsbury East	Southway	2	2					2		
Pleasant St / Rochdale Rd	Harpurhey	TBC	8	8					6	2	
Beverley Street	Harpurhey	TBC	4	4					4		
Total			378	114	224	10	30	68	154	137	19

Appendix 2- Sites Location Plan

Project 500 Phase 1 Sites



Ref	Site
1	Heatherdale Drive & Tamerton Drive
2	Alderford Parade
3	Parkmount Road
4	Jonas Street (Princedom Street)
5	Whitemoss Road
6	Whitemoss Day Centre
7	Queens Road
8	Palgrave Avenue
9	Canberra Street
10	Brigham Street
11	Audrey Street
12	Winston Rd
13	Blackwin Street
14	Hodge Street

Ref	Site
15	Egbert St / Faversham St
16	Parkhill Avenue / Delauneys Rd
17	Longhurst Rd
18	Kenyon Lane
19	Lathbury Road
20	Old Market St / Domett St
21	Jurby Avenue
22	Plant Hill Police Station
23	Cross Lane Sites
24	Varey Street
25	Minden Close
26	Pleasant St / Rochdale Rd
27	Beverley Street

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Appendix 3- Housing Strategy Alignment

	Yes	No	Maybe	N/A
Increase affordable housing supply & build more new homes for all residents				
Deliver 36,000 new homes by 2032 including 10,000 affordable homes (c.28% of total delivery)	X			
Out of 10,000 new affordable homes by 2032 – 3,000 will be delivered in the city centre		X		
Increase the number of owner occupiers in Manchester by 15,000 by 2032	X			
Ensure more than 80% of all homes built by 2032 are on brownfield sites close to public transport	X			
Work to end homelessness and ensure housing is affordable & accessible to all				
Develop a new approach to affordability in light of the increasing cost of living		X		
Increase the supply of appropriate housing for households in Priority Bands 1-3 to reduce the time spent on the Housing Register	X			
Increase the supply of appropriate housing for homeless households to reduce the time spent in Temporary Accommodation			X	
Work with commissioners & trusted providers to increase the supply of supported housing to meet demand	X			
Address inequalities & create neighbourhoods where people want to live				
Deliver 3,000 affordable family houses by 2032 to address overcrowding in areas where average household sizes are highest		X		
Improve the safety, quality and management of private rented sector homes				X
Utilising the Housing Affordability Fund to support placemaking & encouraging RPs to purchase and refurbish low quality PRS for affordable housing (incl. former student lets)				X
Encourage & promote right-sizing across all tenures to release family housing	X			
Address the sustainability & zero carbon challenges in new and existing housing				
Complete the zero-carbon retrofitting of a minimum of 1/3rd of the 68,000 homes MHPP members manage by 2032 & reduce energy use across the whole of the estate so that all homes achieve an EPC rating of B or above				X
Develop a Retrofit Plan for Manchester across all tenures				X
Increase the proportion of low carbon homes in the affordable pipeline from 20% to 50% by 2025	X			
Ensure estate regeneration & placemaking (including demolitions) is directed by zero carbon principles	X			

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Appendix 4- Environmental Principles

MHPP partners have pledged their commitment to working towards Zero Carbon development and this project will enable collaboration to confirm our commitment. The energy use in homes makes up around 14% of the UK's emissions of greenhouse gases. Without near complete decarbonisation of the housing stock, we will not meet the UK's climate change targets.

MHPP partners endorse the City's own Top 10 Low Carbon Priorities checklist and will work to incorporate these principles into the design process, where possible, to ensure that both operational and embodied carbon reduction is achieved, and that running costs are lower for residents. There is an overarching commitment to ensure design and specification across P500 sites follow the energy hierarchy by:

- Reducing the need for energy;
- Introducing energy efficient space and water heating
- Maximising the potential for energy supply from low carbon and renewable energy sources

In addition, MHPP Partners will for Project 500 developments:

- Commit to looking at the best energy solutions available on a site-by-site basis.
- Commit to all new homes being built on a 'fabric first' approach with the intention to exceed current and forthcoming 2020, Building Regulations Part L.
- Commit to include renewable energy- including heat pumps, solar thermal and photovoltaic panels where appropriate - to ensure operational carbon and running costs to residents are reduced.
- Consider all sites for suitability for MMC construction to increase efficiency in construction and achieve higher levels of air tightness and insulation.
- Support the use of sustainable transport options for residents including secure cycle storage and EVC provision for all homes.
- Encourage biodiversity, protect natural resources, enhance amenity value including retention of existing trees and landscaping where appropriate.
- Target a reduction in embodied carbon through sourcing alternative low carbon content materials and specifying high recycled content products where possible.

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**Manchester City Council
Report for Resolution**

Report to: Executive – 16 November 2022

Subject: King Street Multistorey Car Park & King Street West Shops
(Part A)

Report of: Strategic Director (Growth & Development)

Summary

This report seeks approval for the disposal by way of a surrender of the Council's leasehold interest in the King Street West multi storey car park (MSCP) and ground floor retail shops on the principle terms and conditions outlined in the report at Part B of this agenda. This is to facilitate the redevelopment of the site comprising demolition of the block including Fraser House offices, the MSCP and ground floor retail shops. This will also include the comprehensive refurbishment of the adjacent Grade II Listed Kendals building on Deansgate, in accordance with the Parsonage Gardens SRF, which was approved in July 2020.

Fundamental to the redevelopment will be demolition, which will necessitate the closure of the ground floor shops. Engagement with the tenants has been ongoing during the SRF and planning process but both MCC and the developer will endeavour to work closely with each of them to ensure that they get offered advice and guidance along with as much notice as possible in respect of the date by which vacant possession of the units is required. They will also be provided with any detail of the relevant statutory or other process that the Council will follow to secure vacant possession of the shops.

It will also mean the closure of the public MSCP and will result in the loss of the current car parking and shop rental revenue stream to the Council, although the disposal will provide a capital receipt to the Council. It is anticipated that there will be a net gain from the redevelopment scheme in terms of Council's revenues through business rates and Council Tax.

The surrender of the Council's leasehold interest will act as a catalyst to the comprehensive refurbishment of an important heritage asset and contribute to delivering the regeneration aspirations outlined in the strategic regeneration framework for the wider site.

Recommendations

The Executive is recommended to:

1. Approve the decision to declare the asset surplus to operational need for disposal by way of surrender of the lease.
2. Note the proposal to return to Executive in the event that (1) it has not been

possible to secure vacant possession of the site by agreement and a formal request be made to consider the use of Compulsory Purchase Powers and (2) following a period of negotiation with the beneficiaries of any adjoining third party rights affected by the proposed development, the freeholder has not reached a settlement and has requested the Council consider use its powers under section 203 Housing and Planning Act 2016 .

3. Delegate authority to the Deputy Chief Executive and City Treasurer, Strategic Director of Growth & Development in consultation with the Leader and Executive Member for Finance and Resources to negotiate and finalise the details and terms of the disposal by way of surrender together with the property, commercial and any ancillary arrangements.
4. Delegate authority to the City Solicitor to enter into and complete all documents or agreements necessary to give effect to the recommendations in this report.

Wards Affected – Deansgate

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city

The proposed scheme constitutes the demolition of existing end of life assets and redevelopment in line with adopted planning policy and the Parsonage Gardens SRF. It is not considered viable to comply with the aspirations of the SRF through the retention and repurposing the existing car park structure, therefore demolition is considered the only realistic intervention in this instance.

The proposed redevelopment works have been designed to support MCC's net zero target through the targets outlined in the St Marys Parsonage SRF and will be low carbon buildings.

The King St West new build is part of an overall scheme being promoted by the freeholder, who also owns the Kendals building. In this wider context creating an investible proposition across both sites will safeguard the future of this important heritage asset including the modernisation of the building, reducing its carbon emissions.

The removal of a public car park at this location is in line with the objectives of encouraging active travel as part of the City Centre Transport Strategy. It will also assist in the reduction of car movements in the vicinity of Deansgate, which will be subject to further restrictions on general traffic in due course. This will ultimately aid longer term aspirations around air quality in the city, whilst indirectly helping to promote the use of other forms of sustainable forms of travel.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The redevelopment of the site will provide for predominantly office space with some retail in the ground floor new build site and lower levels of Kendals. This will facilitate opportunities for large and small businesses to acquire space within the development. Coupled with the investment and remodelling of a significant city centre landmark listed building (Kendals) this scheme will not only create new jobs but will ensure the listed property remains viable and sustainable.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	The proposed major investment within the wider site will see the creation of office space, retail space and improved public realm and pedestrian routes through the various access points. By attracting new and expanding businesses and occupiers, it will give significant indirect opportunities to Manchester residents in terms of jobs and training, all helping to support Manchester's local economy.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The proposed development will provide a much higher density of development for employment generating activity on the site, removing a relatively low employment density use. The new development will deliver jobs through its construction and use and through discussions with the freeholder the Council will actively seek to optimise social benefit outputs into local communities. The protection of, and investment into, heritage assets in the city is an important strategy to ensure that the built environment contributes to the health and wellbeing of the residents of the city. Adopting a long-term sustainable approach to this through the comprehensive development of the wider site will support this outcome.

A liveable and low carbon city: a destination of choice to live, visit, work	As detailed above, the proposed redevelopment will seek to embody wider MCC principles as adopted through the St Marys Parsonage SRF.
A connected city: world class infrastructure and connectivity to drive growth	<p>The site is located within easy walking distance of both Manchester Victoria and Salford Central railway stations. It is well-connected in terms of public transport via the Metrolink that runs along the nearby Cross Street. There are also bus services connecting the centre to the neighbouring areas.</p> <p>A key focus of the redevelopment is addressing the 'dark alley' network that lacks active frontages, to create more open and accessible public realm improvements. This will better connect with the adjoining areas of the city in safer and cohesive way.</p> <p>The MSCP will be closed and no parking is to be re-provided in the new development. However, there is other on street, surface and multi storey options with the vicinity for public use.</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 revenue implications are set out in the Part B report of the same name on this agenda.

Financial Consequences – Capital

The capital consequences of this report are set out in the report of the same title on Part B of this agenda.

Contact Officers:

Name: David Lord
Position: Head of Development
Telephone: 07940 967 797
E-mail: David.lord@manchester.gov.uk

Name: Louise Hargan
Position: Principal Development Surveyor
Telephone: 0161 234 1268
E-mail: louise.hargan@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.

- Land ownership plan showing interests to be surrendered (this should be an appendix)
- Report to Executive 12th February 2020 - St Mary's Parsonage Strategic Regeneration Framework
- Design and Access statement

1.0 Introduction

- 1.1 Following adoption of the St Mary's Parsonage SRF in July 2020, there has been an intention to support the redevelopment of the MSCP and ground floor shops for mixed use development. Officers have been in detailed discussions with the freeholder of this site and the adjacent Kendals building to explore the mechanism to achieve these ambitions and secure the long-term future of the architecturally important Kendals building.
- 1.2 This report seeks approval to the principle commercial terms for the land transaction between the Council and the freeholder that will facilitate the delivery of these ambitions.
- 1.3 The disposal of the Council's asset (MSCP and ground floor shops) will create a development platform to undertake the wholesale redevelopment of a cornerstone area of Deansgate and King Street West.
- 1.4 The redevelopment is planned to be one of the first major schemes to be brought forward following the adoption of the St Marys Parsonage SRF and is anticipated to provide a catalyst for the other schemes in the vicinity. Indeed, we are now seeing a number of those schemes in planning or pre-planning.

2.0 Background

- 2.1 The King Street West site sits within the St Marys Parsonage SRF. The freehold is currently owned by Investec and the Council has a long leasehold interest in part of the site referred to as the 'back site.' This includes the MSCP, ground floor shops (35-47 odd) and two bridges which link the Kendals building to the MSCP. The MSCP was within the Joint Venture partnership with NCP, which was brought in-house in January 2021 and is now operated by the Council's parking team. The shops form part of the managed investment estate.
- 2.2 There is planning and listed building consent for the refurbishment of Kendals and the redevelopment of the King Street West site. The parties have been working towards a commercial deal and land assembly strategy for some time, alongside securing planning permission.
- 2.3 Following the planning approval, officers have concluded the negotiation of principle terms to dispose of the Council's leasehold interest, based on the approved scheme. To provide assurance on the commercial terms, an independent opinion of value has been sought to ensure the deal represents Best Value and consideration for the Council's asset.
- 2.4 Fundamental to the redevelopment will be demolition, which will necessitate the closure of the ground floor shops. Engagement with the tenants has been ongoing during the SRF and planning process but both MCC and the developer will endeavour to work closely with each of them to ensure that they get offered advice and guidance along with as much notice as possible in respect of the date by which vacant possession of the units is required. They

will also be provided with any detail of the relevant statutory or other process that the Council will follow to secure vacant possession of the shops.

- 2.5 The King Street West shops are directly managed by Jacobs on behalf of the Council as part of the investment estate and provide a rental income to the Council. The Council and the freeholder (and their respective representatives) will work together to ensure that any discussions and negotiations with those tenants in relation to securing vacant possession are reasonable and timely. It is acknowledged that the closure of these retail units will result in the extinguishment of some businesses and a consequent small number of job losses, should any of the businesses choose to permanently close. This cannot be evaluated at this moment but it is hoped that they can be supported to consider relocating locally and retain staff where possible.
- 2.5 A Rights of Light Strategy is being employed by the freeholder to deal with any third-party rights identified affecting the development. It is acknowledged that the freeholder may approach the Council to consider the use of S.203 acquisition powers to aid in the delivery of the development, once all reasonable attempts have been made to negotiate with the beneficiaries of the third-party rights. This will only be considered by the Council in its absolute discretion were it deemed appropriate and in line with the Council's current protocol and policies.

3.0 Wider Regeneration

- 3.1 The St Mary's Parsonage SRF sets out a series of key principles for the growth and regeneration of this strategically and historically important part of the city. The SRF area occupies a significant frontage to both Deansgate and the River Irwell. The buildings within this location are varied, some of which are important heritage assets and others are end of life commercial buildings with no real prospect of making a positive contribution to the area.
- 3.2 The MSCP and ground floor shops are located within the King Street character zone, which also contains Kendal Milne and Reedham House. Property Alliance Group have submitted a planning application to bring forward Reedham House for a major 64,000sqft office led scheme.
- 3.3 Other current key developments within the SRF area include Alberton House, which is being refurbished, and Oval Developments are about to conclude their public consultation for Albert Bridge House, which includes the Council owned surface car park at Bridge Street. The proposed scheme is a blend of both residential and office accommodation across a new build scheme. The disposal of the car park will critically realise a significant capital receipt for the Council which is currently in negotiation.

4.0 Revenue & Capital Matters

- 4.1 The direct revenue and capital implications of the acquisition are set out in the report of the same title on Part B of this agenda.

5.0 Value Add

- 5.1 Supporting the sustainable redevelopment of sites not fulfilling their commercial potential and maximising the contribution to the city is key to the success of the SRF strategy. Over 500,000sq/ft of [new] office space is to be created within this area that sits on a tight footprint. This new development will contribute to the economic success of the city through new jobs, homes and other infrastructure as well as providing a significant new income from business rates and council tax.
- 5.2 The change in retail trends, demonstrated through the administration of House of Fraser and Debenhams, has left large gaps in the high street from what were anchor occupiers. Cities and towns now have what are often landmark buildings, vacant or barely occupied. This is the situation at Kendals where currently the upper floors are under-utilised. This supports the view that high street needs to adapt and for this important iconic building to remain sustainable, it needs to repurpose and diversify the uses contained within.
- 5.3 The refurbishment and redevelopment proposals align with these principles and provide a consistent approach to investing in the SRF area to support the desired outputs. New development will create value to the city through new investment, employment and significantly increased business rates.

6.0 Contributing to a Zero-Carbon City

- 6.1 Given the nature of the buildings located on the 'back site' demolition is the only viable option in the context of creating quality buildings that are fit for purpose in the long term. Achieving net zero from the wider development is not considered realistic at this time, primarily as a result of the retention of the heritage assets across the site. However, the principle of best-in-class design and development to secure desired outcomes in respect of the Council's net zero ambitions and which is in line with the principles adopted in the SRF, have been embedded throughout the design development process.
- 6.2 Whilst retention of the back-site cannot be achieved, a fundamental principle of the proposals is the repurposing of existing heritage buildings to deliver a modern energy efficient flexible building. The re-use and revitalisation of the existing buildings, which incorporates low carbon principles through a building-wide retrofit is eminently sustainable and saves significant embodied carbon, waste and construction impact.

7.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 7.1 The redevelopment and change the use of the site will provide for office space, retail space and public realm that will contribute to the city centre economy and placemaking agenda. Providing opportunities for large and small businesses to locate in the accommodation which in turn provides potential for jobs and training.

(b) A highly skilled city

- 7.2 The creation of new high grade office space and a focused retail offer will give significant opportunity to Manchester residents in terms of jobs and training, from the business both new and expanding to location.
- 7.3 During construction phases, there will be jobs available on site.

(c) A progressive and equitable city

- 7.4 The proposed development will provide a much higher density of development for employment generating activity on the site, removing a relatively low employment density use. The new development will deliver jobs through its construction and use and through discussions with the freeholder the Council will actively seek to optimise social benefit outputs into local communities.
- 7.5 The protection of, and investment into, heritage assets in the city is an important strategy to ensure that the built environment contributes to the health and wellbeing of the residents of the city. Adopting a long-term sustainable approach to this through the comprehensive development of the wider site will support this outcome.

(d) A liveable and low carbon city

- 7.6 As outlined above, the proposed redevelopment will utilise an existing building as part of the scheme and wherever possible all works will be undertaken in line with wider MCC targets and sustainability principles outlined in the SRF.

(e) A connected city

- 7.7 The centre is well-connected in terms of public transport via multiple train stations and the Metrolink network that crosses the city centre to neighbouring areas. There are also bus services connecting the centre to the suburbs, and the major transport hubs.
- 7.8 The scheme approved via planning is underpinned by a focus to redesign and improve the pedestrian experience through the site from Motor Square through to Parsonage Gardens and Deansgate and further afield to Spinningfields and St Annes Square. Activating the ground floor frontages and maximising the public realm opportunities.

8.0 Key Policies and Considerations

(a) Equal Opportunities

- 8.1 The properties within the development will be available to all people regardless of their age, race, religion, gender, or other characteristics. Significant public consultation has been carried out through the adoption of the SRF and the planning process.

(b) Risk Management

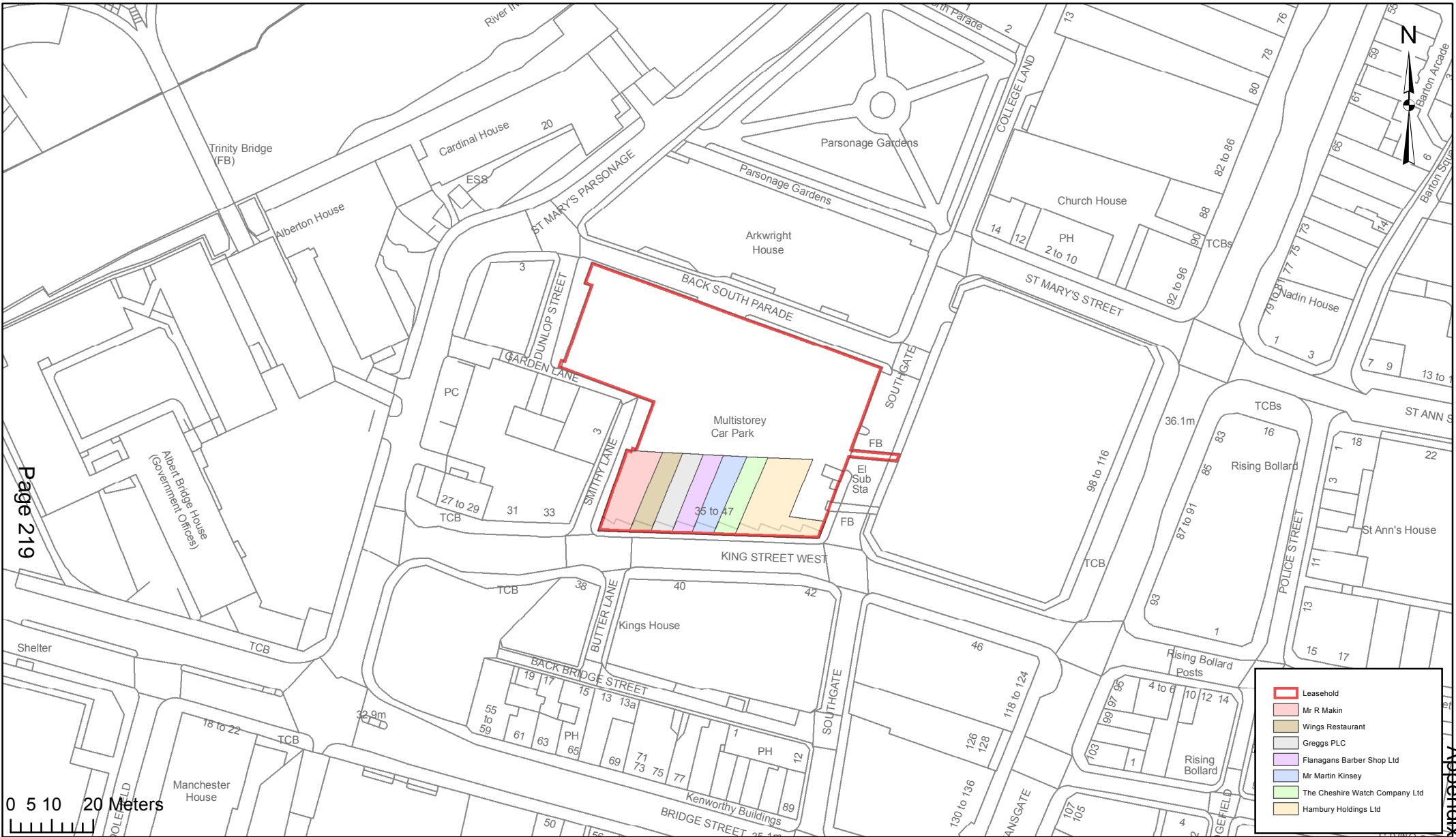
- 8.2 The surrender of the long leasehold interest will take away an income stream for the Council, as well as removing significant liabilities.
- 8.3 The process to secure vacant possession of the retail shops and remove any other impediments to development will be captured within the legal agreement.
- 8.4 Best value considerations have been complied with through the commissioning of an independent Red Book valuation report. The commercial terms of the deal have been considered within this report, which has been provided confirming MCC is achieving best consideration in relation to the disposal of its asset.
- 8.5 Development obligations and pre-development activity will be captured through a series of contractual milestones and managed in line with the Council's corporate due diligence and assurance protocols.

(c) Legal Considerations

- 8.6 The Council is proposing to dispose of its leasehold interest in the site by way of a surrender. The lease is for a term of 199 years from 24th June 1960. Section 123 Local Government Act 1972 sets out the statutory framework for the disposal of land in relation to the price to be achieved. An independent opinion of value has been obtained to determine best consideration in respect of the disposal price. The Council's development and parking teams supported by the legal team, will continue to manage the MSCP and the shops until notice is served and vacant possession secured. The agreed management strategy will be followed to engage with the occupying tenants and negotiate a route to vacant possession when required.

9.0 Concluding Remarks

- 9.1 In summary, the proposed disposal represents not only good value to the Council but it will help revitalise an important part of the city centre.



A4 Scale 1:1,250

Development Team
Growth & Development Directorate
P.O. Box 532
Manchester M60 2LA



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**Manchester City Council
Report for Resolution**

Report to: The Executive – 16 November 2022

Subject: Mayfield Phase 1 Update (Part A)

Report of: Strategic Director – Growth & Development

Summary

This report provides the Executive with an update on progress on the Mayfield development and informs Members of proposals for the Mayfield Development Partnership Limited Partnership, (“the Partnership”), in which Manchester City Council (through various contractual and joint venture arrangements) is a partner, to enter into a partnership with a Land Securities Group plc special purpose vehicle for the delivery of the first phase of commercial development and to acquire an interest in the neighbouring Macdonald Hotel car park site. The report is accompanied by a Part B report, which outlines the confidential commercial terms of the arrangements for both of these transactions. Approval is also requested for the proposed financing of the transaction, and the refinancing of historic costs of the public sector limited partnership.

Recommendations

The Executive is recommended to:-

- (1) Note the progress made on delivery of Phase 1 of the Mayfield development.
- (2) Note the terms of the arrangements for delivery of Phase 1 of the commercial development of Mayfield and for acquiring the Macdonald Hotel car park site as set out in this report and the detailed confidential commercial terms for those transactions as set out within the Part B report on Mayfield Phase 1 on this agenda.
- (3) Approve a virement of £886k from the Strategic Acquisitions budget to the Mayfield budget.
- (4) Approve the use of the Strategic Acquisitions budget (£1.262m) and the Mayfield budget (£90k) to fund additional working capital to the Partnership by way of loan notes in the sum of £1.316m to facilitate and support the delivery of Phase 1 of the Mayfield development and the acquisition of the Macdonald Car Park.
- (5) Approve the use of £879k from the Mayfield budget to refinance some of the historic development costs of the public sector limited partnership.

- (6) Delegate authority to the City Solicitor to complete and enter into any necessary contractual or ancillary documents required to give effect to the above recommendations and the arrangements as set out in this report.
- (7) Approve, in the Council's capacity as shareholder or limited partner, the entering into or completion of any necessary contractual or ancillary documents on behalf of Mayfield Development Manchester Limited, Mayfield Partnership Limited Partnership, Mayfield Partnership (General Partner) Limited, Mayfield Development Partnership Limited Partnership and Mayfield Development (General Partner) Limited required to give effect to the above recommendations and the arrangements as set out in this report.
- (8) In accordance with paragraph 18 of Part 4, Access to Information Procedure Rules and paragraph 14 of Part 4, Scrutiny Procedure Rules of the Council's constitution, and having considered the advice of the relevant statutory officers and obtained the agreement of the Chair of the relevant scrutiny committee, to agree this matter as urgent, in that any delay caused by the key decision and call-in processes, would seriously prejudice the legal or financial position of the Council or the interests of the residents of Manchester and exempt the above decisions from call in

Ward Affected: Piccadilly

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Transforming previously industrial and largely derelict land into a park is a large-scale green infrastructure opportunity. Green and blue assets have been developed through opening up the River Medlock as a feature through the park, as well as sustainable draining solutions and the provision of a substantial number of new trees, providing both climate change resilience and flood attenuation. Recycling and reusing of materials during the construction of the park, has saved more than 240 tonnes of CO₂, and the park benefits from a sustainable source of irrigation from a series of Victorian wells discovered during construction, saving one tonne of carbon per year and up to three million litres of water.

The Mayfield site has an overarching sustainable development strategy that will encompass building design, maximise the opportunities from green and blue infrastructure, and encourage active travel and public transport use through improving connections.

Located next to Piccadilly Station, Mayfield is extremely well connected by public transport, including rail, Metrolink and bus, reducing the need to travel by private car. Car parking is being centralised on the site, within a multi-storey car park, with access off the Inner Ring Road, with no further parking within individual plot developments, creating a largely vehicle free neighbourhood, with minimal vehicle emissions.

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Mayfield will be open to all residents from across Manchester, and will provide a range of job, leisure, and skills opportunities. Enhanced connections will be provided to surrounding communities, to enable them to take advantage of the opportunities offered at Mayfield and beyond (by also improving access to Piccadilly and the wider city centre).

A major new, fully publicly accessible, park has been provided on the site, providing wellbeing opportunities to residents, workers and visitors. The Council's Equality, Diversity and Inclusion Manager advised on the design of the Mayfield Park, to ensure that it is as accessible and inclusive as possible. E.g. play equipment for disabled children and regularly placed seating to provide resting points have been included.

Strong links have been made with local communities, and ongoing engagement is taking place with local schools, community group and charities. Social value is being maximised as far as possible through the delivery of the site, e.g. through local labour/apprenticeships, workshops and learning opportunities, and community events.

A range of events, appealing to different ages and community groups are held at Mayfield.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The scale and potential of development within this area will provide a major focus for new investment and the growth of jobs. With the potential for up to 1.6m sq ft of office space and a prominent location next to a major transport hub, Mayfield can be an attractive location for business, especially in key growth sectors, providing a range of job opportunities.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	The site has the potential to accommodate up to 10,000 new office-based jobs, in a range of sectors and levels, including in key growth sectors, such as tech/digital, creative and media. The partners will seek to maximise local employment and training opportunities from this initiative.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The SRF seeks to maximise local employment from this initiative. Social value was included as a criterion, within the selection of the developer, and social value has already been delivered as part of the construction of the park and from

	meanwhile uses. The scheme will provide new connections both to other parts of the city centre and to surrounding communities, including Ancoats and New Islington and Ardwick, providing improved access to local residents to the opportunities and amenities within the Mayfield area. The area will also provide new leisure opportunities, including a new park, accessible to all residents. The Involvement of local schools and community groups is also a key part of activity on the site.
A liveable and low carbon city: a destination of choice to live, visit, work	The delivery of Mayfield will result in a major mixed-use scheme on a currently derelict site. As well as providing new high quality commercial accommodation, the new residential accommodation and the public amenities including public realm, retail and leisure opportunities, will create a desirable location in which to live and work. A major new park for the city, available for all residents and visitors, has now been completed and open to all. Located immediately adjacent to Piccadilly Station, Mayfield is also highly connected to all forms of public transport, minimising the need for car journeys to and from the area, and pedestrian and cycle routes through the area will be maximised.
A connected city: world class infrastructure and connectivity to drive growth	Located immediately adjacent to Piccadilly Station, Mayfield benefits from excellent access to all forms of public transport. The scheme will provide new connections both to other parts of the city centre and to surrounding communities, including Ancoats and New Islington and Ardwick. High quality new commercial accommodation will be provided as well as significant new public realm, including the new public park.

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 proposals set out in this report will enable the financing of the Partnership for the short-medium term, with later phases of development providing the long term revenues for the maintenance of the site, as well as returns to the Council on their up-front land investment. The maintenance costs of the park and site are estimated to be approximately £750k for 2023/24, rising to £1.1m by 2025/26.

Financial Consequences – Capital

The acquisition of the Macdonald car park site, and further immediate cash requirements, requires the Council to fund additional working capital of £2.2m (£1.316m to the Partnership, acting through its general partner Mayfield Development (General Partner) Ltd. and £879k to the public sector limited partnership, acting through its general partner Mayfield Partnership (General Partner) Limited). Funding has been secured through use of the approved Strategic Acquisitions budget which was established to enable the council to move at pace where an opportunity arises to secure or develop an asset of strategic importance.

Whilst the level of return from future development cannot be quantified at this stage, there are appropriate “gain share” mechanisms in place within the partnership to ensure returns are secured by each partner on a proportional basis, as set out in the Part B report to Executive on the Mayfield development.

Contact Officers:

Name: Rebecca Heron
Position: Strategic Director – Growth & Development
Telephone: 0161 234 5515
E-mail: Rebecca.heron@manchester.gov.uk

Name: Pat Bartoli
Position: Director of City Centre Growth & Infrastructure
Telephone: 0161 234 3329
Email: p.bartoli@manchester.gov.uk

Name: David Lynch
Position: Director of Development
Telephone: 0161 234 4811
E-mail: david.lynch@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.

16th December 2009: Report to Executive - Mayfield SRF
10th March 2010: Report to Executive - Mayfield SRF

Mayfield SRF 2010 – Final Report

30th August 2013: Report to Executive - Mayfield SRF

30th August 2013: Report to Executive - Manchester Piccadilly HS2 SRF

Mayfield SRF Final Report – January 2014

Manchester Piccadilly HS2 SRF Final Report – January 2014

27th July 2016: Report to Executive - Mayfield Development

14th September 2016: Report to Executive - Mayfield Development Part A

7th February 2018: Report to Executive - Mayfield Strategic Regeneration Framework Update 2018

30th May 2018: Report to Executive - Mayfield Strategic Regeneration Framework Update 2018

Manchester Piccadilly Strategic Regeneration Framework 2018

1. Introduction

- 1.1 Mayfield occupies a 30-acre site adjacent to Piccadilly Station, and sits within the Eastern gateway of the city centre. An updated Strategic Regeneration Framework (SRF) was approved by the Executive in May 2018, as part of the overall SRF for Piccadilly, following a public consultation. The Mayfield SRF presents a vision for the area as a distinctive new mixed-use urban neighbourhood that defines a key gateway into Manchester; extends the high quality environment of the city centre; and provides key linkages between East Manchester and the city centre.
- 1.2 As outlined in the 2018 Mayfield SRF, development will be phased over the next 10 years and, upon completion, Mayfield is expected to deliver 1.6 million sq ft of office space, 1,300 new homes and 300,000 sq ft of retail and leisure amenities. Up to 10,000 new jobs are expected to be accommodated on site when fully built out. In addition to the new 6.5 acre park, a further 6.5 acres of public realm will be delivered. Significant steps have now been made to enable the delivery of this vision.
- 1.3 Progress on Mayfield shows the continued confidence in the ongoing development of the city, providing crucial economic growth and resilience to help counter the current economic climate.

2. Background

- 2.1 Reports to Executive in September 2016 advised Members of the selection of U&I PPP Limited (“U+I”) by the Council, working with TfGM and LCR (the public sector partners taking forward the Mayfield development) as preferred private sector development partner for the site, following a full procurement process, and the proposed commercial and contractual arrangements between U+I and the public sector partners. The Executive gave approval to the City Solicitor to complete and enter into the necessary contractual arrangements with U+I and the public sector partners, to form the Public Sector and Partnership joint ventures.
- 2.2 The Council is a limited partner in the Public Sector joint venture (Mayfield Partnership Limited Partnership) through its wholly owned company Mayfield Development Manchester Ltd, and the Public Sector joint venture (acting by its general partner Mayfield Partnership (General Partner) Limited) is then a limited partner in the Partnership (Mayfield Development Partnership Limited Partnership) joint venture with U+I.
- 2.3 Since then, U+I have been acquired by a Land Securities plc group company (“Landsec”) in December 2021, who are now looking to take forward the first phase of commercial development, following the completion of the Mayfield Park in September. The first phase includes two office buildings, and a multi-storey car park, as well as the park. A further Phase 1b is proposed which would comprise of the first three residential buildings (a detailed design and planning application still need to be completed for Phase 1b and will be subject to consultation).

- 2.4 There is an opportunity for the Partnership to acquire the car park site next to the Macdonald Hotel (which is covered within the SRF boundary) from its current owner and an offer to purchase the site has been accepted in principle. Securing this site is key to ensuring the successful delivery of the vision set out in the Mayfield SRF and will ensure the Partnership has strategic control over its future development.
- 2.5 This report, along with the Part B report on this agenda, provides Members with an update on the delivery of the first phase of Mayfield and further details of the proposed arrangements with the Partnership and Landsec to take forward the commercial development, and the acquisition of the hotel car park site.

3. Progress to Date

- 3.1 Despite some delays caused by the COVID-19 pandemic, substantive progress has now been made on delivering the first phase of Mayfield, which will set a strong foundation for realising the overall development. Planning permission was achieved in September 2020 for the first phase of development, which includes the Mayfield Park; two office buildings 'The Poulton' and 'Republic', together providing around 300k sq ft of commercial space, with ground floor retail and leisure use, leading to new jobs and leisure opportunities; and a multi-story car park.
- 3.2 Following approval of £23m from the Government's Getting Building Fund, the Mayfield Park is now complete and was opened to the public by the Leader of the Council in September 2022. The park provides 6.5 acres of space for Manchester residents, workers and visitors to enjoy, transforming a previously industrial site into a series of connected spaces, with a range of 120 mature and semi-mature trees, 120,000 plants and shrubs, a large public lawn, riverside walkways and the city's largest play area. At the heart of the park is the River Medlock, which has been restored and is now attracting new wildlife.
- 3.3 The Mayfield Park will help the Council to meet its target of becoming net zero carbon by 2038, including by recycling and reusing of materials during the construction (saving more than 240 tonnes of CO₂) and the provision of sustainable irrigation.
- 3.4 Place making and a strong identity has already been established at Mayfield, as a destination for diverse and varied events and activity that is accessible for all. Activities include Escape to Freight Island (F&B and entertainment offer), largescale music events, MIF events and community activities such as a school allotment project. Escape to Freight Island has supported over 50 local businesses, and a total of 1,200 jobs, just over 200 of which are full time. Strong links have been made with local schools, community group and charities, e.g. local school children were given an opportunity to be involved in planting during construction of the park, and 100 children from 5 schools across the city attended its launch and were among the first to use the park, with a range of activities provided.

4. Next Phase

Phase 1 Arrangements with Landsec

- 4.1 Following the acquisition of U+I, Landsec have expressed a desire to progress with the first phase of commercial development at the earliest opportunity. The delivery of Phase 1 will kickstart the future phases of development, provide essential investment to the site, and begin to bring new businesses and jobs to the area.
- 4.2 The Partnership have been negotiating with Landsec on development delivery arrangements to deliver the first phase, and are now looking to enter into this arrangement, which could then be extended to future phases. The agreement does not alter the terms of the overarching Public Sector and Partnership joint venture arrangements, reported to the Executive in September 2016.
- 4.3 The public sector partners have been advised by an independent property agency and every care has been taken to ensure that the partners receive best value from the arrangements and that any risks to the Council and the other public sector partners are minimised. However, it should be noted that should the delivery arrangements fail, and the expected receipts are not received through the re-development, the Partnership will be required to meet the future costs of the maintenance of the site, including the running costs of the park. These are estimated to be £750k for 2023/24, and reaching £1.1m p.a. by 2025/26.
- 4.4 The key terms of the Phase 1 delivery arrangements are outlined in the Part B report included with this agenda.

Acquisition of Macdonald Hotel site

- 4.5 The current owners of the Macdonald Manchester Hotel on London Road recently marketed the car park adjacent to the hotel for sale as it is considered to be surplus to their operational requirements for the hotel. This site is included within the Mayfield SRF and is marked on the plan at Appendix 1. The Mayfield Partnership made an offer to the owners to purchase the site, with the price based on independent valuation advice. This offer has now been accepted and terms agreed, in principle, for the sale (as outlined in the Part B report).
- 4.6 The Macdonald Hotel Car Park is a key site, which sits at an important gateway position to the Mayfield site. Any future development by a third-party that is inconsistent with the wider Mayfield site in terms of use or quality could present a risk to the Partnership's investment at Mayfield, potentially negatively impacting reputation and / or value. The acquisition of the Macdonald Hotel car park safeguards the site, ensuring that development is in line with the principles of the SRF, and complementary to the vision for the wider area. It also provides a further redevelopment opportunity for the Partnership. In addition, it will enable future development to generate revenue

which can contribute to the ongoing maintenance of the estate, including the recently completed public park.

- 4.7 The acquisition costs will be met by the public and private sector partners which make up the Partnership, in line with their respective interests. This means that the Council's contribution (including fees and applicable VAT and SDLT) to the acquisition will be £1.262m. It is proposed that these costs are funded from the existing approved Strategic Acquisitions Budget. This payment will be paid by the Council on behalf of its wholly owned company Mayfield Development Manchester Ltd to the public sector limited partnership for onward funding to the joint venture Partnership (acting through Mayfield Development (General Partner) Ltd.
- 4.8 In addition, there is a requirement for additional working capital from the public and private sector partners in the Partnership in order to maintain the operational and development activities of the Partnership and enable the preparations needed for the delivery of Phase 1. The Council has previously provided land and working capital to a value of approximately £4.25m. to the Partnership. The Council's share of the additional capital is £90k, of which £83k is already budgeted for within the Mayfield budget. It is proposed that the £7k difference is transferred from the Strategic Acquisitions Budget to the Mayfield Budget and that the £90k from the Mayfield budget will then be paid out in the same way as above.
- 4.9 To support the public sector limited partnership's funding of the acquisition and enable the development to progress there is also a need to refinance the existing public sector partnership (which makes up 50% of the overall Partnership joint venture). Significant historic costs were incurred relating to the original procurement of U+I, costs for negotiating the original public sector and Partnership agreements and the more recent property advice to inform the Phase 1 arrangements. These costs were initially cash-flowed on behalf of the public sector joint venture by LCR and were due to be repaid from the distribution of development profits flowing down from the Partnership to the public sector joint venture. However, due to timings of these development returns and the current need for additional capital funding into the Partnership, the public sector partners have agreed that the Council and TfGM will reimburse their share of these costs now to ensure the cashflow is in place to progress the next phases of the development.
- 4.10 The Council's share of the historic development costs is £879k. It is proposed that this sum is transferred from the Strategic Acquisitions Budget to the Mayfield Budget in order for the Council to meet its share. The payment will be paid by the Council on behalf of its wholly owned company Mayfield Development Manchester Ltd to the public sector limited partnership.
- 4.11 It is anticipated that the refinancing of historic public sector partnership costs and the additional capital funding to the Partnership will enable the realisation of future capital receipts provided from the longer-term re-development of the Mayfield site, including from the development of the Macdonald car park site. Whilst the level of return cannot be quantified at this stage, there are

appropriate “gain share” mechanisms in place within the partnership to ensure returns are secured by each partner on a proportional basis, which are considered to provide best value to the Council.

5. Urgency and Exemption from Call In

- 5.1 There is a need for the arrangements to be finalised as quickly as possible, due to timescales for completion of the Macdonald car park acquisition, to safeguard the ongoing delivery of the Mayfield development to provide further growth and jobs, and to fund the ongoing maintenance of the park and the wider site.
- 5.2 The exchange of contracts on the Macdonald car park is expected to take place by 18 November 2022, meaning that there would not be sufficient time for the report to be referred back through the next cycle of Scrutiny and Executive meetings. Completion of the contracts on this date would safeguard the agreed purchase price and protect against the Partnership from paying an increased price at a later stage.
- 5.3 There is also an expectation that the Phase 1 development delivery arrangements will be concluded imminently. As well as enabling the next phase of development, bringing new businesses and jobs to the city during a difficult economic climate, the completion and execution of these arrangements will help to fund the maintenance costs of the park and wider site and help to protect the Council’s interests.

6. Conclusions

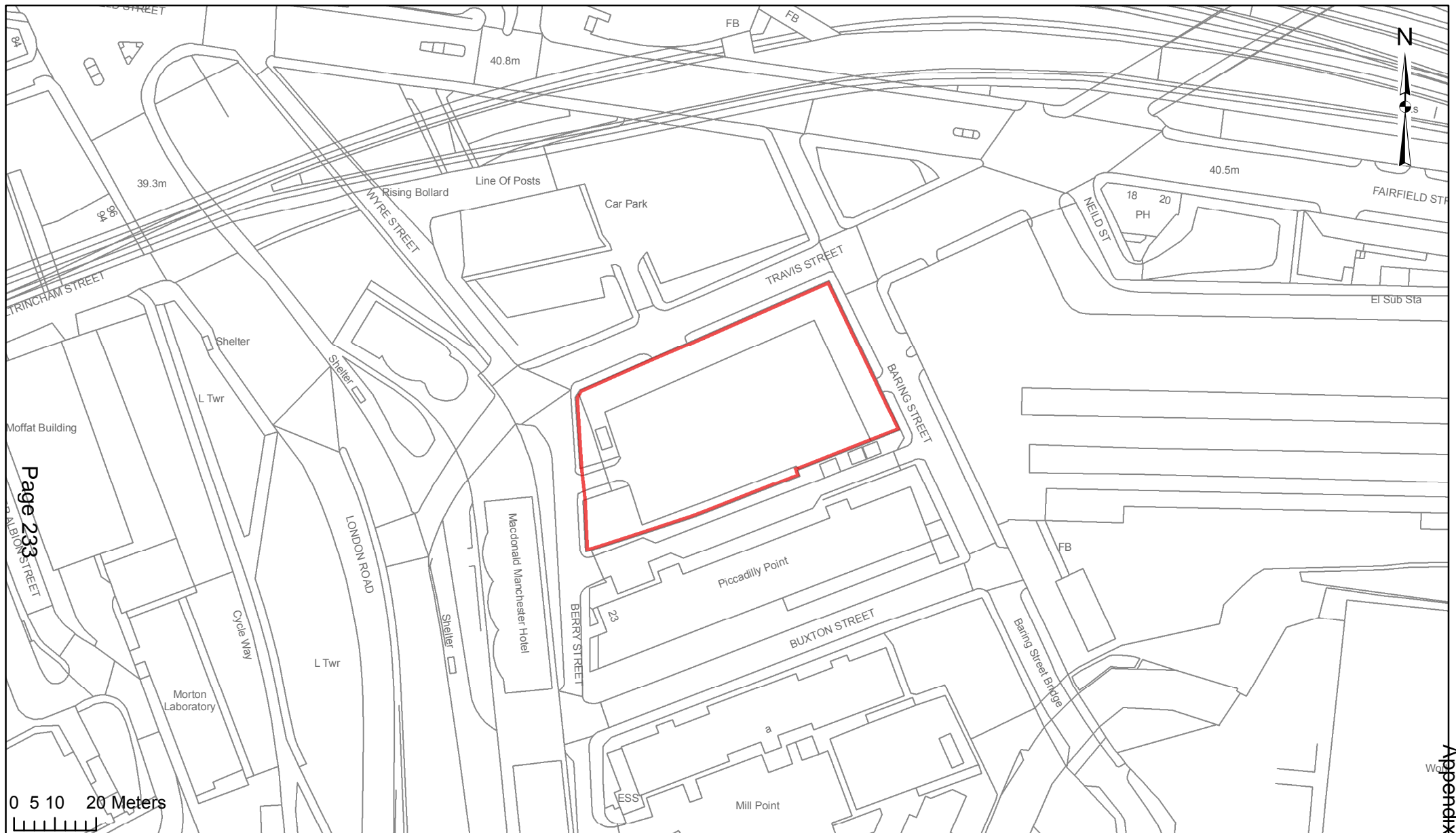
- 6.1 Mayfield is a key strategic site for the city, which presents a significant opportunity to regenerate a previously derelict area, to provide a new mixed-use neighbourhood, in a highly accessible location next to a major transport hub, bringing new jobs, commercial and amenity space, and connections to surrounding areas.
- 6.2 Substantial progress has now been made on delivery of the regeneration of the area, delivering benefits which include the opening of the city’s first new public park for 100 years, and early jobs and leisure opportunities for local people. The proposed provisions set out in this report will continue the momentum of development, enabling delivery of the first commercial buildings, and stimulate further phases of development. This will make an important contribution to the longer term economic growth of the city, securing both new temporary construction and permanent local jobs, particularly important in the current economic climate.

7. Recommendations

- 7.1 Recommendations appear at the start of the report.

8. Legal Considerations

- 8.1 The public sector and Partnership joint venture documents set out the arrangements for funding of, and returns from, the relevant partnership, together with mechanisms for the delivery of development. The proposals as set out in this report and within the Part B report align with these arrangements.
- 8.2 The Council's legal team, together with the public sector partners' external legal advisors will continue to support and advise the project team on the commercial arrangements in respect of Mayfield, to ensure that suitable measures are put in place to protect the Council's investment and to comply with the partnership arrangements and all relevant legislation.



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Development Team
Growth & Development Directorate
P.O. Box 532
Manchester M60 2LA



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