

Appendix B - Other material changes to the programme

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

Project	Current Budget 2023/24	Forecast at P4	In Year Variance	Spend to date 2023/24	Total Budget (All Years)	Total Variance (All Years)
£m						
Social Housing Decarbonisation Fund Schemes	13.6	3.9	(9.7)	0.3	49.7	0.0
Asset Management Programme	16.1	8.3	(7.8)	0.6	22.7	0.0
Northern/Eastern Gateway Walking and Cycling scheme	4.5	1.6	(2.9)	0.4	8.9	0.0
Highways Investment Programme (Other improv works)	2.0	0.2	(1.8)	7.6	7.6	0.0
Home Upgrade Grant 2	5.4	3.1	(2.3)	0.0	10.4	0.0
Active Travel Fund Schemes	1.9	1.1	(0.8)	0.2	6.7	0.0
House of Sport	1.7	1.1	(0.6)	0.8	9.4	(0.6)
HOME Arches	2.9	2.4	(0.5)	0.0	3.4	0.0

Social Housing Decarbonisation Fund Schemes

- 1.2 The Social Housing Decarbonisation Fund (SHDF) programme relates mainly to energy improvement works and renewable heating technologies. This will improve the energy performance certificate (EPC) rating of Council properties and help meet the zero carbon housing objectives and targets, including a transition away from gas heating sources. Most of this work generates a grant contribution from the Department for Energy Security and Net Zero via Greater Manchester Combined Authority (GMCA). There are other works included in the programme for most of the projects, consisting of various Decent Homes and Fire and Building Safety works.
- 1.3 The project faced longer mobilisation timescales than anticipated and therefore the majority of spend will now take place in the next financial year. There is also a proportion of spend falling into 2025/26 as indicated within the SHDF Council bid baseline spend profile and so an apportioned level of costs have been allocated against schemes to reflect this. As a result, a total of

£9.7m has been reprofiled into future years.

Asset Management Programme

- 1.4 The Asset Management Programme (AMP) is the Council's annual, prioritised programme of capital replacement for operational property. The programme is citywide and includes libraries, galleries, family centres, offices, property in parks and cemeteries, leisure/cultural centres and landlord liabilities. Works are prioritised using data on the condition of property, through service usage and through inspection to ensure statutory responsibilities for all operational properties are met. The programme supports key strategic initiatives including service provision, employment, health and well-being and carbon efficiency.
- 1.5 The 2022/23 programme continues the implementation of capital replacement for high footfall properties designed during 2021/22 including the National Football Museum, Sportcity Tennis Centre, MCDA (Sharp and Space) and the City Art Gallery. The programme includes essential replacement works to several highly used and vulnerable properties including leisure centres, libraries, community centres and heritage properties.
- 1.6 The Asset Management Programme expenditure will be significantly less than budgeted. Delays in contractors commencing on various Early Years sites, together with ongoing design and asbestos related complications have contributed to this. Works on Chorlton Library cannot commence until a temporary alternative 'pop-up' library is operational. This requires Building Control approval which is now imminent but has caused delay. As a result, a total of £7.8m will be reprofiled into next financial year.

Northern/Eastern Gateway Walking and Cycling Scheme

- 1.7 The Northern/Eastern Gateway project will deliver a continuous walking and cycling route, linking neighbourhoods in the north and east to the fringe of the city centre. Work has already commenced with construction at Pollard Street to Redhill Street ongoing. A new tranche of funding has been approved to complete the construction of a new bridge over the Ashton Canal and two Cyclops junctions at junction of Rochdale Road/ Thompson Street and Oldham Road/Thompson Street with a segregated cycle lane along Thompson Street. There have been some initial delays in finalising the agreement of a lease for the Ashton Canal Bridge works, with work now expected to commence in March 2024 instead of January 2024. As a result, a total of £2.9m will be reprofiled into future years.

Highways Investment Programme (Other improvement works)

- 1.8 Within the Highways Investment Programme, the funding identified for the A34 (Corridor 1) works was deemed to be not sufficient to cover the whole corridor and so work was paused to rescope the deliverables for the project whilst working with TfGM to identify alternative funding opportunities. Due to the complexity of highways and development activity and more generally, strategic transport plans, in the city centre it has been necessary to undertake

additional work to ensure that the scope of the project aligns with other workstreams. The scope has now been defined and will be entering into design stages in Autumn 2023. A total of £1.8m will be reprofiled into future years.

Home Upgrade Grant 2

- 1.9 In December 2022, the Council were advised that they had been successful in their bid for £10.4m Home Upgrade Grant 2 (HUG2) funding from Government and a memorandum of understanding (MoU) was signed in February 2023.
- 1.10 This funding, to be delivered by the end of March 2025, provides grant to Local Authorities for owner occupied and private rented sector properties. These are required to be off gas grid, with low energy performance (EPC D-G). Taking a fabric first approach, the grant provides energy efficiency and clean heating upgrades to improve energy performance of properties. The grant levels are between £3k and £24k, dependent on property archetypes and characteristics, and the EPC requirements are generally that F-G homes are upgraded to at least EPC D and EPC D-E homes upgraded to Band C. To be eligible private landlords need to have a portfolio of 4 or less properties.
- 1.11 As at July, the project has only begun to materialise and works have been planned across a 30/70 split over the 2 financial years based on the project timings. Therefore, a total of £2.3m has been slipped into 2023/24.

Active Travel Fund Schemes

- 1.12 Active Travel Funding is government funding for cycling and walking schemes, to help promote healthy travel, reduce emissions and grow the economy. Alongside the environmental benefits, the intention is to ease congestion across the City, with people choosing more active choices that can benefit their mental and physical health and wellbeing. Planned works in the City Centre have been reprogrammed due to the Conservative Party Conference and the planned events in the City at Christmas. Works to Alan Turing Way have been pushed back due to delays in approving a funding agreement between the Council and TfGM. As a result, a total of £0.7m will be reprofiled into next financial year.

House of Sport

- 1.13 House of Sport is part of The Council's investment to attract future sporting bodies and strengthen its 'sporting campus' vision for the area of East Manchester within walking distance of the Etihad Stadium. The aspiration was to house multiple 'sporting' tenants within one building, supporting a collaborative, 'sporting campus' within this area of Manchester.
- 1.14 Works on the project are now complete. During the construction phase further invasive and detailed surveys were undertaken which highlighted several failings in the existing building including fire safety issues associated with existing fire stopping / fire compartmentation and fire dampers to ventilation

ducting. Additional funding was granted to rectify these failings, based on an estimate of the number of areas which would need attention. The extent and cost of necessary works was less than anticipated, resulting in a £0.6m underspend.

HOME Arches

- 1.15 The HOME Arches Project will transform three railway arches situated between HOME's building and Whitworth Street West into a talent development centre for artists of all ages, disciplines and stages of their careers.
- 1.16 The budget requires reprofiling of £0.5m into future years. This is mainly due to the delay in starting the project because of Network Rail issuing the Council with a license to occupy the Arches to carry out the works. This resulted in an increase in costs due to inflation, and so works could not commence until further budget approval had been agreed. This is now complete and construction started in May with the contract sealed by Legal in July. The scheme is on programme, with the pouring of concrete now started. Expected completion is May 2024.