

## Appendix A - Major Projects

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

Project	Current Budget 2023/24	Forecast at P9	In Year Variance	Spend to date 2023/24	Total Budget (All Years)	Total Variance (All Years)
Our Town Hall Refurbishment	79.7	63.8	-15.9	39.8	335.4	0.0
Factory International and St John's Public Realm	54.4	54.4	0.0	41.2	261.1	0.0
Housing Infrastructure Fund (Victoria North)	13.3	16.0	2.7	6.7	51.2	0.0
This City Housing Delivery Vehicle	24.0	13.4	-10.6	4.6	48.1	0.0
Collyhurst*	13.1	7.9	7.9	5.9	47.7	0.0
Carbon Reduction Programme and Public Sector Decarbonisation Scheme	12.8	13.5	0.8	7.9	41.8	0.0
Back of Ancoats Mobility Hub and Public Realm	23.0	15.4	-7.6	9.7	38.7	0.0
Hammerstone Road Depot	14.9	14.9	0.0	12.9	35.2	0.0
Varley Street SEND School	14.0	3.2	-10.8	0.6	18.1	0.0
Campfields Redevelopment	6.9	10.9	4.0	2.3	17.5	0.0

\*Public and Private Sector Housing

### *Our Town Hall Refurbishment*

1.2 As has been previously reported, the age and scale of the building means that the discovery risk faced by the project is significant. Progress has been good and most of the discovery from the works on the roof is now complete. The remaining challenges are for the detailed design to support the M&E and the building to operate and this work is being completed. Due to the age of the building the original BIM model is not completely accurate. Whilst not unexpected this led to more detailed design changes than anticipated which

are still being completed and has impacted on the sequencing of the programme. Once resolved the position on target dates for completion will then be clearer.

- 1.3 The report is due to report back to Resources and Governance Scrutiny Committee and this is now anticipated to be early in the new municipal year with the more detailed update on cost and programme. Any further budget approvals that may be necessary will also be sought at that stage.
- 1.4 The project now has contracts in place for £191.3m of works packages with 98% procurement cost surety expected to be achieved by February 2024.
- 1.5 The project continues to see good progress on site, with works reported in the period including the continuation of roof works and progress to the Albert Square Clock Tower and Cooper Street Tower. The Public Realm works continue with the next phase expected to be complete by March 24 with the early introduction of trees and totems (lighting structures that contain IT equipment) to the Square from January, and it is anticipated that the external scaffolding may start to come down this summer.
- 1.6 The project is reporting reprofiling of £15.9m which in the main relates to delays in construction specifically the mechanical, engineering and plumbing works referred to above.

#### *Aviva Studios, Home of Factory International*

- 1.7 Aviva Studios, Home of Factory International continues to welcome visitors for a wide range of events, performances and exhibitions since opening in October 2023. The venue is unlike any other arts venue in Europe and its opening is a landmark moment for culture in the UK.
- 1.8 As previously reported, there are some remaining works and snagging items that are being completed during the winter period. The final fit out works are also being completed with the work planned to include a quiet room, prayer room, and a space for the Factory Academy.
- 1.9 The public realm works are now complete, with minimal snagging works ongoing.
- 1.10 The commercial negotiations are ongoing, with Practical Completion expected to be in March 2024 and the final account settled in the summer.

#### *Housing Infrastructure Fund (Victoria North)*

- 1.11 The total budget for the Housing Infrastructure Fund (HIF) is £51.6m, and the project is currently due to complete in March 2024, under the terms of the Grant Determination Agreement with Homes England. HIF is funding a complex set of interrelated infrastructure works (land remediation, the expansion and reinforcement of the utility networks, the creation of new

highways access and site preparation works) that will unlock a development platform for up to 5,500 homes in the Red Bank neighbourhood, which comprises a series of brownfield and under-utilised sites in the Lower Irk Valley, just to the north of Victoria Station - former heavily industrialised land.

- 1.12 The design team, working with the Environment Agency and Local Planning Authority managed to agree a satisfactory solution to dealing with unexpected contaminants that allows works to recommence on a phased basis. The contractor has completed the vegetation clearance and site preparation works, and some early remediation work, including the removal of the original railway sidings turntable. The project restarted the main works on site in January 2024.
- 1.13 Also, as previously reported, agreement in principle has been with Homes England for funding previously allocated from the "in river channel" flood defence works proposed for the River Irk to be moved to deliver infrastructure and enabling works that will ensure the viability of other residential development plots in the Red Bank masterplan. Work has been ongoing in the background with the project and design team to progress the designs for this ensure that titles are clear for redevelopment. Resolution to grant planning permission was approved in August 2023 with Planning Permission being granted on 18th December. The design team are working through the planning conditions, so that work can start on site in January 2024.
- 1.14 It is anticipated that the programme budget will require reprofiling as a revised programme and pricing is received from the contractor. Work is being managed to minimise the risk to the grant funding allocated to the scheme. This will be reported to Executive in future monitoring reports and the budget updated at the end of the financial year.

#### *This City Housing Delivery Vehicle*

- 1.15 The total current budget for This City Housing Delivery is £48.1m. There were two sites in the first phase of This City development, at different stages of design and development. Construction has started on This City – Rodney Street, with the site cleared, foundations completed for the two apartment blocks, and the superstructure in progress.
- 1.16 The forecast spend for 2023/24 is £11.5m, reflecting a re-profile of the scheme of around £12.5m. This is because start on site was later than originally envisaged, due to the need to review costs and finalise the delivery contract. However, This City – Rodney Street is currently forecasted to be delivered on time and on budget, completing in early 2025.
- 1.17 Work on site has progressed well, with the superstructure for one of the blocks at the second floor, and the floor slab for the second block being completed. The service trench for the site continues to progress, alongside primary drainage works. The superstructure and supporting infrastructure are expected to progress further in the coming months.

- 1.18 The project has been allocated Brownfield Land funding by the GMCA of £1.68m and so this funding will be used to replace borrowing of an equivalent value. The overall project budget will not change.
- 1.19 The business plan for This City has been reviewed to reflect the significant changes that have faced the market and was approved by the Programme Board and Board in October. The plan outlines the vision for the company, along with clear financial performance models, alongside a range of key performance indicators and details on risk. A detailed piece of work is underway on the investment model that would enable potential phase one developments to be brought forward with an investment partner.

### *Collyhurst*

- 1.20 The budget for the first phase of the Collyhurst Programme is £37.9m, with construction of the scheme including 130 new Council homes expected to be complete in April 2026. The construction is progressing well, and although the contractor advises there is a slight delay in programme, they advise that the construction of the new Council homes on both sites will be complete in accordance with the original sectional completion dates. The project reported slippage of £4.7m in Period 6. There has been no change reported to the financial projections this period.
- 1.21 In Collyhurst Village, the timber frame construction is underway to the first block of Council houses and the ground beam concrete work is now complete to the main apartment block with steel frame erection due to commence. The main drainage works is now complete, with gullies and plot drainage works ongoing. In South Collyhurst, service diversion works have now allowed construction activity to recommence, with foundation works for the houses complete, drainage works nearing completion and the new roads constructed to formation level.
- 1.22 Confirmation of the Compulsory Purchase Order in Collyhurst Village has now been secured and discussions continue with the residents affected. Officers are liaising with the affected Council tenants in preparation for allocation of the new homes in the development, which will be completed on a sectional basis.
- 1.23 Separately to the Phase1 development, the demolition of the last block of maisonettes at Eastford Square is now complete. However, the relocation of the sculpture remains to be undertaken using a revised lifting plan. The cost and programme implications for the revised lifting/relocation methodology are currently being confirmed.

### *Carbon Reduction Programme including PSDS*

- 1.24 The total current budget for the Carbon Reduction Programme and Public Sector Decarbonisation Fund (PSDS) is £45.5m and is forecast to budget.
- 1.25 The Council continues to progress works within the Carbon Reduction Programme in order to meet the target of being a zero-carbon city by 2038 at

the latest, 12 years ahead of the Government's target for the UK of 2050.

- 1.26 The Council secured ERDF (European Regional Development funding) in 2021 to support the delivery of carbon reduction works at the National Cycling Centre. The works to deliver solar car ports at the site are now complete. Further to this, Public Sector Decarbonisation Scheme Phase 3(a) grant funded works are expected to complete by March 2024 which will deliver 518 tonnes of carbon savings per annum. The programme submitted a further bid for PSDS funding in phase 3(b) to deliver further carbon reduction works at Claremont Resource Centre. Procurement of the works is currently being arranged with works to be undertaken in 2024.
- 1.27 The Zero Carbon Estate Programme completed 72 energy audits of buildings within the Council's estate. Some of the audited buildings were identified as including low efficiency fluorescent lighting. The programme of work to replace the lights with efficient LED lighting will be undertaken in 2023/24 and is expected to reduce carbon emissions across 14 sites by 51 tonnes per annum.
- 1.28 Work continues on a strategy which includes additional surveys and data integration, to help provide insight for a 15-year pipeline of work to reach zero carbon for the estate by 2038, as well as the expected financial implications to support that pipeline.
- 1.29 In the interim, the next phase of carbon reduction works for 2024-25 has been brought forward for approval. As more of the energy savings schemes complete, future work is likely to be more focused on energy switching which involves more costly infrastructure being implemented with less opportunity for revenue savings. More information can be found about the future proposal in the Capital Strategy elsewhere on the agenda.
- 1.30 It is understood that there will be a significant funding requirement to reach our zero carbon commitment and as such any potential external funding options will be explored where possible, as well as any potential spend to save schemes where the Council can expect to see a reduction in running costs as a result of the works undertaken.

#### *Back of Ancoats Mobility Hub and Public Realm*

- 1.31 The total budget for the Mobility Hub and Public Realm is £38.0m. The project is expected to complete in 2025/26 and is forecast to budget.
- 1.32 The Ancoats Mobility Hub (AMH) and the associated public realm forms a critical part of the ongoing regeneration of Ancoats and the aspirations to be a cleaner, greener city. Housing developments in the area are unlikely to have dedicated parking and are therefore expected to use the Mobility Hub. The public realm is essential to create the desired environment for the planned 1,500 homes.
- 1.33 Works on site continue to progress with drainage works nearing completion,

and the core walls of the Poland Street elevation now complete. The steel frame is progressing well with all main structural steelwork due to complete by February 2024. The first coordination meeting has been held with the Ancoats Green contractor.

- 1.34 In parallel, work is ongoing to establish the commercial operating model of the Mobility Hub and produce a business plan for Homes England, as required by the grant funding agreement. Procurement of an operator underway, with the route to procurement (RtP) process taking place over December and January and officers now evaluating the tenders submitted. It is anticipated that an operator will be formally appointed later in 2024.
- 1.35 As reported in September, and following works to the Mobility Hub commencing, the forecast cash flow for the scheme was reviewed and updated accordingly. A total of £7.6m will be reprofiled into next financial year, with the scheme still on programme and expected to complete in 2025/26.

#### *Hammerstone Road Depot*

- 1.36 Work continues to progress well on site, with MCC offices nearing completion, partitions complete and ceiling grid installed in the toilet and shower block. Further works including mist coating are nearing completion, joinery have completed circa 75% of door sets and architraves and commenced skirting. Works on the low-level car park are now complete and the car park is in operation.
- 1.37 Carbon Reduction works on site are progressing with materials ordered and fixings to the roof for the photovoltaic electricity generation system in progress. Rainwater harvesting is ongoing with the dig out and base layer of stone completed, and main drainage runs alongside of the Loco shed ongoing.
- 1.38 The contractor has exceeded their targets for the apprenticeship hours and meaningful work placements that pay the Real Working Wage. They have made progress with training opportunities, employment of long-term unemployed and local people hired through the supply chain.
- 1.39 Further to the submission of Planning approval for the updated external works scheme at the Depot which has been developed in consultation with key stakeholders, a budget increase has been requested for new lighting CCTV and EVC's to the upper car park, new drainage and increased parking spaces. More information can be found in the Capital Strategy elsewhere on the agenda.
- 1.40 Previous forecasts assumed reprofiling of spend would be necessary into 2024/25, however current forecasts indicate that due to good progress on site this will not be necessary.

#### *Varley Street SEND Secondary School*

- 1.41 This project will develop a new 150 place secondary SEND school for pupils aged 11-19 with an Education, Health, and Care Plan (EHCP). The accommodation will be designed to Department for Education (DfE) output specification with associated external facilities including space for outdoor education and staff parking. The total budget is £18.1m.
- 1.42 As with all new build schools, this provision will be designated as a free school and operated by a multi academy trust. Upon completion, the site will be subject to a 125-year lease to the trust who will be responsible for its operation and maintenance.
- 1.43 Early in the process the site was identified as having coal seams, with start date pushed back due to the approval of a remediation strategy from the Coal Board taking longer than originally anticipated before works can progress. Works started on site in December 2023 including site set up, following a further delay in obtaining mine grouting approval. This has been flagged as a risk due to inflation forecasts and timescales around opening. Expected completion is now April 2025 and this will be closely monitored. As a result, a total of £10.8m will be reprofiled into future years.

#### *Campfield Redevelopment*

- 1.44 The Campfield Redevelopment is the creation of a new media and tech industries cluster in the St John's Strategic Regeneration Framework (SRF) area. It will deliver workspaces and studio spaces to attract and support start-up, recovery, and scale-up businesses around tech, innovation and media through the re-adaptation of three buildings, including two heritage buildings, which have reached the end of their economic life.
- 1.45 The Levelling Up grant funding which the Council was successful in securing for the project, will cover the conversion of the two heritage Campfield Market buildings, with the third, Castlefield House, to be delivered by Allied London using their own investment. Castlefield House is being significantly redeveloped and extended as grow on space for new media and tech businesses.
- 1.46 Works to Phase 1 continue on programme, which include asbestos removal, scaffolding and temporary works and internal soft strip and mechanical, engineering, plumbing and heating (MEHP) removals. Multiple specialist contractors have been appointed with prior experience in heritage and conservation works. Works are progressing better than expected and the latest programme of works shows a requirement to accelerate £4.0m in to 2023/24.