

Manchester City Council Report for Resolution

Report To: Executive – 14 January 2009

Subject: Capital Programme – Proposed Increases

Report of: Chief Executive and the City Treasurer

Summary

To inform members of requests to increase the capital programme. To seek approval for those schemes that can be approved under authority delegated to the Executive and to make recommendations to the City Council for proposals that require specific Council approval.

Recommendations

Members are requested under powers delegated to the Executive to approve the following:

1. Children's Services – Newall Green High School 6th Form Centre: To increase the capital budget by £4,100,000 (£2,392,000 in 2008/09 and £1,708,000 in 2009/10), funded by Learning Skills Council (LSC) grant.
2. Children's Services – Computers for Pupils (Tranche 4 - Hard to Reach Pupils): To increase the capital budget by £224,000 in 2009/10, funded by DCSF grant.
3. Chief Executive's Regeneration – Oxford Road Digitisation: To increase the capital budget by £487,000 (£50,000 in 2008/09, £250,000 in 2009/10 and £187,000 in 2010/11), funded by NWDA grant.
4. Chief Executive's Regeneration – Manchester City South (Oxford Road) Public Realm Improvements: To increase the capital budget by £1,718,000 (£815,000 in 2008/09, £873,000 in 2009/10 and £30,000 in 2010/11), funded by £1,703,000 NWDA grant and £15,000 Section 106 contribution.
5. Leisure Services - Hough End Improvement Scheme: To increase the capital budget by £160,000 (£25,000 in 2008/09 and £135,000 in 2009/10), funded by Section 106 contribution.
6. Children's Services – Virement of £460,000 from Sure Start Phase 2 to Quality and Access for Young Children.

Wards Affected: Various including City Centre, Ardwick, Hulme, Moss Side, Baguley, Rusholme, Chorlton Park and Old Moat.

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	Improving the accessibility and attractiveness of local environment and public realm
Reaching full potential in education and employment	Access to a greater range of technologies to support learning needs.
Individual and collective self esteem – mutual respect	Provision for children who often miss out in education
Neighbourhoods of Choice	Safer more attractive public parks; and building new community facilities.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

If the above capital budget increases are approved they will create only very minor revenue consequences which can be financed from existing revenue budgets.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase the capital budget by £6,689,000 (£3,282,000 in 2008/09, £3,190,000 in 2009/10 and £217,000 in 2010/11), financed by £175,000 contributions and £6,514,000 government grant.

Contact Officers:

Name: Howard Bernstein
Position: Chief Executive
Telephone: 234 3006
E-mail: h.bernstein@manchester.gov.uk

Name: Richard Paver
Position: City Treasurer
Telephone: 234 3564
E-mail: r.paver@manchester.gov.uk

Name: Carol Culley
Position: Head of Financial Management
Telephone: 234 1647
E-mail: c.culley@manchester.gov.uk

Name: Dave Channon
Position: Capital Accountant
Telephone: 234 3292
E-mail: d.channon@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.

1.0 Introduction

1.1 Requests for increases to the current three year capital budget have been identified. This report outlines those requirements.

2.0 Background

2.1 In February each year the Executive receives a report on the capital budget for the forthcoming three financial years, and approves a series of recommendations to make to the City Council. The City Council's resolutions on these recommendations constitute the approval of the three year capital programme for Manchester City Council. Proposals for the 2008/09 to 2010/11 Capital Budget were presented to the Executive on 13th February 2008.

2.2 A summary of the requests for additions to the programme is shown in Appendix 1 and represents requests received since the previous report to the Executive.

3.0 Proposals Not Requiring Specific Council Approval

3.1 Children's Services – Newall Green High School 6th Form Centre (Baguley Ward). This project is to develop a 200 place 6th form building by purchasing a building owned by Mancat and to refurbish the building. An increase to the capital budget of £4,100,000 (£2,392,000 in 2008/09 and £1,708,000 in 2009/10) is requested, funded by LSC grant. The acquisition of the building will enable the school to open a new 6th form centre by September 2009 with the key aim of establishing clear continuity of post 16 provision on their own campus, tailoring provision to the needs of students.

3.2 Children's Services – Computers for Pupils (Tranche 4 - Hard to Reach Pupils). This is the fourth tranche of the computers for pupils programme. This project will make provision for children who often miss out in education, for example excluded and partially excluded children, asylum seekers, children awaiting placement and other children with complex additional needs. (City Wide Wards) An increase to the capital budget of £224,000 in 2009/10 is requested, funded by DCSF grant. The project will enable learners to access a greater range of technologies to support their learning needs.

3.3 Chief Executive's Regeneration – Oxford Road Digitisation. This project will provide very high capacity broadband to a wide range of premises in the "Oxford Road Corridor" by using fibre optic cables. (Ardwick, Hulme, Moss Side, Rusholme and City Centre Wards) An increase to the capital budget of £487,000 (£50,000 in 2008/09, £250,000 in 2009/10 and £187,000 in 2010/11) is requested, funded by NWDA grant. The improved facilities will benefit both businesses and residential homes in the area.

3.4 Chief Executive's Regeneration – Manchester City South (Oxford Road) Public Realm Improvements. This project will include building new crossings, improving the paving materials, public art installation and tree planting (Hulme, Ardwick, City Centre and Moss Side Wards) An increase to the capital budget of £1,718,000 (£815,000 in 2008/09, £873,000 in 2009/10 and £30,000 in 2010/11) is requested, funded by £1,703,000 NWDA grant and £15,000 Section 106 contribution. This proposal will enhance the local environment with benefit to local neighbourhoods.

4.0 Leisure Services - Hough End Improvement Scheme. This project is for improvements to Hough End Clough and Fields and the surrounding area. (Chorlton Park and Old Moat Wards) An increase to the capital budget of £160,000 (£25,000 in 2008/09 and £135,000 in 2009/10) is requested, funded by Section 106 contribution. This project will improve the provision of public recreational facilities in the vicinity of the development; as well as improve the amenity of the local environment and the public realm.

4.1 Children's Services - Virement of £460,000 from Sure Start Phase 2 to Quality and Access for Young Children. The DCSF has confirmed that the Sure Start Capital and Quality and Access Grant funding is not ringfenced and therefore there is flexibility between the two grants as they both come under the general Sure Start Early Years and Childcare Grant (SSEYCG). The DCSF also confirmed the unspent carry over of £460,000 from Phase 2 Sure Start Capital Programme, must be spent by March 2009. Therefore the proposal is to utilise the £460,000 from Phase 2 to support Quality and Access works committed in this financial year

5.0 Prudential Performance Indicators

5.1 If the recommendations in this report are approved, the capital budget increases will be Non-HRA £3,282,000 in 2008/09, £3,190,000 in 2009/10 and £217,000 in 2010/11.

5.2 There is no requirement for unsupported borrowing therefore no impact on the City's Council Tax.

6.0 Conclusions

6.1 The capital budget will increase by £6,689,000 (£3,282,000 in 2008/09, £3,190,000 in 2009/10 and £217,000 in 2010/11) if the recommendations in this report are approved. The addition of these schemes to the programme, as summarised in Appendix 1, will enhance service delivery council wide and be financed by £175,000 contributions and £6,514,000 government grant.

7.0 Contributing to the Community Strategy

7.1 The Capital Programme provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

7.2 The decisions provide resources for important projects to go forward, each project making its own contribution to the Community Strategy.

8.0 Key Polices and Considerations

(a) Equal Opportunities

8.1 All proposals have been drawn up in awareness of Council policy on equality.

(b) Risk Management

8.2 All capital projects which go through the Gateway System are subject to a risk assessment which includes a rapid risk check, risk workshops and the compilation of risk logs to support project delivery and risk management.

Appendix 1

Requests for Additional Capital Budget Provision							
14 January 2009 EXECUTIVE							
Dept	Scheme	Funding	2008/09	2009/10	2010/11	Future	Total
			£000	£000	£000	Years	£000
Children's Services	Newall Green 6th Form Centre	LSC grant	2,392	1,708			4,100
Children's Services	Computers for Pupils	DCSF grant		224			224
Chief Executive's Regeneration	Oxford Road Digitisation	NWDA grant	50	250	187		487
Chief Executive's Regeneration	Oxford Road Public Realm Improvements	NWDA grant	800	873	30		1,703
Chief Executive's Regeneration	Oxford Road Public Realm Improvements	Section 106	15				15
Leisure Services	Hough End Improvement Scheme	Section 106	25	135			160
Children's Services	Sure Start	govt grant	(460)				(460)
Children's Services	Quality & access	govt grant	460				460
		TOTAL	3,282	3,190	217	-	6,689