

**Manchester City Council
Report for Resolution**

Report To: Executive – 15 September 2010

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 to recommend that the City Council approve:

1. Libraries – Higher Blackley/ the Avenue Library and Learning Centre: To increase the capital budget by £500k in 2010/11; funded by MCC Housing resources.
2. Leisure Services – Alexandra Park Regeneration (Round 2 development fees): To increase the capital budget by £264k in 2010/11; funded by £125k capital fund and a £139k development grant from the Heritage Lottery Fund.

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

3. New East Manchester – Access to Nature, Rochdale Canal: To increase the capital budget by £29k in 2010/11; funded by Section 106 contribution.
4. New East Manchester – Sportcity BMX Public Realm: To increase the capital budget by £451k in 2010/11; funded ERDF and HCA grant.
5. Transport – Congestion Target Performance Fund: To increase the capital budget by £540k in 2010/11; funded by government grant.
6. New East Manchester – Central Park South: To increase the capital budget by £145k in 2010/11; funded by NWDA.
7. Transport – Sustran Link to Schools, Crumpsall: To increase the capital budget by £81k in 2010/11; funded by Sustran contribution.
8. Transport – Safer Routes to Schools and 20mph Zones around Schools: To increase the capital budget by £287k in 2010/11; funded by WNF grant.

Wards Affected: Various,

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	None in this report
Reaching full potential in education and employment	A new Library and Learning Centre in Higher Blackley.
Individual and collective self esteem – mutual respect	None in this report
Neighbourhoods of Choice	Regeneration of Alexandra Park will create a facility which will hugely benefit the local community and reflect and complement the regeneration that is taking place elsewhere in the surrounding neighbourhood.

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 only create 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 £2,297k. The increases will be financed by £1,562k Government Grants, £110k Contributions and £625k City Council resources.

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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 10 February 2010 (Budget 2010/11 – 2012/13)

1 Introduction

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

2 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 2010/11 to 2012/13 Capital Budget were presented to the Executive on 10th February 2010.
- 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 Proposals Requiring Specific Council Approval

- 3.1 Libraries – Higher Blackley / The Avenue Library and Learning Centre. The project will deliver a new Library and Learning Centre incorporated into the proposed retail development at the junction of Rochdale Road and Victoria Avenue. The total cost of the project is £795,000 – there will be no adverse revenue consequences. There is already £295,000 in the capital programme, funded by Working Neighbourhood Fund, so an increase to the capital budget of £500,000 in 2010/11 is requested to be funded from MCC Housing resources.
- 3.2 Leisure Services – Alexandra Park Regeneration (Round 2 development fees). A bid has been submitted to the Heritage Lottery Fund. The HLF has awarded a development grant of £139,000 as a contribution towards the development costs of the round two bid of £264,000. An increase to the capital budget of £264,000 in 2010/11 is requested funded by £125,000 capital fund and £139,000 HLF.

4 Proposals Not Requiring Specific Council Approval

- 4.1 New East Manchester – Access to Nature, Rochdale Canal. The works will be delivered adjacent to the Rochdale Canal at Newton Heath and Miles Platting. The project will be funded from Section 106 contributions reserved from the Ceylon Street Development. The works include Access improvements, drainage improvements, landscaping, tree-planting and hedge-laying. An increase to the capital budget of £29,000 in 2010/11 is requested. It will be funded by Section 106 contribution.
- 4.2 Transport – Congestion Target Performance Fund. Manchester City Council has received a further £540,000 grant on top of the £264,000 approved by July Executive. The project is to further implement schemes which will reduce

congestion on Department for Transport's identified routes. An increase to the capital budget of £540,000 in 2010/11 is requested funded by government grant.

- 4.3 New East Manchester – Central Park South. Costs of remediation and site infrastructure works have risen from £3,855,000 to £4,000,000. The full budget approval was held back until there was a certainty about the final cost for a bund, required in accordance with planning regulations and not in the original forecast. An increase to the capital budget of £145,000 in 2010/11 is requested funded by NWDA grant.
- 4.4 New East Manchester – Sportcity BMX. Costs of public realm works have risen from £5,142,000 to £5,593,000. This is the cost of additional works for the Metrolink interface which is covered by 100% government grant. An increase to the capital budget of £451,000 in 2010/11 is requested funded by ERDF and HCA grant.
- 4.5 Transport – Sustran Link to Schools. This proposal will develop a section of the National Cycle Network between Harpurhey Road and Factory Lane. The proposals will be linked to the new Thomas Street Primary school. Also a 20mph zone with traffic calming measures will be provide cycle stands, cycle lanes and other measures are also proposed to improve access and facilities for cyclists using this route. An increase to the capital budget of £81,000 in 2010/11 is requested funded from Sustran contribution.
- 4.6 Transport – Safer Routes to Schools and 20mph Zones around Schools. This project will implement traffic calming measures around schools to improve the safety of children and the surrounding communities. It will also contribute to reducing congestion and air pollution as well as inducing healthier lifestyles. An increase to the capital budget in 2010/11 is requested funded by WNF grant.

5 Prudential Performance Indicators

- 5.1 If the recommendations in this report are approved, the capital budget increases will be Non-HRA totalling £2,297k all in 2010/11.
- 5.2 There is a no requirement for unsupported borrowing therefore no impact on the City's Council Tax.

6 Conclusions

- 6.1 The capital budget will increase by £2,297k 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 £1,562k Government Grant, £29k Section 106 contributions with £625k coming from the City Council resources.

7 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 Key Polices and Considerations

8.1 Equal Opportunities

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

8.2 Risk Management

8.2.1 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.

Requests for Additional Capital Budget Provision

Dept	Scheme	Funding	2010/11	2011/12	2012/13	Future	Total
			£000	£000	£000	Years	£000
Libraries	Higher Blackley/ The Avenue	MCC Resources	500				500
Leisure	Alexandra Park Regeneration	Capital Fund	125				125
Leisure	Alexandra Park Regeneration	Heritage Lottery Fund	139				139
New East Manchester	Access to Nature	Section 106	29				29
Transport	Congestion Target Performance Fund	Government Grant	540				540
New East Manchester	Central Park South	NWDA	145				145
New East Manchester	Sportcity BMX	Government Grant	451				451
Transport	Sustran Link to Schools	Contribution	81				81
Transport	Safer Routes to Schools & 20mph Zones	WNF grant	287				287
		TOTAL	2,297				2,297