

**Manchester City Council
Report for Resolution**

Report To: Executive – 26 October 2011

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. Strategic Housing (Private) – The Way Development, Beswick: To increase the capital budget by £350,000 (£100,000 in 2011/12, £200,000 in 2012/13 and £50,000 in 2013/14), funded from Housing capital receipts.
2. Children's Services – Buzz Relocation to Bridgelea Children's Centre: To increase the capital budget by £40,000 in 2011/12, funded from revenue.
3. Neighbourhood Services – The Village Pedestrian Zone: To increase the capital budget by £50,000 in 2011/12, funded by the Parking Reserve.

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

4. Northwards Housing – External Insulation to Newton Heath Multi Storey Blocks and Installation of Photovoltaic Panels: To increase the capital budget by £526,000 (£110,000 in 2011/12 and £416,000 in 2012/13), funded from the Government's Community Energy Saving Programme (CESP)
 5. Highways – Sharp Street: To increase the capital budget by £107,000 in 2011/12, funded by Section 106 contribution.
 6. Highways – Ardwick Grove Village Parking Scheme: To increase the capital budget by £140,000 in 2011/12, funded by Section 106 contribution.
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Wards Affected: Various,

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	External insulation to multi storey blocks
Reaching full potential in education and employment	None in this report
Individual and collective self esteem – mutual respect	None in this report
Neighbourhoods of Choice	Reconstruction to carriageways and footways

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 £1,213,000, financed by £526,000 CESP grant, £350,000 capital receipts, £40,000 revenue, £50,000 reserves and £247,000 contributions.

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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 16 February 2011 (Budget 2011/12 – 2013/14)

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 2011/12 to 2013/14 Capital Budget were presented to the Executive on 16th February 2011.
- 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 Requiring Specific Council Approval

- 3.1 Strategic Housing (Private) – The Way Development, Beswick. This is for the final payment of Public Sector Gap Funding, for the development of new homes in Beswick (known as the Way Development), including social housing re-provision and homes for sale, based on the development agreement. The payment of £350,000 is to be linked to the achievement of various milestones and phased payments made over the next 2.5 years. An increase to the capital budget of £350,000 (£100,000 in 2011/12, £200,000 in 2012/13 and £50,000 in 2013/14) is requested, funded from Housing capital receipts.
- 3.2 Children's Services – Buzz Relocation to Bridgelea Children's Centre. The Buzz is a Pupil Referral Unit (PRU) for children with Social Emotional and Behavioural Difficulties and is currently located in the Annexe building of the Peacock Centre in Gorton. The site is unsafe and in a poor condition. The Bridgelea CC in Withington has been identified as a site for the relocation. Work required includes new fencing, security to roof areas and alterations to toilets. Total cost of the work is £74,000, funded from £34,000 PRU grant already in the capital programme and £40,000 from Buzz revenue Funds. An increase to the capital budget of £40,000 in 2011/12 is requested, funded from revenue.
- 3.3 Neighbourhood Services – The Village Pedestrian Zone. The project proposes to implement a night time pedestrian zone at certain times on Sackville Street. This will also improve pedestrian safety which at the moment is exacerbated by narrow footways. An increase to the capital budget of £50,000 in 2011/12 is requested, funded from the Parking Reserve.

4.0 Proposals Not Requiring Specific Council Approval

- 4.1 Northwards Housing – External Insulation to Newton Heath Multi Storey

Blocks and Installation of Photovoltaic Panels. External funding has been secured from the Government's Community Energy Saving Programme (CESP) to assist with the cost of installing solid wall insulation to four multi storey blocks in Newton Heath. An increase to the capital budget of £526,000 (£110,000 in 2011/12 and £416,000 in 2012/13) is requested, funded from CESP.

4.2 Highways – Sharp Street. The work comprises resurfacing work and reconstruction to sections of the carriageway and footway in the vicinity of the Sharp Street development in Ancoats and Clayton wards. An increase to the capital budget of £107,000 in 2011/12 is requested, funded from Section 106 contribution.

4.3 Highways – Ardwick Grove Village Parking Scheme. The work will consist of parking restrictions and parking bays within the Grove Village Area. The total cost of the scheme is £200,000. £60,000 is being funded from the unallocated savings from the Highways capital maintenance programme and £140,000 Section 106 monies. An increase to the capital budget of £140,000 in 2011/12 is requested, funded from Section 106 contribution.

5.0 Prudential Performance Indicators

5.1 If the recommendations in this report are approved, the capital budget increases will be Non-HRA £1,213,000 in 2011/12.

5.2 There is a 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 £1,213,000 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 £526,000 CESP grant, £350,000 capital receipts, £40,000 revenue, £50,000 reserves and £247,000 contributions.

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							
26 October 2011 EXECUTIVE							
Dept	Scheme	Funding	2011/12	2012/13	2013/14	Future	Total
Strategic Housing (Private)	The Way Development	Housing Capital Receipts	100	200	50		350
Children's Services	Buzz Relocation to Bridgelea CC	Revenue	40				40
Neighbourhood Services	The Village Pedestrian Zone	Parking Reserve	50				50
Northwards Housing	External Insulation to Newton Heath Blocks	CESP	100	378			478
Northwards Housing	Photovoltaic Panels Newton Heath Blocks	CESP	10	38			48
Highways	Sharp Street	Section 106	107				107
Highways	Ardick Grove Village Parking Scheme	Section 106	140				140
		TOTAL	547	616	50	0	1,213