

Update on Largest Capital Projects

The following provides a brief update on the ten largest projects across the Council's capital programme.

1. Middlesbrough Sports Village

£21.5 million

Middlesbrough Sports Village will provide a 21st Century sub regional sporting centre of excellence offering a broad spectrum of sporting and leisure facilities. This in line with the Mayor's vision for a Healthy Town.

It is located off Marton Road in South Middlesbrough close to the site of James Cook Hospital and Stewart Park. The Sports Village is easily accessible by bus and cycle routes as well as the new James Cook railway station.

The completed Middlesbrough Sports Village will provide a range of top level sports facilities and will include:

- Athletics field and stadium featuring 400m track with 10-lane straight and 8-lane bends and spectator seating
- Four 5-aside Synthetic Turf Pitches (STP)
- Full size flood lit STP which can accommodate a football or rugby pitch as well as three 7-aside pitches
- 75 station fitness gym and studios
- Indoor sprint track
- 250m outdoor Velodrome
- Multi-functional sports & performance spaces
- Children's play area
- Therapy Rooms
- Cafe
- Changing facilities

The development will also feature a dedicated link road from Ladgate Lane and a new 1,100 space car park for The James Cook University Hospital, helping to reduce traffic congestion on Marton Road.

The athletics track opened in December 2014 and will be followed by a state of the art Sports Centre in May 2015 and a Velodrome in July 2015. The project is on target for completion both within the budget available and the planned timescales.

The completed Sports Village will help to improve the health of the people of Middlesbrough and surrounding areas.

A Business Plan for operating the Sports Village has been prepared and will be monitored as the Centre becomes fully operational.

2. Local Transport Plan **£12,064,000**

This expenditure is funded by LTP Grant so should not impact on the council's funds. Following the Government's announcement in December 2014, the LTP allocation for 2014/15 to 2016/17 is shown below. The 2015/16 allocation includes £652,000 of unspent grant that has been carried forward from previous years.

A programme of works will be agreed for each year's allocation at the appropriate time.

3. TWI Phase 1 **£8,460,000**

This scheme will develop a research and development facility called the Offshore Wind Validation Centre (OWVC), which will become the first development on Teesside Advanced Manufacturing Park. The scheme is being funded by the Local Growth Fund, TWI, grant from ERDF, a loan provided via Tees Valley Unlimited and £155,000 of Council investment. The scheme is set to complete in January 2016.

4. Cleveland Mall Hotel (Loan) **£5,800,000**

A £5.8 million loan was provided by the Council in April 2014 to Ashall Projects for the construction of a Holiday Inn Express in the Cleveland Mall.

The hotel construction is on target and is due for completion at the end of July 2015. The hotel will have 138 bedrooms and will occupy the former Cook and Endeavour House office space which had been empty since the late 1990's. Without this project there would have been very little opportunity to bring that building back into use. The development of the hotel will bring a number of major benefits to the town: -

- Improve the appearance of the building and centre square.
- £12m total investment in the town with the possibility of being a catalyst for further investment and complementary services.
- Create an estimated 100 jobs
- Enable Business Rates to be paid on the building
- Encourage tourism and overnight stays in the town complementing venues such as the Town Hall Theatre.
- Interest paid to the Council on the loan which is greater than interest cost to the Council

5. Gresham Phase 2a

£4,938,000

Gresham Phase 2a is programme of housing acquisitions with the intention of site redevelopment. The vision for the Gresham area is to deliver a mixed use development, which will stimulate private sector led economic growth in the town centre. Key to achieving the vision is to:

- create a new gateway into the town
- provide new mixed tenure housing to create a modern residential offer
- build on the unique characteristics of Linthorpe Road Central as a specialist retail and leisure destination
- further develop links with Teesside University to create a town of educational excellence.

Expenditure on the project is expected to total £14,500,000, the projected spend for 2014/15 and future years is : -

All properties are due to be acquired and the site ready for redevelopment by the 31st March 2016.

6. Affordable Housing via Section 106

£4,686,000

The Council will receive payments from housing developers in order to comply with various planning obligations; these payments are deemed Section 106 payments. One such obligation is for the provision of affordable housing. This particular budget will be kept in a holding account until housing initiatives such as Stepping Stone and the Housing Delivery Vehicle have been agreed.

7. Boho 5

£3,875,000

Boho 5 will provide 24,293 sq ft of accommodation including fast – start space for innovative new businesses, and flexible workspace to accommodate stages of rapid growth. The project is jointly funded by the Homes and Communities Agency and the European Regional Development Fund and project managed by Middlesbrough Council.

Located within the St Hilda's Enterprise Zone, the £3.8m building will form a vital part of the Boho Zone - Middlesbrough's digital and creative quarter, and further stimulate the development of the wider Middlehaven area.

The culture of Boho Five will be consistent with the other buildings in the cluster, with modest communal networking spaces alongside the serviced workspace. Located on a prominent brownfield site within the 'Boho Zone' area the building is intended as a 'spoke' connected to the 'hub' provided by Boho One.

The required outputs (as part of the terms of the ERDF funding) are: -

- 24,293 sq ft (2,322 sq m) of new business floorspace by December 31st 2015
- 0.588 ha of brownfield land reclaimed by December 31st 2015
- 37 gross jobs created by December 31st 2015 and 105 by 31st December 2017
- £1.5m of additional GVA per year created by December 31st 2015 and £4.2m by 31st December 2017.

8. Disabled Facilities Grant

£3,863,000

The Staying Put Agency, located within Social Care, deliver the Disabled Facilities Grant programme. A DFG is a mandatory grant, which is available to provide suitable adaptations for owners and tenants to enable them to stay in their homes and improve living conditions. Services are delivered within the local authority framework which is aimed at ensuring services are delivered effectively to different client groups/under-represented groups, and the Agency can access specialist assistance for working with clients with complex needs. The maximum Disabled Facilities Grant available is £30,000.

There are certain requirements within the grant that need to be adhered to and include:

- the council has a statutory function to either approve / refuse the DFG grant,
- Means testing of clients who have an assessed need
- the registration of local land charges and the removal of local land charges; and,
- repayment of grant following breach of grant conditions.

Disabled facilities grants are available for

A mandatory grant is available for essential adaptations to give better freedom of movement into and around their home and access to essential facilities within it. The types of work are:

- to make it easier to get into and out of the dwelling by, for example, widening doors and installing ramps;
- ensuring the safety of the disabled person and other occupants by, for example, providing a specially adapted room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility;
- to make access easier to the living room;
- by providing or improving access to the bedroom, and kitchen, toilet, washbasin and bath (and/or shower) facilities; for example, by installing a stair lift or providing a downstairs bathroom;
- to improve or provide a heating system in your home which is suitable to the needs of the disabled person;
- to adapt heating or lighting controls to make them easier to use;

- to improve access and movement around the home to enable the disabled person to care for another person who lives in the property, such as a spouse, child or another person for whom the disabled person cares; and
- to improve access to and from the garden where feasible.

It is estimated that by the end of the 2014 /15 financial year 270 clients will have received assistance. The project is online to deliver within timelines and on budget.

9. Transporter Bridge Phase 2 HLF £2,103,000

Heritage Lottery Fund provided the Council with a grant of £2,615,000 for the new glass lift, gondola restoration and painting of the Transporter Bridge. The grant has been supported by contributions from the Council's LTP allocation and by Stockton Council. The Following tables show the budget projections for both the Phase 2 and painting schemes.

Spend on the project has been considerably more than originally anticipated, the overspend stands at £1,488,000, and there has been lengthy delays, including a further delay over Christmas due to the main contractor going into administration. However, the works are nearing completion. The painting works are complete and the gondola has been handed back to the Council for testing and commissioning.

10. Linthorpe Primary School Extension £1,722,000

Comprising of a new detached building to provide 3 Reception classrooms, resource area, associated toilet accommodation and new external play areas, together with a new extension to provide 2 Key Stage 2 classrooms, also internal remodelling to improve some of the existing undersize classroom accommodation, remodelling of the main entrance and improved access to the first floor accommodation, and all associated external works.

We are aiming to complete before Easter and this should be achieved (subject to weather), and we are currently on budget. Final account and defects will not be agreed until 2015/16; therefore an accrual will be processed at year end.

The scheme is part of a wider programme aimed at increasing the amount of primary school provision in central Middlesbrough to meet demand from increasing birth rates. The scheme will increase capacity at the school by 70 places, while providing more suitable teaching spaces in the lower age groups and increasing the amount of outdoor provision. All of these outcomes are on track to be delivered.