

Meeting Of the Cabinet – 18th September 2013

Joint Report of the Chief Executive and Treasurer

Capital Programme Monitoring

Purpose of Report

1. To report progress with implementation of the Capital Programme.
2. To propose amendments to the Capital Programme.

Background

3. The table below summarises the *current* 3 year Capital Programme updated where appropriate to reflect latest scheme spending profiles.

| Service | 2013/14 | 2014/15 | 2015/16 |
|----------------------------------|----------------|----------------|----------------|
| | £'000 | £'000 | £'000 |
| Public Sector Housing | 41,264 | 31,629 | 31,470 |
| Other Adult, Community & Housing | 9,598 | 1,488 | 550 |
| Urban Environment | 32,308 | 18,660 | 8,344 |
| Children's Services | 21,208 | 7,431 | 67 |
| Corporate Resources | 2,359 | 1,066 | 1,428 |
| TOTAL | 106,737 | 60,274 | 41,859 |

Note that the capital programme for future years is in particular subject to government grant allocations, some of which have not yet been announced.

4. In accordance with the requirements of the Council's Financial Regulations, details of progress with the 2013/14 Programme are given in Appendix A. It is proposed that the current position be noted.

Adult, Community and Housing

Tiled House Lane Residential Care Home

4. This home currently provides 49 beds to support intermediate care and specialist dementia care, and plays an important role in supporting hospital discharge. In order to modernise the building it is necessary to replace the boiler and heating distribution system and all windows. The estimated cost of £600,000 can be met from resources received by the Council from the PCT prior to its winding up (£500,000) and the unallocated Adult Social Care capital budget (£100,000).

It is proposed that the expenditure be approved and included in the Capital Programme.

5. Oak Lane Traveller Site

The current capital works at Oak Lane involve a new mains drainage system being installed to replace the old sewage treatment plant as it failed to maintain permissible discharge standards. Works are also being carried out to provide three additional plots on the site.

As a result of conditions imposed by Severn Trent Water to obtain discharge consent to pump to the main sewer, extra works are now required to the mains drainage system at an estimated cost of £82,000. It is also proposed to carry out additional works to the site to resurface the internal roadways and temporary storage area following the completion of all refurbishment works to buildings and site drainage. The cost of these works is estimated to be £60,000. The total extra cost of £142,000 can be funded from existing directorate resources.

It is proposed that this additional expenditure be approved and included in the Capital Programme.

Urban Environment

Mary Stevens Park, Stourbridge

6. The Council has been awarded a Heritage Lottery Fund (HLF) grant totalling £2,565,000 for the development and restoration of Heath Pool, the main entrance gates and other ironwork and the bandstand. Improvements will also be made to the war memorial setting and the Tea Gardens, and the former print room will be converted into a café. In addition a heritage ranger will be employed to work with local groups and volunteers to co-ordinate an events and activities programme and to create an archive for the park.

The total project cost is estimated at £2,846,000, with £281,000 of match funding having been secured from the Liveability project, section 106 funding, the Ernest Stevens Trust and former Area Committee funding.

It is proposed that:

- the Director of the Urban Environment be authorised to accept the HLF grant funding;
- the Director of Corporate Resources be authorised to sign the necessary funding agreements with HLF;
- the capital element of the project be included in the Capital Programme.

Rapid Charging Points for Electric Vehicles

7. The Council has made a successful bid to the Office for Low Emission Vehicles (OLEV) for £150,000 to install four rapid charging points in the Borough to support and encourage the use of electric vehicles. The estimated total cost of the project is £200,000 with £50,000 of match funding being provided by Renault-Nissan. There is no capital funding required from the Council.

It is proposed that:

- the Director of the Urban Environment be authorised to accept the funding;
- the project be included in the Capital Programme;
- the Director of the Urban Environment be authorised to agree the locations for the charging points and procure and install the equipment in consultation with the Cabinet Member for Transportation.

Outdoor Gym

8. Following the success of the Outdoor Gyms provided through the Healthy Towns project developed by the (now) Office of Public Health and the Directorate of the Urban Environment, further opportunities to provide additional facilities are being explored. An additional gym can be provided utilising residual project funding of £35,000. Options will be assessed and a site identified in accordance with the Healthy Towns selection criteria.

It is proposed that the project be approved and included in the Capital Programme.

Children's Services

Demographic Growth Capital Fund – Pens Meadow Special School

9. The Council has been awarded £592,000 by the Education Funding Agency (EFA) from the Demographic Growth Capital Fund (DGCF) to create a 45 place post-16 provision at Pens Meadow Special School for learners with learning difficulties and disabilities utilising the adjacent and vacant Shousters building.

It is proposed that the funding allocation be noted and the project included in the Capital Programme.

Post Completion Review of Capital Projects

10. The Post Completion Reviews required by Contract standing orders have now been undertaken for the following schemes, with copies of the proformas summarising the reviews attached at Appendix B.

Urban Environment

Stourdell Road, Cradley - Kerb, footway and carriageway
A4101 High Street, Pensnett - Resurfacing
A4036 Pedmore Road, Lye - Resurfacing

It is proposed that these be noted.

Finance

11. This report is financial in nature and information about the individual proposals is contained within the body of the report.

Law

12. The Council's budgeting process is governed by the Local Government Act 1972, the Local Government Planning and Land Act 1980, the Local Government Finance Act 1988, the Local Government and Housing Act 1989, and the Local Government Act 2003.

Equality Impact

13. These proposals comply with the Council's policy on Equality and Diversity.
14. With regard to Children and Young People:
 - The Capital Programme for Children's Services will be spent wholly on improving services for children and young people. Other elements of the Capital Programme will also have a significant impact on this group.
 - Consultation is undertaken with children and young people, if appropriate, when developing individual capital projects within the Programme.
 - There has been no direct involvement of children and young people in developing the proposals in this report.

Recommendations

15. That the results of the Post Completion Review of capital projects, as set out in Appendix B be noted.
16. That the Council be recommended:
 - That current progress with the 2013/14 Capital Programme as set out in Appendix A be noted.
 - That the expenditure on the modernisation of Tiled House Lane Residential Care Home be approved and included in the Capital Programme, as set out in paragraph 4.
 - That the additional expenditure at the Oak Lane Traveller Site be approved and included in the Capital Programme, as set out in paragraph 5.
 - That in respect of Mary Stevens Park, Stourbridge, the Director of the Urban Environment be authorised to accept the HLF grant funding; the Director of Corporate Resources be authorised to sign the necessary funding agreements with HLF; and the capital element of the project be included in the Capital Programme, as set out in paragraph 6.

- That in respect of Rapid Charging Points for Electric Vehicles, the Director of the Urban Environment be authorised to accept the funding; the project be included in the Capital Programme; and the Director of the Urban Environment be authorised to agree the locations for the charging points and procure and install the equipment in consultation with the Cabinet Member for Transportation, as set out in paragraph 7.
- That the Outdoor Gym project be approved and included in the Capital Programme, as set out in paragraph 8.
- That the funding allocation in respect of the post-16 provision at Pens Meadow Special School be noted, and the project included in the Capital Programme, as set out in paragraph 9.



John Polychronakis
Chief Executive



Iain Newman
Treasurer

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List of Background Papers

Relevant resource allocation notifications.

2013/14 Capital Programme Progress to Date

| Service | Budget £'000 | Spend to 31 st July £'000 | Forecast £'000 | Variance £'000 | Comments |
|-------------------------------------|-----------------|--|-------------------|-------------------|----------|
| Public Sector Housing | 41,264 | 7,045 | 41,264 | - | |
| Other Adult, Community & Housing | 9,598 | 1,836 | 9,598 | - | |
| Urban Environment | 32,308 | 6,417 | 32,308 | - | |
| Children's Services | 21,208 | 1,733 | 21,208 | - | |
| Corporate Resources | 2,359 | 387 | 2,359 | - | |
| TOTAL | 106,737 | 17,418 | 106,737 | - | |

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| Title of Scheme: Stourdell Road, Cradley - kerb, footway and carriageway |
| Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 27 May 2011 (i.e. inclusion in Capital Programme) |
| Original Budget (as first reported to Executive / Cabinet):..... £175,000 Planned Completion date: 14 December 2012 |
| Outturn Cost £172,000 Actual completion date: 19 December 2012 |
| Variation from Original Budget: Reduction of £3,000 Delay: 3 working days |
| Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet): Budget savings were achieved largely through careful control of finished levels to minimise the quantity of excavation. The footway and carriageway resurfacing was all completed on time. The additional time was required to complete the accommodation works to the substation and to finish the concreting to the one set of remaining steps. |
| Original Objectives of Scheme (please indicate when and to whom these were reported): 1. Resurface the carriageway and footways of Stourdell Road, Cradley to overcome the deterioration of the pavement layers. 2. Redesign the profile of the road in the area of Nos 28 to 56 Stourdell Road to remove the need for steps and to provide additional parking bays, allowing improved access for waste collection and emergency services. |
| Have these Objectives been met? (If "No" please provide explanation): Yes. |

Signed by: John Millar (Director)

Date: 13/06/2013

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|---|
| Title of Scheme: A4101 High Street, Pensnett Resurfacing |
| Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 27 May 2011 (i.e. inclusion in Capital Programme) |
| Original Budget (as first reported to Executive / Cabinet):.....£282,000 Planned Completion date: 30 April 2013 |
| Outturn Cost£221,000 Actual completion date: 26 April 2013 |
| Variation from Original Budget: Reduction of £61,000 Delay: None |
| Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet): Budget savings were achieved through: 1. A reduction in the amount of high friction surfacing required. 2. After planing out the existing surface, the condition of the ground was found to be much better than anticipated, so less binder course material was required. 3. An area adjacent to the roundabout could not be resurfaced without a closure and was therefore omitted from the scheme, to be done at a later date. The carriageway resurfacing was completed ahead of programme. |
| Original Objectives of Scheme (please indicate when and to whom these were reported): Resurface the carriageway of the A4101 High Street, Pensnett to overcome the deterioration of the pavement layers. |
| Have these Objectives been met? (If "No" please provide explanation): Yes. |

Signed by: John Millar (Director)

Date: 01/08/2013

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| Title of Scheme: A4036 Pedmore Road, Lye Resurfacing |
| Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 27 May 2011 (i.e. inclusion in Capital Programme) |
| Original Budget (as first reported to Executive / Cabinet):.....£270,000 Planned Completion date: 12 February 2013 |
| Outturn Cost£216,000 Actual completion date: 13 February 2013 |
| Variation from Original Budget: Reduction of £54,000 Delay: 1 day |
| <p>Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet):</p> <p>Budget savings were achieved through:</p> <ol style="list-style-type: none"> 1. The section of Pedmore Road from Lye Cross to The Railway Pub was omitted from the scheme, to be undertaken on Sundays with the other areas at Lye Cross. 2. A reduction in the amount of high friction surfacing required. 3. After planing out the existing surface, the condition of the ground was found to be much better than anticipated, so less binder course material was required. <p>The delay of one day was a result of heavy snow during the second half of January.</p> |
| <p>Original Objectives of Scheme (please indicate when and to whom these were reported):</p> <p>Resurface the carriageway of the A4036 Pedmore Road, Lye to overcome the deterioration of the pavement layers.</p> |
| <p>Have these Objectives been met? (If "No" please provide explanation):</p> <p>Yes.</p> |

Signed by: John Millar (Director)

Date: 01/08/2013