

Meeting Of the Cabinet – 11th March 2015

Joint Report of the Chief Executive and Chief Officer, Finance and Legal Services

Capital Programme Monitoring

Purpose of Report

1. To report progress with the 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.

	2014/15	2015/16	2016/17
	£'000	£'000	£'000
Public Sector Housing	43,284	46,439	48,805
Other Adult, Community & Housing	5,900	4,901	550
Urban Environment	25,932	24,990	8,656
Children's Services	12,846	15,061	161
Corporate Resources	2,677	1,554	1,266
Total spend	90,639	92,945	59,438
Revenue	16,428	10,985	11,390
Major Repairs Reserve (Housing)	22,319	22,457	22,744
Capital receipts	13,622	20,788	16,339
Grants and contributions (inc. Lottery)	24,455	16,394	2,877
Capital Financing Requirement*	13,815	22,321	6,088
Total funding	90,639	92,945	59,438

*This will be funded internally from the Council's cashflow resources as far as possible, rather than from external debt.

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 2014/15 Programme are given in Appendix A. It is proposed that the current position be noted. An update on progress with the Council's most significant capital schemes is shown in Appendix B.

Urban Environment

Integrated Transport Funding 2015/16

5. The West Midlands Integrated Transport Authority has recently approved the allocation of the above to individual authorities, Dudley's share of which is £1,490,000. The distribution between specific programmes will be determined in due course in accordance with agreed procedures in consultation with the Cabinet Member for Transportation.

It is proposed that the allocation be noted and the associated expenditure included in the Capital Programme.

Stourbridge Crematorium

6. The cremators at the above require full relining at an estimated cost of £65,000 which can be funded initially from prudential borrowing, to be repaid from revenue resources. It is proposed that the works be approved and included in the Capital Programme.

Children's Services

Schools Capital Allocations – School Condition Allocations 2015/16

7. The Council has been notified of its Schools Condition Allocation (previously Capital Maintenance) for 2015/16 of £3,956,000. The funding is based on condition data collected by the DfE via the Property Data Survey. This will be allocated on the basis of priorities determined through asset management data including health and safety issues, building condition surveys and access needs.

It is proposed that this allocation be noted and the associated expenditure included in the Capital Programme.

Schools Capital Allocations – Devolved Capital 2015/16

8. The Council has been notified of its Devolved Capital allocation for 2015/16 of £760,000. This will be allocated to schools based on a DfE formula. Schools will be expected to determine capital projects in accordance with priorities set out in their schools' asset management plans and in conjunction with the Buildings & Estates Team.

It is proposed that this allocation be noted and the associated expenditure included in the Capital Programme.

Schools Capital Allocations – Basic Need 2015/16 – 2017/18

9. The Council has been notified of top-ups to its Basic Need allocations for 2015/16 and 2016/17 of £1,576,000 and £3,359,000 respectively, and a new allocation for 2017/18 of £3,748,000. This funding is to support the provision of new pupils places in the Borough and will be allocated to specific projects in due course.

It is proposed that these allocations be noted and the associated expenditure included in the Capital Programme.

Priority Schools Building Programme Phase 2

10. The Council has been notified that bids for the Priority Schools Building Programme phase 2 in respect of Huntingtree Primary School and Ridgewood High School (due for Academy conversion March 2015) have been successful. Detailed allocations, scope of work and procurement processes for the buildings projects are not known at the stage.

It is proposed that the funding be noted, and that subject to confirmation of detailed allocations the relevant associated expenditure be included in the Capital Programme.

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 Council be recommended:
- That current progress with the 2014/15 Capital Programme, as set out in Appendix A be noted.
 - That the Integrated Transport funding allocation be noted, and the associated expenditure included in the Capital Programme, as set out in paragraph 5.
 - That the project to reline the cremators at Stourbridge Crematorium be approved and included in the Capital Programme, as set out in paragraph 6.
 - That the Schools Condition allocation for 2015/16 be noted and the associated expenditure included in the Capital Programme, as set out in paragraph 7.

- That the Schools Devolved Capital allocation for 2015/16 be noted and the associated expenditure included in the Capital Programme, as set out in paragraph 8.
- That the Schools Basic Need allocations for 2015/16 – 2017/18 be noted and the associated expenditure included in the Capital Programme, as set out in paragraph 9.
- That the Priority Schools Building Programme Phase 2 funding be noted and that subject to confirmation of detailed allocations the relevant associated expenditure be included in the Capital Programme, as set out in paragraph 10.



Sarah Norman
Chief Executive



Iain Newman
Chief Officer, Finance and Legal Services

Contact Officer: John Everson
Telephone: 01384 814806
Email: john.everson@dudley.gov.uk

List of Background Papers

Relevant resource allocation notifications.

2014/15 Capital Programme Progress to Date

Service	Budget £'000	Spend to 31st Jan £'000	Forecast £'000	Variance £'000	Comments
Public Sector Housing	43,284	34,265	43,284	0	
Other Adult, Community & Housing	5,900	4,321	5,900	0	
Urban Environment	25,932	17,209	25,932	0	
Children's Services	12,846	8,802	12,846	0	
Corporate Resources	2,677	2,079	2,677	0	
TOTAL	90,639	66,676	90,639	0	

Progress with Major Capital Schemes

Adult, Community and Housing

New Council Housing

A contract has been awarded and work has now commenced on site at Norfolk Road in Wollaston, The Walk in Sedgley, the conversion of the former Wren's Nest Estate Office and two apartments at Holloway Chambers in Dudley.

The conversion of the former care home at Arcal Lodge, Sedgley is out to tender. Conversion of the former Archives building at Roseville is due to be submitted to planning late January / early February, and a local consultation event is planned for early February with works planned to commence summer 2015.

A number of smaller housing infill and garage sites across the borough are also being progressed through feasibility stage and site investigations; ecological and topographical reports are being prepared for the schemes currently in design stage.

Urban Environment

Street Lighting

The Street Lighting Central Management System (CMS) was fully commissioned and operational in April 2013 and conversion of the street lighting stock continues. As at 27th February 2015, 21,100 of the Council's 32,000 street lights can now be controlled via the CMS system remotely to help save energy; 14,500 of these can be dimmed. Spend is forecast to be within budget and completion of the scheme is expected during financial year 2015/16.

Better Bus Area

The scheme which involves the construction of a new signal controlled pedestrian crossing on the A4036 Pedmore Road, and the creation of additional road space and signal controls to facilitate bus priority measures at the junction of the Boulevard with Mill St, Brierley Hill was granted planning permission in March 2014. The Pedmore Road pedestrian crossing was completed in December 2014 and the Boulevard bus priority element was substantially complete in January 2015. Spend is forecast to be within budget.

Mary Stevens Park

The first two contracts for the Gates restoration and the cafe building have now been awarded, work due to start mid March. The third contract which covers the landscape works and pool dredging will be let later on this year. A 6 monthly events programme has been developed and will be promoted through the "Let's Get" campaign literature. Volunteer recruitment is well underway. Spend is forecast to be within budget.

Castle Hill

New Access Road: Phase 1a was completed during October 2012. Phase 1b (link road and roundabout) was completed April 2013.

Phase 2 onwards: This comprises the secondary route, recreational route, car parking and Visitor Hub.

Planning permission was granted on 12th March 2013. Work commenced onsite for the initial phase of the secondary route on 23rd September 2013 and was completed February 2014. Work commenced on the lower level car parks on 4th December 2013, and completed March 2014. Work to upper level car park commenced April 2014, and was completed July 2014.

Three phases of landscape works have been completed to construct footpath links, planting to the car parks and the creation of the overflow car park. The contract for the Recreational route linking the Black Country Living Museum and the Dudley Canal Trust started in October 2014 and completed in March 2015. The work to create the new entrance into the Zoo is commenced in November 2014 for completion in April 2015. The new visitor hub building also commenced in November for completion in April 2015

Spend is forecast to be within budget.

Dudley Marketplace and Town Centre

The first phase of the overall Dudley Market Place Public Realm scheme, which is Castle Street/New Street, is substantially complete and was opened to full access on 10th August. The Earl of Dudley Statue work is still outstanding and will be progressed when we have reviewed the detailed costs shortly to be returned from the contractor. The Market Place (second phase) has now started and the market stalls were occupied by the market traders in early March. The project is due to complete on programme. Spend is forecast to be within budget.

Coronation Gardens

Detailed design has been completed and costs supplied by the contractor are currently being reviewed to ensure that spend is within budget. The scheme is due to be on site between April and September.

Children's Services

DGfL3

Dudley Grid for Learning (DGfL3) includes a programme of ICT equipment upgrade and renewal across financial years 2013/14 & 2014/15. The Refresh of ICT infrastructure and classroom equipment has now been completed across the school estate with the exception of two schools; these schools have chosen to take their refresh at a later stage. The programme of associated expenditure is on schedule to be completed in 2014/15 with the exception of the two schools.

Post 16 Facility for Pens Meadow School

The programme for design and procurement of the project is on track and the projected capital spend is in line with Education Funding Agency requirements.

Schools Basic Need projects

The first phase of projects funded from Basic Need capital grant are progressing well. Projects at the Brook and Woodside Primary Schools were completed during the summer with both schools now being able to admit up to 60 children in each year group. Projects at Kates Hill and Gig Mill are on site and are due to be completed by Easter 2015. The project at Sledmere Primary is on site and is on target to be completed during August 2015.