

Meeting of the Council – 10th July, 2023

Report of the Cabinet

Capital Programme Monitoring and Medium Term Financial Strategy

Purpose

1. To report progress with the implementation of the Capital Programme, including the 2022/23 outturn position.
2. To propose amendments to the Capital Programme.
3. To consider amendments to the Medium Term Financial Strategy.

Recommendations

4. The Council is recommended:
 - That the outturn position for 2022/23, as set out in paragraph 5 and Appendix A, be noted.
 - That progress with the 2023/24 Capital Programme, as set out in Appendix B, be noted.
 - That the parks development budget of £200,000 be approved and included in the Capital Programme, as set out in paragraph 8.
 - That the reallocation of car park infrastructure capital budgets of £130,000 to CCTV works at car parks be approved, as set out in paragraph 9.
 - That the transfer of capital budgets for Telecare services from Private Sector Housing to Adults Social Care be approved and included in the Capital Programme, as set out in paragraph 10.
 - That the new project of £25,000 funded by the Connected Services digital grant be approved and included in the Capital Programme, as set out in paragraph 11.

- That the Family Hubs capital grant and expenditure of £47,000 and estimated values for future years be approved and included in the Capital Programme, as set out in paragraph 12.
- That the additional budget of £60,000 for solar panels at Duncan Edwards Leisure Centre be approved and included in the Capital Programme as set out in paragraph 13.
- That a budget of £250,000 is approved and included in the Capital Programme for work on Dudley Town centre as set out in paragraph 14.
- That the urgent amendment to the Capital Programme to improve tennis facilities in parks across Dudley for £284,000 be approved and included in the Capital Programme, as set out in paragraph 15.
- That recommendations from the Cabinet meeting on 6th July, 2023, concerning amendments to the Medium Term Financial Strategy, be confirmed as referred to in paragraphs 16 to 20.

Background

Capital Spending and Financing 2022/23

5. The Council's capital expenditure in the year totalled £99.3m, as follows. A comparison with budget is shown in Appendix A.

	£'000
Public Sector Housing	57,858
Private Sector Housing	6,084
Environment	3,552
Transport	10,217
Regeneration and Corporate Landlord	12,886
Culture, Leisure and Bereavement	2,216
Schools and SEND	5,067
Social Care, Health and Well Being	237
Digital, Commercial and Customer Services	1,138
Total spend	99,255
Revenue	3,452
Major Repairs Reserve (Housing)	24,065
Capital receipts	21,725
Grants and contributions	45,449
Capital Financing Requirement	4,564
Total funding	99,255

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

	2023/24	2024/25	2025/26
	£'000	£'000	£'000
Public Sector Housing	65,158	50,816	44,114
Private Sector Housing	18,868	1,459	71
Environment	19,306	3,000	3,000
Transport	13,216	9,570	8,530
Regeneration and Corporate Landlord	20,767	22,023	11,359
Culture, Leisure and Bereavement	5,381	1,900	0
Schools and SEND	31,950	22,600	0
Social Care, Health and Well Being	907	0	0
Digital, Commercial and Customer Services	1,882	893	1,393
Total spend	177,435	112,261	68,467
Revenue	4,131	3,452	3,580
Major Repairs Reserve (Housing)	25,517	26,000	26,456
Capital receipts	23,032	17,310	20,993
Grants and contributions	34,129	21,052	17,438
Capital Financing Requirement	90,626	44,447	0
Total funding	177,435	112,261	68,467

Note that the capital programme is subject to the availability of Government funding.

7. An update on progress with the Council's most significant capital schemes is shown in Appendix A. It is proposed that the current position be noted.

Parks Development Projects

8. In the Medium Term Financial Strategy an additional £300,000 growth for parks development works has been added to Environment's revenue budgets. It has been determined that approximately £200,000 of this is capital expenditure. Work is expected to commence in 2023/24 in the following locations: Lawyers Field, Woodside Park, Kingswinford Park and Tenscore.

It is proposed that £200,000 is included in the 2023/24 Capital Programme and will be funded by revenue contributions from the growth provided in the 2023/24 revenue budget.

CCTV improvements

9. There is currently a budget of £283,000 for car park infrastructure within Environment. It is proposed that £130,000 of capital expenditure is allocated to CCTV improvements at car parks across the borough.

Telecare

10. Disabled Facilities Grant (DFG), which is a ring-fenced element of the Better Care Fund and is currently held within the Private Sector Housing budget, supports adaptations to properties to enable continued independent living for elderly and disabled residents. Capital expenditure on the provision of Telecare alarm systems is eligible spend within the conditions of the Grant and with the move to digital Telecare equipment necessitating the replacement of all existing alarm units with new digital units, it is proposed to earmark £2m of our £6.4m DFG allocation in 2023/24 for this purpose.

As the Telecare service sits within Adult Social Care, it is proposed that this element of the DFG budget is transferred from Private Sector Housing to Adult Social Care in 2023/24. Further discussions are taking place which could mean a further £2m of DFG in 2024/25 is also allocated to Adult Social Care and this will be taken to Cabinet if it is agreed.

Connected Services Digital Grant

11. West Midlands Combined Authority (WMCA) has been awarded funding from the Secretary of State for Levelling Up, Housing and Communities to support residents in the West Midlands Region by providing digital devices and associated equipment and software. As part of the award the WMCA are devolving capital funding to local authorities to support with the purchasing of digital equipment as part of the Connected Services Programme, with Dudley being allocated £25,000 capital funding within the financial year 2023/24.

It is proposed that this project of £25,000 is included in the Capital Programme in 2023/24.

Family Hubs Grant

12. The Family Hubs grant received from the Department for Health and Social Care in partnership with the Department for Education includes a 5% allocation for capital expenditure. This equated to £47,000 from the 2022/23 allocation, an estimated £75,000 from the 2023/24 allocation and an estimated £63,200 from the 2024/25 allocation. This will be spent on

developing existing Family Centre sites and new satellite sites. £12,000 accelerated payment was made in 2022/23 to address infection control measures in Children's Centres so that health partners could co-locate.

It is proposed that the £12,000 accelerated spend in 2022/23 be noted and further allocations of grant and expenditure funded from future annual capital allocations of the Family Hubs grants be included in the Capital Programme.

Solar Panels

13. There is currently a £132,000 budget within Culture, Leisure and Bereavement for the installation of solar panels at Duncan Edwards Leisure Centre which was approved by the Council in July 2021. This was to be funded from revenue savings in reduced electricity costs across 25 years. Further costings have since been carried out and it is proposed that additional panels are added taking the total costs to £190,000. The additional costs will also be funded by revenue savings in electricity costs over the next 25 years.

It is proposed that the additional £60,000 budget is approved and included in the Capital Programme.

Dudley Town Centre

14. To ensure the long-term viability of our town centres, work is underway on several interventions that will seek to increase footfall. Dudley Town Centre, and specifically the Market, requires tailored interventions to maximise the flexibility of the high street and the ability to use the space in new and innovative ways. Funds are requested to undertake feasibility and design work on what the physical make-up of the market should be, and to ultimately replace the current fixed stall structures with flexible demountable stalls which can be increased and decreased as required to avoid empty stalls, and so ensuring the market looks full, vibrant, and freeing up the remaining space to be used for a different purpose. This fund would be blended with other capital funding, such as highways, to create a different look and feel to the Dudley Market.

Detailed costings have not yet been sought, therefore a capital budget of £250,000, which would allow the design work to begin, is estimated at this stage. The practical delivery timetable will depend upon the specific designs.

It is proposed that a budget of £250,000 is approved and included within the Capital Programme and will be funded by prudential borrowing with repayments funded from the Regeneration and Enterprise Directorate.

Urgent Amendments to the Capital Programme

15. As part of an aim to get 1 million more tennis players by 2024, the Lawn Tennis Association (LTA) and Central Government have put together a £30 million investment package to transform 4,500 public tennis courts. As one of 368 Local Authorities to have publicly available tennis courts the Council has been granted £280,537.11 by the LTA to improve tennis facilities within the borough. Six sites have been identified as viable for facility investment and at each location the LTA will install digital gate access technology. Additional works (up to £2,991.45) that cannot be funded by the grant will be funded via Section 106 monies.

In order to progress the scheme and ensure the funding from the LTA is secured a decision (ref. DPR/04/2023) was made by the Leader of the Council in consultation with the Director of Finance and Legal on 2nd June 2023 to include this project in the Capital Programme.

Medium Term Financial Strategy

16. On 6th July, 2023, the Cabinet is considering a report on the 2022/23 Provisional Revenue Outturn and changes to the Medium Term Financial Strategy. The report to the Cabinet, together with full details and implications, is available on the [Council's Internet site](#).
17. The Cabinet is being recommended on 6th July, 2023:
- To note the financial position of the Council as set out in the Cabinet report.
 - To consider, in the light of the Council's financial position, whether to recommend to Council to amend the budgets as outlined in paragraphs 19 and 20 below.
18. Confirmation of the recommendations from the Cabinet meeting on 6th July, 2023 will be reported at the Council meeting on 10th July, 2023.
19. The Medium Term Financial Strategy agreed by the Council in March 2023 included a saving of £1.1m per year from December 2024 from reductions in the cost of the library contract. These proposals have now been reviewed in the light of analysis of service usage, social value considerations and resident representations. The following savings have also been reviewed and the report to the Cabinet sets out the financial impact of removing these and the library savings from the MTFS:
- Review of HWRC operating hours
 - Review of current free surface car parks
 - Overnight car parking charges

20. A number of additional spending proposals have also been developed. Further detail is provided within Appendix C.

Finance

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

Law

22. 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.

Risk Management

23. Risks, and their management, are considered prior to proposals being brought forward to include projects in the Capital Programme. This includes risks relating to the capital expenditure itself, funding of that expenditure (e.g. grant availability and conditions), and ongoing revenue costs and/or income.

Equality Impact

24. These proposals comply with the Council's policy on Equality and Diversity.
25. With regard to Children and Young People:
- The Capital Programme for Schools 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.

Human Resources/Organisational Development

26. The proposals in this report do not have any direct Human Resources / Organisational Development implications.

Commercial / Procurement

27. All procurement activity will be carried out in accordance with the Council's Contract Standing Orders, and the relevant officers will take the procurements through the Procurement Management Group to monitor compliance at the relevant Gateways.

Environment / Climate Change

28. Individual capital projects should be separately assessed for their environmental impact before they commence and major schemes with climate change impacts will include details of this in their progress reports going forward.

Council Priorities and Projects

29. Proposed capital projects are in line with the Council's capital investment priorities as set out in the approved Capital Strategy.



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Leader of the Council

2022/23 Capital Outturn

	Budget*	Outturn Spend	Variance	Comments
Service	£'000	£'000	£'000	
Public Sector Housing	57,858	57,858	0	
Private Sector Housing	6,083	6,084	1	
Environment	3,544	3,552	8	See Note 1
Transport	10,210	10,217	7	See Note 2
Regeneration and Corporate Landlord	11,836	12,886	1,050	See Note 3
Culture, Leisure and Bereavement	2,216	2,216	0	
Schools and SEND	5,067	5,067	0	
Social Care, Health and Well Being	237	237	0	
Digital, Commercial and Customer Services	1,138	1,138	0	
Total	98,189	99,255	1,066	

* Updated where appropriate to reflect latest scheme spending profiles

1. Small overspends on Greenspaces projects funded by additional Community Forum contributions and flood management overspend funded by additional CERA.
2. Small variances in final spending of one project funded by CERA.
3. VLR project overspend of £1.1m offset slightly by underspend on CCTV project (£60k).

Progress with Major Capital Schemes

Public Sector Housing

New Council Housing

Projects on site

- New Swinford Hall – conversion to 18 affordable apartments - completion July 23
- Corporation Road B – 5 houses - completion August to October 2023
- Whitegates Road – 3 houses - completion July 23
- St Georges Road – 7 houses - completion July 23
- Beacon Rise – 11 homes - completion December 23 – with £605k Homes England Grant secured
- Lower Valley Road – 17 affordable homes, 14 apartments (mix of one and two beds) and 3 x two bedroom wheelchair bungalows. £935,000 Homes England Grant secured - completion February 24
- Swan Street – 75 units – 54 Sheltered and 21 houses - £4m Homes England Grant secured, completion October 2025

Planning approval has previously been secured to progress six sites under the brownfield land programme, the funding for which is managed by Walsall Council on behalf of the West Midlands Combined Authority. Due to the current pressures on the HRA Capital Programme, the Council are seeking to negotiate a 12 month extension to completion of these sites to ensure that adequate capital budgets would be available to support delivery. The sites which would be developed under the brownfield land programme are listed below:

- Fairfield Road – 3 units
- Broad Street – 9 number units
- Enville Street – 10 number units – knotweed and clearance during winter
- Howley Grange Road – 4 number units
- Tenacre Lane – 4 number units
- Hurst Hill – 8 number units

The brownfield land programme also includes a site at Langstone Road for 3x units but planning approval for this scheme has not yet been obtained.

Planning approval has been obtained, and a Compulsory Purchase Order has commenced to facilitate the redevelopment of 122 to 128 Colley Gate, Cradley, to deliver a new housing scheme of 8 units. The development was originally intended to be funded through the HRA capital programme but due to the pressures referenced above alternative options are now being considered,

acknowledging that the redevelopment of the properties at Colley Gate remains a priority.

Environment

Stevens Park, Quarry Bank Lottery & Council funded project

The refurbishment & extension of Tintern House is complete with remedial works to external paving areas due for completion by the end of June. The final account can then be agreed.

The Emily Jordan Foundation Projects are running their projects: 'Spokes' (Bicycle restoration & sales) 'Twigs' (Horticultural training & sales) & 'Go Green' (recycling).

The Community Development Officer is carrying out a series of events & activities until Autumn 2024.

Wrens Nest Wardens' Base

The acquisition of 113 and 115 Wrens Hill Road was completed on 6th August 2021.

Meetings over the course of 2022 culminated in Officers holding a couple of workshops in October and November with the Friends of Wrens Nest and architects from Corporate Landlords to develop an initial preferred design option for a Wardens Base and Visitor Facility.

Officers are preparing a report outlining the work to date and which will seek a decision to progress the project further.

Regeneration & Enterprise

Dudley Townscape Heritage

The Townscape Heritage (TH) programme is funded through the National Lottery Heritage Fund (NLHF) which offers grant assistance to carry out repair, reinstatement and refurbishment works to historic buildings, as well as a programme of complementary education and community engagement activities. The Phase 2 TH programme, operating with a grant budget of £1.178m from the NLHF and £300,000 match funding from the Council, commenced in February 2017. An extension to the grant expiry date has been agreed by the Heritage Fund and the programme is now due to complete September 2023, to enable all spend on projects to be drawn down.

The programme focuses on buildings in the town centre's historic core. The work at 203/204 Wolverhampton Street, 216 Wolverhampton Street and 204a Wolverhampton Street has been completed, with 14 New Street and Fountain Arcade being practically complete. Other properties within the programme include the following:

- 208 and 209 Wolverhampton Street: shopfronts have been installed and awaiting signage
- Plaza Mall: shopfront has been manufactured and ready for installation June
- 207 Wolverhampton Street: project includes comprehensive repairs to the building and reinstatement of shopfront. Work to windows, re-rendering and reinstatement of shopfront due for completion August

A wide-ranging activities programme, running alongside the capital works programme, has been developed and delivered in conjunction with teams in Adult and Community Learning, Museums, Communications and Public Affairs and the Historic Environment Team. A revised programme was agreed with the Heritage Fund which was adapted in light of Covid-19 restrictions.

Further activities were included in the programme working with delivery partners (Co Lab) who already have established links with the community of Dudley. This has seen the successful 'Growing up in Dudley' project, which has gathered images and oral reminiscences, and 'Dudley Days' which held workshops with a small group of participants to create music inspired by connections with Dudley. Teaching resources have been produced as part of the programme and have been shared with schools. The project also works closely with the Historic Environment Team to produce information in the form of trails and leaflets to enhance understanding and appreciation of the historic environment, including a suite of guides, which are currently being drafted, to assist owners of historic buildings.

The project continues to work with volunteers where possible and research has been carried out on the former Woolworth's building resulting in a new document being produced for the Heritage Open Day in September 2022. A further document about Fountain Arcade has also been drafted and will be added to the suite of building leaflets included on the Dudley Heritage Open Days webpage, where the virtual tours of a number of buildings are available, and the Historic Environment Team's webpage.

A new exhibition display in the form of 4 pull-up banners about the history of Dudley were produced for the Heritage Open Day and these are currently on display at the Museum. The programme has also included the installation of a blue plaque on the former School of Art to commemorate Percy Shakespeare, a 4-page insert in the autumn (2021) edition of the Home magazine and the printing of the City ID map for Dudley. A training session for bricklaying

students at Dudley College has also taken place in October, where 3 students received hands-on training from a conservation bricklaying specialist.

Brierley Hill High Street Heritage Action Zone

The High Street Heritage Action Zone Programme (HSHAZ) is a nationwide initiative designed to secure lasting improvements to historic high streets for the communities who use them. It is Government funded and run by Historic England with the aim of making the high street a more attractive, engaging and vibrant place for people to live, work and spend time. It is designed to unlock the potential of high streets across England, fuelling economic, social and cultural recovery. Brierley Hill High Street was one of 68 High Streets selected to receive a share of the fund.

The Brierley Hill High Street HAZ is a 4 year programme, due for completion by March 2024. At the start of the programme a grant of £1.8m was awarded by Historic England with £400,000 match funding coming from the Council, equating to an overall grant of 81.80% from Historic England and an overall budget of £2.2m. At the end of September 2021, this figure was increased with an additional grant of £242,171 from Historic England, which with the 18.20% match from the Council provides a total grant increase of £296,052.46 and an overall budget of just under £2.5m.

The programme provides grant assistance to third parties to carry out repair, reinstatement and refurbishment works to historic buildings as well as grant assistance towards bringing vacant floorspace back into use. It also provides grant towards public realm improvements, plus there is a programme of complementary education and community engagement activities. The spend profile and the priorities for funding have been agreed and approved by Historic England.

Public Realm Programme and War Memorial

For years one and two, the priority has been works to the Brierley Hill War memorial. The works to the memorial have been divided up into two phases. Phase 1 commenced on-site in August 2021 and focused on installing lighting, repairs and architectural reinstatement works to the Brierley Hill War Memorial and its immediate setting and Phase 2 commenced on-site late November 2021 and focused on the War Memorial Garden where significant stabilisation works to the embankment have been undertaken along with structural repairs to the intermediate walls that runs through its centre plus the laying out of a soft landscaping scheme. Works on both phases are now complete.

We are still in the rectification period for Phase 2, where any defects identified need to be remedied before final certificates can be issued. Oliver Architecture have issued the list of snags to the main contractor, the main one being to address the proliferation of weeds in the soft landscaped parts of the site. This

matter is being pursued through the contract and will be resolved before formal handover to Green Care.

In terms of public realm proposals for the Civic Hall Green and St Mary's Church and for the public realm proposals being delivered through the Future High Street Fund, the public were consulted on the proposals in October/November of 2022. The main contractor is on-site, 90% of the new paving has been laid in the Market Side of the High Street, in late June/early July the contractor will move over to the opposite side of the road with the view that by the Autumn works will have commenced in the Civic Hall Green. For more information about the public realm proposals click on this link:

<https://www.regeneratingdudley.org.uk/brierley-hill-projects> or look at the High Street HAZ webpage: <https://www.dudley.gov.uk/brierley-hill-haz>

Buildings Programme

This part of the programme is very dependent on the acceptance of grants by building owners and on contractors being appointed and being able to manage time pressures (imposed by the tight spend window for the project), significant rising costs and material delays.

As part of the original bid submission to Historic England, a number of historic buildings were identified to be a priority for grant assistance. Contact has now been established with the owners of all the priority projects and the majority of them are positively engaging with the Council and have now appointed a Conservation Accredited Architect in order to progress their proposals.

Grants have been offered and accepted on six projects:

- 2a and 2 Albion Street – works have commenced on-site and are well underway
- 68 High Street – works have commenced on-site and are well underway
- 101 High Street (Phase 1 – roof) - works have commenced on-site
- Brierley Hill Institute – contractor is due to start on-site soon
- 8 Mill Street – contractor is due to start on site soon
- St Mary's Church (door) – grant accepted

Several other priority projects are in the process seeking the necessary planning consents and drawing up tender documentation, one such example being Brierley Hill Market and 101 High Street Phase 2 (new shopfront). There are also projects that are out to tender, such as 123 High Street and there are projects such as 3-5 Church Street that have had the tenders returned but are far higher than the budget allows and therefore need to be valued engineered and re-tendered. Then there are also projects such as 109 High Street, 161-163 High Street and 96-100 High Street where Architects have been appointed and detailed plans prepared but the owner is currently unable to take the project forward.

Community Programme

Community engagement and activities are also being positively progressed and developed in conjunction with Brierley Hill Community Forum, Friends of Marsh Park, Dudley Market, the Black Country Living Museum and also with teams in Adult and Community Learning (ACL), Museums, Communications and Public Affairs, Dudley Business First and the Historic Environment Team. There is in place an Activity Plan for the project.

Cultural Programme

Other major element of the High Street Heritage HAZ is the development of a Cultural Programme in conjunction with Brierley Hill Community Forum. The Arts Council England, National Heritage Memorial Fund and Historic England are providing funding for the development and delivery of the HS HAZ Cultural Programme providing the total sum of £94,000 and this has to be delivered in accordance with an agreed Milestone and Instalment schedule.

Following a second call out for local creatives to submit new ideas for the final year of the programme, the following projects have been approved and are now in the process of being delivered.

- Radio Public Library (social art project) – Workshop 24
- Pop Up Gallery and Shop – Dudley College
- Brierley Hill Song Book – Dan Whitehouse
- Great Big Green Week – Ekho Collective
- These People, This Place - Ekho Collective
- 100 Faces of Brierley Hill
- Comic Con – Brierley Hill Library

For more information visit <https://www.facebook.com/brierleyhillculture>

Public Sector Decarbonisation

As previously reported the Council was awarded a grant of approximately £4.4m through the Public Sector Decarbonisation Scheme (PSDS) and managed by Salix, the purpose being to switch sites from carbon-intensive forms of heating such as oil and gas, to electrical forms of heating (air source heat pumps) with additional works including Solar photovoltaic (PV), battery storage and LED lighting upgrades where possible. The scheme covers Dudley Council House and Town Hall, Stourbridge Library, Himley Hall and Ward House as well as the following schools: Amblecote, Caslon, Cotwall End, Glynne, Queen Victoria, Straits, Milking Bank and Wrens Nest Primary Schools.

Works commenced during the summer of 2021 with all the installations at the named schools and corporate sites. All works are now practically completed at the various locations (Education & Corporate) including Solar Panels LED

Lighting and Air Source Heat Pumps, with the exception of some final testing and commissioning for some of the ASHP installations which is still on going. Due to increased usage of the Council House, the installation of the controls to the ASHP have been delayed temporarily but work to install these controls is now progressing.

Low Carbon Place Strategy

The Council was awarded approximately £2.5m European Regional Development Funding (ERDF) to deliver a project that will reduce carbon emissions. This is a joint project between Housing and Corporate Landlord Services that will reduce carbon emissions from council owned homes as well as corporate buildings such as the Council House. £2.5m of match funding is being met from existing HRA budgets. In November 2021 the council appointed a new central heating installer for council housing as the previous went into administration.

The programme recommenced slowly in December 2021 as the contractor mobilised. A project change request has been granted requesting a further 18 months be added to the programme deadlines, to enable this resultant delay to be accommodated which affects the Housing side of the programme. It should also be noted that where homes are sold under the Right to Buy scheme, but have had the benefit of the grant, the council is required to refund the capital impact of the grant. The programme of energy efficiency improvements to the corporate estate is nearing completion. The outstanding works of Solar PV at Halesowen Leisure Centre and optimised buildings at 4 Ednam and 3-5 St James, are due to be completed by the end of May 2023.

Very Light Rail (VLR)

Following a detailed review of the various issues, delays and variations previously reported the project Quantity Surveyor, RLB, have now presented their assessment of the final account for the project which is indicating an overspend of approximately £1.1m against the available budget. This is based on formal project handover having taken place on 16 September 2022.

The final account has now been agreed and signed off with the contractor.

Works continue in closing out outstanding issues and building snagging.

The project team have completed the paperwork to receive an additional £400,000 of ERDF funding which will be used to fund some of the overspend.

Metro Complementary Measures

The £9.1 million budget is to fund the works associated with the delivery of the Wednesbury to Brierley Hill Metro extension.

The legal agreement with Transport for West Midlands (TfWM) states that the Council will fund the complementary measures along the route including pedestrian crossings. The Council has also agreed with TfWM to fund the uplift of materials where the Metro is built through Dudley Town centre in order to provide high quality public realm. Large public realm interventions have been identified along the route at key stops, notably Station Drive (now Dudley Castle), Flood Street and Brierley Hill, to be funded by this programme of works. The £1million accelerated funding associated with the Towns Fund has been used to fund works to adopt Zoological Way, part of the works for the new loop road to access the Metro stop and some of the public realm work along the Zoo entrance on Castle Hill. Other public realm uplift works completed include those along the Metro route of Castle Hill to maintain and enhance the conservation character of the area, complementing the high-quality public realm at Market Square.

Other interventions along the route, which the Council needs to fund, include creating a new wayfinding system to improve legibility, increase walking and cycling to tram stops and to provide a consistent recognizable branded signage across the borough to residents and visitors giving the information that is needed. The consultant to develop the wayfinding system has been appointed through the OJEU process and started work on the system in October 2020. Dudley print map is now available. The Brierley Hill map is being developed. The Wayfinding Legibility Strategy has been developed and the totems and figure posts are being designed. The intention is to cover the costs for the manufacturing and installation through a combination of UKSPF and CRSTS funding.

Midland Metro Alliance (MMA) are constructing the Metro extension for TfWM. In July 2022 the WMCA Board confirmed that costs had increased for the WBHE and therefore it will be phased. The first phase finishes at Flood Street, Dudley and will be open to passengers in Summer 2025.

The Council is continuing to work with TfWM to confirm the scope of the complementary measures, the uplift of materials and the public realm interventions given the change in delivery by TfWM.

Towns Fund

Full planning permission was granted for the scheme at November 2021 Planning Committee under application P21/1505. After a short period to confirm

the application would not be called in by DLUHC the application planning consent was granted on 16 December 2021.

In the current macro-economic environment of high inflation, there are cost implications on the main construction period moving from 2023/24 to 2024/25. Cost modelling undertaken by independent cost consultant shows a £3-5m shortfall in funding for the consented 4332 m² building. Therefore, the DMBC and Dudley College are seeking funding from public bodies which benefit from the scheme including regional government and the NHS.

In March 2022 it was agreed that DMBC would use an insurance-backed alliancing contract provider that will provide contract documentation, facilitation and advisory services to Dudley MBC required to prepare and execute an insurance-backed alliancing construction contract. DMBC will be the lead authority for this contract for construction consultancy services. Total costs of using the IPI method of construction procurement will be up to £1.4m However, based on previous experience from Dudley College, we expect these costs will be balanced by significant savings over the course of the contract. These savings will principally come from insuring against cost overrun and a more transparent financial approach to contractor profit and costs.

The Alliance team were appointed at the beginning of 2023 and the Alliance Contract signed and dated 29 March 2023. The team have been working on design and costing since then. The scheme being developed is being discussed with the Planning Authority with a view to ensuring compliance with the consented scheme but still meeting the available budget. Discussions continue with the NHS on possible inclusion in the scheme but at this stage the lack of certainty of timing of any possible funding means the scheme is being design to a slightly reduced brief to meet the budget available.

Land assembly via negotiation, demolition and CPO is being progressed. At this stage in line with available budget.

CCTV

Phase 1 – Complete and operational.

Phase 2 - reflects the initial extension of coverage approved at the outset of the project. The main problems faced in this phase have been access to staff and materials throughout the last 18 months. Additional public realm cameras in this phase include:

- Cameras in Sedgley Bilston Street – completed.
- Wolverhampton Street Dudley – completed.
- Coronation Gardens – now completed and fully operational.
- Castle Gate – design work is complete. Columns have been erected, camera heads to be installed shortly. Waiting confirmation of power

installations and fibre optic circuit. Expected to be completed July 2023, however, this depends on ongoing works associated with the installation of Tram lines which is affecting work permits to work in the same area which is impacting fibre installation. Only 2 cameras remaining to complete.

- The cameras to Lye town centre have been completed and are operational
- All 12 deployable cameras are now in use.

Phase 3 - work includes the additional cameras requested and approved at Council in 2021, to be sited at:

- Kent Street Upper Gornal – completed.
- Shell Corner Halesowen – completed, although needs to be revisited following a RTA which damaged a column that is now waiting replacement..
- Netherton High Street – completed.
- Wollaston traffic island –Waiting on work permits from Highways to complete, rescheduled for July
- Toys Lane/Furlongs Road Colley Gate – completed.
- Queensway Pedmore – completed.
- Wynall Lane – completed.

Dudley Interchange

Transport for West Midlands (TfWM) has secured all the funding for the Interchange. Gateley Hamer are appointed to manage the CPO process. Counsel advice recommended that the CPO is split into two - one for the Interchange and associated highways works and another for the Portersfield scheme and highway works.

At the September 2021 Cabinet it was agreed that DMBC will use its CPO powers to purchase Farm Foods, the Photographic Studio on Birmingham Street and the properties required for the associated highways. As a result of the need to CPO properties the start date for the Interchange has been moved to Spring 2024, Completion is expected Summer 2025. Work was delayed as counsel recommended that a single planning application is required for both the building and the highway works. New planning application has been submitted. Updated report in relation to the CPO was approved at June Cabinet. Approval was granted by Planning Committee on 12th September.

In December 2022 Gateley Hamer submitted the CPO to the Planning Casework Unit (PCU) for confirmation by the Secretary of State. The PCU have confirmed that objections to the scheme have been received and a Planning Inspector has now been appointed by the PCU and a CPO Inquiry is expected in September/October 2023. A Statement of Case and rebuttal to the CPO

objections will be prepared for submission to the Planning Inspector within the require timescales.

In parallel Transport for West Midlands (TfWM) have completed a value engineering exercise on the Interchange building design and design changes have been submitted to the Council for consideration.

An alternative temporary location for the Interchange around Tower Street and Coronation Gardens during construction has been identified and this is currently being reviewed and costed by TfWM with support from the Council.

Dudley Town Centre Highways Infrastructure (Portersfield Development)

As reported previously the WMCA has conditionally approved funding to support changes to the highways Infrastructure to create access to the Portersfield development site and improve access to the wider Town Centre. This funding amounts to £6.0m. In addition to early design work, some site clearance was carried out to allow for intrusive site investigation to provide information to support the design process. In terms of any land acquisition required for highway changes this will be covered under a CPO that will be required for the overall development of the site. Highway design work relating to realigning Trindle Road was previously frozen to avoid any abortive spend until the review of the overall development site has been completed.

As a result of the wider development review an alternative highway option to leave Trindle Road on its current alignment is now being developed which includes high quality sustainable access measures, to support walking, cycling and bus movements, and this will be integrated into the design to support the wider overall sustainable Portersfield development aspirations.

Black Country Blue Network 2

The Blue Network project is nearing completion. The European Regional Development Fund funded project is due to finish 30th June 2023. Sedgley Beacon, Holloway Street and Castle Hill are all completed with a few minor tidying up / snagging works on the latter two. Turls Hill and Coseley projects led by Greencare are well underway and will be completed within timescales. We are forecasting that all outputs will be achieved and the scheme delivered within budget.

Refurbishment of Dudley Council House Campus

Essential maintenance elements of the project continue with coverings to the Council Chamber roof now being replaced.

Phase 1 to the 1st floor of the Council House has been handed over from the contractor and senior leadership is reoccupying new offices and associated spaces. Phase 2 on the Council House basement, parts of the 1st and 2nd floors of the Priory Street offices are now well underway. Phase 2 is scheduled to complete mid-August 2023. Further phases currently reflect:

- **Phase 3** - Ground floor incl. reception – churn July, then contractor starts on site 21st August and completes 22nd Dec 2023
- **Phase 4** - Old Police Building – churn December 2023, then contractor starts 2nd Jan 2024 and completes 17th May 2024
- **Phase 5** - Car Park – contractor starts 20th May 2024 and completes 9th August 2024

Brierley Hill (Future High Streets)

The Council secured £9.99m from the Future High Streets Fund in December 2020. This is to support a programme of activity at Brierley Hill, to be implemented in the period 2021 to 2026. The key objectives are to improve footfall, reduce vacancy rates and improve the diversity of shops and facilities. All Future High Streets Funding has to be drawn down by 2023/24. DMBC match funding, identified through existing approvals, will be used to fund projects within the latter part of the programme. The overall investment value of the programme is in the region of £44m.

Project summaries:

Public Realm and Connectivity Improvements (£4.75m) - Funding to connect the new Midland Metro terminus to the High Street, improve existing public realm connectivity between key buildings and provide new public spaces and pocket parks. Lead designer appointed in the autumn of 2021 to prepare and consult on proposals. The majority of the public realm works will be implemented during 2022/23 and 2023/24. Phasing of works around the Midlands Metro terminus to be reviewed, following West Midlands Combined Authority's decision in July 2022 to delay the implementation of Metro works from Dudley to Brierley Hill. Improvement works at the High Street commenced on site on 4 January 2023 and will run until the spring of 2024.

Key Retail Sites (£1.048m) - The owner of the Moor Centre has failed to secure planning approval to move the car parking from the rear of the site to the front. As the result, the Council's acquisition and redevelopment of the rear car park cannot be progressed within the Future High Street spend timescales. Following consultation with the Department for Levelling Up, a formal Project Change Request was submitted in September 2022 to move funding from the Moor Centre to support the public library (£365k) and public toilet refurbishment works (£194k). Tenders for both of these projects are double the original estimates. This is the result of materials shortages, the high rate of inflation

and transportation costs. The remainder of funding (£489k) will be transferred to the public realm programme where similar cost increases are expected. The Department for Levelling Up approved this project variation in January 2023.

Infrastructure and Air Quality Improvements (£255,000) - Future High Streets will provide support to amend two highway junctions at Venture Way. The intention is to improve pedestrian connectivity between the High Street and medical centre; reduce queuing traffic which has resulted in movement delays; and improved air quality levels. The works have now completed.

Addressing Housing Need (£3.55m) - Discussions are underway to acquire 10 acres of brownfield land known as Daniels Land and the High Plateau. These are two long-term vacant sites, formerly part of the Round Oak Steel Works that have remained undeveloped for over 40 years. Future High Streets funding will support site remediation and preparation costs. Dudley Council's Housing Department will then construct up to 220 new mixed tenure homes to meet local housing needs. An urban design study has been prepared that will inform the preparation of an architect's brief. This will allow detailed design proposals to be progressed for the sites.

Following INTU shopping centres entering administration, discussions have continued with Sovereign Centros which is the current managing agent acting on behalf of the creditors. The intention is to phase initial activity around the construction of the Metro rail viaduct that crosses the sites. A valuation has been agreed by the Council and creditors. Early construction of the Metro viaduct and Embankment tram halt is key to delivery of the housing redevelopment project. West Midlands's Combined Authority's decision in July 2022 to delay the Metro link from Dudley to Brierley Hill has severely impacted upon the delivery programme and the proposed redevelopment works are unable to proceed within the FSHF timescale.

The Housing Directorate's capital programme has been reduced and it is now unlikely the Council will proceed with the acquisition and redevelopment project. As the result, a review is being undertaken of how much of the Future High Streets funding can be reallocated to replacement projects within the programme in the period to 2023/24. This could include the introduction of new project activity, although this will need to be accompanied by an economic appraisal report that confirms value for money. It is understood the Minister is considering an extension to the current FHSF programme. A second Project Adjustment Request will therefore be submitted to the Department for Levelling Up in the summer of 2023. Discussions are also being held with West Midlands Combined Authority and Homes England over their acquisition of the land and the introduction of a more flexible funding package to remediate the sites and provide infrastructure. An Expression of interest was submitted in March 2023 for WMCA to acquire the sites and this was endorsed in May 2023. WMCA will now enter discussions with the site owner.

Public Library (£308,000) - refurbishment of Brierley Hill public library and ground floor housing department reception area. Scheme designs have been the subject of community consultation and have been well received. Freeholder approval has been received in-principle for the refurbishment works. Tenders are significantly over budget due to inflation and increases in the cost of building materials. A Project Variation Request to move funding from the Key Retail sites project to the library was approved in January 2023. The refurbishment works to the library commenced in May 2023 and will complete in September 2023.

Public Toilets (£80,000) - Reopening of public toilets to support the High Street visitor return following the coronavirus pandemic, and the provision of welfare facilities for Metro tram drivers. Midland Metro Alliance is making an additional contribution of £38,000 to support the works. Feasibility designs finalised that will also include changing facilities after discussions with stakeholder groups. Tenders are significantly over budget due to inflation and increases in the cost of building materials. A Project Variation Request to move funding from the Key Retail sites project to the public toilets was approved in January 2023. The refurbishment works to the toilets commenced in April 2023 and will complete in July 2023.

In addition to the Future High Streets Fund award, the Council has secured further investment from the West Midlands Combined Authority. This is to acquire land to support implementation of the High Street Link. A funding agreement between WMCA and DMBC completed in March 2022. This is a long-term vacant gap site where there is the opportunity to provide a new connection from the High Street to the Metro terminus and Health Centre. The land acquisitions completed in June 2023. Site clearance and demolition works will be undertaken in July 2023. A start on site for the pedestrianisation works is expected in the autumn of 2023.

A Town Board has now been established to oversee the various interventions underway in Brierley Hill. These include the Future High Streets Fund, Heritage Action Zone, and delivery of the Midland Metro. It includes Mike Wood MP, DMBC and business, community, and educational sector representatives. The Town Board meets on a quarterly basis.

Schools

Schools Basic Need Projects

Now that the project at Wordsley School and Crestwood Schools are now complete, focus is now on ensuring there are sufficient secondary school places in the Halesowen area. Talks with Halesowen Secondary Heads is ongoing.

Numbers for both primary and secondary school places continue to be closely monitored and processes are in place to recommend capital projects to address any projected growth across both sectors.

Special Educational Needs and Disability (SEND) Projects

We are continuing the process of re-profiling our special school and mainstream provision to bring it more closely in line with the current SEND pupil cohort and the special provision capital funding is a key component in this process.

In addition to funds carried forward from previous years, we have received a further allocation of capital funding for SEND. Projects to be funded are still being scoped with the need for detailed feasibility studies to be undertaken but is likely to include further expansion within our maintained special schools. A tender process has now been completed to establish a further primary SEMH base. This tender has now been concluded and the base will be established at Caslon primary school. The base is now operational, and work continues to create an outside play area exclusively for the base.

A further five bases have now been allocated to schools and we are in the process of scoping the works that need to be carried out to classrooms and playgrounds.

Additional Spending

Environment	Category	2023/24 £'000	2024/25 £'000	2025/26 £'000
Weed Control	EM	50	75	75
Street Scene, including Street Cleansing and Grounds Maintenance	EM	335	505	505
Clean Teams	EM	250	380	380
Total		635	960	960

Key

EM – Elected Member priority