

Meeting Of the Cabinet - 13th December 2006

Joint Report of the Chief Executive and Director of Finance

Capital Programme Monitoring

Purpose of Report

1. To report progress with the implementation of the Capital Programme.

Background

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

Service	2006/07	2007/08	2008/09
	£'000	£'000	£'000
Public Sector Housing	24070	23924	22193
Other Adult, Community & Housing	7480	2714	1669
Urban Environment	26786	35691	14814
Children's Services	23140	25066	2418
Finance, ICT & Procurement	1895	350	309
Law & Property	1774	748	659
Chief Executive's	1939	295	0
TOTAL	87084	88788	42062

3. Note that the overall capital programme for 2008/09 is likely to increase as extra funding becomes available.
4. In accordance with the requirements of the Financial Management Regime (FMR), details of progress with the 2006/07 Programme are given in Appendix A. It is proposed that the current position be noted.

Post Completion Review of Capital Projects

5. The Post Completion Review required by Contract standing orders has now been undertaken for the following schemes, with a copy of the proforma summarising the review attached at Appendix B.

Adult, Community and Housing

H343 - Cavity Wall Insulation Programme 2004/05/06

H355 - Gas Fired Central Heating Bouroughwide 2005/06

H356 - Gas fired Central Heating to Void Properties 2005/06

Leasowes Park, Breaches Pool - Outfall Replacement

Gawne Lane Bridge Strengthening

Ryemarket Multi Storey Car Park Resurfacing Levels 1, 1a, 5 & 5a

It is proposed that these be noted.

Finance

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

Law

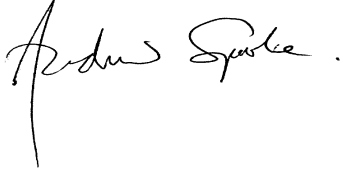
7. The Council's budgeting process is governed by the Local Government Act 1972, the Local Government Planning and Land Act 1980, the Local Government Finance Act 1988, the Local Government and Housing Act 1989, and the Local Government Act 2003.

Equality Impact

8. These proposals comply with the Council's policy on Equality and Diversity.
9. 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

10. That current progress with the 2006/07 Capital Programme, as set out in paragraph 2 and Appendix A be noted.
11. That the results of the Post Completion Review of capital projects, as set out in Appendix B be noted.



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Andrew Sparke
Chief Executive



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Mike Williams
Director of Finance

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List of Background Papers
None

2006/07 Capital Programme Progress to Date

Service	Budget £'000	Spend to 31st October £'000	Forecast £'000	Variance £'000	Reasons for Variance
Public Sector Housing	24070	9921	24070	-	
Other Adult, Community & Housing	7480	3775	7481	+1	
Urban Environment	26786	9364	26962	+176	See Note 1
Children's Services	23140	9013	23180	+40	See Note 2
Finance, ICT & Procurement	1895	1068	1895	-	
Law & Property	1774	875	1774	-	
Chief Executive's	1939	356	1939	-	
TOTAL	87084	34372	87301	+217	

Note 1: Includes:

- extra costs of unavoidable remedial works on Lye Gyratory project (£46,000) which can be funded from extra capital receipts;
- extra outturn costs of Lister Road Depot Improvements (£26,000) which can be met from trading account surpluses;
- using a more expensive process for the Leasowes Culvert replacement (£25,000) following discovery of rock during digging works, which - along with the main scheme costs - can be funded from resources set aside for urgent priorities;
- extra costs of Bell St. Car Park works (£79,000) - resulting from restricted access, and more work being required than the initial concrete testing had indicated - which can be met from car parks revenue budgets;
- various other minor net variances.

Note 2: Additional costs of accelerating the Priory and Wren's Nest Children's Centre project to meet Surestart deadlines, which can be funded from available Neighbourhood Renewal Fund (NRF) grant.

Post Completion Review of Capital Schemes

- Details required for reporting to Cabinet

Title of Scheme: H343 – Cavity Wall Insulation Programme 2004/05/06
Date of Executive/Cabinet approval: <u>11/02/2004</u> (i.e. inclusion in Capital Programme)
Original Budget (first reported to Executive/Cabinet): £ <u>188,037</u> Planned Completion date: <u>31/03/2006</u>
Outturn Cost (please indicate if still provisional): £ <u>145,079</u> Actual completion date: <u>31/03/2006</u>
Variation from Original Budget: £ <u>-42,958</u> Delay: <u>n/a</u>
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive/Cabinet): There were less properties to insulate than envisaged, which resulted in a contract saving.
Original Objectives of Scheme (please indicate when and to whom these were reported): The works consisted of pressure injection of cavity wall insulation into external wall cavities of domestic dwellings.
Have these Objectives been met? (If "No" please provide explanation): Yes

Signed by

*Johnin**for*

(Director)

Date: 20 November 2006

Post Completion Review of Capital Schemes

- Details required for reporting to Cabinet

Title of Scheme: H355 – Gas Fired Central Heating Boroughwide 2005/06

Date of Executive/Cabinet approval: 09/02/2005
(i.e. inclusion in Capital Programme)

Original Budget (first reported to Executive/Cabinet): £ 665,688
Planned Completion date: 10/02/2006

Outturn Cost (please indicate if still provisional): £ 652,000
Actual completion date: 31/03/2006

Variation from Original Budget: £ -13,688
Delay: 7 weeks

Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive/Cabinet):

As a result of some tenants refusing heating the number of properties that received central heating was less than programmed. The delay was due mainly to problems gaining access to tenants' homes to carry out the works.

Original Objectives of Scheme (please indicate when and to whom these were reported):

To ensure that all unheated properties receive central heating as part of the Council's objective to achieve the Government's Decent Homes Standard.

Have these Objectives been met? (If "No" please provide explanation):

Yes

Signed by John for (Director) Date: 20 November 2006

Post Completion Review of Capital Schemes

- Details required for reporting to Cabinet

Title of Scheme: H356 – Gas Fired Central Heating to Void Properties
2005/06

Date of Executive/Cabinet approval: 09/02/2005
(i.e. inclusion in Capital Programme)

Original Budget (first reported to Executive/Cabinet): £ 607,000
Planned Completion date: 31/03/2007

Outturn Cost (please indicate if still provisional): £ 605,000
Actual completion date: 31/03/2006

Variation from Original Budget: £ -2,000
Delay: n/a

Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive/Cabinet):

Original Objectives of Scheme (please indicate when and to whom these were reported):

To ensure that all unheated properties receive central heating as part of the Council's objective to achieve the Government's Decent Homes Standard.

Have these Objectives been met? (If "No" please provide explanation):

Yes

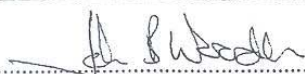
Signed by: Debra for (Director) Date: 20 November 2006

Post Completion Review of Capital Schemes

- Details required for reporting to Policy Committee

Title of Scheme: Leasowes Park, Breaches Pool – Outfall Replacement Contract
Date of Policy Committee approval: 21/09/2005 (i.e. inclusion in Capital Programme) Scheme presented to a meeting of the Cabinet on the 21st September 2005 as a joint report of the Chief Executive and Director of Finance seeking Capital Programme Implementation and Amendment. Agenda item No. 21 and subsequent resolution No. 56
Original Budget (as first reported to Policy Committee): £ 275,000 Planned completion date: 26/05/2006 (based on a 10 week programme commencing on 20/03/2006)
Outturn Cost: (Provisional) £ 300,000 Actual completion date: 19/05/2006
Variation from Original Budget: £ +25,000 Delay: Substantial completion awarded on the 19th May 2006 a week earlier than the contractual completion date of the 26th May 2006.
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Policy Committee): Variation from the original budget has been a result of two issues, firstly the Engineers fees have increased as a result of protracted negotiations with a affected riparian landowner resulting in the preparation and serving of notices under the Land Drainage Act 1991 to allow access through their land. Secondly very difficult unforeseen ground conditions were experienced during the tunnel drive under the Lapal Canal embankment resulted in the award of a compensation event to the Contractor to overcome the ground conditions. There was no subsequent delay to the completion of this project.
Original Objectives of Scheme (please indicate when and to whom these were reported): The original objectives of the scheme were reported to Cabinet in September 2005. The replacement of the structurally deficient culverted watercourse serving Leasowes Park catchment will secure the structural stability of the Lapal Canal embankment.
Have these Objectives been met? (If "No" please provide explanation): Yes, all objectives have been met.

Signed by:



(Chief Officer)

Date: 2. 8. 06

Post Completion Review of Capital Schemes - Details required for reporting to the Cabinet

Title of Scheme: RYEMARKET MSCP – RESURFACING LEVELS 1, 1A, 5 AND 5A (8060/101/P)	
Date of approval: Policy Committee 18th March 2002 (in Capital Programme) Executive 17th December 2003 (additional report)	
Original Budget (as first reported):..... £ 210,000 Amended Budget:..... £ 293,000 plus £ 23,000 fees. Planned Completion date: Originally during Financial Year 2002/3 revised to 2004/5	
Outturn Cost:.....£ 267,918 Actual completion date: Levels 1 & 1A completed 8/12/2003 Levels 5 & 5A completed 1/12/2004	
Variation from Amended Budget:.....- £ 25,082 Work completed over 2 financial years.	
Reason for Cost Variation and / or Delay in Completion: Complications with the tender approval process delayed the start of work until 8 September 2003 with a 6 week programme. Additional works to soffits and problems encountered with the removal of the existing waterproofing to the lower levels extended the work by 7 weeks. After completion of work to levels 1 and 1A the car park was open for parking as normal. The defective tarmac on levels 5 and 5A was approximately twice as thick as anticipated. When removed it was found that extensive additional work was required to the top decks. Following consideration of alternatives the preferred option, with a revised overall contract cost of £293,000, was approved by The Executive on 17th December 2003. A small area was done by the end of 2003 but progress was affected by weather conditions – work recommenced in March 2004. Screeding was completed in June and final works completed in November 2004. The final contract cost of £267,918 was £110,163 above the tender figure of £157,655: Approximately £108,200 for additional works upper levels, £12,400 for soffit coatings lower levels and £7,500 for joints to stairwells and other additional work; partially offset by £17,900 savings in the original bill items.	
Original Objectives of Scheme: (As reported to Policy Committee at time of approval). To stop leakage of water through to lower decks and shops below car park and prevent further deterioration by re-waterproofing the top and bottom decks of the car park.	
Have these Objectives been met?: Yes.	

Signed by:  (Director)

Date: 20.11.06

Post Completion Review of Capital Schemes - Details required for reporting to Policy Committee

Title of Scheme: Gawne Lane Bridge Strengthening Works.	
Date of Policy Committee approval: 18/03/2002 (i.e. inclusion in Capital Programme): Works approved as an optional extension to the Kingswinford Road Improvement Scheme, minute 469(3), under a partnering contract (Framework Agreement) with Wrekin Construction.	
Original Budget (as recorded on 24.08.05 following negotiations authorised by Cabinet on 09 February 2005, minute No. 87(3)(b)).....£236,423 Planned completion date: 09 December 2005 (based on a 12 week programme commencing 19.09.05)	
Outturn Cost: (Provisional)£266,235 Substantial completion date : 23 12 05 Actual completion date: 23 01 06	
Variation from Original Budget:+£29,812 Delay: Scheme was substantially complete on 23 December 2005 with all traffic restrictions lifted in time for Christmas/New Year break. Finishing works to downstream parapet were completed in early 2006.	
Reason for Cost Variation and/or delay in Completion (please indicate if any variation has previously been reported to Policy Committee): The variation (not previous reported) from the original budget is the result of a number of unforeseen circumstances resulting in some additional works: a) extra testing and increased disposal costs resulting from locally increased levels of contamination in excavated material; b) extra accommodation works fencing to adjacent land; c) requirement for upstream and downstream bank protection works (gabions) only apparent once work was underway. <u>Breakdown of cost increase: (£)</u> Compensation events (enhancements) £29,812 Note: A saving of approx. £10,000 was made on Statutory Undertakers' costs by supporting electricity cables insitu instead of diverting around works, as originally intended.	
Original Objectives of Scheme (please indicate when and to whom these were reported): The objectives of the scheme were to strengthen the culvert roof slab to meet current highway live loading requirements, and to upgrade the vehicular restraint measures on the downstream side of culvert by installation of parapet fencing to the same standard as that on upstream side.	
Have these Objectives been met? (If "No" please provide explanation): Yes, the objective has been met.	

Signed by:  (Chief Officer)

Date: 20.11.06