

Meeting of the Council - 24th July 2006

Report of the Cabinet

Capital Programme Monitoring

Purpose of Report

1. To consider the proposals of the Cabinet regarding certain amendments to the Capital Programme and matters associated therewith.

Background

2. On consideration of the issues below, the Cabinet at its meeting held on 14th June, 2006 resolved to recommend the Council to approve the proposals set out in paragraphs 26 - 39 (inclusive) below. Other proposals contained in the reports submitted to the meeting were determined by the Cabinet under the powers delegated to them. Copies of the reports are available from Richard Sanders in the Directorate of Law and Property (telephone 01384 815236 or e-mail richard.sanders@dudley.gov.uk) or on the Council's Website www.dudley.gov.uk (Committee Information.)

Adult, Community and Housing

Stairlifts

3. A sum of £60,000 is available from the Access and Systems Capacity grant to fund the installation of Stair Lifts for those assessed as needing them. This investment, in line with Government directions and targets, will assist people to remain living in their own homes.

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

Regional Housing Board Allocations 2006/07

4. The Council has received an allocation from the Regional Housing Board of £283,000 to fund housing market renewal and growth. This is Dudley's share of funds allocated for market restructuring in an area encompassing the Black Country and Telford.

Specific projects will be developed, liaising with our neighbour authorities as appropriate, in line with the purposes for which the funds were allocated.

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

Revised Public Sector Housing Capital Programme

5. Cabinet approved a three year capital programme for 2006-09 in February 2006. The following amendments to the programme are now proposed.

- To ensure private sector waiting times for Adaptations are comparable with the public sector, it is proposed to reallocate £300,000 of resources from the private sector Disabled Facilities Grants (DFG) budget to the 2006/7 public sector Adaptations programme. This one-off budget increase will deal with an additional 45 referrals. A further £327,000 of existing resources are proposed to be switched from revenue programmes over the three years to support the Adaptations budget and contribute towards further reducing waiting times by adapting void properties on re-let for appropriate new tenancies.

Further proposed additions to the housing three year capital programme can be financed from operational efficiencies made during 2005/6 and by re-profiling existing programmes between financial years. The additions complement the aims and objectives of the current approved housing capital programme in terms of addressing the Government's Decent Homes Standard, maintaining current repair service standards and in contributing towards the corporate and community objectives of safety matters, environment matters, caring matters and local people matter. The proposed revisions are summarised as follows:

- A £250,000 addition to the Community Safety Programme to deal with a replacement programme of up to 400 street lighting columns that are sited on Housing Revenue Account land. These columns are in poor condition, and will be replaced and upgraded to the same modern specification as the current replacement programme for general Highways street lighting, taking the opportunity to relocate to a more beneficial position wherever possible. The replacement programme will be delivered through a partnership already procured by the Directorate of the Urban Environment, resulting in efficiency and procurement savings.
- An additional £1.1m is proposed to complete the replacement of 4,500 warden call systems in the Council's housing stock over the next 12 - 18 months. Many systems are now obsolete and whilst limited replacement has already been undertaken most of the remaining installations are over 15 years old and are generating reliability and repairability problems. In addition they are not all compatible with modern Telecare and Telemedicine technology.
- Now that the back-log of routine repairs has been addressed a grouped programmed works approach is no longer required to deal with non-urgent repairs. The residual budget remaining for Programmed Repairs will deal with works identified in 2005/6 and currently being completed. £8m of existing approved resources are proposed to be transferred to the External Envelope Scheme to undertake a programmed approach of façade type works. It is also proposed to increase the External Envelope budget by £1.8m over three years to support the external painting programme. This will finance the replacement of timber doors, soffits and fascias etc. that are beyond repair and cannot economically be redecorated. Future non-urgent repairs will be carried out within 28 days from existing revenue programmes.

- Re-profiling of the Programmed Works budget will also allow a proposed increase in the Minor Works programme of £2m. This would deal with miscellaneous improvements that have been identified as potential decent homes failures, e.g. subsidence works. It would also deal with larger works that are outside the scope of decency or the revised repairs standard, but which may pose potential health & safety problems if not addressed.
- Rescheduling existing budgets also allows for the Voids budget to be increased by £1m to deal with decent homes work that can be carried out more efficiently when the property is empty, whilst also improving the lettability of the property.
- It is intended to construct a new store and glass fabrication facility at the Walk Depot, Sedgley, and for the building work to be undertaken by Building Services Apprentices. The project will be used by the Apprentices as part of a structured training programme to develop core construction skills, providing invaluable experience for local people - since this kind of opportunity for 'new build' construction does not arise often for Building Services. Consequently labour costs will be met from within the Apprentices training budget and there will only be a need for the Capital budget to finance materials and plant used. It is therefore proposed to increase the budget for Improvements to Stores Facility by £20,000.

Following adjustments to budgets to reflect actual expenditure in 2005/06 the revised capital programme including the impact of the above proposals is attached at Appendix A.

Introduction of Preventative Assistive Technology Grant (Telecare)

6. A separate report on the availability of grant funding to extend Preventative Assistive Technology in Dudley was submitted to the meeting of the Cabinet held on 14th June 2006. In noting the report, the Cabinet recommended that this additional funding be used to supplement the existing commitment of the Council by purchasing additional Telecare equipment to monitor clients, provide assessment and visiting support for vulnerable residents and support the introduction of Telemedicine in partnership with the Primary Care Trust.

The sum allocated to Dudley in 2006 - 2008 is £553,000. Part of those monies will comprise capital expenditure, and the Cabinet resolved to recommend the Council that the capital element of any expenditure be included in the Capital Programme.

Urban Environment

Himley Hall Boilers

7. The original coal-fired boilers at Himley Hall are increasingly labour intensive to run, unreliable and insufficient for both the current usage of the Hall and any planned development of the North Wing. Also, soot/dirt emissions from the cellar based boilers are preventing the income generating development of the North Wing, and thereby the completion of the Ground floor refurbishment.

Conversion of the boilers to run on oil, and associated works, will cost £130,000. Of this, £50,000 can be met from Directorate reserves, and £80,000 from the corporate Repairs & Maintenance budget. Listed Building Consents have been obtained and work can be carried out during the summer period.

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

Air Quality Monitoring Grant

8. An application for Air Quality Monitoring grant of £27,000 for expenditure on air pollution dispersion modelling software has been made to Department for Environment, Food and Rural Affairs (DEFRA). This will assist the Council in its air quality management duties under Part IV of the Environment Act 1995.

It is proposed that should the application be successful, the expenditure be included in the Capital Programme.

Liveability - Extra Funding

9. As part of the Liveability project, parks masterplans are in preparation in close consultation with the Friends of the Parks groups. After public consultation and completion of the masterplans, funding will be required to deliver the prioritised action plans for improvements to the parks. Although substantial capital funding is available through the Liveability programme, the inclusion of available Section 106 funding will allow more work to be carried out at the following locations:

- Stevens Park, Wollescote £16,000;
- Marsh Park, Brierley Hill £49,000;
- Silver Jubilee Park, Coseley £18,000;
- Stevens Park, Quarry Bank £127,000;
- Bernard Oakley Memorial Gardens, Cradley £6,000.

The Council has also, via the Friends Group, secured £12,000 of National Playing Fields Association (NPFA) grant for expenditure on teen play facilities at King George V Park, Wordsley.

It is proposed that these works be included in the Capital Programme.

Withymoor Pitches

10. Following the laying out of football pitches at Withymoor Village, Brierley Hill (Under the terms of a legal agreement), the developer was due to transfer the land to the freehold ownership of the Council. However, the transfer has been delayed due to settlement of the land which has subsequently rendered two of the three pitches unplayable.

Following geotechnical investigations, officers are now satisfied that there is insufficient risk of further settlement to prevent the land transfer from taking place, and a sum of £85,000 has been agreed as a contribution by the developer towards the estimated cost of £90,000 of bringing the pitches back into a suitable condition for play. The balance of the funding required is available from other Section 106 receipts. Work is planned to commence in August 2006.

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

Dudley Town Centre - Tower Street Acquisitions

11. A report seeking approval to actions necessary to progress the Area Development Framework for Dudley Town Centre was submitted to the meeting of the Cabinet held on 14th June, 2006 in private session. A copy of the report is available to Members of the Council on CMIS or from Richard Sanders, Democratic Services, Directorate of Law and Property on (01384) 815236 or e-mail richard.sanders@dudley.gov.uk. The recommendations of the Cabinet are set out in paragraph 34 below.

Children's Services

Sutton School Specialist Status

12. The Sutton School has been awarded specialist school status in Business & Enterprise, accompanied by a Department for Education and Skills (DfES) capital grant of £100,000. A project has been developed involving the construction of a new block that will house a music classroom, practice rooms and pupil toilets, and refurbishment of an existing IT room to create a Community Conferencing and IT facility. The estimated project cost is £200,000 which can be funded as follows: DfES capital grant £100,000; sponsorship raised by the school £20,000; school revenue reserves £44,000; devolved capital £36,000. The project is due to commence over the summer.

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

Youth Capital Fund - Extra Allocations

13. The Council's allocation for each of the years 2006/07 and 2007/08 has been increased from £120,000 to £164,000. This funding will be used to provide more choice for young people in terms of places to go and things to do - including the upgrading of existing facilities and building new facilities where appropriate. It will be allocated to specific projects in due course following consideration of how the funding can best be used to meet these objectives - including appropriate consultation with young people.

It is proposed that the increase in funding be noted and the Capital Programme be amended accordingly

Wrens Nest Primary School

14. A sum of £90,000 is available from Section 106 contributions from a developer who is constructing additional dwellings in the catchment area of Wrens Nest Primary School. This funding can be added to the Targeted Capital Funding already available to provide a new purpose built primary school on the Wrens Nest site, and will enhance education provision at the school.

It is proposed that the budget for this project be increased accordingly.

“Other Services” Capital Programme 2006/07

15. The only resources available for capital investment in Other Services - other than specific grants - will be those generated from disposal of surplus assets.
16. It is estimated that around £1.4m of such resources will be available in 2006/07. Existing commitments against this total are as follows:

Asset Management Plan (AMP) team:	£136,000
Fencing off Stepshaft Mine:	£85,000
Seven Sisters - cap on AMW Funding:	£177,000

leaving around £1.0m for allocation.

17. Following consideration by Corporate Board, it is proposed that this sum be allocated as follows:

	£000
Area Committee Capital - on the basis of £10,000 per Ward	240
Replacement of Council Chamber ICT system	75
Disability Discrimination Act compliance works - to be allocated after appropriate prioritisation to buildings requiring long term public access	100
Economic Regeneration - Feasibility Funding, Town Centres (inc. Xmas Lights), etc.	100
Contingency retained for Urgent Priorities and Matchfunding, etc. which may emerge during the year	485
Total	1000

Urgent Amendment to the Capital Programme

Resettlement of Ridge Hill Hospital - 20 Vicarage Road

18. In order to meet the necessary deadlines, an urgent decision (ref. DOSS/006/2006) was made by the Leader of the Council and the Chief Executive in consultation with the Director of Adult, Community and Housing Services, and the Director of Finance, on 14th March 2006:
- To confirm agreement to proceed with a Section 28A agreement with Dudley South PCT and a contract with Accord Housing Association for the allocation of capital to enable Accord to buy, adapt and maintain a bungalow in Vicarage Road, Amblecote, to be occupied by people with learning disabilities resettled from Ridge Hill Hospital.
 - To agree that this scheme should be included in the Council's Capital Programme.

The detailed decision which was considered in private, is available to Members on "Members' Portal" or on request to Richard Sanders, Democratic Services, Directorate of Law and Property on (01384) 815236 or email richard.sanders@dudley.gov.uk.

Resettlement of Ridge Hill Hospital - Profound and Multiple Learning Disabilities (PMLD) Project

19. In order to meet the necessary deadlines, an urgent decision (ref. DOSS/006/2006) was made by the Leader of the Council and the Director of Law & Property in consultation with the Director of Adult, Community and Housing Services, and the Director of Finance, on 25th April 2006:
- To confirm agreement to proceed with a Section 28A agreement with Dudley South PCT and a contract with a Registered Social Landlord for the allocation of capital to enable the construction of two units of accommodation on the Ridge Hill site, to be occupied by people with a learning disability resettled from Ridge Hill Hospital.
 - To agree that this scheme should be included in the Council's Capital Programme.

The detailed decision which was considered in private, is available to Members on "Members' Portal" or on request to Richard Sanders, Democratic Services, Directorate of Law and Property on (01384) 815236 or email richard.sanders@dudley.gov.uk.

Christ Church Park, Lye and Western Avenue, Brierley Hill

20. The Christ Church Park scheme is to provide a new public open space in Lye Centre as identified in the Lye Action Plan. The creation of the park will happen in two separate phases, with Phase 1 already funded and underway. Towards the end of 2005/06 the Countryside Agency offered the Council the opportunity to access some underspend from their "Rights of Way Infrastructure Improvement Grant". A bid was submitted at short notice and was successful in securing £19,000 which had to be spent by 31.3.06 enabling commencement of Phase 2.

The Western Avenue scheme in the Liveability Programme also secured additional funding of £24,500 via Groundwork Black Country from the ODPM's Living Spaces Programme and £8,500 from BTCV's People's Places Programme, all of which had to be spent by 31.3.06. This enabled full delivery of Phase 1 of the scheme which involves fishing platforms, a fitness trail and access improvements.

In order to meet the necessary deadlines, an urgent decision (ref. DUE/15/2006) was therefore made by the Leader of the Council in consultation with the Director of Finance, on 8th March 2006:

- To amend the Capital Programme to include increased spend for the Christ Church Park and Western Avenue schemes, as a result of additional external grant secured from the Countryside Agency, Office of the Deputy Prime Minister (ODPM) and British Trust for Conservation Volunteers (BTCV).

Atlantic House (Accommodation for the Warehouse)

21. The Warehouse is the voluntary sector provider of services for drug mis-users in Dudley. The Warehouse's offices in Brierley Hill are too small to cope with the volume of work, and the identification of suitable new premises is critical, because otherwise the Warehouse will not be able to use additional Government funds to provide treatment services to more clients and the Council will not be able to meet the Government targets.

Suitable premises at Atlantic House in Lye have now been identified, which are proposed to be leased for 18 years with break clauses every three years so that the lease can be terminated before the expiry date if necessary.

The revenue costs of the lease will be met from Department of Health funding. In addition, capital refurbishment costs of £550,000 necessary to bring the premises into use can be funded from the Home Office's Drugs Intervention Programme.

In order to enable negotiations to be concluded as quickly as possible to secure the lease on the property, an urgent decision (ref. DACHS/008/2006) was therefore made by the Leader of the Council in consultation with the Chief Executive and Director of Finance, on 31st May 2006, to (amongst other things) agree that the refurbishment of Atlantic House at a cost of £550,000 should be included in the Capital Programme.

Finance

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

Law

23. 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

24. These proposals comply with the Council's policy on Equal Opportunities.
25. 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

26. That the expenditure of £60,000 on Stair Lifts be included in the Capital Programme, as set out in paragraph 3.
27. That the Regional Housing Board allocation of £283,000 be noted, and the associated expenditure be included in the Capital Programme, as set out in paragraph 4.
28. That the amendments to the Public Sector Housing Capital Programme be approved, as set out in paragraph 5.
29. That the capital element of any expenditure of the Preventative Assistive Technology Grant be included in the capital programme, as set out in paragraph 6.
30. That the project to convert the boilers at Himley Hall be approved and included in the Capital Programme, as set out in paragraph 7.
31. That should the application for Air Quality Monitoring grant be successful, the expenditure on air pollution dispersion modelling software be included in the Capital Programme, as set out in paragraph 8.
32. That the extra Liveability works to be funded from Section 106 contributions and NPFA grant be included in the Capital Programme, as set out in paragraph 9.

33. That the expenditure on bringing the pitches at Withymoore Village back into a suitable condition for play be included in the Capital Programme, as set out in paragraph 10.
34. That in respect of the Tower Street project, referred to in paragraph 11, the action of the Director of the Urban environment in submitting an outline application to Advantage West Midlands (AWM) for funding to acquire the premises in the Tower Street Opportunity Area of Dudley Town Centre be approved; the Director of the Urban Environment be authorised to submit full applications to AWM for the acquisition of individual properties and to accept any grant funding arising; the Director of Law and Property be authorised to enter into negotiations to acquire one or more premises on terms to be negotiated and agreed by him up to the limit of the funding approved; the Director of Law and Property be authorised to sign the necessary legal agreements with AWM; the Director of the Urban Environment be authorised to enter into a Joint Venture Agreement between the Council, AWM and the preferred developers; and that the scheme be included in the Capital Programme.
35. That the Specialist School project at the Sutton School be approved and included in the Capital Programme, as set out in paragraph 12.
36. That the increase in Youth Capital funding be noted, and the Capital Programme be amended accordingly, as set out in paragraph 13.
37. That the budget for the new Wrens Nest Primary School be increased to include £90,000 of Section 106 funding, as set out in paragraph 14.
38. That the allocation of "Other Services" capital resources be approved, as set out in paragraph 17.
39. That the Urgent Amendments to the Capital Programme, as set out in paragraphs 18 - 21 be noted.

David Caunt

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LEADER OF THE COUNCIL

List of Background Papers
Relevant resource allocation notifications.

Proposed Public Sector Housing Capital Programme 2006/07 - 2008/09

Programme	2006/07 £000	2007/08 £000	2008/09 £000	3 Year Total £000
Adaptations	1,859	1,069	1,102	4,030
Central heating	3,615	4,673	4,628	12,916
Community Safety	2,754	592	611	3,957
Electrical Installations	2,539	4,108	3,874	10,521
External Envelope Schemes	3,993	4,428	8,128	16,549
External Wall Insulation - Brierley Hill	440	0	0	440
Housing for 21st Century	124	0	0	124
Improvements to Stores Facility	345	0	0	345
Insulation	113	30	31	174
Minor Works	2,482	2,172	1,037	5,691
Modernity and Decent Homes	3,282	5,103	2,716	11,101
Non Traditional Construction	70	665	0	735
Programmed Works	1,982	0	0	1,982
Retention and Overprogramming	-3,596	1,000	-20	-2,616
Tenants Association	90	84	86	260
Void Property Improvements (Decency)	3,920	0	0	3,920
Window Replacement	58	0	0	58
Total	24,070	23,924	22,193	70,187