

Meeting of the Cabinet - 2nd November 2005

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, and propose certain amendments.

Background

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

Service	2005/06	2006/07	2007/08
	£'000	£'000	£'000
Housing	27584	24788	26315
Urban Environment	23442	29889	21715
Social Services	2124	0	0
Education & Lifelong Learning	24849	20648	10184
Finance, ICT & Procurement	2808	583	347
Law & Property	3254	633	633
Chief Executive's	2536	549	370
TOTAL	86597	77090	59564

Note that certain services have not yet had a capital programme agreed for 2006/07 and 2007/08, largely due to uncertainty with regard to likely resource levels. Hence the "zeros" and other relatively small figures appearing in the above table for those years.

In accordance with the requirements of the Financial Management Regime (FMR), details of progress with the 2005/06 Programme are given in Appendix A. It is proposed that the current position be noted.

Proposals to update the Programme are set out below.

Urban Environment

Review of Highways Capital Programme

3. Following a review of the 2004/05 outturn and the resources required to fund the current years programme, a number of variations in project costs have been identified which now need to be reflected in budgets, as set out below.

	Variation £'000
Queensway Realignment (Halesowen Bus Station)	-469
Enville Street	+152
Brierley Hill Sustainable Access Network	+217
Local Safety Schemes	+5
Education, Training & Publicity	-3
Speed Management	-8
222 Bus Service	+14
Travel Plan Co-ordination	+15
Safe Routes to School	+15
Foster Street Subway	+15
Feasibility & Review	-31
Signs, Markings & Guardrails	-20
Urban Traffic Control	+23
Package Monitoring	-1
Primary Route Network Structural Maintenance	+63
Jews Lane	+27
Contingency brought forward	-14
Total	NIL

In particular, the detailed design of the Queensway road alignment adjacent to the proposed Halesowen Bus Station has identified a forward visibility issue that has resulted in the commencement of the works having to be deferred until an acceptable solution is designed. Consequently, it is expected that the current year's budget is unlikely to be fully spent.

Meanwhile, the Brierley Hill Sustainable Access Network (BHSAN) design contract and the Enville Street Improvement scheme are both progressing ahead of schedule. Preparations are continuing for a CPO Public Inquiry for the BHSAN that has been arranged to start on 10th January 2006. Substantial completion at Enville St. is expected by the end of March 2006.

It is proposed that the Capital Programme be amended accordingly

Liveability

4. The Friends of Mary Stevens Park have been successful in securing £2,500 from the Ernest Stevens Trust and £5,000 from the National Lottery's "Awards for All" programme. This can be used to supplement the existing Liveability funding to support delivery of the improvements to Mary Stevens Park identified as part of the recently completed park masterplan - in particular the extension to the children's play area.

It is therefore proposed that the Capital Programme be amended accordingly.

Green Waste Collection

5. To improve the Council's recycling performance, and improve service delivery, the introduction of a wheeled bin collection service for 'green' garden waste is proposed. The first phase will involve the acquisition of 25,000 wheeled bins in the current year at a cost of £410,000. This will initially be financed either by leasing or borrowing (subject to financial evaluation), the ongoing costs of which can be funded from the current Green Waste revenue budget.

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

Bell Street Multi Storey Car Park Refurbishment

6. Following completion of a Structural Appraisal, the then Executive was informed in July 2004 that refurbishment of Bell Street Car Park, to give a further life of 30 years, would cost £2m - and agreed that design and preparation of documents should proceed on this basis. A detailed brief was agreed with the consultants to take on board structural and environmental improvements.

Based on experience with cathodic protection (the preferred structural protection system) on a similar car park refurbishment which they had just completed, revised costings prepared by the consultants have shown that the likely cost of the full refurbishment is now approximately £4m. At this level of cost the preferred option is no longer sustainable and an alternative strategy is required.

Against the background of potential redevelopment opportunities and the master planning associated with Stourbridge, it is considered that a strategy that seeks to replace the car park in the short term is now necessary. This will be the subject of a future report.

A structural risk assessment, taking on board structural deterioration, has been undertaken, and this indicates that, with some temporary measures and repairs, the car park can be maintained as usable in the short term. In addition a monitoring regime will carry out inspections to ensure continued structural integrity. The estimated cost is £130,000 over 3 years, which can be met from resources earmarked for car park improvements.

It is therefore proposed that this course of action be approved, and that the expenditure be included in the Capital Programme.

King Street Footbridge

7. The bridge provides a secure pedestrian access from the Flood Street Car Parks to the Town Centre. Previous repairs have secured the safety of the main span and approach ramps to enable continued use. This minimal work was undertaken in light of the possibility of closure following construction of the Metro route. Such closure is no longer anticipated, and there is now a need to complete the refurbishment.

This work entails replacement of the safety fencing associated with the access steps (currently closed) together with concrete repairs to various areas of the structure. Slippage within the Bridge Assessment and Strengthening programme provides an opportunity to undertake this work at an estimated total cost of £110,000.

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

Education & Lifelong Learning

Targeted Capital Funding

8. The Council has been successful in its bid for resources (in the form of supported borrowing) to rebuild Wrens Nest Primary School (£4.424m) and Old Park Special School (£4.139m). These allocations represent 80% of total scheme costs (£5.530m & £5.174m respectively), the remaining 20% needing to be found from other capital resources. For Wrens Nest, this can be met from the Basic Need formula funding allocation; for Old Park the necessary resources will need to be identified in due course.

It is proposed that subject to the 20% contribution for Old Park being identified, these projects be approved and included in the Capital Programme.

Neighbourhood Learning in Deprived Communities

9. The Council has been awarded capital funding under the above initiative amounting to £18,467 for 2005/06.

Subject to Learning & Skills Council (LSC) approval, the funding will be used to support small local voluntary and community organisations to enhance existing premises or to buy equipment to support training and teaching - which could include surveys and minor works with regard to Disability Discrimination Act (DDA) compliance.

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

Adult & Community Learning Disability Discrimination Act (DDA) Allocation 2005/06

10. The Council has been notified by the Learning and Skills Council (LSC) of a capital grant of £113,550 to carry out improvements to its Adult and Community Learning (ACL) provision to comply with the Disability Discrimination Act (DDA)

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

The Hillcrest School & Community College Specialist Status

11. The School has been awarded Specialist School Status in Arts, with an associated grant of £100,000 from the DfES. Together with required sponsorship funding of £50,000; devolved capital of £294,000; school reserves of £506,000; and anticipated "Expanding Popular Schools" funding of £400,000 from the DfES, this provides total resources of £1.350m for a new stand-alone building to include two dance studios, two drama studios, associated changing areas & toilets, and a music suite, to form the school's International Performing Arts Academy.

It is proposed that subject to the Expanding Popular Schools funding being confirmed, the project be approved and included in the Capital Programme.

Priory & Wrens Nest Children's Centre

12. During the evolution of the above project, extra costs have been identified amounting to £90,000. For example, full time security has had to be provided on the Wrens Nest site for the duration of the works, and temporary accommodation has had to be provided for both Wrens Nest & Priory Primary Schools while the works are proceeding.

This can be funded from Directorate reserves and revenue resources, and it is proposed that the Capital Programme be amended accordingly.

Finance, ICT & Procurement

Benefits & Dudley Council Plus Telephony

13. The Capital Programme currently includes a project to install a new telephony system to provide specific Call Centre technology, initially for use within Revenue Services, the Benefits Division and Dudley Council Plus. Necessary enhancements to the system are estimated to cost £15,000, of which £5,000 can be met from Government grant funding, and the balance of £10,000 from available revenue resources.

It is proposed that the Capital Programme be amended accordingly.

Post Completion Review of Capital Projects

14. The Post Completion Reviews required by Contract Standing Orders have now been undertaken for the following schemes, with a copy of the proformas summarising the reviews attached at Appendix B.

Urban Environment

Principal Road Network Programme 2004/05
Resurfacing of Buffery Road, Dudley
Resurfacing of Wellington Road, Dudley
Resurfacing of Oakham Road, Dudley

Finance

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

Law

16. 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.

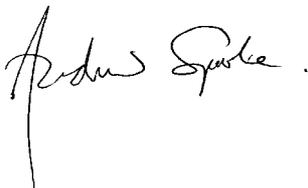
Equality Impact

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

Recommendations

18. That current progress with the 2005/06 Capital Programme, as set out in paragraph 2 and Appendix A, be noted.
19. That the results of the Post Completion Reviews of capital projects, as set out in paragraph 14 and Appendix B, be noted.
20. That the Council be recommended:
- That the Highways Capital Programme be amended, as set out in paragraph 3.

- That the Capital Programme be amended to include £7,500 towards the extension of the children's play area at Mary Stevens Park, as set out in paragraph 4.
- That the expenditure on Green Waste wheeled bins, and its inclusion in the Capital Programme, be approved, as set out in paragraph 5.
- That the course of action set out in paragraph 6 regarding Bell Street Multi Storey Car park be approved, and that the associated expenditure be included in the Capital Programme.
- That the expenditure to complete the refurbishment of King Street Footbridge be approved and included in the Capital Programme, as set out in paragraph 7.
- That subject to the 20% funding contribution for Old Park being identified, the projects to rebuild Wrens Nest Primary School and Old Park Special School be approved and included in the Capital Programme, as set out in paragraph 8.
- That the Neighbourhood Learning in Deprived Communities funding be noted, and the associated expenditure be included in the Capital Programme, as set out in paragraph 9.
- That the Adult and Community Learning DDA funding be noted, and the associated expenditure be included in the Capital Programme, as set out in paragraph 10.
- That subject to the Expanding Popular Schools funding being confirmed, the project for an International Performing Arts Academy at the Hillcrest School and Community College be approved and included in the Capital Programme, as set out in paragraph 11.
- That the Capital Programme be amended to include the extra costs of the Priory & Wrens Nest Children's Centre project, as set out in paragraph 12.
- That the Capital Programme be amended to include the enhancements to the Benefits & Dudley Council Plus Telephony system, as set out in paragraph 13.



.....
Andrew Sparke
Chief Executive

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



.....
Mike Williams
Director of Finance

List of Background Papers

Relevant resource allocation notifications.

2005/06 Capital Programme Progress to Date

Service	Budget £'000	Spend to 30th Sept. £'000	Forecast £'000	Variance £'000	Reasons for Variance
Housing	27584	8862	27584		
Urban Environment	23442	5271	23573	+131	See note 1
Social Services	2124	461	2124		
Education & Lifelong Learning	24849	10845	24939	+90	See note 2
Finance, ICT & Procurement	2808	1316	2808		
Law & Property	3254	591	3254		
Chief Executive's	2536	1175	2536		
TOTAL	86597	28521	86818	+221	

Notes: 1. Extra expenditure on a number of schemes, including unavoidable extra costs associated with difficult ground conditions on the Inhedge Refurbishment, Kinloch Drive Footpath & Dibdale Open Space schemes; compensation claims relating to the Hill St. Derelict Land scheme; contractor claims relating to Stone St. Square; and extra costs associated with flooring and windows for the Halesowen Leisure Centre Health & Fitness project. These extra costs can be funded from s106 contributions and other existing resources.

2. Extra costs at Priory & Wrens Nest Children's Centre (see paragraph 12).

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

Title of Scheme: Resurfacing of Buffery Road, Dudley
Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 9 February 2005 (i.e. inclusion in Capital Programme)
Original Budget.....£106,500 Planned Completion date: 23 May 2005
Outturn Cost (please indicate if still provisional):.....£118,076 Actual completion date: 25 May 2005
Variation from Original Budget: Increase of £11,576 Delay: 2 days
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet): A variation order was issued for additional work to remove existing setts and install new kerbs, manholes etc. One section was changed to Sunday working for safety and to reduce traffic disruption.
Original Objectives of Scheme (please indicate when and to whom these were reported): Resurface Buffery Road to a depth of 100mm to overcome the deterioration in the pavement structure.
Have these Objectives been met? (If "No" please provide explanation): Yes

Signed by:



(Director)

Date:

6/10/05

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

Title of Scheme: Resurfacing of Wellington Road, Dudley
Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 9 February 2005 (i.e. inclusion in Capital Programme)
Original Budget:£116,692 Planned Completion date: 03 May 2005
Outturn Cost (please indicate if still provisional):£125,333 Actual completion date: 03 July 2005
Variation from Original Budget: Increase of £8,641 Delay: 2 months
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet): A variation order was issued for an increase in the area of resurfacing for bellmouths, and for new covers + frames for gullies and manholes. The completion of the works was delayed because much of the work had to be undertaken on Sundays and the contractor was asked to give priority to other sites in Dudley where Sunday working was required.
Original Objectives of Scheme (please indicate when and to whom these were reported): Resurface Wellington Road to a depth of 100mm to overcome the deterioration in the pavement structure.
Have these Objectives been met? (If "No" please provide explanation): Yes

Signed by:



(Director)

Date:

6/10/05

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

Title of Scheme: Resurfacing of Oakham Road, Dudley
Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 9 February 2005 (i.e. inclusion in Capital Programme)
Original Budget.....£113,010 Planned Completion date: 04 July 2005
Outturn Cost (please indicate if still provisional):.....£128,858 Actual completion date: 23 June 2005
Variation from Original Budget: Increase of £15,848 Delay: none, finished early
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet): A variation order was issued for additional work to remove existing setts and install new gullies, manholes etc. The working hours for the road closure were changed to restricted to avoid disrupting bus services in rush hour periods. Additional costs were also incurred for setting up and maintaining the diversion route.
Original Objectives of Scheme (please indicate when and to whom these were reported): Resurface Oakham Road to a depth of 100mm to overcome the deterioration in the pavement structure.
Have these Objectives been met? (If "No" please provide explanation): Yes

Signed by:



(Director)

Date:

6/10/05