

Meeting Of the Cabinet - 1st November 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.
2. To propose certain amendments.

Background

3. 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	7281	2133	1669
Urban Environment	26130	35992	14814
Children's Services	27688	20392	2418
Finance, ICT & Procurement	1715	309	350
Law & Property	1863	659	659
Chief Executive's	2039	295	0
TOTAL	90786	83704	42103

4. Note that the overall capital programme for 2007/08 and 2008/09 is likely to increase as extra funding becomes available.
5. 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.

Urban Environment

Himley Hall - North Wing Refurbishment

6. Following the conversion of the coal fired heating boilers to oil, which has already been programmed, refurbishment of the ground floor of the North Wing of Himley Hall can now take place. The project will include:

- the conversion of the former cinema to a lounge/bar;
- complete refurbishment of the former swimming pool area into a large, high specification conference/wedding function room;
- refitting and increased provision of toilet facilities;
- complete refurbishment of public access corridors;
- electrical and heating services improvements;
- removal of laundry block courtyard overhead pipework and provision of an independent heating system;
- soft furnishings, decoration, and state of the art audio/visual equipment.

The cost of these works is estimated to be £700,000, which can be funded from the resultant increase in income anticipated to be generated at the site.

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

Liveability

7. It is proposed that the following additions to the Liveability programme be approved and included in the Capital Programme.

Netherton Park: Following consultation with the Friends of Netherton Park, use of £97,000 available Section 106 receipts to support the construction and lighting of a Multi Use Games Area in accordance with the masterplan for the park.

Wordsley Park: Use of £2,000 from the Parks Improvement revenue budget to provide physical deterrents to antisocial activities by motorists in the car park at Wordsley Park.

Priory Park: Use of £1,500 from the Parks Improvement revenue budget to provide additional tennis facilities at the site.

Incinerator Equipment

8. The gas emission monitoring equipment at the Lister Road Waste to Energy Incinerator has had to be replaced to meet the latest Environment Agency standards, it being less expensive to install new equipment than to upgrade the existing eight year old system. As this is a legislative requirement, the terms of the Waste Disposal contract require the capital cost of £460,000 to be met by the Council. This will be funded by contributions from Waste Care revenue budgets over the next five years.

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

Stourbridge Area Skatepark

9. Following extensive appraisals, a site has been identified at Junction Road playing fields for the provision of a Skatepark for the part of the Borough covered by the Stourbridge Area Committee in accordance with the Wheeled Sports Strategy. The scheme has been subject to a robust consultation exercise which demonstrated significant community support. The Stourbridge Area Committee has also given its support to the proposals.

The estimated cost of £55,000 can be funded from available Section 106 resources. It is proposed that the project be approved and included in the Capital Programme.

Review of Highways Capital Programme

10. Highway re-alignment works associated with the Halesowen Bus Station development have been deferred until next financial year as a result of technical difficulties in integrating the Bus Station and Vale Retail developments. In addition, the Capital Development budget is unlikely to be fully utilised. This has given the opportunity to review the budgets required to deliver Council and Local Transport Plan (LTP) objectives as follows.

	£'000
Halesowen Bus Station (<i>Moved into 2007/8</i>)	-389
Capital Development	-39
Local Safety Schemes (<i>Increased design and modification costs of approved schemes, plus cumulative affect of over-programming over a number of years as approved schemes now come to fruition</i>)	+250
Enville Street (<i>Extra costs resulting from delays in property acquisition</i>)	+61
Stourbridge Ring Road Pedestrian Crossing (<i>Increased kerbing and steps costs compared to estimate</i>)	+40
Support for People with Disabilities (<i>Increased demand for dropped kerbs from wheelchair users</i>)	+30
Safe Routes to School (<i>As for Local Safety Schemes</i>)	+27
Signs, Marking & Guardrails (<i>Increased demand - many on behalf of people with disabilities</i>)	+19
Traffic Regulation Orders (<i>Increased need in preparation for Civil Parking Enforcement legislation</i>)	+20
Total (met from net change in over-programming)	+19

It is proposed that the Capital Programme be amended accordingly.

11. Huntingdon Gardens Play Area

A sum of £65,000 of Section 106 funding has become available from the developer of the former Huntingdon Gardens estate. This can be used to replace the outdated existing play area on the adjacent open space.

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

12. Drews Holloway Culvert

Due to erosion of the highway embankment immediately downstream of the Drews Holloway Culvert, work started in last financial year to reconstruct the support for the highway using stone filled gabions. This was funded from the highways structures revenue budget.

In order to meet the requirements of the Environment Agency with regard to this support and the proposed Belle Vale Road Improvement affecting both ends of the culvert, it was considered appropriate to carry out an upgrade of the parapets at the same time. It is forecast that these works will cost £45,000 in this financial year, which can be funded from the Bridge Assessment & Strengthening allocation within the Highways Capital Programme.

It is proposed that the Capital Programme be amended accordingly.

Finance, ICT & Procurement

ICT Hardware & Software

13. It is proposed that the following planned expenditure by the ICT Services Division be included in the Capital Programme.

	£'000
<ul style="list-style-type: none">• ICT Discovery Tool - which will be used to compile an inventory of hardware and software connected to the Council's network, allowing better service management	50
<ul style="list-style-type: none">• Call Centre Telephony - to upgrade the ICT Services Call Centre telephony system in line with that used by Dudley Council Plus and Benefits, to provide facilities such as intelligent routing, message broadcasting and automatic call recording.	20
<ul style="list-style-type: none">• Software Licenses - to allow remote support and software download to users	40
<ul style="list-style-type: none">• Additional Digital Colour Printer for Print Services Unit - to increase capacity	50
Total	160

The total cost can be met from revenue reserves previously set aside for ICT developments.

Committee Room ICT Equipment

14. Following consideration of the provision of permanent projection/display facilities within each of the four Committee Rooms, it is being recommended that each room should have its own dedicated projector or plasma screen with a networked PC and provision for connection to any third party equipment which may be brought into Council House by visitors. This initiative has been approved by the Members' ICT Working Group, and the estimated cost of up to £20,000 can be met from existing ICT Strategy resources.

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

Adult, Community & Housing

Relocation of "People Using Local Services Everyday" (PULSE) Team

15. The budget previously approved for this project relates to the relocation of the PULSE Team base. However additional funding would be required to:

- reconfigure rooms at the remaining centres, including the relocation and upgrade of the service user computer room at the Mere Centre and other necessary improvements in line with Health & Safety guidelines;

- set up contact bases for the PULSE Team at the other two centres so that there are bases in the North, South & Centre of the Borough thus allowing improved co-ordination of the service.

The total cost of the additional works is estimated to be £29,000, of which £9,000 can be funded from Learning Disability Partnership funding, and £20,000 from the proceeds of the Audnam site disposal.

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

Oak Lane Gypsy Site Refurbishment

16. The utility blocks at the Oak Lane site are currently in an unfit state. It is proposed to replace the existing blocks with modern facilities that are fit for purpose and comply with latest building regulations, at an estimated cost of £531,000. It is anticipated that grant funding from the Department for Communities and Local Government (DCLG) may be available for this project at a rate of 75% (£398,000). The 25% Council matchfunding required (£133,000) can be funded from revenue contributions from existing budgets.

Previous work at the site has been funded in the same manner and has proved very successful.

It is proposed that the Director of Adult, Community and Housing Services be authorised to make a bid to DCLG for funding for the above project, and that subject to such funding being confirmed, the project be approved and included in the Capital Programme.

Netherton Community Café

17. The Community Café is the final element that will complete of the Netherton Regeneration Centre. The Community Café will offer training and support to some of the most disadvantaged members of the community. The cost of the project is estimated to be £140,000, half of which will be provided by Advantage West Midlands, and the remainder from uncommitted resources within adult learning budgets.

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

Housing Market Renewal Funding

18. Cabinet was notified in June of the receipt of £283,000 of Market Renewal funding from the Regional Housing Board. It is now proposed, with the agreement of the Government Office West Midlands, to direct these funds to support the provision of Housing Assistance grants in the designated market renewal areas of Dudley, Brierley Hill and Lye. This will in turn enable the release of £189,000 to address waiting times for Disabled Facilities Grants.

Priory Road Pharmacy

19. No. 97 Priory Road Dudley is in the process of being leased to the Dudley Primary Care Trust (PCT), and will be used to offer basic pharmacy activities and also a venue for clinic sessions. Refurbishment of the property is estimated to cost up to £120,000. In order for the works to be completed as soon as possible in the current financial year, the PCT has requested that the Council meet the initial costs which will be reimbursed from the PCT's 2007/08 budget.

It is proposed that subject to satisfactory legal arrangements being made to protect the Council's interests, the PCT's request be agreed, and that the project be included in the Capital Programme.

Wellbeing Lottery Bid

20. The Wellbeing funding stream is part of national revised arrangements for the administration of the Big Lottery community programme. The Council is a partner in a regional application led by the West Midlands Regional Assembly, which will support health, wellbeing and physical activities across the Borough. Council Directorates are working with partners in Dudley PCT, the Police and Fire Service, and the local community sector to develop a portfolio of project activity. These activities include:
- Good neighbour schemes for older people;
 - Walking and parks activities;
 - Healthy Eating and cookery clubs activities.

Dudley's bid is for £843,000 for a three-year programme, most of which will comprise revenue expenditure. There are no requirements for Council matchfunding.

It is proposed that the Director of Adult, Community and Housing Services be authorised to make a bid for Wellbeing Lottery funding as set out above, and to accept any resultant offer of resources; and that any capital elements of the project be included in the Capital Programme.

21. Library Services Review

At its meeting on 13th September, Cabinet received a report outlining a review of library services. It is proposed that a capital budget of £100,000 be established to undertake feasibility works and minor improvements arising out of that review, to be funded from currently unallocated resources. This will contribute towards delivering a modern library service consistent with the aims and aspirations of Dudley residents.

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

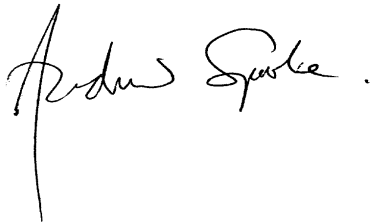
24. These proposals comply with the Council's policy on Equality and Diversity.
25. With regard to Children and Young People:
- The Capital Programme for Children's Services will be spent wholly on improving services for children and young people. Other elements of the Capital Programme will also have 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 current progress with the 2006/07 Capital Programme, as set out in paragraph 2 and Appendix A be noted.
27. That the Director of Adult, Community and Housing Services be authorised to make a bid for Wellbeing Lottery funding as set out in paragraph 20, and to accept any resultant offer of resources.
28. That the Council be recommended:
 - That the refurbishment of the North Wing of Himley hall be approved and included in the Capital Programme, as set out in paragraph 6.
 - That the expenditure items set out in paragraph 7 be approved and added to the Liveability programme.
 - That the expenditure on Incinerator Equipment be included in the Capital Programme, as set out in paragraph 8.
 - That the Stourbridge Area Skatepark project be approved and included in the Capital Programme, as set out in paragraph 9.
 - That the Highways Capital Programme be amended, as set out in paragraph 10.
 - That the project to replace the Huntingdon Gardens Play area be approved and included in the Capital Programme, as set out in paragraph 11.
 - That the Drews Holloway Culvert parapet upgrade be included in the Capital Programme, as set out in paragraph 12.
 - That the ICT hardware & Software expenditure set out in paragraph 13 be approved and included in the Capital Programme.
 - That the Committee Room ICT equipment project be approved and included in the Capital Programme, as set out in paragraph 14.
 - That the additional works relating to the relocation of the PULSE Team be approved and included in the Capital Programme, as set out in paragraph 15.
 - That replacement of the utility blocks at the Oak Lane Gypsy Site be approved and included in the Capital Programme, as set out in paragraph 16.
 - That Netherton Community Café project be approved and included in the Capital Programme, as set out in paragraph 17.

- That the Housing Market Renewal funding of £283,000 be directed to the provision of Housing Assistance grants in the designated market renewal areas of Dudley, Brierley Hill and Lye, in turn enabling the release of £189,000 to address waiting times for Disabled Facilities Grants, as set out in paragraph 18.
- That subject to satisfactory legal arrangements being made to protect the Council's interests, Dudley PCT's request to meet the initial refurbishment cost of the Priory Road Pharmacy be agreed, and the project be included in the Capital Programme, as set out in paragraph 19.
- That subject to success of the funding bid, any capital elements of the Wellbeing project be included in the Capital Programme, as set out in paragraph 20.
- That a capital budget of £100,000 be established to undertake feasibility works and minor improvements arising out of the Library review, as set out in paragraph 21.



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List of Background Papers
Relevant resource allocation notifications.

2006/07 Capital Programme Progress to Date

Service	Budget £'000	Spend to 30 th September £'000	Forecast £'000	Variance £'000	Reasons for Variance
Public Sector Housing	24070	8631	24070	-	
Other Adult, Community & Housing	7281	2681	7282	+1	
Urban Environment	26130	8647	26250	+120	See Note 1
Children's Services	27688	7540	27728	+40	See Note 2
Finance, ICT & Procurement	1715	888	1715	-	
Law & Property	1863	704	1863	-	
Chief Executive's	2039	249	2039	-	
TOTAL	90786	29340	90947	+161	

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 (£24,000) which can be met from car parks revenue budgets;
- various other minor net variances.

In addition, the proposed reallocation of Highways capital resources to meet various extra costs and other pressures is set out in detail in paragraph 10.

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.