

## Meeting of the Council – 16<sup>th</sup> April, 2012

### Report of the Cabinet

### Capital Programme Monitoring

#### Purpose of Report

1. To report progress with the implementation of the Capital Programme.
2. To propose amendments to the Capital Programme.

#### Background

3. At the meeting held on 14<sup>th</sup> March, 2012, the Cabinet considered a report on Capital Programme Monitoring and made a series of recommendations to the Council which are contained in this report in paragraph 13. Other recommendations contained in the report were determined under delegated powers. A copy of the report is available from the Democratic Services Section (telephone 01384 815236) or by e-mail to [richard.sanders@dudley.gov.uk](mailto:richard.sanders@dudley.gov.uk); or on the Council's website (follow the links to Meetings and Decisions)
4. The table below summarises the *current* 3 year Capital Programme updated where appropriate to reflect latest scheme spending profiles.

<b>Service</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Public Sector Housing	40,128	32,206	30,662
Other Adult, Community & Housing	6,072	8,775	1,480
Urban Environment	19,292	23,266	14,843
Children's Services	21,169	19,483	4,092
Corporate Resources	1,635	1,724	636
Chief Executive's	414	477	0
<b>TOTAL</b>	<b>88,710</b>	<b>85,931</b>	<b>51,713</b>

NB: The capital programme for future years is in particular subject to Government grant allocations, some of which have not yet been announced.

- 5 In accordance with the requirements of the Council's Financial Regulations, details of progress with the 2011/12 Programme are given in Appendix A. It is proposed that the current position be noted, and that budgets be amended to reflect the reported variances.

## **Urban Environment**

### Lister Road Depot Improvements

6. Additional costs of £15,000 relating to compliance with health and safety regulations for the Lister Road depot improvements, particularly for the Mess Room facility, can be met from savings from the Incinerator Pollution Control project which is now complete. It is proposed that the Capital Programme be amended accordingly.

## **Corporate Resources**

### Town Centre Office Accommodation – Transforming our Workplace

7. In July 2011, the Cabinet approved the overall Dudley Town Centre Office Accommodation Strategy. The rationalisation of Council Offices within Dudley Town Centre will require the refurbishment of 5 core sites within the Council's central campus complex, namely 7 St James's Road/8 Parsons Street, 4 Ednam Road, 3/5 St James's Road, the Council House and Regent House. The refurbishment of these buildings will allow the Council to dispose of 12 surplus sites, enable the movement of staff around the campus whilst construction works are undertaken, assist with the resultant transformation of services to adopt agile working methods and make more efficient use of less space. The refurbishment of Regent House was approved by Decision Sheet (ref. DCR/03/2012) in order to facilitate the initial phase of the project.

The capital cost of the project is estimated to be £3.054m, which can be funded from existing Repairs and Maintenance budgets, and the proceeds from the disposal of the surplus sites in accordance with the PSP Dudley LLP agreement.

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

## **Children's Services**

### Office refurbishment at Ward House

8. Following the reorganisation of Corporate Property, the newly formed Construction and Design team became part of the Directorate of Children's Services and will be relocating to Ward House. To enable this relocation structural and refurbishment works will need to be carried out on Ward House.

The estimated cost of £43,000 can be funded from revenue budgets within the directorate. It is proposed that the project be approved and included in the Capital Programme.

## **Finance**

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

## **Law**

10. 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**

11. These proposals comply with the Council's policy on Equality and Diversity.
12. 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**

13. That the Council be recommended:
  - That current progress with the 2011/12 Capital Programme, as set out in Appendix A be noted, and that budgets be amended to reflect the reported variances.
  - That, the Capital Programme be amended to include the additional costs of £15,000 for the Lister Road depot improvements, as set out in paragraph 6.
  - That the Transforming our Workplace project be approved and included in the Capital Programme, as set out in paragraph 7.
  - That the refurbishment of Ward House be approved and included in the Capital Programme, as set out in paragraph 8.



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**Leader of the Council**

**2011/12 Capital Programme Progress to Date**

<b>Service</b>	<b>Budget £'000</b>	<b>Spend to 31st January £'000</b>	<b>Forecast £'000</b>	<b>Variance £'000</b>	<b>Reasons for Variance</b>
Public Sector Housing	40,128	27,118	40,128		
Other Adult, Community & Housing	6,072	4,048	6,072		
Urban Environment	19,292	13,878	19,306	+14	See note 1
Children's Services	21,169	15,988	21,169		
Corporate Resources	1,635	1,255	1,635		
Chief Executive's	414	152	414		
<b>TOTAL</b>	<b>88,710</b>	<b>62,439</b>	<b>88,724</b>	<b>+14</b>	

1. Includes:

- Unavoidable extra costs of £29,000 on the Castle Mill Stabilisation project – which can be funded from revenue resources.
- Savings of £15,000 on the Incinerator Pollution Control project (see paragraph 6).