

Meeting Of the Cabinet – 5th December 2013

Joint Report of the Chief Executive and Treasurer

Capital Programme Monitoring

Purpose of Report

1. To report progress with 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 provided by Directorates. Following recommendations made by the Council's external auditors in their review of the Councils' arrangements for securing financial resilience (as reported to Audit and Standards Committee on 19th September) this also shows the planned funding of each year's programme.

	2013/14	2014/15	2015/16
	£'000	£'000	£'000
Public Sector Housing	40,293	32,600	31,470
Other Adult, Community & Housing	8,989	2,647	550
Urban Environment	29,776	22,084	10,302
Children's Services	15,046	15,409	80
Corporate Resources	2,260	1,236	1,428
Total spend	96,364	73,976	43,830
Revenue	17,802	10,405	7,938
Major Repairs Reserve (Housing)	22,118	22,273	22,625
Capital receipts	6,778	12,487	7,365
Grants and contributions (inc. Lottery)	22,360	13,245	1,963
Capital Financing Requirement*	27,306	15,566	3,939
Total funding	96,364	73,976	43,830

*This will be funded internally from the Council's cashflow resources as far as possible, rather than from external debt.

Note that the capital programme for future years is in particular subject to government grant allocations, some of which have not yet been announced.

3. In accordance with the requirements of the Council's Financial Regulations, details of progress with the 2013/14 Programme are given in Appendix A. Following the external auditors' recommendations (as referred to in paragraph 2 above), an update on progress with the Council's most significant capital schemes is shown in Appendix B.

Post Completion Review of Capital Projects

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

Children's Services

The Brook Primary School – New Classroom and Ancillary Spaces

It is proposed that this be noted.

Finance

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

Law

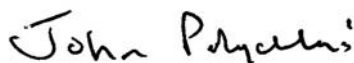
6. The Council's budgeting process is governed by the Local Government Act 1972, the Local Government Planning and Land Act 1980, the Local Government Finance Act 1988, the Local Government and Housing Act 1989, and the Local Government Act 2003.

Equality Impact

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

9. That current progress with the 2013/14 Capital Programme as set out in Appendices A and B be noted.
10. That the result of the Post Completion Review of capital projects, as set out in Appendix C be noted.



John Polychronakis
Chief Executive



Iain Newman
Treasurer

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2013/14 Capital Programme Progress to Date

Service	Budget £'000	Spend to 31st October £'000	Forecast £'000	Variance £'000	Comments
Public Sector Housing	40,293	15,613	40,293	-	
Other Adult, Community & Housing	8,989	4,114	8,989	-	
Urban Environment	29,776	14,109	29,776	-	
Children's Services	15,046	3,253	15,046	-	
Corporate Resources	2,260	771	2,260	-	
Total	96,364	37,860	96,364	-	

Progress with Major Capital Schemes

Adult, Community and Housing

New Council Housing

The Council has been successful in securing match funding from the Homes and Communities Agency (HCA) from the Care and Specialised Support Housing Fund and work has commenced on design and planning for the 14 two bedroom apartments for people with learning disabilities and who are on the autistic spectrum at the former depots at Norfolk Road, Wollaston and The Walk, Sedgley, and 3 two bedroom 3 person houses also at The Walk. Work has also commenced on feasibility studies for other potential new build across the borough although no firm proposals have been developed yet. Spend this year is planned to be only design and planning fees with construction on site planned to commence in June 2014. Schemes are expected to be delivered within budget.

Dementia Gateways

Work is nearing completion on the dementia gateway at Brettell Lane, Brierley Hill with completion planned for November 2013. The second dementia gateway scheme at Brett Young in Halesowen is due to commence on site in February 2014 with completion in August 2014. Schemes are expected to be delivered within budget.

Archive and Local History Centre

The new borough Archive and Local History Centre is now completed. The building is operational and will be open to the public mid-November 2013 delivering adult learning. Archive materials are currently being moved into the new repository and the Archive and Local History Service will be operational from January 2014. Following completion on site, final costs of the scheme are now being established and we anticipate the work will be on budget.

Tiled House Lane Residential Home Modernisation

Refurbishment works to carry out improvements to Tiled House Lane Residential Home are planned to commence in January 2014 and are expected to be completed, within budget, in May 2014.

Urban Environment

Street Lighting

Street lighting improvement works are in progress and the Street Lighting Central Management System (CMS) is now fully commissioned and operational. Just over 4000 of the Council's 32000 street lights can now be controlled remotely to help save energy. Spend is forecast to be within budget.

Recycling

The grant funded recycling vehicles are now operational and approximately two thirds of the boxes and bags have been deployed to households in line with Phases 1 and 2 of the rollout. Phase 3 rollout is expected to complete the recycling capital expenditure Spend is forecast to be within budget.

Wheeled Bins

Phases 1 and 2 wheeled bin deliveries have now been rolled out with Phase 3 bins expected to be delivered by February 2014. Spend is forecast to be within budget.

Priory Park Improvements

The capital works on the Priory Park programme are close to completion; the official launch was on 20th September. The Director of the Heritage Lottery Fund programme was very impressed with the work that had been completed. Further revenue work is planned for the next few years to deliver programmes of activity, training and volunteering. Spend is forecast to be within budget.

Mary Stevens Park

Heritage Lottery Fund were keen to see further project planning around bio-diversity and sustainability however this piece of work has now been completed and we are expecting the final go ahead from the Heritage Lottery Fund very shortly. We are in the process of recruiting the project manager and design team and are soon to recruit a ranger to the park to cover the heritage and environmental work specified in the activity plan. Spend is forecast to be within budget.

Castle Hill

New Access Road: Phase 1a was completed during October 2012. Phase 1b (link road and roundabout) was completed April 2013.

Phase 2 onwards: This comprises the secondary route, recreational route, car parking and Visitor Hub. Planning permission was granted on 12th March 2013. The design team are currently working on detailed designs on a phased basis. Works commenced onsite for the initial phase of the secondary route on 23rd September 2013. Works is to commence on lower level car parks later in the year with completion due early in the New Year. Further works to commence early 2014, with final completion currently projected for December 2014. Spend is forecast to be within budget.

Dudley Marketplace and Town Centre

The Dudley Marketplace project is currently underway with the advanced works phase now started. The first construction phase will be focussed on Castle Street starting in January 2014, later to be followed by the Market Place phase in the next financial year. Spend is forecast to be within budget.

Children's Services

DGfL3

Dudley Grid for Learning 3 includes a programme of ICT equipment upgrade and renewal across financial years 2013/14 & 2014/15. Consultation with schools to ascertain their priorities for the 'refresh' programme is underway and options will be presented to schools at events in December. The programme and associated expenditure is therefore on schedule to bring improvement to schools ICT as planned.

Corbyn Road - base for joint Children's Safeguarding Unit and frontline social work teams

The project is out to tender. Planned start date is 5th Jan 2014. Expected outturn cost is within budget.

Pens Meadow Special School – Additional Places

A costed feasibility study has been produced and the next stage is for more detailed surveys to be undertaken to ascertain more up to date costs for refurbishment. Corporate Estates have been commissioned by the Directorate of Children's Services to negotiate a lease of the building on behalf of the Council. Construction & Design have been commissioned to provide full design services for the project.

Corporate Resources

Transforming Our Workplace

The project is progressing well with offices at Regent House and 4 Ednam Road now fully refurbished with around 450 staff having been relocated. Work to offices at 3/5 St James's Road are due to complete before Christmas to be followed by the relocation of another 350 staff. Alterations to offices at Mary Stevens Park Stourbridge are now underway and will also be complete by Christmas before seeing the relocation of around 250 Children's Services staff. Work to the Council House complex and 8 Parsons Street is scheduled to commence in February 2014. The release of 12 surplus office sites has commenced with Castle Court, 5-7 The Broadway now on the market. The other 11 sites will be vacated in 2014. The whole programme of work is currently running to budget and is scheduled to complete accordingly to plan in July 2014.

The Brook Primary School – New classroom & ancillary spaces.
Date of project approval: <i>July 2012 (under delegated authority)</i>
Budget at Tender Stage: £328,000.00 Planned Completion date: <i>26/10/2012</i>
Provisional Outturn Cost: £340,000.00 Actual completion date: <i>06/12/2012</i>
Variation from Budget at Tender Stage: £12,000.00 Delay: <i>31 working days</i>
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Cabinet): The budget was increased by £12,000 for a new canopy the school requested as an extra that was not included within the original contract. This cost variation was reported at PIT (Project Implementation Team). The final project was completed within the total budget available An Extension of Time was requested and awarded due to adverse weather conditions.
Original Objectives of Scheme (please indicate when and to whom these were reported): The School's Governing Body, in conjunction with the Directorate's Pupil Place Planning Team, have raised the published admission number to a 2 form entry school. This was approved by the Director of Children's Services as pupil projections for this township are set to increase year on year for the next four years. The school is set in a diverse area and with a clear evidence of preferences for this particular school from parents. The school had, with support from the Buildings & Estates Team, plans drawn up for the provision of additional accommodation comprising a new classroom, and ancillary spaces to ensure there is adequate infrastructure in place to support a two form entry school. The new accommodation has provided the infrastructure required to support a 2 form entry school and a school environment that is equipped for 21st century teaching and learning.
Have these Objectives been met? (If "No" please provide explanation): Yes.

Signed by: Jane Porter (Director)

Date: 31st October 2013