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**Meeting of the Cabinet – 20<sup>th</sup> September 2023**

**Joint Report of the Chief Executive and Director of Finance and Legal**

**Capital Programme Monitoring**

**Purpose**

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

**Recommendations**

3. That the Council be recommended:
  - That progress with the 2023/24 Capital Programme, as set out in Appendix A, be noted.
  - That the new firewalls budget of £460,000 be approved and included in the Capital Programme, as set out in paragraph 6.
  - That the approval and inclusion within the Capital Programme of the budget of £26,000 for the Holiday Activities and Food programme funded fully by the grant, as set out in paragraph 7 be noted.
  - That the transfer between the ICT Strategy and Storage Area Network of £75,000 be approved, as set out in paragraph 8.
  - That the urgent amendment to the Capital Programme for additional costs in the Fire Suppression works contract for £70,000 be approved and included in the Capital Programme, as set out in paragraph 9.

## Background

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

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Public Sector Housing	65,158	50,816	44,114
Private Sector Housing	17,171	1,459	71
Environment	9,973	12,768	3,000
Transport	14,020	9,570	8,530
Regeneration and Corporate Landlord	21,304	22,249	11,359
Culture, Leisure and Bereavement	2,937	2,904	1,500
Schools and SEND	20,205	20,971	21,600
Social Care, Health and Well Being	2,607	300	0
Digital, Commercial and Customer Services	1,882	893	1,393
<b>Total spend</b>	<b>155,257</b>	<b>121,930</b>	<b>91,567</b>
Revenue	4,307	3,488	3,612
Major Repairs Reserve (Housing)	25,517	26,000	26,456
Capital receipts	24,193	17,344	21,610
Grants and contributions	41,235	23,586	17,448
Capital Financing Requirement	60,005	51,512	22,441
<b>Total funding</b>	<b>155,257</b>	<b>121,930</b>	<b>91,567</b>

Note that the capital programme is subject to the availability of government funding.

5. An update on progress with the Council's most significant capital schemes is shown in Appendix A. It is proposed that the current position be noted.

### Firewall replacement

6. In the Medium Term Financial Strategy an additional £90,000 per annum growth for firewall improvements was added to Digital, Customer and Commercial Services' revenue budgets. Following an appraisal it has been determined that it would be better to replace the firewalls and the costs of £460,000 will then be capitalised.

It is proposed that £460,000 is included in the 2023/24 Capital Programme and will be funded by revenue contributions from the growth provided in the revenue budget.

## Holiday Activities and Food Grant

7. The Council has been awarded £1,288,420 of Holiday Activities and Food Grant by the Department for Levelling Up, Housing and Communities in 2023/24. Up to 2% of this grant may be capitalised which equates to £25,768. It is proposed that this amount is added to the capital programme to set up a website and booking system to support the HAF programme. Amendments to the Capital Programme are in normal circumstances made by Council following approval by Cabinet. Owing to Procurement and implementation timescales this decision is urgent and cannot reasonably be deferred to the next available meeting of the Council. It can therefore be approved by Cabinet as allowed by the Council's constitution in these circumstances.

It is proposed that £26,000 is included in the 2023/24 Capital Programme and will be funded by the grant.

## Storage Area Network

8. In October 2022 a decision was made to replace the Storage Area Network (SAN) for a system that would provide the opportunity to consolidate data centres and server requirements, at the time the estimated cost of this was £400k. Following a procurement exercise there is a requirement for an additional £75k to complete the replacement of the SAN.

It has been identified that within the ICT Strategy approved programme that this additional cost can be covered by the Server Refresh 2023/24 budget as the SAN has a direct relationship to the servers and results in a reduced Server Refresh budget requirement, therefore it is proposed that the SAN budget be increased from £400k to £475k and the ICT Strategy Budget be reduced by the corresponding £75k.

## Urgent Amendments to the Capital Programme

9. A budget of £2,000,000 for fire Suppression works for the Energy From Waste plant were approved at the Council meeting of 28<sup>th</sup> November 2022. The final tenders for this work have now been received and the total cost is expected to be £2,069,567.53. Therefore an urgent decision sheet was signed by the Leader in consultation with the Director of Finance and Legal (reference DFL/09/2023) for the additional £70,000 budget to be incorporated into the Capital Programme.

## **Finance**

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

## **Law**

11. 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.

## **Risk Management**

12. Risks, and their management, are considered prior to proposals being brought forward to include projects in the Capital Programme. This includes risks relating to the capital expenditure itself, funding of that expenditure (e.g. grant availability and conditions), and ongoing revenue costs and/or income.

## **Equality Impact**

13. These proposals comply with the Council's policy on Equality and Diversity.
14. With regard to Children and Young People:
  - The Capital Programme for Schools 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.

## **Human Resources/Organisational Development**

15. The proposals in this report do not have any direct Human Resources / Organisational Development implications.

## **Commercial / Procurement**

16. All procurement activity will be carried out in accordance with the Council's Contract Standing Orders, and the relevant officers will take the procurements through the Procurement Management Group to monitor compliance at the relevant Gateways.

## **Environment / Climate Change**

17. Individual capital projects should be separately assessed for their environmental impact before they commence and major schemes with climate change impacts will include details of this in their progress reports going forward.

## **Council Priorities and Projects**

18. Proposed capital projects are in line with the Council's capital investment priorities as set out in the approved Capital Strategy.



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## **List of Background Papers**

Relevant resource allocation notifications.

Appendix A – Update of progress on major capital schemes

## Progress with Major Capital Schemes

### Public Sector Housing

#### New Council Housing

#### Projects on site

- New Swinford Hall – conversion to 18 affordable apartments - completion September 2023
- Corporation Road B – 5 houses – Potential phased completion September to October 2023
- Whitegates Road – 3 houses - completion September 2023
- Beacon Rise – 11 homes - completion October 23 – with £605k Homes England Grant secured
- Lower Valley Road – 17 affordable homes, 14 apartments (mix of one and two beds) and 3 x two bedroom wheelchair bungalows. £935,000 Homes England Grant secured - completion January 2024
- Swan Street – 75 units – 54 Sheltered and 21 houses - £4m Homes England Grant secured, completion February 2026.

Planning approval has previously been secured to progress several sites under the brownfield land programme, the funding for which is managed by Walsall Council on behalf of the West Midlands Combined Authority. Due to the current pressures on the HRA Capital Programme the Council have retracted from the brownfield programme and are focusing on investment in the current stock.

Planning approval has been obtained, and a Compulsory Purchase Order has commenced to facilitate the redevelopment of 122 to 128 Colley Gate, Cradley, to deliver a new housing scheme of 8 units. The development was originally intended to be funded through the HRA capital programme but due to the pressures referenced above alternative options are now being considered, acknowledging that the redevelopment of the properties at Colley Gate remains a priority.

### Environment

#### Stevens Park, Quarry Bank Lottery & Council funded project

The refurbishment & extension of Tintern House including remedial works is complete and the final account has been agreed.

The Emily Jordan Foundation Projects are running their projects: 'Spokes' (Bicycle restoration & sales) 'Twigs' (Horticultural training & sales) & 'Go Green' (recycling).

The Community Development Officer is carrying out a series of events & activities until Autumn 2024.

### Wrens Nest Wardens' Base

The acquisition of 113 and 115 Wrens Hill Road was completed on 6<sup>th</sup> August 2021.

Meetings over the course of 2022 culminated in Officers holding workshops in October and November with the Friends of Wrens Nest and architects from Corporate Landlords to develop a preferred design option for a Wardens Base and Visitor Facility.

A Feasibility Study has therefore been completed with costings. The project cost is currently estimated at £639k + £50k for contingencies and risk. Whilst £279k remains in the capital programme for the project, this leaves a shortfall of some £410k. The Heritage Lottery have been approached and recommend that an Expression of Interest is submitted for consideration.

### Dudley Townscape Heritage

The Townscape Heritage (TH) programme is funded through the National Lottery Heritage Fund (NLHF) which offers grant assistance to carry out repair, reinstatement and refurbishment works to historic buildings, as well as a programme of complementary education and community engagement activities. The Phase 2 TH programme, operating with a grant budget of £1.178m from the NLHF and £300,000 match funding from the Council, commenced in February 2017. All projects are due for completion by the end of September. A deadline for submission of the evaluation and the final claim to the Heritage Fund by the end of the year is being agreed.

The programme focuses on buildings in the town centre's historic core. The work at 203/204 Wolverhampton Street, 216 Wolverhampton Street, 204a Wolverhampton Street and 14 New Street is complete, with Fountain Arcade at practical completion with only snagging items outstanding. Other properties within the programme include the following:

- 208 and 209 Wolverhampton Street: shopfronts have been installed and awaiting signage
- Plaza Mall: shopfront has been manufactured and is scheduled for installation from early September
- 207 Wolverhampton Street: project includes comprehensive repairs to the building and reinstatement of shopfront. Work to windows, re-rendering and reinstatement of shopfront continuing apace and due for completion August/September

A wide-ranging activities programme, running alongside the capital works programme, has been developed and delivered in conjunction with teams in Adult and Community Learning, Museums, Communications and Public Affairs and the Historic Environment Team. A revised programme was agreed with the Heritage Fund which was adapted in light of Covid-19 restrictions. Further activities were included in the programme working with delivery partners (Co Lab) who already have established links with the community of Dudley. This has seen the successful 'Growing up in Dudley' project, which has gathered images and oral reminiscences, and 'Dudley Days' which held workshops with a small group of participants to create music inspired by connections with Dudley. Teaching resources have been produced as part of the programme and have been shared with schools. The project also works closely with the Historic Environment Team to produce information in the form of trails and leaflets to enhance understanding and appreciation of the historic environment, including a suite of guides to assist owners of historic buildings. The project continues to work with volunteers where possible and research has been carried out on the former Woolworth's building resulting in a new document which will be printed for the upcoming Heritage Open Day in September 2023. A further document about Fountain Arcade has been produced and will be added to the suite of building leaflets included on the Dudley Heritage Open Days webpage, where the virtual tours of a number of buildings are available, and the Historic Environment Team's webpage. The exhibition display in the form of 4 pull-up banners about the history of Dudley have continued to be on display at the Museum and have also been used at other events including the recent National Gallery John Constable exhibition in the Churchill precinct and will be exhibited at the forthcoming Heritage Open Days at the Coroner's Court and at the Castle. The programme has included the installation of a blue plaque on the former School of Art to commemorate Percy Shakespeare, a 4-page insert in the autumn (2021) edition of the Home magazine and the printing of the City ID map for Dudley. Training sessions for bricklaying students at Dudley College have also taken place, where students received hands-on training from a conservation bricklaying specialist. Preparations are currently underway to open the Coroner's Court for the Heritage Open Day on 9<sup>th</sup> September with other participating buildings including Top Church and The Crown. There will be a further reprint of the many trails and leaflets produced during the course of the Townscape Heritage programme in time for the Heritage Open Day, for distribution at the event and for wider distribution at the borough's many visitor attractions.

### Brierley Hill High Street Heritage Action Zone

The High Street Heritage Action Zone Programme (HSHAZ) is a nationwide initiative designed to secure lasting improvements to historic high streets for the communities who use them. It is Government funded and run by Historic England with the aim of making the high street a more attractive, engaging and vibrant place for people to live, work and spend time. It is designed to unlock the potential



of high streets across England, fuelling economic, social and cultural recovery. Brierley Hill High Street was one of 68 High Streets selected to receive a share of the fund.

The Brierley Hill High Street HAZ is a 4 year programme, due for completion by March 2024. At the start of the programme a grant of £1.8m was awarded by Historic England with £400,000 match funding coming from the Council, equating to an overall grant of 81.80% from Historic England and an overall budget of £2.2m. At the end of September 2021, this figure was increased with an additional grant of £242,171 from Historic England, which with the 18.20% match from the Council provides a total grant increase of £296,052.46 and an overall budget of just under £2.5m. The programme provides grant assistance to third parties to carry out repair, reinstatement and refurbishment works to historic buildings as well as grant assistance towards bringing vacant floorspace back into use. It also provides grant towards public realm improvements, plus there is a programme of complementary education and community engagement activities. The spend profile and the priorities for funding have been agreed and approved by Historic England.

#### Public Realm Programme and War Memorial

For years one and two, the priority has been works to the Brierley Hill War memorial. The works to the memorial have been divided up into two phases. Phase 1 commenced on-site in August 2021 and focused on installing lighting, repairs and architectural reinstatement works to the Brierley Hill War Memorial and its immediate setting and Phase 2 commenced on-site late November 2021 and focused on the War Memorial Garden where significant stabilisation works to the embankment have been undertaken along with structural repairs to the intermediate walls that runs through its centre plus the laying out of a soft landscaping scheme. Works on both phases are now complete. The Phase 1 parts of the scheme have been handed back over to responsible Council departments. With respect to the Phase 2 works, once the second campaign of weeding has been completed, this scheme will be handed over also.

In terms of public realm proposals for the Civic Hall Green and St Mary's Church and for the public realm proposals being delivered through the Future High Street Fund, the public were consulted on the proposals in October/November of 2022. The main contractor is on-site, all the new paving has been laid on the Market Side of the High Street and the contractor is now working on the opposite side of the road laying new paving around the Civic Hall Green, excavating the tree pits and making a start on excavation of the new path in the Civic Hall Green. The paving is being installed at the southern end of the High Street, south of St Mary's Church in the splitter islands. Lighting columns have been redecorated and new street furniture has been ordered and will be installed shortly. The planning application has been submitted for the link space. The For more information about the public realm proposals click on this link:

<https://www.regeneratingdudley.org.uk/brierley-hill-projects> or look at the High Street HAZ webpage: <https://www.dudley.gov.uk/brierley-hill-haz>

### Buildings Programme

This part of the programme is very dependent on the acceptance of grants by building owners and on contractors being appointed and being able to manage time pressures (imposed by the tight spend window for the project), significant rising costs and material delays.

As part of the original bid submission to Historic England, a number of historic buildings were identified to be a priority for grant assistance. Contact has now been established with the owners of all the priority projects and the majority of them are positively engaging with the Council and have now appointed a Conservation Accredited Architect in order to progress their proposals.

Grants have been offered and accepted on six projects:

- 2a and 2 Albion Street – works have commenced on-site and are nearing completion.
- 68 High Street – works have commenced on-site and are nearing completion.
- 101 High Street (Phase 1 – roof) - works have commenced on-site and are nearing completion.
- Brierley Hill Institute – contractor is due to start on-site soon
- 8 Mill Street – works have commenced on-site and are underway
- St Mary's Church (door) – grant accepted and works completed.

Several other priority projects are in the process seeking the necessary planning consents and drawing up tender documentation. Both Brierley Hill Market and 101 High Street (Phase - new shopfront) have live planning applications lodged with the local planning authority awaiting determination and their tender documentation is in the process of being prepared. For 123 High Street the tenders have been returned and are in the process of being assessed. 3-5 Church Street has been re-appraised, and consideration is being given to it being valued engineered and re-tendered. As is currently stands, if all these projects progress to completion all of the HAZ funding will be fully committed.

### Community Programme

Community engagement and activities are also being positively progressed and developed in conjunction with Brierley Hill Community Forum, Friends of Marsh Park, Dudley Market, the Black Country Living Museum and also with teams in Adult and Community Learning (ACL), Museums, Communications and Public Affairs, Dudley Business First and the Historic Environment Team. There is in place an Activity Plan for the project. The main focus for this quarter has been getting ready for the September Heritage Open Day event on Saturday 16<sup>th</sup> September, for more information visit the this website:

<https://www.heritageopendays.org.uk/visiting/printable-area-lists/town/Brierley%20Hill/detailed>

### Cultural Programme

Other major element of the High Street Heritage HAZ is the development of a Cultural Programme in conjunction with Brierley Hill Community Forum. The Arts Council England, National Heritage Memorial Fund and Historic England are providing funding for the development and delivery of the HS HAZ Cultural Programme providing the total sum of £94,000 and this has to be delivered in accordance with an agreed Milestone and Instalment schedule.

Following a second call out for local creatives to submit new ideas for the final year of the programme, the following projects have been approved and are now in the process of being delivered. All the funding for this programme has been committed.

- Radio Public Library (social art project) – Workshop 24
- Pop Up Gallery and Shop – Dudley College
- Brierley Hill Song Book – Dan Whitehouse
- Great Big Green Week – Ekho Collective
- These People, This Place - Ekho Collective
- 100 Faces of Brierley Hill
- Comic Con – Brierley Hill Library

For more information visit <https://www.facebook.com/brierleyhillculture>

### Public Sector Decarbonisation

As previously reported the council was awarded a grant of approximately £4.4m through the Public Sector Decarbonisation Scheme (PSDS) and managed by Salix, the purpose being to switch sites from carbon-intensive forms of heating such as oil and gas, to electrical forms of heating (air source heat pumps) with additional works including Solar photovoltaic (PV), battery storage and LED lighting upgrades where possible. The scheme covers Dudley Council House and Town Hall, Stourbridge Library, Himley Hall and Ward House as well as the following schools: Amblecote, Caslon, Cotwall End, Glynne, Queen Victoria, Straits, Milking Bank and Wrens Nest Primary Schools.

Works commenced during the summer of 2021 with all the installations at the named schools and corporate sites. All works are now practically completed at the various locations (Education & Corporate) including Solar Panels LED Lighting and Air Source Heat Pumps. A Salix audit is currently taking place. Site visits occurred on 1<sup>st</sup> September with no issues raised. Audit of reporting and finance is to follow.

## Low Carbon Place Strategy

The Council was awarded approximately £2.5m European Regional Development Funding (ERDF) to deliver a project that will reduce carbon emissions. This is a joint project between Housing and Corporate Landlord Services that will reduce carbon emissions from council owned homes as well as corporate buildings such as the Council House. £2.5m of match funding is being met from existing HRA budgets. In November 2021 the council appointed a new central heating installer for council housing as the previous went into administration.

The programme recommenced slowly in December 2021 as the contractor mobilised. A project change request has been granted requesting a further 18 months be added to the programme deadlines, to enable this resultant delay to be accommodated which affects the Housing side of the programme. It should also be noted that where homes are sold under the Right to Buy scheme, but have had the benefit of the grant, the council is required to refund the capital impact of the grant. The programme of energy efficiency improvements to the corporate estate is nearing completion. All outstanding work is now practically complete and final reports have been submitted to the funding body. No queries have been raised to date; however it is likely that an audit will take place on some sample sites in the near future.

## Very Light Rail (VLR)

Following a detailed review of the various issues, delays and variations previously reported the project Quantity Surveyor, RLB, have now presented their assessment of the final account for the project which is indicating an overspend of approximately £1.1m against the available budget. This is based on formal project handover having taken place on 16 September 2022.

The final account has now been agreed and signed off with the contractor.

Works continue in closing out outstanding issues and building snagging.

The project team have completed the paperwork to receive an additional £400,000 of ERDF funding which will be used to fund some of the overspend.

## Metro Complementary Measures

The £9.1 million budget is to fund the works associated with the delivery of the Wednesbury to Brierley Hill Metro extension.

The legal agreement with Transport for West Midlands (TfWM) states that the Council will fund the complementary measures along the route including pedestrian crossings. The Council has also agreed with TfWM to fund the uplift

of materials where the Metro is built through Dudley Town centre in order to provide high quality public realm. Large public realm interventions have been identified along the route at key stops, notably Station Drive (now Dudley Castle), Flood Street and Brierley Hill, to be funded by this programme of works. The £1million accelerated funding associated with the Towns Fund has been used to fund works to adopt Zoological Way, part of the works for the new loop road to access the Metro stop and some of the public realm work along the Zoo entrance on Castle Hill. Other public realm uplift works completed include those along the Metro route of Castle Hill to maintain and enhance the conservation character of the area, complementing the high-quality public realm at Market Square.

Midland Metro Alliance (MMA) are constructing the Metro extension for TfWM. In July 2022 the WMCA Board confirmed that costs had increased for the WBHE and therefore it will be phased. In June 2023 the WMCA board received and agreed a report on a package of funding which could facilitate delivery of the Metro to Waterfront (phase 2a), including Deeper Devolution Deal, WMCA funding and CRSTS. Funding is subject to business case development and assessment. Delivery of phases 2b and 2c (to Merry Hill and Brierley Hill respectively) are still subject to funding. The first phase finishes at Flood Street, Dudley and is planned to be open to passengers in December 2024.

The Council is continuing to work with TfWM to confirm the scope of the complementary measures, the uplift of materials and the public realm interventions given the change in delivery by TfWM.

### Towns Fund

Full planning permission was granted for the scheme at November 2021 Planning Committee under application P21/1505. After a short period to confirm the application would not be called in by DLUHC the application planning consent was granted on 16 December 2021.

In the current macro-economic environment of high inflation, there are cost implications on the main construction period moving from 2023/24 to 2024/25. Cost modelling undertaken by independent cost consultant showed a £3-5m shortfall in funding for the consented 4332 m<sup>2</sup> building.

The Alliance design team have moved on since this review and are currently looking at a design that matches the existing planning scheme with minimal amendments and within the available budget. This includes some reduction in areas and some reduction in the amount of internal fit out that is completed. The team are currently working to finalise project costs, design and budget by the end of November 2023 to allow a start on site in the spring of 2024. At this stage the team are progressing on the basis of no further funding being

available from the NHS although should further funding be identified in the future flexibility will be built into the building to accommodate as needed.

Land assembly via negotiation, demolition and CPO continues to progress with demolition of the Hippodrome having commenced and the CPO for the remaining land having been sealed and published with an anticipated timeline of approximately 12 months.

At this stage all works are progressing in line with available budget.

## CCTV

Phase 1 – Complete and operational.

Phase 2 - reflects the initial extension of coverage approved at the outset of the project. The main problems faced in this phase have been access to staff and materials throughout the last 18 months. Additional public realm cameras in this phase include:

- Cameras in Sedgley Bilston Street – completed.
- Wolverhampton Street Dudley – completed.
- Coronation Gardens – completed.
- Castle Gate – design work is complete. Columns have been erected, camera heads to be installed shortly. Waiting confirmation of power installations and fibre optic circuit. Expected to be completed July 2023, however, this depends on ongoing works associated with the installation of Tram lines which is affecting work permits to work in the same area which is impacting fibre installation. Only 2 cameras remaining to complete.
- The cameras to Lye town centre have been completed and are operational
- All 12 deployable cameras are now in use.

Phase 3 - work includes the additional cameras requested and approved at Council in 2021, to be sited at:

- Kent Street Upper Gornal – completed.
- Shell Corner Halesowen – completed, although needs to be revisited following a RTA which damaged a column that is now waiting replacement.
- Netherton High Street – completed.
- Wollaston traffic island – completed
- Toys Lane/Furlongs Road Colley Gate – completed.
- Queensway Pedmore – completed.
- Wynall Lane – completed.

Additional 12 deployable cameras have been ordered, expected to be operational in September/October 2023.

### Dudley Interchange

Transport for West Midlands (TfWM) has secured all the funding for the Interchange. Gateley Hamer are appointed to manage the CPO process. Counsel advice recommended that the CPO is split into two - one for the Interchange and associated highways works and another for the Portersfield scheme and highway works.

At the September 2021 Cabinet it was agreed that DMBC will use its CPO powers to purchase Farm Foods, the Photographic Studio on Birmingham Street and the properties required for the associated highways. As a result of the need to CPO properties the start date for the Interchange has been moved to Spring 2024, Completion is expected Summer 2025. Work was delayed as counsel recommended that a single planning application is required for both the building and the highway works. New planning application has been submitted. Updated report in relation to the CPO was approved at June Cabinet. Approval was granted by Planning Committee on 12<sup>th</sup> September.

In December 2022 Gateley Hamer submitted the CPO to the Planning Casework Unit (PCU) for confirmation by the Secretary of State. The PCU have confirmed that objections to the scheme have been received and a Planning Inspector has now been appointed by the PCU and a CPO Inquiry is planned for early October 2023. A Statement of Case and rebuttal to the CPO objections are in preparation for submission to the Planning Inspector within the require timescales.

In parallel Transport for West Midlands (TfWM) have completed a value engineering exercise on the Interchange building design and design changes have been submitted to the Council for consideration.

Alternative temporary locations for the bus stops around Tower Street and Coronation Gardens during construction of the Interchange have been identified and this is currently being reviewed and costed by TfWM with support from the Council. The programme for the Interchange required the existing bus station to be closed early in 2024 so preparatory work for the temporary stops will commence in November / December this year.

### Dudley Town Centre Highways Infrastructure (Portersfield Development)

As reported previously the WMCA has conditionally approved funding to support changes to the highways Infrastructure to create access to the Portersfield development site and improve access to the wider Town Centre. This funding amounts to £6.0m. In addition to early design work, some site

clearance was carried out to allow for intrusive site investigation to provide information to support the design process. In terms of any land acquisition required for highway changes this will be covered under a CPO that will be required for the overall development of the site. Highway design work relating to realigning Trindle Road was previously frozen to avoid any abortive spend until the review of the overall development site has been completed.

As a result of the wider development review an alternative highway option to leave Trindle Road on its current alignment is now being developed which includes high quality sustainable access measures, to support walking, cycling and bus movements, and this will be integrated into the design to support the wider overall sustainable Portersfield development aspirations.

### Black Country Blue Network 2

The Blue Network project is nearing completion. The European Regional Development Fund funded project finished on 30<sup>th</sup> June 2023. Sedgley Beacon, Holloway Street and Castle Hill are all completed with a few minor tidying up / snagging works on the latter two. Turls Hill and Coseley projects led by Greencare are well underway and will be completed within timescales. We are forecasting that all outputs will be achieved and the scheme delivered within budget.

### Refurbishment of Dudley Council House Campus

Phase 1 to the 1<sup>st</sup> floor of the Council House has been handed over from the contractor and senior leadership has reoccupied their new offices and associated spaces. Building work to Phase 2 on the Council House basement, parts of the 1<sup>st</sup> and 2<sup>nd</sup> floors of the Priory Street offices is due to complete in early September which will be followed by those rooms being furnished ready for occupation towards the end of September. As part of each phase work has been done to improve accessibility.

A new Phase 2a will immediately follow Phase 2 and this will see the refurbishment of the Old Police Building. This work now reflects the need to increase desk and meeting space as opposed to creating a collaboration hub. Further phases currently reflect:

- New Phase 3 - Ground floor including main reception – churn is planned for December 2023, then contractor will be expected to start on site Jan 2024 and complete by June 24
- New Phase 4 – Members car park – contractor would be expected to start in July 2024 and complete by end of September 2024

The forecast final cost (assuming remaining phases continue as originally anticipated) currently projects an overspend. Work is being undertaken to



review the detail and consider options which may include identifying additional budget and/or re-scoping the remaining phases.

### Brierley Hill (Future High Streets)

The Council secured £9.99m from the Future High Streets Fund in December 2020. This is to support a programme of activity at Brierley Hill, to be implemented in the period 2021 to 2026. The key objectives are to improve footfall, reduce vacancy rates and improve the diversity of shops and facilities. All Future High Streets Funding has to be drawn down by 2023/24. DMBC match funding, identified through existing approvals, will be used to fund projects within the latter part of the programme. The overall investment value of the programme is in the region of £44m.

#### *Project summaries:*

Public Realm and Connectivity Improvements (£4.75m) - Funding to connect the new Midland Metro terminus to the High Street, improve existing public realm connectivity between key buildings and provide new public spaces and pocket parks. Improvement works at the High Street commenced on site on 4 January 2023 and will run until the spring of 2024.

Key Retail Sites (£1.048m) - Support to restructure the Moor Centre shopping precinct. The private sector owner failed to secure planning approval for the works. As the result, the Council's investment to support redevelopment could not be progressed within the Future High Street spend timescales. Following consultation with the Department for Levelling Up, a formal Project Change Request was submitted in September 2022 to move funding from the Moor Centre to support the public library (£365k) and public toilet refurbishment works (£194k). Tenders for both of these projects were double the original estimates. This was the result of materials shortages, the high rate of inflation and transportation costs. The remainder of funding (£489k) would be transferred to the public realm programme where similar cost increases have incurred. The Department for Levelling Up approved the Project Adjustment Request in January 2023.

Infrastructure and Air Quality Improvements (£255,000) - Future High Streets will provide support to amend two highway junctions at Venture Way. The intention is to improve pedestrian connectivity between the High Street and medical centre; reduce queuing traffic which has resulted in movement delays; and improved air quality levels. The works have now completed.

Addressing Housing Need (£3.55m) - Funding was secured to acquire and remediate 10 acres of brownfield land known as Daniels Land and the High Plateau. These are two long-term vacant sites, formerly part of the Round Oak Steel Works that have remained undeveloped for over 40 years. Dudley Council's Housing Department would then construct up to 220 new mixed tenure homes to meet local housing needs. An urban design study was prepared to inform an architect's brief for detailed design proposals to be progressed.

Discussions have continued with Sovereign Centros which is the managing agent acting on behalf of the site owners who also own the Merry Hill shopping centre. Early construction of the Metro viaduct and Embankment tram halt is key to delivery of the housing redevelopment project.

West Midlands Combined Authority's decision in July 2022 to delay the Metro link from Dudley to Brierley Hill has severely impacted upon the delivery programme. As the result, the proposed redevelopment works are unable to proceed within the FSHF timescale. The Housing Department's capital programme has been reduced and the redevelopment project is unable to be taken forward within this timescale. As the result, a second Project Adjustment Request accompanied by an economic appraisal, was submitted to the Department for Levelling Up in July 2023. This is to re-allocate the £3.55m of funding from Daniels Land and the High Plateau to a replacement schedule of projects within Brierley Hill town centre. Due to the large sum of money being re-allocated in the final year of the grant expenditure programme, a 12 month extension of the timescale to spend FHSF grant monies has been requested. The outcome of the Project Adjustment Request is expected in September 2023.

In parallel, discussions are being progressed for West Midlands Combined Authority and Homes England to acquire the sites. These are strategic acquisitions to support Metro delivery, fund remediation works and build new homes. Control of the sites will also provide the public sector with the opportunity to address the long-term severance within the strategic centre. This is caused by the poor direct connectivity between the High Street and Merry Hill.

Public Library (£308,000) - refurbishment of Brierley Hill public library and meeting room spaces. Scheme designs were the subject of community consultation and have been well received. Freeholder approval has been received for the refurbishment works. Tenders were significantly over budget due to inflation and increases in the cost of building materials. A Project Variation Request to move funding from the Key Retail sites project to the library was approved in January 2023. The refurbishment works to the library commenced in May 2023 and will complete in September 2023.

Public Toilets (£80,000) - Reopening of public toilets to support the High Street visitor return following the coronavirus pandemic, and the provision of welfare facilities for Metro tram drivers. Midland Metro Alliance is making an additional contribution of £38,000 to support the works. Feasibility designs were prepared and discussed with stakeholder groups. Tenders were significantly over budget due to inflation and increases in the cost of building materials. A Project Variation Request to move funding from the Key Retail sites project to the public toilets was approved in January 2023. The refurbishment works to the toilets commenced in April 2023 and will complete in August 2023.

In addition to the Future High Streets Fund award, the Council has secured further investment from the West Midlands Combined Authority. This is to acquire land to support implementation of the High Street Link. A funding agreement between WMCA and DMBC completed in March 2022. This is a long-term vacant gap site where there is the opportunity to provide a new connection from the High Street to the Metro terminus and Health Centre. The land acquisitions completed in June 2023. Site clearance and demolition works will complete in August 2023. A start on site for the pedestrianisation works is expected in the autumn of 2023.

A Town Board has now been established to oversee the various interventions underway in Brierley Hill. These include the Future High Streets Fund, Heritage Action Zone, and delivery of the Midland Metro. It includes Mike Wood MP, local Ward Members, DMBC and business, community, and educational sector representatives. The Town Board meets on a quarterly basis.

## **Schools**

### Schools Basic Need Projects

Now that the project at Wordsley School and Crestwood Schools are now complete, focus is now on ensuring there are sufficient secondary school places in the Halesowen area. Talks with Halesowen Secondary Heads is ongoing.

Numbers for both primary and secondary school places continue to be closely monitored and processes are in place to recommend capital projects to address any projected growth across both sectors.

### Special Educational Needs and Disability (SEND) Projects

Informed by both the SCAP23 and Delivering Better Value in SEND programme, we are continuing the process of re-profiling our special school and mainstream provision to bring it more closely in line with the current SEND

pupil cohort through development of Dudley's SEND Sufficiency Strategy, and the special provision capital funding is a key component in this process.

In addition to funds carried forward from previous years, we have received a further allocation of capital funding for SEND. Projects to be funded are still being scoped with the need for detailed feasibility studies to be undertaken but is likely to include further expansion within our maintained special schools. A tender process has now been completed to establish a further primary SEMH base. This tender has now been concluded and the base will be established at Caslon primary school. The base is now operational, and work continues to create an outside play area exclusively for the base.

A further five bases have now been allocated to schools and we are in the process of scoping the works that need to be carried out to classrooms and playgrounds.