

Meeting of the Cabinet – 12th September 2012

Joint Report of the Chief Executive and Treasurer

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

Service	2012/13	2013/14	2014/15
	£'000	£'000	£'000
Public Sector Housing	35,741	29,839	30,861
Other Adult, Community & Housing	9,658	1,953	0
Urban Environment	24,316	15,343	12,968
Children's Services	22,535	4,979	67
Corporate Resources	2,922	1,651	920
Chief Executive's	1	228	0
TOTAL	95,173	53,993	44,816

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

4. In accordance with the requirements of the Council's Financial Regulations, details of progress with the 2012/13 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.

Adult, Community and Housing

Dementia Gateways

5. It is planned to undertake a programme of improvements to Brettell Lane Day Centre (£960,000) and Brett Young Day Centre (£650,000) to create new Dementia Gateways to meet the specific needs of people with dementia. The total cost of £1,610,000 can be funded from available resources within the existing Adult Social Care Minor Works budget (£950,000) together with a contribution of £240k from next years annual capital Adult Social care grant received from the Department of Health and £420,000 from the estimated capital receipts from the sale of Amblecote House (adjacent to Brettell Lane Day Centre).. It is proposed that Amblecote House now also be declared surplus and disposed of; and that the capital receipt be earmarked for this project; and that subject to resource availability the overall project be approved and included in the Capital Programme

Adult Social Care Grant

6. In February 2011, Cabinet agreed that spend to be funded from the above grant be included in the Capital Programme, to be used for initiatives such as the promotion of personalisation, alternatives to residential care, and to support service redesign.

It is proposed that it be noted that the minor works programme to be funded from these resources this year includes £80,000 of investment in Libraries and Archives. These items have been included as Libraries and Archives play an important role in the provision of information and advice which is central to our delivery of the personalisation agenda for which Adult Social Care has the lead role. Libraries are meeting and access points for people and are clearly seen as priorities by the Government in the recent Adult Social Care white paper.

Urban Environment

Leisure Centre Lockers

7. The 3 main leisure centres in Dudley, Halesowen & Stourbridge attract over 1.5 million visits per year and the lockers used by customers are in need of replacement after 5 years. The cost of replacement is £114,000 and can be met from existing revenue budgets over a four year period. It is proposed that this project be approved and included in the Capital Programme.

Active Travel Network Development

8. The Council is currently working on a number of initiatives that seek to improve and expand the Borough's Active Travel Networks to provide better facilities for walking and cycling and encourage the use of sustainable modes of travel to access a range of destinations across the borough. Given the importance active travel plays in increasing physical activity, Dudley NHS Public Health have offered a contribution of £120,000 to be spent over the next 2 years (2012/13 – 2013/14).

It is proposed that the contribution be noted and the associated spend be included in the Capital Programme.

West Midlands Local Sustainable Transport Fund (LSTF) Project -
Smart Network Smarter Choices

9. Centro, the West Midlands Integrated Transport Authority, has been awarded £33.218m LSTF grant to deliver the Smart Network Smarter Choices project on a number of strategic corridors across the West Midlands over the next few years.

In Dudley the main elements within the project are the A4123/A459 corridor linking Dudley and Wolverhampton, and the route 404 Bus service corridor linking Walsall, Sandwell and Brierley Hill. The overall project includes both revenue and capital elements, with the revenue elements concerning travel planning, training and promotion being co-ordinated by Centro and the capital elements being delivered by the district within which the measures fall.

The capital cost identified for infrastructure improvement works on the corridors in Dudley is £1,326,000. This can be met by a Council contribution of £175,000 (from the Local Transport Plan Integrated Transport Block funding) and £1,151,000 of the Department for Transport LSTF grant. These measures, which are yet to be fully developed and consulted upon, will address network efficiency along the route 404 corridor at Quarry Bank including improved cycle and pedestrian routes. On the A459 corridor it is proposed to improve pedestrian facilities within the existing traffic signals at the Kent Street/Jews Lane junction.

It is proposed that the grant allocation be noted and that subject to detailed confirmation the project be included in the Capital Programme.

Urgent Amendments to the Capital Programme

Ward House Refurbishment

10. A Capital project was agreed by Cabinet at its meeting on 14th March for the refurbishment of Ward House, Himley at an estimated cost of £43,000 to allow the co-location of the Construction and Design Team (formerly Corporate Property) with the Buildings and Estates Team within the Directorate of Children's Services.

In addition to the originally planned works, it became apparent that there was a requirement for the replacement of part of the electrical board and repair work to toilet areas. The extent of the work has been increased to include the redecoration of all of the public corridor areas. Also, to minimise impact to the daily business of the Regional College and officers working within the building, it has, on occasion, become necessary to work out of hours and/or with additional labour on-site.

The total estimated cost of the project is now £96,000. Directorate revenue funds of £83,000 have been set aside for this purpose and £13,000 can be met from the Repairs & Maintenance budget.

To enable continuity of work with the preferred contractor, minimise disruption to the conference facilities at Ward House during term time, offer better value for money and enable swift co-location, a decision (ref. DCS/28/2012) was made by the Leader of the Council in consultation with the Treasurer on 5th July 2012 that the Capital budget for the refurbishment of Ward House be increased to £96,000.

Post Completion Review of Capital Projects

11. The Post Completion Review required by Contract standing orders has now been undertaken for the following schemes, with a copy of the proformas summarising the reviews attached at Appendix B.

Urban Environment

A457 Tipton Road, Sedgley – Resurfacing

A456 Manor Way, Halesowen (Eastbound) - Resurfacing

It is proposed that these be noted.

Finance

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

Law

13. 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.

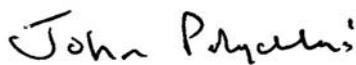
Equality Impact

14. These proposals comply with the Council's policy on Equality and Diversity.
15. 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

16. That the results of the Post Completion Review of capital projects, as set out in Appendix B be noted.
17. That the Council be recommended:
 - That current progress with the 2012/13 Capital Programme, as set out in Appendix A be noted and that budgets be amended to reflect the reported variances.

- That Amblecote House be declared surplus to requirements and disposed of by the Director of Corporate Resources; that £420,000 from the capital receipts from this disposal be earmarked for the Dementia Gateways project; and that subject to resource availability this project be approved and included in the Capital programme, as set out in paragraph 5.
- That it be noted that the Adult Social Care minor works programme this year includes £80,000 of investment in Libraries and Archives, as set out in paragraph 6.
- That the replacement of Leisure Centre Lockers be approved and included in the Capital Programme, as set out in paragraph 7.
- That the contribution of £120,000 from Dudley NHS Public Health towards Active Travel Network development be noted, and the associated spend included in the Capital Programme, as set out in paragraph 8
- That the Local Sustainable Transport Fund allocation be noted, and that subject to detailed confirmation, Dudley's element of the Smart Network Smarter Choices project be included in the Capital Programme, as set out in paragraph 9.
- That the Urgent Amendment to the Capital Programme, as set out in paragraph 10 be noted.



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List of Background Papers

Relevant resource allocation notifications.

2012/13 Capital Programme Progress to Date

Service	Budget £'000	Spend to 31 st July £'000	Forecast £'000	Variance £'000	Comments
Public Sector Housing	35,741	6,504	35,741	-	
Other Adult, Community & Housing	9,658	1,458	9,658	-	
Urban Environment	24,316	2,526	24,318	+2	Minor variances
Children's Services	22,535	2,096	22,535		
Corporate Resources	2,922	831	2,916	-6	See note 1
Chief Executive's	1	-	1	-	
TOTAL	95,173	13,415	95,169	-4	

Note 1: Outturn savings on Tower St. ICT Relocation project.

Post Completion Review of Capital Schemes

Title of Scheme: A457 Tipton Road, Sedgley Resurfacing
Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): 27 May 2011 (i.e. inclusion in Capital Programme)
Original Budget (as first reported to Executive / Cabinet):.....£199,745 Planned Completion date: 22 April 2012
Outturn Cost£189,534 Actual completion date: 1 May 2012
Variation from Original Budget:Reduction of £10,211 Delay: 9 days
Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet): An area of 330 m ² of carriageway adjacent to the old fire station was omitted from the scheme to allow the developer to make any new service connections before resurfacing. Also the revised requirements from the Traffic and Road Safety team resulted in a reduction in the area of high friction surfacing of about 500 m ² . The Sunday works were delayed and in particular the works planned for Sunday 22 nd April had to be postponed in view of the torrential rain.
Original Objectives of Scheme (please indicate when and to whom these were reported): Resurface the carriageway of the A457 Tipton Road, Sedgley to overcome the deterioration of the pavement layers.
Have these Objectives been met? (If "No" please provide explanation): Yes, although it will be some time before the extended life of the pavement structure is known.

Signed by: *John Millar* (Director).....

Date: 11/07/2012

Title of Scheme: A456 Manor Way, Halesowen Eastbound Resurfacing

Date of Executive / Cabinet approval (As part of Highways Structural Maintenance Programme): Annual grant for detrunked roads direct from DfT (i.e. inclusion in Capital Programme)

Original Budget (as first reported to Executive / Cabinet):.....£181,125
Planned Completion date: 27 January 2012

Outturn Cost£159,155
Actual completion date: 22 January 2012

Variation from Original Budget: **Reduction of £21,970**
Delay: none, completed 5 days early

Reason for Cost Variation and / or Delay in Completion (please indicate if any variation has previously been reported to Executive / Cabinet):

The original estimate had included a significant allowance for laying the surface course to thicknesses greater than 40mm. In the event there was no deterioration found in the binder course layer and the contractor was able to maintain an accurate laying profile.
Four weeks had been programmed for the scheme in view of the time of year. However the weather was much better than expected and the scheme was completed in about three weeks.

Original Objectives of Scheme (please indicate when and to whom these were reported):

Resurface the eastbound carriageway of the A456 Manor Way, Halesowen to overcome the deterioration of the surface course, including transverse cracking.

Have these Objectives been met? (If "No" please provide explanation):

Yes. A polymer modified asphalt material has been used to improve the flexibility of the surface course and reduce the likelihood of future reflective cracking.

Signed by: *John Millar* (Director).....

Date: 11/07/2012