

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
PUBLIC REALM SCRUTINY COMMITTEE – 31 JANUARY 2011
REPORT BY THE EXECUTIVE DIRECTOR FOR PLANNING AND
BOROUGH DEVELOPMENT
PLANNING AND BOROUGH DEVELOPMENT
CAPITAL BUDGET 2011/12 – 2013/14

This report presents the draft capital budget for 2011/12 – 2013/14 for the Planning and Borough Development Business Group. The total budget cost over this period is £0.517 million of which £0.2 million would be Council funded with the balance coming from Section 106 contributions.

The most significant capital project for this Business Group is Public Art.

The Scrutiny Committee is invited to submit any comments it may have to the Cabinet meeting on 17 February 2011.

FOR COMMENT

1. INTRODUCTION

- 1.1 The Medium Term Budget Prospects and Business Planning report to Cabinet on 22 July 2010 set out the background and planning guidelines to be adopted in drawing up the Revenue Budget and Capital Programme for the Council.
- 1.2 The schemes in this report have been through a prioritisation process that considered both operational necessity, contribution to the capital strategy and value for money.
- 1.3 Bids have been subjected to scrutiny first by an independent officer panel and then by the Cabinet Members for Finance and IT and Housing and Property. The Cabinet Member for Finance and IT emphasised to all Business Groups the need for their bids to be realistic in the present financial situation. Where costs have not yet been yet committed, Business Groups have been asked to reduce the cost of schemes below the budgeted level, avoiding over-specification of works and ensuring that scheme costs are not excessive.

2. BUSINESS GROUP CAPITAL STRATEGY / OBJECTIVES

- 2.1 All projects support the Council's aim of 'renewing the legacy' and link to the business group's aim as stated in the Service Delivery Plan 2010/11 to 'protect and enhance the townscape of the Royal Borough, including the residential environment and our streets and open spaces'. This is achieved through small-scale enhancements to the environment, particularly the repair of Mews Arches and Public Art.
- 2.2 The new Supplementary Planning Document on planning obligations recently approved provides the opportunity to generate significant funding for community facilities and enhancements starting in 2011/12 onwards.

3. PROPOSED CAPITAL PROGRAMME 2011/12 - 2013/14

- 3.1 **Appendix A** provides details of the proposed schemes showing the cost of each project phased over financial years together with the funding source(s). **Appendix B** summarises the funding sources of the total programme in more detail over each financial year.

New Schemes added to the programme

- 3.2 As with all rolling programmes another year, 2013/14, has been added to the Local Enhancements Scheme, adding £50,000 to the programme. This project is earmarked for the repair of Mews Arches and garden square railings.

Significant schemes in the existing programme

- 3.3 The Public Art budget has increased in size as a result of increased contributions from developers under Section 106 agreements towards art projects. Total scheme expenditure has increased from £220,000 to £350,000 during the period covered by the Programme.

Rolling Programmes

- 3.4 The draft capital budget also includes one rolling programmes of smaller schemes that are aggregated as a cash limit for each year. This is as follows:

Title	Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000
Local Enhancement Schemes	A number of local enhancement schemes have been identified in the various Conservation Area Proposal Statements such as garden square railings and mews arches.	18	27	50	50

Associated Revenue Costs

- 3.5 A number of schemes require one-off associated revenue funding which, due to accounting rules, cannot be treated as capital expenditure but is nevertheless required for the delivery of certain schemes. This includes the cost of feasibility studies prior to schemes becoming firmer plans. There is one scheme within the business group.

Capital Bids Funded from Capital Expenditure Reserve

Cost type	Business Group/ Cost	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000
Storage	<i>Planning and Borough Development</i> Kiosk Storage Costs	5	0	0	0

4. LEGAL, PERSONNEL AND DIVERSITY ISSUES

- 4.1 There are no Legal, Personnel or Diversity issues associated with these projects.

5. RECOMMENDATIONS

- 5.1 The Scrutiny Committee is invited to refer any comments on the Business Group's draft Capital Budget to the 17 February 2011 Cabinet for their consideration.

FOR COMMENT

Jonathan Bore

Executive Director for Planning and Borough Development

Background papers: Capital Programme files 2011/12 – 2013/14

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[✓ = Authority to spend]

PLANNING AND BOROUGH DEVELOPMENT

APPENDIX A

CAPITAL PROGRAMME 2011/12 - 2013/14 (£'000)

Project Title	Project Description	Start Year	Exp to 31 March 2010	2010/11	2011/12	2012/13	2013/14	Later Years	Total Cost	Full Year Revenue	External Cash Funding and Receipts	Internal Cash Funding	Corporate Funding	Capital Strategy Objectives	Borough Aims, Community	Programme Status
Kiosks	A newspaper kiosk has been designed to be used in four locations around the Borough. Two kiosks were installed in 2008/09 and the remaining two will be positioned on site within the next two years	2006/07	200	0 ✓	10 ✓	0	0	0	210	16	0	90	120	4,12	R1,R3,C1,C2,C6	5
Local Enhancement Schemes	A number of local enhancement schemes have been identified in the various Conservation Area Proposal Statements such as garden square railings and mews arches.	2008/09	85	18 ✓	27	50	50	50	280	14	0	280	0	4	R1,R3,C1,C3,C6	R
Public Art	Public Art commissioned by the Art Advisory Panel and funded from S106 contributions from developers	2009/10	0	50 ✓	150	150	0	0	350	0	350	0	0	4,2,12	R3,C1,C2,C8	4
Shop Front Grants	Grants to be given to shopkeepers to improve their shop fronts following the recommendations of the Retail Commission.	2009/10	10	15 ✓	10	10	10	0	55	3	0	55	0	4,12	R3,C8	5
TOTALS			295	83	197	210	60	50	895	33	350	425	120			

BUSINESS GROUP SUMMARY OF FUNDING

APPENDIX B

Business Group/ Funding Source	Exp to 31 March 2010	2010/11	2011/12	2012/13	2013/14	Later Years	Total
Planning and Borough Development	£'000	£'000	£'000	£'000	£'000	£'000	£'000
EXTERNAL FUNDING							
Contributions Other	0	50	150	150	0	0	350
TOTAL	0	50	150	150	0	0	350
INTERNAL FUNDING							
Car Parking Reserve	150	33	47	60	60	50	400
Other Reserves	25	0	0	0	0	0	25
TOTAL	175	33	47	60	60	50	425
CORPORATE FUNDING							
General Resources	120	0	0	0	0	0	120
TOTAL	120	0	0	0	0	0	120
TOTAL COUNCIL FUNDING (Internal and Corporate)	295	33	47	60	60	50	545
TOTAL ALL SOURCES OF FUNDING	295	83	197	210	60	50	895