

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
SCRUTINY COMMITTEE – PUBLIC REALM - 31 JANUARY 2011
**REPORT BY THE EXECUTIVE DIRECTOR FOR TRANSPORT,
ENVIRONMENT AND LEISURE SERVICES**
TRANSPORT, ENVIRONMENT AND LEISURE SERVICES
CAPITAL BUDGET 2011/12 – 2013/14

This report presents the draft capital budget for 2011/12 – 2013/14 for the Transport, Environment and Leisure Services Business Group. The total budget cost over this period is £27.865 million of which £20 million would be Council funded with the balance coming from external sources of which £6.75 million is Transport for London (TfL) grant.

The most significant capital projects for this business group are the completion of the single surface in Exhibition Road, the structural repairs to Albert Bridge and Athlone Gardens.

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 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 The business group spans two major directorates providing services to all residents and visitors. Therefore, most capital projects are strongly related to Community Strategy Goal C1, Environment and Transport or C2, Culture Arts and Leisure, though some will relate to multiple goals. They are there for the benefit of all, rather than for more specialised groups and emphasise inclusiveness and diversity. It is perhaps the TELS contribution to renewing the legacy that helps make the Royal Borough stand out.
- 2.2 We have a national reputation for the quality of our streetscape and the way we have balanced the accommodation of urban traffic levels and the needs of pedestrians and cyclists. It is based on high quality design and materials.
- 2.3 Kensington and Chelsea has less public open space per head in the country apart from the City of London. Therefore, they have a special importance to residents and are used intensively requiring relatively high maintenance costs to sustain the assets.

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 sources. **Appendix B** summarises the funding sources of the total programme in more detail over each financial year.
- 3.2 The main schemes costing over £1 million are as follows:-

Main Spending Start Year	Business Group/ Scheme	Latest Est Cost	Previous Est Cost	Change in Council Funding	Total Council Funding	Budget Stage
		£'000	£'000	£'000	£'000	
	<u>Transport, Environment and Leisure Services</u>					
2009/10	Albert Bridge Major Structural Repairs	7,180	7,000	150	1,900	Go
2010/11	NEW Athlone Gardens and Wornington Green	2,000	0	2,000	2,000	Readying
2013/14	NEW Chelsea Bridge Repainting & Refurbishment	1,600	0	1,600	1,600	Planning
2003/04	Exhibition Road - Design, PR and Research	2,593	2,593	0	1,338	Go
2008/09	Exhibition Road - Stage 2	21,830	21,801	0	9,179	Go
2009/10	Little Wormwood Scrubs Development - Phase 1	1,000	1,000	0	600	Go
	TOTAL	36,203	32,394	3,750	16,617	

New Schemes added to the programme

- 3.3 The Wornington Green development agreed by the Council incorporates the Athlone Gardens site. £2 million is included in the budget to provide interim facilities and the construction of a new park over the coming years. The budget set will allow the construction of a satisfactory replacement park but it will not be of exceptional standard.
- 3.4 The two bridges across the River Thames are on a cyclical painting and lighting maintenance programme. Chelsea Bridge falls due in 2013/14. The estimated cost is £1.6 million.
- 3.5 A GIS asset survey and update of the software systems to store and manage a full highways asset inventory will enable more efficient working and therefore reduced costs.
- 3.6 The repairing and, where necessary, the resurfacing of the paths in Gunnersbury and Hanwell cemeteries will commence in 2012/13 at a cost of £725,000.
- 3.7 Subject to funding from Kensington and Chelsea Environment Limited there is the possibility of a new Ecology Centre in Holland Park.
- 3.8 The Pelham Street Traffic Management Scheme budget of £500,000 is to revise the current arrangements from the introduction of a left turn from Brompton Road onto the A4 and improve traffic flows. A 50% contribution is expected from TfL.
- 3.9 Several sites have been identified where signal and junction improvements can be made. Subject to further investigation and matched funding from TfL, proposals may be brought forward to streamline one or two sites in 2012/13.
- 3.10 Subject to 50% external funding towards the estimated £500,000 cost, the Symons Street road layout and streetscape can be improved.

Significant schemes in the existing programme

- 3.11 Stage 1 of Exhibition Road, the reversal of the one way system is now completed and the transformational single surface paving works, stage 2, are scheduled for completion in 2012.
- 3.12 Albert Bridge structural repairs and relighting works commenced in early 2010 and will be finished in the autumn of 2011. TfL are paying £5.2 million for the structural repairs and the Royal Borough for the repainting and lighting at £1.9 million.
- 3.13 Little Wormwood Scrubs Phase 1 is on site and has received £400,000 funding from the Mayor for London's Priority Parks programme. Phase 2, which is mainly works to buildings, could commence in 2012/13.

Pipeline Schemes

- 3.14 There are a number of projects which may appear in future years' capital budgets but which are at an exploratory stage and therefore not yet sufficiently advanced to be included in the 2011/12 – 2013/14 programme. These 'pipeline' schemes are shown in the table below with best estimates of the likely cost and could amount to a further £28.29 million of capital expenditure of which £25.53 million would need to be funded from Council resources.

Business Group / Scheme	Start Year	Total Cost £'000	Council Funding £'000	
<u>Appraisal/ Concept (Stage 1)</u>				
<u>Transport, Environment and Leisure Services</u>				
Golborne Road Area Improvement	2012/13	1,750	1,750	
Hornton Street Public Conveniences	2011/12	180	180	
Leighton House Museum Phase 3	2011/12	3,100	2,050	
TOTAL STAGE 1 (APPRAISAL/CONCEPT)		5,030	3,980	
<u>Strategic Brief/ Outline Cost (Stage 2)</u>				
<u>Transport, Environment and Leisure Services</u>				
Acklam Road and Malton Road - Westway improvements	2012/13	150	0	
Ireton Lodge	2013/14	800	800	
Chelsea Sports Centre - Gym Extension	2011/12	1,850	750	
Kensington Leisure Centre - New Building	2014/15	20,000	20,000	<i>NEW</i>
Ladbroke Grove Mainline Railway Bridge Enhancement	2012/13	460	0	
TOTAL STAGE 2 (STRATEGIC BRIEF/OUTLINE COST)		23,260	21,550	
TOTAL PIPELINE SCHEMES		28,290	25,530	

- 3.15 Though no specific scheme for Golborne Road has emerged, the Council still has ambitions and the pipeline scheme of £1.75 million is retained to deliver a scheme that might be approved.

- 3.16 Leighton House phase 2 which restores the historic interior and upgrades the mechanical and electrical services is now complete and the house reopened in early 2010. There is a pipeline bid for the final phase 3, the refurbishment of the Perrin Wing. The progression of this desirable ambition is dependent on further investigations, the

best use of the space in terms of strategic objectives, the business case, running costs and funding.

3.17 The rebuilding of Ireton Lodge has been deferred to 2013/14 with only the demolition of the existing lodge included in the current programme.

3.18 The Council has now decided not to progress any options for a new Chelsea Leisure Centre for the time being. As a consequence, we can now carry out a feasibility study to create extra space and provide very much needed new gym and studio facilities. It is probable that this will generate more net income. Whether it will be sufficient to pay the capital cost is uncertain at this stage. If progress on this initiative is dependent on attracting significant external funding, realistically, it is unlikely to progress without S106 funding.

3.19 If Kensington Academy is built on the site of the current Kensington Sports Centre the replacement facility has an indicative cost of £20 million.

Rolling Programmes

3.20 The draft capital budget also includes a number of rolling programmes of smaller schemes that are aggregated as a cash limit

Title	Description	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000
Transport, Environment and Leisure					
Disability Discrimination Act Works - Leisure	Planned Programme of essential & desirable Disability and Discrimination Act works to meet legislative requirements and to increase accessibility to parks, and cemeteries for people with disabilities.	117	86	71	0
North Kensington Environmental Project	Environmental and community engagement initiatives in North Kensington, as part of the North Kensington Environment Project.	250	245	165	200
Parks Strategy and Development Plan	The implementation of the strategy and capital investment 10 year plan covering all parks.	707	1,075	675	675
Sports Centres Planned Refurbishment Programme	Additional works that were not included in the original Sports Centres Planned Maintenance Programme (2005/10) and where a latent need has been identified following recent Customer Satisfaction surveys.	256	495	75	0
Street Scene Improvements - Boroughwide Programme	To review and propose streetscape improvements that are not incorporated into other highway programmes until all wards have been covered.	1,051	850	1,050	800
Transport Action Plans - TfL Funded	Road safety and environmental measures for specific schemes that Transport for London (TfL) have agreed to fund.	850	645	185	185
Transport Action Plans - Car Parking Reserve Funded	Funded from the Car Parking Reserve, general schemes that the Council wishes to implement but will not attract Transport for London funding.	648	0	250	250
WM&L Asset Management Plans	Essential maintenance emanating from the stock condition surveys.	304	150	150	300
	TOTAL	4,183	3,546	2,621	2,410

Associated Revenue Costs

- 3.21 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.

Cost type	Business Group/ Cost	2010/11 £'000	2011/12 £'000	2012/13 £'000	2013/14 £'000
	<i>Transport, Environment and Leisure Services</i>				
Feasibility	Chelsea Sports Centre Gym Extension	20	0	0	0
Feasibility	Kensington Sports Centre rebuilding	100	0	0	0
Consultation	Ladbroke Grove Environmental Improvement	50	0	0	0
Feasibility	Little Wormwood Scrubs Improvements	0	47	0	0
Feasibility	Relocation of Ecology Section	30	0	0	0
Feasibility	South Kensington Flower Kiosk Study	0	30	0	0
	TOTAL	200	77	0	0

4. LEGAL AND PERSONNEL ISSUES

- 4.1 The capital programme includes a number of schemes to upgrade and improve the buildings portfolio of the Business Group. This will benefit the physical environment for both service users and staff.

5 DIVERSITY IMPLICATIONS

- 5.1 The establishments within the Royal Borough provide opportunities for various users with a wide range of backgrounds and abilities. The Council's Equality Scheme Action Plan commits the Council to improve the accessibility of the buildings in the borough. The capital programme therefore includes a number of schemes designed to achieve these improvements. For this business group the main projects involve wide consultation. Items in the capital programme relating to streetscape, building and parks consider and incorporate realistic improvements. There is a modest annual rolling programme in the draft budget for Disability and Discrimination Act Works to leisure facilities for essential and desirable items for people with disabilities.

6. **RECOMMENDATIONS**

- 6.1 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

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

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