

Committee/Meeting: Cabinet	Date: 7 April 2010	Classification: Unrestricted	Report No: CAB 142/090
Report of: Corporate Director (Communities Localities & Culture) Stephen Halsey Originating officer(s) Margaret Cooper – Head of Transportation & Highways/Luke Cully - Finance Manager		Title: Communities Localities & Culture Directorate Capital Programme 2010/11 Wards Affected: All	

Lead Member	Cleaner, Safer & Greener
Community Plan Theme	A great place to live
Strategic Priorities	2.1 Provide affordable housing and strong communities 2.2 Strengthen and connect communities 2.3 Support vibrant town centres and a cleaner public realm

1. **SUMMARY**

- 1.1 This report seeks Cabinet approval to the Capital Programme for Communities Localities & Cultural Services Directorate for 2010/2011.

Cabinet is recommended to:-

- 2.1 Include the schemes listed in appendix A to the report within the Communities Localities & Cultural Services Directorate's 2010/2011 Capital Programme.
- 2.2 Adopt Capital Estimates (sum specified in estimated scheme cost column) for the schemes as outlined in Appendix A to the report.
- 2.3 Agree that the Council's Measured Term Contracts be used for the implementation of the Transportation and Highways Works as appropriate.

3. **REASONS FOR THE DECISIONS**

- 3.1 Senior managers are required to obtain a Capital Estimate for any scheme in the Capital Programme. Where the estimate is over £250,000 the approval of the adoption of the Capital Estimate must be sought from the Cabinet.

4. ALTERNATIVE OPTIONS

- 4.1 Failure to adopt Capital Estimates will result in delays to progression of works funded via TfL, Local Implementation Plan, You Decide!, DCLG Public Realm Improvement Programme and Section 106

5. BACKGROUND

- 5.1 This report contains details of schemes which will form the Communities Localities & Cultural Services Capital Programme for 2010/2011 and in accordance with Financial Procedure FP3.3. Cabinet are requested to approve capital estimates for the projects. Funding for the programme is available from the following sources.
- Local Implementation Plan (TfL)
 - Transport for London (TfL)
 - Developer Contributions (S106) - from Olympic Park Transport and Environmental Management Strategy (OPTEMS)
 - Capital Grants – including DCLG Public Realm Improvements
 - Olympic Delivery Authority (ODA)
 - London Thames Gateway Development Corporation (LTGDC)
- 5.2 All schemes link with the Council's Strategic Plan and Community Plan. Priority will be given to those schemes which are time constrained and must be subject to practical completion by the 31st March 2011. The estimated cost of schemes within the attached programme is approximately £8.64m (Transport for London LIP £3.210m, TfL other £1.221m, S106 £800k, Capital Grants £2.2m, SUSTRANS £100k, LTGDC £511k and ODA £600k) and funding identified for schemes at this stage equates approximately to this level. Of this total, some £4.906m is directly related to the Olympics impact.
- 5.3 Capital estimates include a fee of 20% of the total works cost which contributes towards the cost of staff resources engaged in the entire scheme development process from inception to construction.
- 5.4 This capital programme aims to deliver the priorities of the Council's Strategic Plan including the Local Area Agreement stretch targets on road safety and mandatory targets for the introduction and implementation of school travel plans set by central Government.
- 5.5 All works are fully funded and further opportunities may arise through the year to supplement this funding. At present discussion are taking place with the London Development Agency and LB Hackney regarding £3.5 million worth of schemes for enhancements to the Hackney Wick and Fish Island area. Details of schemes and funding are included at Appendix A and Members are recommended to adopt the capital estimates for these schemes in order to facilitate efficient delivery of the programme. As in previous years the Council's Capital Works Contract will be utilised for the implementation of the Programme in addition to other specialist Measured Term Contracts for drainage, street lighting and road marking works.

6. BODY OF REPORT

TfL – Local Implementation Plan (LIP) Allocation

6.1 The allocation of funding for local transport schemes is now derived from a formula based approach for 3 categories – Corridors, Neighbourhoods and Smarter Travel. In addition a needs-based prioritisation governs allocation of LIP funding for planned maintenance and bridges, while a competitive process still takes place for Area-Based schemes.

6.2 Of the total LIP allocation of £3.654m, the above categories received funding as follows:

LIP corridors	£1.288m
LIP neighbourhoods	£1.171m
LIP Area Based schemes	£ 565k
LIP maintenance	£ 215k
LIP Smarter Travel	£ 415k REVENUE for travel awareness and road safety education

This allocation is significantly higher than in previous year's and the Council has benefited from the formula-based approach to allocation of funding.

TfL – other funding

6.3 A number of major projects led by TfL have made provision for complementary measures to be delivered by the local authority. This includes the Mayor's cycle Hire Scheme for Central London, the pilot Cycle Superhighway along Cable Street to Leamouth and the Olympic Cycling and Walking routes focussed on Victoria Park as a hub for cycling activity during the Olympics.

Developer Contributions – S106

6.4 Arising from the Olympic Park planning application, some £20m of S106 planning obligation was allocated to ameliorating the transport impacts identified in the Transport Assessment accompanying the planning application. The strategy for managing these monies has been agreed in the Olympic Park Transport and Environmental Management Strategy (OPTEMS), developed by the Olympic Delivery Authority together with the 5 boroughs, Transport for London, London Development Agency and London Thames Gateway Development Corporation, and approved by the ODA Planning Decisions team.

6.5 The schemes approved for delivery in Tower Hamlets span the period from Olympic construction, through Games time to the conclusion of the Legacy Transformation stage in 2014 and are set out in Table 1 below. Members are recommended to adopt capital estimates for the schemes due to be delivered in 2010/11 as listed in Appendix A and note those others which will come forward in future.

Table 1 : OPTEMS approved schemes

Scheme	Summary	Implementation	Funding secured
Bow Roundabout – Bow Church - Scheme to be delivered by TfL	Pedestrian / cycle improvements at the roundabout and to crossings near the Gladstone statue	2010-2011	£ 800,000
Fairfield Road / Tredegar Rd junction	Signalisation to replace mini-roundabout and improve pedestrian facilities	2012-2014	£275,000
A/12 / Wick Lane junction	Enhancements to pedestrian / cycle environment following signalisation of the junction for Games	2012-2014	£280,000
Bow Area Traffic Management Review	Review of traffic management to take account of Olympic proposals and improve town centre viability	Study 2010/11 Works 2012-14	£250,000 £250,000
Cadogan Terrace and Greenway links	Improvements to traffic management and parking arrangements along park boundary to complement pedestrian / cycle improvements at south of Cadogan Terrace	2010/11	£550,000

Olympic Delivery Authority (ODA)

- 6.6 The ODA is under a Section 106 obligation to improve the link between the Greenway where it joins Wick Lane, and the St Mark's Gate entrance to Victoria Park. The value of this work is anticipated to be approximately £600,000 and the Council will be required to deliver the scheme on behalf of the ODA, hence adoption of a capital estimate at this stage will enable the start of works as ODA have now confirmed all planning conditions have been discharged and the design has been agreed by PDT.

DCLG Public Realm Improvements

- 6.7 Over the past 15 months the 5 Olympic Host Boroughs have collectively lobbied the Department for Communities and Local Government (DCLG) for additional support to ensure that the public realm in the boroughs surrounding the Olympic Park can be improved before the Games to create higher quality spaces for visitors and local residents to enjoy.

- 6.8 Following much negotiation an initial allocation of £27m has been confirmed as a first step towards delivery of a Public Realm programme currently valued at over £150m. Each borough was been allocated £5.4m of funding for early delivery of schemes and design of future schemes. The delivery of these schemes is mostly targeted for delivery in 2010/11 and was prioritised towards High Street 2012, Roman Road market and Victoria Park. Capital estimates for High Street 2012 were adopted by Cabinet in January 2010, while the adoption of capital estimates for works in 2010/11 for Roman Road and Victoria Park is included in Appendix A.

London Thames Gateway Hackney Wick and Fish Island funding

- 6.9 As part of its work on the development of legacy plans for the Hackney Wick and Fish Island area (in both LB Hackney and Tower Hamlets),and cognisant of the 5 boroughs Public Realm Improvement programme (above), the LTGDC has assessed the feasibility of a series of early win / strategic connection projects in the Hackney Wick & Fish Island area and approved 5 projects for implementation at a total value of £2,858,700.

Project 1 – **Red Path Crossing** (LB Hackney) – £110k

Project 3 – **Wallis Road ‘Park to Park’ Link** - £1.71m – a joint scheme along the boundary including the link from Victoria Park, across Cadogan Terrace and Wallis Road footbridge

Project 5 – **Hertford Union Canal improvements** - £505k

Project 6 – **Wick Lane public art & streetscape enhancement** - £130k

Project 7 – **Crown Close Bridge Link** - £370k

- 6.10 Projects to be delivered directly by this Council total £511k with British Waterways and LB Hackney being responsible for delivery of other elements of the package.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report outlines to Cabinet the Capital Programme for Communities Localities & Cultural Services Directorate for 2010/2011. Cabinet are requested to approve the programme and adopt Capital Estimates for the schemes as outlined within Appendices A and B, funding for these schemes is as outlined below.

Funding Source	Funding Secured
£,000	£,000
Local Implementation Plan (TfL)	3,210
Transport For London (TfL)	1,221
DCLG Public Realm Improvements	2,200
Developer Contributions (OPTEMS)	800
Olympic Delivery Authority	600
Sustrans	100
London Thames Gateway (LTGDC)	511
Total Funding Secured	8,642

7.2 In utilising the Measured Term Contracts, the Service Head Public Realm must be satisfied that these represent value for money for the Council.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

8.1 In accordance with Financial Procedure FP 3.3, Senior Managers are required to obtain a capital estimate for any scheme in the capital programme. Where the estimate is over £250,000 the approval of the adoption of that capital estimate must be sought from Cabinet.

8.2 There is no legal impediment to approval of the estimates, as the projects to which they relate appear capable of being carried out within the Council's statutory functions. For example, the Council has a duty under the Highways Act 1980 to maintain highways for which it is the highways authority and where those highways are maintainable at public expense. The Council also has a network management duty under the Traffic Management Act 2004. It will be the responsibility of officers to ensure that individual projects are carried out lawfully within the Council's statutory functions.

8.3 Officers will need to ensure the Council complies with its obligation as a best value authority within the meaning of the Local Government Act 1999 to secure continuous improvement in the way its functions are exercised having regard to the combination of economy, efficiency and effectiveness. The Council must comply with the Public Contract Regulations 2006 and its own procurement procedures in relation to the projects.

8.4 The Measured Term Contracts which will be used to procure these works are already in place having been procured in accordance with the Public Contract Regulations 2006.

9. ONE TOWER HAMLETS CONSIDERATIONS

9.1 The Council's Accessible Transport Consultative Forum advises and directs traffic and transport projects from the point of view of people with mobility impairments. Direct engagement between users and providers has enabled several improvements to be made in service delivery, including the accessibility projects which have been funded in this programme.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

10.1 The use of monies as outlined within the report will support current policies to improve the local environment.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 All Projects will be closely monitored to ensure that programmes are completed on time and within budget and to ensure that the Council is not exposed to financial risk.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 The majority of projects focus on improving walking, cycling and the streetscene of the borough and in so doing will contribute to designing out crime and making people feel safer using streets locally.

13. EFFICIENCY STATEMENT

- 13.1 All Transportation & Highways Capital Schemes will be implemented using the new Measured Term Contract. Efficiencies in the management and administration of this contract will be achieved in 2010/11 through reductions in numbers of low value individual works orders and invoices, and through introduction of on-line invoicing systems.

14. APPENDICES

Appendix A – Transportation & Highways Schemes

**Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
Capital Programme Papers & Files	Margaret Cooper ext. 6851