

Decision Maker: EXECUTIVE

Date: 15 July 2015

Decision Type: Non-Urgent Executive Key

Title: BROMLEY NORTH VILLAGE IMPROVEMENTS -
CONTINGENCY OPTIONS

Contact Officer: Kevin Munnelly, Head of Renewal
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Chief Officer: Director of Regeneration & Transformation

Ward: Bromley Town;

1. Reason for report

- 1.1 Public Realm improvements to Bromley North Village have been a key part of the improvement programme for Bromley Town Centre as set out in the Bromley Town Centre Area Action Plan adopted in 2010. The improvement works have now been substantially completed and this report seeks Executive approval to a recommended package of additional works to complete and enhance the scheme, to be funded from the unallocated contingency budget.
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2. **RECOMMENDATION(S)**

- 2.1. **The Executive approve funding for the enhancement projects set out in Paragraph 3.4 funded from the unallocated Bromley North Village Improvements contingency budget and delegate to the Portfolio Holder for Recreation and Renewal, authority to agree any further amendments to ensure the full project spend and the drawdown of all external funding allocations.**

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Quality Environment Safer Bromley Vibrant, Thriving Town Centres:
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Financial

1. Cost of proposal: £5.549m
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Capital Programme
 4. Total current budget for this head: £5.549m
 5. Source of funding: Outer London Fund 2012/13, TfL Area Based funding and Capital Receipts.
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Staff

1. Number of staff (current and additional): 2ftes
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory Requirement:
 2. Call-in: Applicable:
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Borough Wide
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Included in body of the report

3. COMMENTARY

- 3.1 The final phase of Bromley North Village works were substantially completed on November 30th 2014 in accordance with the project timetable. However, some snagging and contingency works have continued in early 2015 to finalise the scheme implementation. As part of the post completion evaluation of the scheme a Stage 3 Safety Audit and business and visitor questionnaires will be undertaken and the results of the evaluation reported back to a future meeting of the R&R PDS Committee.
- 3.2 The original scheme budget had a built in project contingency of 15% or £676k of the build costs, to deal with unforeseen issues that can arise with the implementation of such a large capital works project. A significant element of the contingency budget was used to pay Thames Water Utilities to contribute to the cost of replacing a major water main in High Street North and Market Square, for which the scheme was deemed liable. There have also been other calls on the contingency budget including additional costs for CCTV, business liaison officer and upgrading of street furniture.
- 3.3 Final accounts for the completion of the first stage of the BNV project have been provisionally signed off and after allowing for outstanding commitments, the contingency sum currently stands at £124k. Officers are currently awaiting the results of the Stage 3 Safety Audit which could make further calls on this contingency. However, in order to fully utilise the external funding available, the Project Board are recommending that the contingency sum is used to fund a number of enhancements to the scheme, some of which formed part of the original design.
- 3.4 Local Ward members and the Portfolio Member for Renewal and Recreation have been consulted on the contingency projects and their views have been reflected in the priorities attached to the project list.

Bromley North Village Contingency Project List	£'000
Enhanced cleaning regime	103
Tree maintenance	10
Edison Way Gate/Sign	11
Total estimated cost	124

3.5 The contingency projects include:

- A clear priority for the Council is the maintenance of improvement works to Bromley North Village. It is proposed that the existing cleansing regime as set out in the term contract with Kier is enhanced. Officers have negotiated an enhanced cleansing regime which will involve the use of a dedicated mechanical scrubber for a minimum of eighteen hours per week for use in the BNV area. The precise nature of the suggested enhanced cleaning regime is flexible enough to respond to seasonal requirements. The recommended contingency amount of £103k also includes a provision for the refurbishment/replacement of the existing bins in BNV. This sum includes the revenue cost of the enhanced cleaning programme for a period of up to two years after which it is anticipated that any further capital or revenue liability will fall to the Bromley Business Improvement District Company, which should be established by 2017.

3.6 The proposed additional works would not be commissioned until the stage 3 safety audit is complete and the final contingency sum confirmed. The table above recommends an order of priority for suggested schemes to ensure full spend is achieved for the project.

4. POLICY IMPLICATIONS

4.1 Work delivering the Town Centres Draft Development Programme is entirely consistent with Policy Objectives set out in Building A Better Bromley 2011 and Renewal & Recreation Portfolio Plan 2011/12. The work of the Renewal Group links to the Building a Better Bromley priorities by working towards the provision of Vibrant and Thriving Town Centres.

5. FINANCIAL IMPLICATIONS

5.1 The table below summarises the current financial position of the capital scheme: -

	Budget	Projected Spend	Projected Variance
	£'000	£'000	£'000
Expenditure			
Capital works	5,048	4,971	-77
Design Fees	398	371	-27
Project management	100	80	-20
	5,546	5,422	-124
Funding			
TfL	3,298	3,298	0
LBB capital receipts	1,500	1,500	0
Outer London Funding	748	748	0
	5,546	5,546	0
Net projected underspend (contingency sum balance)			-124

5.2 This report is requesting approval to spend the contingency sum, currently estimated at £124k on a number of enhancement projects as set out in 3.4 . This would enable the Council to make full use of the external funding available from TfL. Two of the proposals involve capitalising revenue costs totalling £37k.

5.3 The implementation of the projects would only be *progressed* as and when the project costs have been finalised to ensure that the cost of the overall project would be within the £5.549m budget.

5.4 It is expected that the Bromley BID company, if established in 2017, would meet the on-going revenue costs for the enhanced cleaning of the area.

6. LEGAL IMPLICATIONS

6.1 As part of the settlement with Thames Water Utilities to cover the cost of the water main replacement, the Council was made aware of a claim was submitted to TWU relating to compensation payable in relation to loss of business because of the disruption brought about because of the water main replacement work. The Council has not accepted any liability in relation to any loss of business claim in relation to any of the Bromley North Village Public Realm Improvement works.

7. PERSONNEL IMPLICATIONS

7.1 None for the purposes of this report.

Non-Applicable Sections:	N/a
Background Documents: (Access via Contact Officer)	Bromley North Village Public Realm Improvements Executive Report 9 th January 2013.