

Report to the Cabinet

Report reference: C-047-2015/16
Date of meeting: 3 December 2015



Portfolio: Leisure and Community Services
Subject: Epping Forest District Museum Capital Budget
Responsible Officer: Julie Chandler (01992 564214)
Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

(1) That Cabinet notes the 6% uplift in the cost of works associated with the District Museum redevelopment due to unforeseen delays, additional building works and associated professional fees, and, refers to the separate report on the Capital Programme in respect of the budget for this.

Executive Summary:

Following original delays with the agreement of the lease for purchase of the first floor at 37, Sun Street and a range of subsequent issues, work to extend and redevelop the District Museum facilities commenced at the end of April this year. The planned building works programme was a total of 27 x weeks, with an expected completion date of October 27th 2015.

However, since the first week of the building contract phase, a range of other unforeseen issues have caused delay to the works programme, including discovery of archaeological finds in the floor of the Georgian part of the building where the lift is now situated, and additional fire protection works required due to a change of use of the second floor of 37, Sun Street. This has resulted in a longer building works programme than expected and additional cost of building works and professional fees amounting to £88,000, which is an uplift of approximately 6% on top of the original build cost.

Officers have approached the Heritage Lottery Fund (HLF), which is the main funder of the project, to try and secure a contribution towards this increase in costs, but unfortunately, owing to the large sum that the HLF has already invested in the project, this is not possible.

The budget for this deficit will therefore be covered within the report on the Capital Programme

Reasons for Proposed Decision:

Due to reasons stated in this report, the cost of the main contract for the Museum redevelopment has increased.

Other Options for Action:

None.

Report:

1. The main building contract for the redevelopment and extension of the District Museum commenced at the end of April 2015. Originally, the contract period was for 27 weeks, with a completion date expected to be end of October 2015. However, due to a series of delays associated with both the listed buildings at 39/41 Sun Street and the new premises at 37, Sun Street, additional work has had to be undertaken and the building programme has been extended by a further 8 x weeks, with completion expected by 21st December 2015.

2. The first phase of the building contract included work to strip out and clear the buildings at 37 and 39/41 Sun Street; fireproofing of beams in the listed building and preparation of the lift pit. The excavation work on the pit uncovered archaeological finds from a previous building on the site and this led to a delay of one week on the installation of the concrete base for the lift, whilst assessment and recording works took place. A delay of around one week was also caused in the first few weeks of the works, due to the landlord revoking a decision to allow access to the premises at 37, Sun Street via an existing staircase. This resulted in the main contractors needing to create an alternative means of access to first floor premises, via a large window at the rear of the building on the First Floor.

3. Further to this, a change of development for the Second Floor premises of 37 Sun Street to convert the office space into residential accommodation, necessitated the installation of fire proofing across the entire ceiling of the first floor acquired by the Council, adding 4 x weeks to the building programme. There have been a range of other issues associated with the landlords, which have generated additional costs and time to the project.

4. As expected, there have been a range of unforeseen issues that have cropped up in conjunction with the listed building areas of the museum and these mainly include incidences of rising damp and defective plasterwork. This has required liaison with Essex County Council Heritage Conservation Officer, conservation approvals and a revision of planned plastering works, to accommodate use of traditional building materials and application, instead of modern day materials. This has added time and unexpected cost to the project, but it is required as part of the listed buildings regulations.

5. The delays in progress of works due to these issues have amounted to in excess of 8 x weeks over run and an Extension of Time (EOT) for the building works programme has been agreed with the main contractors, Coniston Ltd. for an 8 x week period.

6. In addition, the project architects and contract administrators, Hawkins Brown, have submitted a letter requesting additional payment for their work on the project, based on the following;

- Their initial tender was submitted in November 2013 and since then the contract has changed significantly in scope, requiring them to manage the fit out element of the main contract and work over a much longer period than envisaged;
- Their tender was based on a contract of £855,000, when the actual contract was revised to £1,470,000; and,
- The project programme was originally for twelve months from November 2013 to November 2014, but has stretched out to 25 x months.

7. The additional cost related to the issues already identified in this report are included in the table below, along with smaller cost items:

Item	Reason	Cost
Archaeological recording	Archaeological items found in lift pit. Listed building requirement	3,300.00
Anthrax testing	Horse hair present in fabric of building	600.00
Reinforcement of lift base	No allowance for re-bar	2,750.00
Tile changes	New specification	950.00
Asbestos testing and encapsulation	Additional testing required and covering	1,700.00
Mechanical & Electrical Changes	Required	7,300.00
Installation of new site access to 37, Sun Street	Bridgeman's revoked agreement to allow access via rear staircase to building	8,780.00
Installation of fireproofing to all ceilings across first floor 37, Sun Street	Change of proposed use of second floor at 37, Sun Street	13,210.00
Boxing in and making good	Required following Bridgeman's re-direction of ventilation pipework to first floor	700.00
Close up of external wall first floor, 37, Sun Street	Existing office extracts removed	1,350.00
Window rebalancing	To enable windows at 37, Sun Street to be locked	620.00
Security Rooflight	Required for flat roof 39, Sun Street	810.00
Flat roof works	Re- felting and works at 39, Sun Street	6,690.00
Conservation report	Required listed building	2,000.00
Stannah Lift	Revised positioning due to stopping distance	1,050.00
Floor raising	Required in reception/shop	3,000.00
Door and sanitaryware changes	Required	1,500.00
Drainage works	Additional drainage to rear of 39, Sun Street	1,530.00
Overhead automatic door opening	DDA requirement	1,500.00
Plaster Works	Listed building requirement of lime based fibrous plaster	3,300.00
Extension of Time	8 x weeks additional build time required	34,000.00
Additional Professional fees	Extended period of time and as listed	61,000.00
Total		157,640.00

8. Although the total amount of variations to the original contract price are over £157,000, throughout the main building contract, officers have worked closely with the project architects and Coniston to reduce costs on a range of items including equipment and building works. This has enabled a significant reduction in the overall cost of the building programme, which will mean that approximately £69,500 of the additional will be covered within the contract sum and contingency. Therefore the uplift in cost is actually only £88,000.

9. As stated, officers have already approached the Heritage Lottery Fund (HLF) to try and secure a contribution to the uplift, but unfortunately, due the large sum that has already been provided by the HLF to the project, this is not possible.

10. This budget to cover this deficit will therefore be covered within the report on the Capital Programme

Resource Implications:

The Heritage Lottery Fund has awarded EFDC £1,650,000 towards the redevelopment of the Museum, to include both revenue and capital funding. The Council has already committed £250,000, which was a 50% contribution towards the purchase of the long lease of the first floor premises at 37, Sun Street, Waltham Abbey.

Due to a number of factors as outlined in this report, the costs for the buildings works have

increased and this has resulted in a shortfall of £88,000, which represents an uplift of approximately 6%.

Legal and Governance Implications:

The Council has legal contracts with professional consultants appointed to the project and the main building contract is subject to a JCT contract with Coniston Ltd.

Safer, Cleaner and Greener Implications:

The redevelopment of the Museum fits within a strategy for the economic regeneration and sustainability of Waltham Abbey Town Centre, which has a range of benefits for people of all ages and abilities living in Waltham Abbey.

Consultation Undertaken:

A wide range of stakeholders have been consulted on the Museum project, including; The Heritage Lottery Fund, Museums in the East Region, Waltham Abbey Town Council, WA Town Centre Partnership, Arts Council England and local Heritage and Historical Societies.

Background Papers:

Cabinet Report March '13 – Recommending the Council's contribution to the purchase of the First Floor, 37, Sun Street
Leisure and Wellbeing Portfolio Decision December '13 – Ref. Appointment of Consultants
Leisure and Community Services Portfolio Holder Decision November '14 – Ref. Decision to waive Contract Standing Orders in respect of number of Tenderers.

Risk Management:

The main key risk for the project is potential loss of external funding secured from The Heritage Lottery Fund due to delays with progress of works. This has however been addressed by agreement on an extended date for completion of the project.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

One of the key priorities of the Museum Redevelopment Project is to provide step-free access across the whole of the museum building, in order to make it fully DDA compliant, by way of installing a lift, which will access all floor levels. This will enable the collections and temporary exhibitions to be accessed by people of all ages and abilities, many of whom will not have previously had this opportunity.

Therefore, this report serves to proactively enable the engagement of people with physical disabilities, the elderly and those with limited mobility.