

Report to the Council Housebuilding Cabinet Committee



**Epping Forest
District Council**

Report reference: CHB-002-2021/22
Date of meeting: 14 June 2021

Portfolio: Housing Services – Councillor H Whitbread

Subject: Council House Building scheme budgets – Phase 3

Responsible Officer: Rochelle Hoyte (01992 562054)
Service Manager - Development

Democratic Services: J Leither (01992 564756)

Recommendations/Decisions Required:

That the contents of this Phase 3 scheme budget for the Council House Building Programme be noted and presented to the Cabinet in line with the Terms of Reference of the Council House Building Cabinet Committee.

Executive Summary:

At the last CHBCC meeting it was requested that a view of the schemes budgeting was presented to the committee. Below I have summarised the schemes within Phase 3. Phase 4 is within the progress report.

Reasons for Proposed Decision:

Set out in its Terms of Reference, the Council House Building Cabinet Committee is to monitor and report to the Council, on an annual basis progress and expenditure concerning the Council House Building Programme. This report sets out the progress made since last reported.

Other Options for Action:

This report covers the scheme budgets of Phase 3 and is for noting purposes only. There are no other options for action.

Report

Phase 3 consisted of;

Bluemans End

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Bluemans End	TSG			
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
		£753,034.23	£890,000.00	£136,965.77

Stewards Green Road

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Stewards Green Rd	TSG			
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
		£752,340.41	£959,200.85	£206,860.44

London Road

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
London Rd	VSN Ent Ltd			
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
		£235,695.00	£257,642.93	£21,947.93

Parklands, Cooperale

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Queens Road	enmark & White			
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
		£716,756.74	£765,148.19	£48,391.45

Springfield and Centre Avenue

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Springfield and Centre Avenue				
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
			Unresolved	Unresolved

*The final account here remains unresolved due to waterlogging issue at the properties which is being resolved.

Centre Drive

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Centre Drive	VSN Ent Ltd			
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
		£300,285.00	£355,188.00	£54,903.00

Cyril Hawkins Close / Queens Road

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Queens Road	Storm Bld.			
Ant. Comp.	Variation	Contract Sum	Ant. Final Acc.	Variation
		£2,470,493	£2,867,996	£397,503.00

*Still to be agreed at the end of the defects period 2023.

Conclusion

Lessons have been learnt on how schemes will be assessed financially. The introduction of Proval is a huge asset to the development team, providing much more opportunity to consider varying costs and scheme viability before progressing schemes.

Contingencies are now reviewed on a case by case basis rather than the presumed 5-10% of a contract sum. Careful consideration is being made for the constraints identified as being recurring problems within sites. This includes contamination, foundations, drainage, boundaries and ground water.

Officers also note that some of the additions to the contract sum in some cases could have been avoided and officers will ensure that the lessons learned are not repeated for Phase 5 and beyond.

We have also adjusted how we are working with our consultants, note the proposals put forward as a part of the framework agreement way of working going forward.

Financial Reporting

Officers continue to work with colleagues in the Finance department to develop a more robust reporting system, particularly around cash flow.

Resource Implications:

None applicable

Legal and Governance Implications:

None noted for the purpose of this report

Safer, Cleaner and Greener Implications:

The development of phase 3 schemes has contributed to a safer environment by removing many of the anti-social behaviour issues raised within some of the sites prior to being built out. Officers are taking necessary steps to ensure our schemes are greener as a part of our commitment to being carbon neutral.

Consultation Undertaken:

Interdepartmental involvement has and will continue to be engaged. Members are also being consulted with as per our new ways of working.

Background Papers:

None applicable

Risk Management:

The Risks associated with the delivery of the current housing development programme is identified within the Executive Report attached.

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in consideration of this report. The equality information is provided as an Appendix to this report.