

## **Report to the Cabinet**

**Report reference:** C-026-2015/16  
**Date of meeting:** 3 September 2015



**Portfolio:** Asset Management and Economic Development  
**Subject:** Epping Forest Shopping Park – Progress Report  
**Responsible Officer:** Chris Pasterfield (01992 564124).  
**Democratic Services:** Gary Woodhall (01992 564470).

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### **Recommendations/Decisions Required:**

(1) That Cabinet considers and notes progress on the Epping Forest Shopping Park project.

### **Executive Summary:**

This report advises Members on progress with respect to the development of the new Epping Forest Shopping Park in Langston Road, Loughton.

### **Reasons for Proposed Decision:**

The Council, having acquired the interest of their development partner Polofind Limited, is now the sole owner, developer and future operator. The project represents a major capital investment on behalf of the Council. Bringing forward the development is not only complex but has an element of risk. As such, Cabinet has requested progress reports at each cycle of meetings.

### **Other Options for Action:**

None as this is in accordance with a specific request of the Cabinet.

### **Report:**

1. Following the purchase of Polofind Limited's interest on 3 July the emphasis has been on procuring the development as soon as possible to obtain the flow of rental income.

#### Project Management

2. DAC Beachcroft have been progressing consultants' contracts, some of which have been completed. They are also advising on the Section 278 and main shopping park building contracts. The in-house Legal Service has sent DAC Beechcroft copies of the Council's Standing Orders, Financial Regulations and the standard form of appointment of consultant. When the contracts are received the solicitors are required to confirm that they have been drafted in accordance with the appropriate member approvals.

3. In addition, the solicitors have been supplied with information as to the Council's title and will keep them up to date with regards to the registration of the T11 site. This level of

communication is designed to ensure Standing Orders are complied with.

4. A new development surveyor, David Gowland, commenced work on 3 July to assist Chris Pasterfield.

### Highways

5. Following consultation with consultants and a prospective building contractor it was decided to tender the Section 278 works using an NEC (A) type contract with activity schedule rather than bill of quantities. It was also decided to include the utility companies' civil engineering works in the main contract rather than have a separate contract which would risk conflict of works and claims on site. A separate contract had been considered to start the utilities works early but as time has elapsed this window has closed. This tender has now been issued and registered on Contracts Finder which is a government web site in accordance with regulations.

6. Essex County Highways have been slow to provide final technical approval to S278 works. Due to the amount of detailed design and technical discussions that have already taken place it has been decided to progress the tender process as the risk is deemed to be low that any major alterations will be required and the programme timing has now become critical.

7. In order to maximise project management control of the S278 works it has been decided to split the role between White Young Green and JMP Consulting. JMP will carry out the site supervision work and be responsible for design compliance and alterations and WYG will have a Project Management role which oversees this, liaises with the Quantity Surveyors and also the Epping Forest Shopping Park (EFSP) Project Management Programme.

8. Payments to utility companies, BT, Virgin Media and UK Power Networks have now been completed and they will therefore have commenced work on diversion of their services prior to the appointment of the main contractor which will have programme benefits.

9. Access to the BP garage was dealt with by the design which received full planning approval in 2012. However, recently BP has expressed concern that there is an alternative egress from the petrol station that they might prefer. Our consultant's opinion is that the current design provides the best means to take traffic away from the petrol station once they have completed their visit and so avoid congestion. Discussions are ongoing but it is intended to proceed with the current design at present.

10. The programme and completion date of the S278 works will not be known until the tender process has been completed and a main contractor appointed. It is a planning condition requirement that these works are completed before the Shopping Park is able to open for trading. Until these dates are available, it will not be possible to confirm the opening date of the Shopping Park.

### Planning

11. The Reserved Matters Planning Application was approved on 10 June 2015. Work continues on condition information requirements.

### Architectural

12. The Shopping Park is to be constructed under a design and build contract arrangement. Drawings have been completed to a detailed stage and will be included in the tender package for the main contract. There will, however, be alterations required to comply

with unit lettings and different tenants will have different requirements and unit sizes may change which will be achieved by moving party walls. Our marketing team are currently finalising the agreement of Heads of Terms with five anchor stores and as far as possible their requirements will be included in the tender documents.

#### Utilities

13. As mentioned above, the utilities companies estimates for diversion works have been paid and the civil works will be included in the main S278 contract.

#### CDM/Health and Safety

14. JMP have agreed to take on the role of Principal Designer for the S278 works and PRC Architects for the EFSP main contract. These services will be incorporated into the consultant contracts being drafted by DAC Beachcroft.

#### Procurement

15. The OJEU restricted procurement timetable, for the appointment of the main contractor to build the shopping park, is being worked on by the Council's external solicitors. It is still hoped that the complex can be completed for fit-out by tenants by October 2016, to facilitate opening for the Christmas period. As mentioned in paragraph 10 above, this will also depend on practical completion of the S278 Highways works.

#### Marketing/Letting

16. Strong interest in the Shopping Park continues and the marketing team are currently finalising agreement on Heads of Terms with five major retailers to anchor the scheme. Negotiations with other retailers are largely on hold until these are completed as the strategy dictates that once these are in place higher rents will be achieved on the remaining units.

#### Relocation of Other Users

17. The pre start meeting with T J Evers, the building contractor, for the new Oakwood Hill depot was completed on 12 August. Prior to this, a Letter of Intent was issued to ensure that the contract progressed to detailed design and started to appoint sub contractors.

#### EFSP Main Contract

18. The main contract is being tendered under European Union Regulations and it has been decided to operate a single stage tender without Pre-Qualification Questionnaires to expedite the contract. A number of contractors were previously approached when it seemed as if the contract would be let by the joint development company but under the OJEU restricted process there is no limit to the number of contractors able to tender; however, they will all be assessed on price, previous track record and experience and programme. The aim has been to have all tender documents ready by 31 August 2015.

#### **Resource Implications:**

Funding for the development of the retail park has previously been agreed in accordance with the development appraisal considered by the Extraordinary Council Meeting in June 2015.

#### **Legal and Governance Implications:**

The Council has engaged legal advisors to support the procurement process. Although

Cabinet will continue to receive regular progress reports, it is intended that the Asset Management Cabinet Committee take on the role of more detailed scrutiny of the project to ensure that good governance continues to be achieved.

**Safer, Cleaner and Greener Implications:**

Highways improvements will reduce congestion and emissions. Security at the shopping park will involve the use of ANPR and CCTV

**Consultation Undertaken:**

Essex County Council Highways.

**Background Papers:**

Report to Cabinet 20 July 2015.  
Report to Council 23 June 2015.

**Risk Management:**

The project is subject to constant risk management with a formal Risk Assessment Register reviewed regularly at Project Team Meetings.

# 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.

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The new shopping park will be fully accessible with facilities for people with disabilities and young children.