

Report to the Council

Committee: Cabinet

Date: 20 February 2007

Portfolio Holder: Councillor Mrs A Grigg

Item: 10 (c)

1. LOUGHTON BROADWAY TOWN CENTRE ENHANCEMENT SCHEME

Recommending:

- (1) That the projected estimated overspend on the the Broadway Town Centre Enhancement Scheme be noted;
 - (2) That in order to save an estimated £228,500, the scope of the scheme be reduced by the removal of the following options:
 - (a) the additional granite paving; and
 - (b) the central wind vane feature; and
 - (3) That the Capital Contingency Fund be utilised to fund any remaining capital shortfall.
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- 1.1 In April 2006, the Cabinet resolved to proceed with the Loughton Broadway Town Centre Enhancement Scheme with the Head of Environmental Services being authorised to enter into a target price based contract up to a sum of £2,781,349 including a contingency sum of £100,000. That contract was duly signed and works commenced on site in October 2006.
- 1.2 The scheme is being undertaken in two phases:
 - (a) Phase 1 - works to the Burton Road Car Park, and CCTV to the scheme as a whole;
 - (b) Phase 2 - the substantive enhancement works to the Broadway itself and to other minor car parking areas.
- 1.3 A Project Team is overseeing the process, charged with ensuring that costs remain within budget, and that where additional works arise (known as "compensation events") steps are taken to reconsider design elements in order to find compensatory cost savings.
- 1.4 This has proved to be a successful approach with most compensation events being offset with compensatory savings elsewhere. However, a number of very significant compensation events have now arisen where it has not been possible to find compensatory savings which would not have a fundamental impact on the nature of the agreed scheme.

- 1.5 The key elements of the additional costs are:
- (a) additional works required to the Burton Road Car Park £345,000 (despite trial holes being dug, the condition of the substructure, established when the surface layers were removed, is such that a significant rebuild is required; also drainage works are required by Essex County Council);
 - (b) estimated additional works to the Broadway £125,000 (taking account of what has been found in relation to (a) above);
 - (c) replacement of paving outside the central area with granite slabs £208,500;
 - (d) additional costs of central feature £20,000; and
 - (e) lighting points for the market area £17,500.
- 1.6 The key elements of compensatory savings are:
- (a) changes to the lighting design £192,400;
 - (b) statutory undertakers diversions £25,000;
 - (c) retention of garages £105,000;
 - (d) carriageway repairs (arising from the additional costs above) £73,000;
 - (e) mature trees rather than planters £23,500.
- 1.7 It can be seen that the overall estimated additional costs amount to £756,300 whilst the compensatory savings total £467,650, a shortfall of £288,650.
- 1.8 The Broadway Enhancement Scheme has been eagerly awaited by the local community since 1998. The Town Centre Partnership and Focus Group have worked well with the Council to draw up a scheme, which meets the aspirations of the community whilst being affordable to the Council. Much has been done to keep the scheme within budget but the unforeseen works for drainage improvements and highway infrastructure repairs has regrettably resulted in the estimated costs of the scheme exceeding the agreed budget.
- 1.9 Any decision to remove elements of the scheme would be a source of disappointment but we are of the opinion that the additional granite paving and the central wind vane feature can be removed without resulting in the scheme being significantly compromised. This will save an estimated £228,500.
- 1.10 We are also proposing that the Capital Contingency Fund be utilised to fund any remaining capital shortfall.
- 1.11 We recommend as set out at the commencement of this report.