

Report to the Council

Committee: Cabinet

Date: 30 October 2007

Portfolio Holder: Councillor C Whitbread

Item: 9

1. SUPPLEMENTARY ESTIMATES

Recommending:

- (1) That a revenue DDF supplementary estimate in the sum of £4,400 be approved to cover the costs incurred in relation to the District Council bye-election for the Loughton Alderton Ward held on 30 August 2007; and**
 - (2) That a supplementary Capital estimate in the sum of £270,000 be approved in order to provide sufficient funding for completion of the Bobbingworth Tip Remediation Project.**
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Loughton Alderton Ward Bye-Election - 30 August 2007

1. A bye-election was held on 30 August 2007 for the Loughton Alderton Ward. This followed the resignation of one of the Ward Councillors and a request by two local government electors for a bye-election to be held.
2. There is no provision available within the budget for the holding of bye-elections during 2007/08 and consequently a supplementary estimate is required.
3. At the time of our meeting on 3 September 2007, the Returning Officer advised that the costings were being collated and that the final figure would be reported to the Leader of the Council.
4. The Returning Officer has now advised the Leader that the cost of the bye-election was £4,400 and a revenue DDF supplementary estimate is sought for that amount.

Bobbingworth Tip Remediation Project

5. At our meeting on 10 April 2006, we resolved to proceed with the Bobbingworth Tip Remediation Scheme. A target price of £1,574,271 was agreed with Veolia Limited (formerly Cleanaway Limited) for the design, investigation and construction. This target price was dependant on an associated programme of works and a start date of construction of 1 June 2006.
6. The price of the works was made up of two elements:
 - (a) works directly provided by Veolia; and
 - (b) works provided to Veolia by third parties.

7. The project missed the start date due in significant part to the need to complete a Section 278 Agreement with the Highways Authority (Essex County Council). All planning conditions including the Section 278 Agreement with the County Council were not finally approved until 11 November 2006 and the County Council issued a Works Licence on 6 March 2007.
8. Construction actively commenced on 19 March 2007, some nine months later than the previously anticipated date. In addition the heavy summer rainfall has caused delay in importation and construction activity on site.
9. As a result of the delays the target price set in 2006 is no longer applicable. When the works were tendered the costs came back higher than those originally estimated. Other issues associated with the Section 278 Agreement have also added significantly to costs resulting in the need to draw down on the initially agreed contingency sum.
10. As a result of these factors we are seeking additional capital allocation in order to:
 - (a) meet the additional scheme costs arising from delays and increased work costs (£170,000); and
 - (b) reinstate the Contingency Budget to its recommended level (£100,000).
11. The additional costs are unavoidable under the circumstances and the scheme is now so advanced that cessation is not an option.
12. Accordingly we recommend as set out at the commencement of this report.