

TOWN CENTRE REGENERATION SCHEMES

1 SUMMARY

- 1.1 This report appraises Members of procedures in place to monitor Contract 2000 works in respect of the above.

2 BACKGROUND

- 2.1 Rochford District Council has committed £355,000 for the renovations of town and village centres as follows:-

	£000
Hockley	150
Hullbridge	105
Rochford	100

- 2.2. As these are predominantly highways works, the projects may only be carried out by Essex County Council. For these contracts Essex County Council used a new procurement arrangement for highways works called Contract 2000.
- 2.3. In essence, no formal design works are carried out. This saves considerable up front costs, which may be utilised in providing the scheme. This does, however, mean that it is not possible to provide accurate estimates for the cost of works.
- 2.4. The contractor is paid for the actual works carried out. This invariably means that the actual cost will be different to any broad estimates given, as the estimates have not been subject to the design process.
- 2.5. A series of reports on this matter has been presented to Members on this contract, primarily linked to the works on the town centres.
- 2.6. At a meeting of this Committee on 17 June, when an additional £5,000 was allocated to the Hullbridge scheme, the following was resolved:-

“That a further report be considered by this Committee on how this Council can financially monitor Essex County Council contracts, how to identify problems and what improvements might be made.”

3 CURRENT POSITION

- 3.1 It must be emphasised that, irrespective of the problems that have occurred on this issue, other than the additional £5,000 allocated to Hullbridge, this Council has not amended the original commitment which was made in 2000/01. Any payments made by Rochford will be within the limits set out in paragraph 2.1 above.
- 3.2 The problems that have arisen have resulted in the possibility that less of the schemes would be completed than was originally anticipated. This has been overcome to a great extent by Essex County Council applying some of their resources into the schemes. In addition, County officers were successful in attracting sufficient Government funding into the Hockley scheme in order to ensure its completion.
- 3.3 The Rochford Town Centre scheme has been completed, apart from a few minor outstanding issues, as has Phase 1 of the Hullbridge scheme. The Hockley scheme is nearing completion. The second phase of the Hullbridge scheme is still in the design stage.
- 3.4 At the time of drafting this report, the aspirations for the second phase of the Hullbridge scheme would require additional finance if they were to be met.
- 3.5 Given the problems that have been experienced by Contract 2000, officers are of the view that no further partnership working be undertaken whilst this system of working is in place. On this basis, only Phase 2 of the Hullbridge scheme will now be carried out through Contract 2000.

4. REVISION TO MONITORING PROCEDURES

- 4.1. County officers have always been aware that the level of Council funding is not open ended. They have, therefore, within the constraints of the contract, monitored the work in order to be able to advise if early curtailment is necessary.
- 4.2. The remaining area of work at Hullbridge was originally estimated to cost in the region of £25,000. Given the experience of phase 1 where the original estimate of £64,000 was exceeded by £31,000, it is vital that very close monitoring of the work is undertaken.
- 4.3. In response to a request by the Environmental Services Committee held on 19 November 2002 (Minute 565/02) Essex County Council has appointed a specific officer to oversee the work in Phase 2. In addition, they made a specific agreement with the contractor that no significant additional works are to be carried out without first gaining the authorisation of the overseeing officer. This procedure should ensure an early warning in the event of the scheme going over budget.

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- 4.4. Essex County officers have given assurances that detailed documentary evidence of contracted costs will be supplied when they request the Council's financial contribution to each of the three schemes.

5 RISK IMPLICATIONS

5.1. Strategic Risk

Completion of the town centres is included within our Corporate Plan. Failure to complete would, therefore, result in one of our corporate targets not being met.

5.2. Resource Risk

Inadequate monitoring of works could result in additional costs being incurred by either Rochford District Council or Essex County Council.

5.3. Operational Risk

Inadequate monitoring of works could result in the scheme being curtailed at an inappropriate point.

5.4. Reputation Risk

Local residents believe work will be carried out. Failure to complete would have an adverse effect on the reputation of the Council.

6 RESOURCE IMPLICATIONS

- 6.1 There is budget provision of approximately £25,000 to carry out the Phase 2 works.

7 RECOMMENDATION

- 7.1 It is proposed that the Committee **RESOLVES**

That the revised monitoring procedures introduced by Essex County Council be noted.

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Background Papers:

None

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