



Report of the Director of Environment & Neighbourhoods Directorate

South Leeds (Outer) Area Committee

Date: Monday 25th February 2008

Subject: Marsh Street Car Park

Electoral Wards Affected:
Rothwell

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Council
Function

Delegated Executive
Function available
for Call In

Delegated Executive
Function not available for
Call In Details set out in the
report

Executive Summary

This report outlines the progress of the Town & District Centre Regeneration Scheme at Marsh Street Car Park in Rothwell.

1.0 Purpose Of This Report

1.1 The purpose of this report is to inform the Outer South Area Committee of progress made in relation to the Marsh Street Car Park Improvements that is a Town and District Centre Regeneration Scheme.

2.0 Background Information

- 2.1 £327,700 was the budget allocated to the car park improvement scheme plus fees (to Mouchel) of £59,000 .
- 2.2 The major part of the Marsh Street works were completed in July 2007 ie the complete resurfacing and layout of this car park. It has been one of the first schemes to 'complete'. Although an 'opening ' of the awaited improved car park took place in July, other works planned for the scheme (i.e. soft landscaping and signs) have had to be put on hold due to the over run on costs for the project.
- 2.3 Issues that have contributed to the cost over run are listed below.

3.0 Main Issues

3.1 Unforeseen problems:

- contaminated ground was uncovered and concrete blocks had to be removed.
- delays resulting from 4 weeks of tests on the contaminated ground.
- 2 weeks of disruption by SCC for replacement lighting.
- the need to put in a strong retaining wall to separate the car park from a drop to neighbouring property.
- redesigning and additional on site supervision required as a result of the above.
- Additional fees from Mouchel as a result of the above

3.2 Overspend

The expenditure on the scheme (including the costs incurred for the above problems) was not fully revealed until the final invoice was submitted by the construction company, Colas. Colas has invoiced a total for the scheme of £455,000 (£127,300 overspend). Mouchel's project management fee is additional.

3.2.1 Over the past 4-5 months Mouchel has negotiated the final bill down having scrutinised all items claimed for by the construction company some of which has been believed to be an unnecessary overclaim on parts of the scheme.

3.2.2 LCC Contracts and Mouchel are offering £400,000 (£72,300 overspend) as legitimate expenditure for additional necessary construction works. Mouchel expect an agreed final compromise of £430,000 total costs which would mean an £102,300 overspend. Pending the outcome of discussions the overspend of will therefore be between £102,300 and £127,300 plus fees of approx £6,984.

4.0 Consequences

4.1 The deviations have been far more costly than originally envisaged resulting in not only the contingency for the scheme being all used up but the scheme overspending by £127,300 plus additional fees incurred by Mouchel.

4.2 Concerns have been expressed by Ward Members regarding the over expenditure but particularly concerned that consequentially items originally part of the scheme have had to be put on hold until further funds are found.

- Original estimated constructions costs to the scheme were £327,700 plus fees (to Mouchel) of £59,000.
- The actual construction costs to the scheme to date are: £400,000 - £455,000 plus additional project management fees from Mouchel of £6,984.
- The unfinished items to the scheme are estimated to cost: £74,600 (inclusive of fees)
- The items contributing to the overspend appear to be legitimate expenditure and it is hoped that the Programme Board will support the additional funding.

5.0 Forward Strategy

- 5.1 The Programme Board received a report in December 2007 which asked to consider several options.
- 5.2 However, given the size of the overspend Programme Board have initiated a review to evaluate the issues leading up to the exception, a reassessment of the feasibility to establish whether it was sufficiently robust and to identify the lessons that need to be learnt for the remainder of the programme.
- 5.3 In addition the complimentary landscaping scheme which was costed at £74.6k was halted once the scale of the overspend was identified. The scope of the landscaping work is under review. The Programme Board have asked that a final estimate of costs is produced urgently following negotiations, together with a review of landscaping to enable it to make a decision on the use of the contingency.
- 5.4 Following consultation with Ward members and Rothwell in Bloom, Parks and Countryside are scoping a scheme to complete the landscaping works. This will be presented to the Town and District Centres Programme Board for consideration for funding. A scheme will also be developed for entrance signs and allocation of disabled parking bays to complete the redevelopment of the car park. Members are asked to note this information and agree to receive further information once the Programme Board have considered a funding request to support the revised landscaping and signage proposals.

6.0 Implications For Council Policy and Governance

- 6.1 There are no implications for council policy and governance.

7.0 Legal and Resource Implications

- 7.1 There are no legal implications arising from the contents of this report.

8.0 Conclusions

- 8.1 The initial resurfacing of the car park was completed in July 2007. Following unforeseen circumstances the project has overspent and there still remains unfinished works on site including landscaping and signage.
- 8.2 The Town and District Programme Board are still awaiting a final total of costs incurred and quotes for the unfinished items. Following confirmation of project costs and agreement from the Programme Board on their level of funding, the Area Committee is recommended to receive a further report to its April meeting.

9.0 Recommendations

- 9.1 Members are recommended to;
- Note the contents of this report.
 - Agree to receive further information on scheme once the Programme Board have agreed a final funding figure.