

MAIDSTONE BOROUGH COUNCIL
RECORD OF DECISION OF THE CABINET

Decision Made: 25 July 2012

Phase 2 High Street Improvement Project

Issue for Decision

To consider whether to progress with Phase 2 of the High Street Improvement Project

Decision Made

1. That Phase 2 is progressed and the project funded from the Council's Capital Programme with a budget total of £1.7 million.
2. That delegated authority be given to the Director of Regeneration and Communities, in consultation with the Cabinet Member for Economic and Commercial Development, to agree design changes to Phase 2 before and during the construction period to keep the project within budget.
3. That delegated authority be given to the Head of Legal Services to enter into a contract (on terms to be agreed by the Director of Regeneration and Communities) with a contractor to undertake the construction of Phase 2.
4. That delegated authority be given to the Head of Legal Services to enter into a contract (on terms to be agreed by the Director of Regeneration and Communities) for a Designer, a Project Manager, a Quantity Surveyor and Construction Design Management Coordination Services (CDMC).
5. That delegated authority be given to the Head of Legal Services to enter into a Section 278 agreement with Kent County Council to undertake works to the public highway.

Reasons for Decision

In March 2011 a phased approach to the High Street Regeneration Project was agreed due to the fact that the forecast of available resources at that time did not permit the completion of all projects in the capital programme. It was agreed that a further report should be brought to Cabinet to consider the implementation of Phase 2 when capital resources became available.

Elsewhere on this agenda the capital programme for 2013/14 onwards has identified resources in excess of £1.7m that are immediately available for new capital schemes. A number of possible capital projects have been proposed by Officers for the Cabinet to consider alongside the Infrastructure Delivery Plan which is separately reported on this agenda. The High Street Phase 2 project is one of these proposed for funding within the capital programme following the Cabinet decision in March 2011.

Phase 1 and 2 covers the areas set out in Appendix 1 to the report of the Assistant Director of Regeneration and Cultural Services. The sum proposed in the capital programme for Phase 2 will require design changes to be made to the original designs for the Lower High Street to meet the new proposed allocated budget of £1.7m.

The design changes proposed reduce the costs and risks of delivery. These include:

- Retaining the Cannon Plinth in its current state, rather than building a new plinth.
- Retaining the three existing trees but not planting new ones.
- Retaining the existing utility cabinets.
- Reducing the amount of granite used by 33% and replacing with other material. Grass is currently proposed but long term maintenance will need to be considered.
- Retaining granite paving along the building lines to tie together Phase 1 and Phase 2.

Early design concepts and illustrations are shown in Appendix 2 to the report of the Assistant Director of Regeneration and Cultural Services and these will be further refined over the next few months, in consultation with the public, residents, businesses and other stakeholders including bus operators, taxi representatives and the disability focus group. It will be necessary to consider whether these design changes once agreed require planning permission.

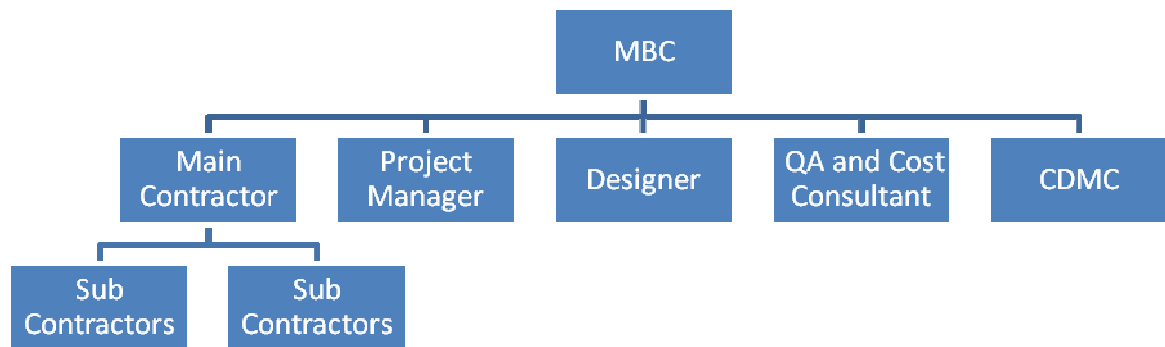
Draft Project Costs are set out in the Exempt Appendix to the report of the Assistant Director of Regeneration and Cultural Services.

Procurement

Following an OJEU restricted tendering procedure, Eurovia was appointed as the main contractor in May 2010. It was the intention at that time to deliver the project in the whole of the High Street, including Bank Street and part of King Street. However the contract with Eurovia reflected the decision to phase the High Street works and covers the first phase only. The contract sum for the Phase 2 work is below the requirement to follow the OJEU procedure but the Council's procurement rules remain and a tender process or a waiver to the Council's contract procedure rules will be considered.

Contract Structure:

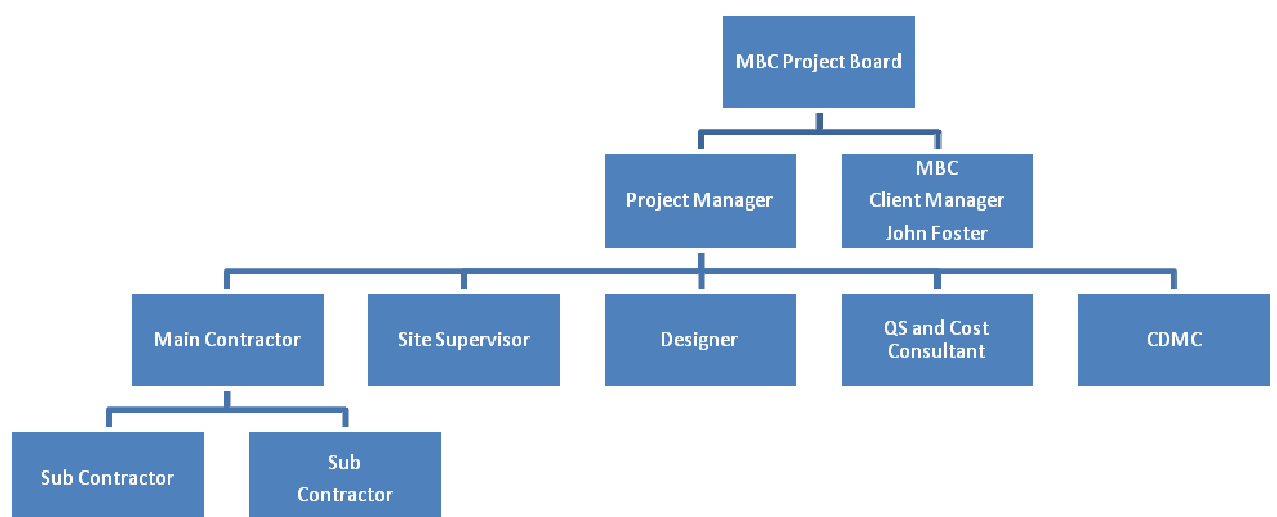
The contract structure proposed is set out below.



Project Management

Mid Kent Audit Partnership carried out a review of the Phase 1 Project Management arrangements in December 2011. The review aimed to confirm the governance arrangements over delivery and management of the project; and to ensure that the planning, monitoring and control of all aspects of the project are in place to achieve the project objectives on time and to the specific cost and quality requirements. The review concluded that the controls in place over the High Street Regeneration project currently provide a substantial level of assurance. It is intended to replicate these arrangements for Phase 2, and update the Project Management Documentation accordingly.

Reporting lines:



Programme

A number of factors will influence the timetable up to the time when a contractor can start on site. What tender process is followed and whether a new planning application is required will be the most significant influences on the programme. Consultation with stakeholders and agreeing the works with Kent County Council, as Highway Authority, through the Section 278 Agreement also need to be considered. As a broad indication a start on site in spring next year is likely.

Alternatives considered and why rejected

The do nothing option:

The need for the project and the benefits have been set out in the report by Colin Buchanan and Partners. If the project does not go ahead the Lower High Street will remain in a poor physical state and opportunities to attract new footfall and visitor expenditure will be diminished.

Reduce the size of Project:

It may be possible to reduce the size of the project or phase it further. If only part of the Street were to be improved the visual impact may be lessened and the consequential projected visitor expenditure and increase in footfall may be reduced.

Reduce Capital Costs Option:

Changing the specification of the materials further may offer some savings on capital costs. However a vital element of the scheme is to raise the quality of the environment of the entire High Street complementing the existing historic architecture and features. Care must be taken not to significantly reduce the visual impact which could reduce the desired objective to increase footfall and visitor numbers.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: 3 August 2012.
