

Committee(s) Hampstead Heath Consultative Committee Hampstead Heath, Highgate Woods and Queen's Park Committee	Dated: 22 April 2024 21 May 2024
Subject: Decisions taken under delegated authority or urgency powers	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	See Background Report
Does this proposal require extra revenue and/or capital spending?	See Background Report
If so, how much?	See Background Report
What is the source of Funding?	See Background Report
Has this Funding Source been agreed with the Chamberlain's Department?	See Background Report
Report of: Town Clerk	For Information
Report author: Blair Stringman, Town Clerk's Department	

Summary

This report advises Members of action taken by the Town Clerk in consultation with the Chairman and Deputy Chairman, in accordance with Standing Order Nos. 41(a).

Main Report

Urgency Decision: Parliament Hill Athletics Track

BACKGROUND:

Urgency was sought to increase the funding available for the completion of the capital project to resurface the Parliament Hill Athletics Track on Hampstead Heath.

The total estimate of cost of the project (including risk) is £2,397,050 (final agreed cost). The total estimated cost of the project (including risk) has increased by £397,364 (from £1,999,686 to £2,397,050) since the last report to which went to Committee at Gateway 5. The recommended funding source for the increased £397,364 is sourced from the City's Estate (formerly City's Cash) contingency budget and this is for the amount of £76,000 with the remaining £321,364 obtained from the Hampstead Heath City's Estate local risk budget.

That additional budget of £397,364 is required additional works necessary to complete the project. The use of £76,000 of City's Cash 2023/24 contingency budget has previously been approved by the Resource Allocation Sub Committee on 30 November 2023.

Having consulted with the Chamberlain's Department, there are underspends in the revenue local risk budgets which are a one off benefit this year and are being used to fund these costs. This is not to be encouraged longer term, however, for this project

the City Corporation has captured the costs and confirmed that funding is in place to cover them.

The final total agreed cost of the project with the contractor is £2,397,050. This includes budget allowances for the additional works necessary to complete the project totalling £397,364 which exceeds the budget approved at Gateway 5 by £397,364. This is due to a number of unforeseen and unavoidable issues that arose during the lifetime of the project, including a defective sub-surface below the track that was not discovered in pre-project surveys, extremely poor weather that impacted project schedule and costs, a significantly damaged drainage system that was not identified in pre-project surveys, a redesign of floodlight bases due to poor ground conditions, the discovery and encapsulation of asbestos, and work programme delays and resequencing due to the above issues that added additional costs. Despite the overspend, the works are still considered to be good value for money given the technical difficulty and complexity of the project, numerous unforeseeable and unavoidable issues, and the expedited timeline under which it was completed.

RECOMMENDATION(S):

The Town Clerk, in consultation with the Chairman and Deputy Chairman of the committee:

1. To approve, the additional budget of £397,364 for the cost incurred for additional works and resource that were necessary to complete the project;

Copies of background papers concerning this decision are available from Blair Stringman on request.

Contact:

Blair Stringman

Blair.Stringman@cityoflondon.gov.uk