

**EXECUTIVE – 19 AUGUST 2002****CORNMARKET STREET, OXFORD****Report by the Director of Environmental Services****Introduction**

1. This report considers action to be taken by the County and City Councils in response to the failure of the granite block paving in Cornmarket Street, takes into account various options available to both Councils and makes recommendations for the most appropriate way forward.

**Background**

2. Following the failure of the granite block paving in Cornmarket Street, the Executive at its meeting on 23 July resolved to approve in principle a revised scheme subject to, among other things, completion of an agreement between the City and the County Councils providing for financial arrangements for meeting the costs of the scheme. There is now a common view (shared also by the Scrutiny Committees of both Councils) on the optimum engineering solution – an asphalt surface with a coloured finish and York stone footways – and the principal remaining question is how the costs of implementing this should be funded.
3. As indicated in the report (EX13) to that Executive, discussions have taken place on the basis that a joint meeting with the City Council's Executive Board might be appropriate to resolve outstanding issues and agree the way forward. The joint meeting is taking place immediately prior to this formal meeting of the Executive.

**Financial Contributions**

4. The City Council's Executive Board at its meeting on 22 July endorsed the option of a tarmac surface and York stone footway. However, it is looking to negotiate with the County Council on, amongst other things, the basis that the amount of money the City Council would contribute should be reduced commensurate with a lower specification finish and the inclusion of Carfax.
5. Officers of the City Council and the County Council have met to discuss the way forward in view of the resolutions of the respective Executives. City officers accept that the scheme has been much more complex than originally envisaged, and as a result some of the implementation costs have increased. In my report of 23 July I said there was in effect a potential shortfall of at least £364,000 on this revised scheme, which may not be recoverable and would presently fall on the County Council to fund. The final amount would depend on a successful outcome through appropriate legal procedures for the costs attributed to the failure of the granite block construction.
6. The City Council officers have now identified four possible financial ways of progressing with the scheme.
7. **Option 1** would reduce to £1.65m the City's level of contribution of £1.855m, commensurate with our estimate of costs difference for reduced specification of the scheme, ie, based on a tarmac surface finish in lieu of the granite blocks. Based on the original scheme construction Bill of Quantities, accepted by the City Council officers, I have estimated that the construction of 1196 sq m of granite block surface together with the supply of the material is some £200,000 dearer than the tarmac surface.
8. Because the City Council in drawing up the original Financial Contribution Agreement, was anxious to cap its contribution, and because trying to include and quantify a full carriageway failure was not considered possible at the time the agreement was drawn up, the County

Council agreed to absorb the costs of any major risks. Instead the Agreement identified possible 'risk' areas and allocated what the costs of addressing these risks might be. This Agreement therefore allows for a reduction of the extent of the scheme if it cannot proceed because the overall cost exceeds the total agreed budget. Thus, if the City were to pursue this option, I would seek to compensate for the reduction in the City Council contributions and possible shortfall of funds by reducing the extent of the paved area (eg in Market Street and at the Broad Street/George Street junction and by reducing pavement widths in Cornmarket Street) and by trimming down other elements of the original Public Realm Strategy scheme (eg street furniture, parish boundary feature, possible planting of trees).

9. **Option 2** suggests retention of the current level of financial contribution at £1.855m to avoid such a reduction to the extent of the current scheme. Given the history of the scheme and that through no fault of its own, a significant funding deficit may fall on the County Council, I think it is very important that the City Council contributes the full amount. (It is indeed arguable that, in the spirit of the partnership to deliver the scheme which the County Council undertook to construct on behalf of the City Council, the City Council should allocate a higher contribution to the currently predicted outturn cost of the scheme.)
10. **Option 3** considers the footway paving works extended into Carfax. I have estimated, based on the new upgraded construction specifications, that to provide additional 400 sq m of York stone paving would cost an additional £180,000. There are no contingencies available for this level of expenditure within the existing budget. I do not recommend the Executive to agree this unless the City Council consents to fund the extra cost.
11. **Option 4** considers the possibility of the City Council withdrawing all of its financial contribution. In this event the County Council would have to consider reverting to a 'standard' highway scheme solution. This would include using black tarmac for the carriageway, concrete slab paving in footways and no new street furniture.

### **Appearance of Finished Carriageway**

12. There are various means of providing a tarmac surface. I have asked our designers (LDA) to explore various finishes taking into account not only appearance and cost but also durability, ease of maintenance and safety. Once the range of options is identified, we will consult with the City Council's conservation officer and other members of the Project Advisory Group including Oxford Preservation Trust, Oxford Civic Society and representatives of the local traders. It may be possible to test the new surface before it is laid in Cornmarket. One possibility would be to provide several samples in the Abbey Place car park, as suggested by the City Council officers, and the other possibility is to use it for the re-surfacing of Bonn Square, planned for later this year.
13. I propose that the final decision on the new surfacing is delegated to the Director of the Environmental Services in consultation with the Executive Members for Transport and Strategic Planning & Waste Management and a nominated officer of the City Council following advice from the scheme designers (LDA) and consultation with the members of the Cornmarket Project Advisory Group.

### **Planting Works**

14. Both Executives have expressed support for planting taking place in Cornmarket Street. No funding was provided for this in the original budget but following earlier similar requests for inclusion of trees, trial holes before and during the construction have been carried out in locations where it was thought it might be possible. However, there is a maze of public utilities under the entire surface of Cornmarket, and we have not yet discovered a suitable site for tree planting. We will continue this search on the rest of the site as construction work continues.

### **Current Contractor**

15. With our agreement, the Engineer suspended the work of our current contractor Stenoak to allow for the investigation into the failure of the granite to take place. This contractor is now in receivership. I have carried out an initial discussion with Aggregate Industries UK, who took

over the business of Stenoak, on the basis that if they accept all liabilities of the current contractor, the County Council would be prepared to novate the contract. This would allow the work to proceed under the original terms and would provide a smooth transition to re-starting the work when the surface specification and the Financial Contribution Agreement issues are settled satisfactorily. I will report orally on the latest position on the novation at the meeting.

### **Programme**

16. Subject to the agreement on financial contributions with the City Council and the signing of the novation agreement, I will be seeking to restart work in Cornmarket Street in mid-September 2002. I anticipate that the work will concentrate on completing the drainage outfall pipe near Carfax and removing the failed granite block carriageway. Subject to design details, the carriageway would be reinstated with dense macadam base/basecourse. This would probably take until the end of October 2002 to complete and a 'Christmas break' for shopping would extend through November and December as in 2001.
17. In January 2003 the other half of Cornmarket Street would be excavated and a new base for the revised carriageway surfacing laid. The full length of York stone footways and the fitting of new street furniture would follow. The final major item of works would be the laying of the top course asphalt with a coloured finish and the anticipated completion of works would be in June 2003. I intend to discuss this outline programme of work with the local traders.

### **Financial Implications**

18. The cost options are discussed above under "Financial Contributions". The total out-turn cost to the County Council depends, in part, on the amount of the City Council's financial contributions. The proportion of any increased implementation costs associated with any of the available options would need to be accommodated by allocating funds from within the Transport Capital Programme.

### **RECOMMENDATIONS**

19. **The Executive is RECOMMENDED, subject to the outcome of the Executive's discussions with the City Council's Executive Board prior to the meeting:**
  - (a) **in order to continue with the construction of the revised scheme, to urge the City Council not to reduce its previously agreed level of contributions of £1.855m;**
  - (b) **otherwise, in the light of likely scheme outturn costs, to compensate for any reduction in contribution by reducing the current extent of the scheme;**
  - (c) **to authorise the Director of the Environmental Services, in consultation with the Executive Members for Transport and Strategic Planning & Waste Management and a nominated officer of the City Council, to make a final decision on the choice of the new carriageway surface for the purpose of (a) or (b) above following advice from the scheme designers and consultation with the members of the Cornmarket Project Advisory Group;**
  - (d) **in the event of the City Council withdrawing all of its financial contribution, to instruct the Director of Environmental Services to report back to the Executive on the possible implementation of a 'standard' highway scheme solution.**

DAVID YOUNG  
Director of Environmental Services

Background papers: Nil  
Contact Officers: Dariusz Seroczynski Tel: Oxford 815629  
Peter Evans Tel. Oxford 815836

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