

WAVERLEY BOROUGH COUNCIL

EXECUTIVE: 31 MARCH 2015

Title:

STATION ROAD: BUDGET APPROVAL FOR ABNORMAL COSTS

**[Portfolio Holder: Cllr Stewart Stennett]
[Ward Affected: Godalming Central and Ockford]**

Summary and purpose:

The purpose of this report is to seek budget approval for abnormal costs at Station Road, Godalming.

How this report relates to the Council's Corporate Priorities:

This report relates to the Council's Corporate Priority of providing more affordable housing in the Borough for local people in housing need.

Financial Implications:

The Council has earmarked reserves for the provision of new affordable homes and associated costs. This report requests a further budget allocation to meet the costs of delays to the scheme due to additional archaeology works required.

Legal Implications:

There are no direct legal implications associated with this report.

Background

1. In March 2014, the Ministry of Justice issued a licence to allow the excavation of the bones from the former burial ground at Station Road on the part of the site that will be occupied by residential buildings and the immediate surrounding area. The Executive approved an additional budget to enable Surrey County Archaeological Unit (SCAU) to be commissioned to carry out the excavation of this area. They excavated 85 skeletons, which exceeded their 50-60 estimate.
2. Prior to applying for the licence, Surrey County Archaeological Unit (SCAU) as the contractor has the general preference to remove all the bones within the identified former burial ground, whatever the cost or delay.
3. The options available were considered and it was decided to proceed on a pragmatic staged approach to avoid incurring unnecessary costs and time delays, in consultation with our Employers Agent, and started with the area of the site where all bones were required to be removed because its new use would be for housing.

4. At that stage, it was accepted that less archaeological works would be required in the adjoining area, which is to be used for gardens and car parking. The excavation that followed revealed that the bones were located closer to the surface in places, due to the sloping ground. As a result the Council has been informed that more extensive excavation is required in other parts of the former burial ground site to enable the construction vehicles and machinery to move around the site and materials to be stored as part of the development process.
5. In January 2015, Waverley received agreement from the Ministry of Justice to an extension of the current licence to enable the excavation of additional areas of the site and agreed for some of the archaeological remains in the car parking areas, below an approved level, to be left in situ and protected to enable construction. To ensure that things progress as quickly as possible, the Council has instructed W Stirland to appoint Surrey County Archaeological Unit (SCAU) to carry out the next phase of the archaeological excavation works.
6. Construction vehicles and materials could harm the archaeology so the Council has been required to put the main construction work on hold while this further stage of archaeological works is carried out. Work will re-commence as soon as possible once excavation in the key access areas has been completed.
7. The costs of additional archaeological works and costs incurred as a result of the delays in the delivery programme due to the extended excavation will exceed our current budget allocation and further approval is required. The costs are estimated to be a maximum of £227,000. It is proposed that this amount be vired from the general buy-back provision that is included within the New Homes Capital programme. This additional cost would take the overall budget for the 14 Station Road affordable homes to £2,257,000. This equates to an average build cost of £161,000 per unit. Despite these additional costs, allowing for the known challenges of this site, this average cost per unit is still not excessive compared to current build costs for other sites where the average ranges from £142,000 to £158,000 per unit.



Recommendation

That the Executive recommends to the Council that approval be given to a virement of £227,000 from the general buy-back budget within the New Affordable Homes Capital Programme, to pay for the additional costs associated with the Station Road development, as set out in this report.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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