

## LOWESTOFT SHARED ACCOMMODATION JOINT COMMITTEE

Tuesday 17 December 2013

### LOWESTOFT SHARED ACCOMMODATION PROGRAMME – PROGRESS AND UPDATE REPORT

#### EXECUTIVE SUMMARY

1. The report provides the Joint Committee with a thorough summary of the current progress made for the programme. It includes:
  - A summary of the key activities and decisions made post the previous Joint Committee meeting.
  - Key milestones and activities for the forthcoming period.
  - Programme financials and risks.
  
2. The Joint Committee is asked to endorse the content of the report in order to fulfil its role as overseeing satisfactory delivery of the programme on time and to budget.

Is the report Open or Exempt?	Open
-------------------------------	------

<b>Wards Affected:</b>	All
------------------------	-----

<b>Cabinet Member:</b>	<b>Cllr Mike Barnard</b> Cabinet Member for Resources  <b>Cllr Colin Noble</b> Cabinet Member for Finance and Property
------------------------	------------------------------------------------------------------------------------------------------------------------------------

<b>Supporting Officer:</b>	Peter Revell Lowestoft Shared Accommodation Programme – Programme Director M - 07850 014035 Email: peter.revell@waveney.gov.uk
----------------------------	--------------------------------------------------------------------------------------------------------------------------------------------

## **1 INTRODUCTION**

- 1.1 This is the latest progress/update report for the Lowestoft Shared Accommodation Joint Committee and is designed to provide the Committee with a thorough update on the progress made since its last meeting and the confidence that the programme is satisfactorily on track to be completed on time and within budget.
- 1.2 The Committee will be asked to endorse the progress made and the plans for the on-going activity for the forthcoming period at this and subsequent meetings.

## **2 BACKGROUND**

- 2.1 The Lowestoft Shared Accommodation Programme (LSAP) is a partnership programme between Waveney District Council (WDC) and Suffolk County Council (SCC) to create a new build office complex at Riverside Road, Lowestoft and a shared public access point in the Marina Customer Service Centre, located in the town centre, Lowestoft.
- 2.2 The current accommodation occupied by both authorities will be vacated and disposed of, or suitable alternative use identified as part of an associated work stream. They are deemed not fit for purpose to support 21<sup>st</sup> century public sector services. This includes the Town Hall and Mariners Street buildings for WDC and Clapham House, Adrian House, St Margaret's House and Alexandra Road for SCC.
- 2.3 The relocation is expected to provide an important catalyst for regeneration both at the Riverside Road site through the creation of new modern high quality public sector offices and by disposal of the current buildings by working together to create cohesive 'land packages' for developers in the town centre, additionally careful consideration will be given to provide alternative use for the Town Hall site, located at the North of Lowestoft High Street.
- 2.4 At its meeting on 24 April 2012 WDC Cabinet resolved that authority be delegated to the Cabinet Member for Resources in consultation with the Director of Resources and the Head of Commercial Partnerships & Strategic Commissioning to complete all necessary works associated with bringing a Strategic Business Case back via the Overview & Scrutiny Committee prior to Cabinet for consideration in September 2012.
- 2.5 At its meeting on 15 May 2012 the SCC Cabinet made the same resolution via delegated authority to the Head of Strategic Finance and Assistant Director for Corporate Property in consultation with the Cabinet Member for Resource Management & Transformation.
- 2.6 The Strategic Business Case was subsequently developed and was presented to both authorities' Cabinets at their September 2012 meetings. They approved in summary:
  - The capital expenditure of £13.65m (£6.825m per authority) as a budget sum to proceed with the project, and
  - Agreed to the establishment of a Joint Committee with delegated authority to manage and oversee the procurement and construction of the project and to ensure that the project remains within budget.
- 2.7 The Waveney Cabinet also resolved that the negotiations with SCC regarding contributions to recognise the value of the land at Riverside Road and the Marina Customer Service Centre be completed.
- 2.8 It should also be noted that the WDC Overview & Scrutiny Committee unanimously resolved at its 11 September 2012 meeting that the Cabinet should approve the recommendations.
- 2.9 A public petition entitled 'Save the Town Hall' was received and debated at the full Waveney Full Council meeting on 30 January 2013. The Council resolved to continue the project as previously approved.
- 2.10 The new office development on Riverside Road is due to be occupied by the end of March 2015. The refurbishment of the Marina Centre will follow on, and is expected to be in full operation by the end of 2015.

### **3 KEY ACTIVITIES AND DECISIONS MADE POST 22 OCTOBER 2013 JOINT COMMITTEE MEETING**

#### Summary of General Progress

- 3.1 The enabling works package started in early November and is on track to be complete week commencing 2 December 2013.
- 3.2 The completion of the above will help ensure discharge of the pre-construction planning conditions. Four of those conditions have already been discharged with the remainder in progress to follow suit within the required timescales.
- 3.3 Following extensive work by the client, design and contractor teams the Guaranteed Maximum Price for the construction contract has been agreed within acceptable values. Although this doesn't assure the final contract value it provides confidence to all parties at this stage that the scheme can be built within our predicted costs.
- 3.4 Further work is now progressing to agree the final contractor proposals and contract value. This involves intensive activity by all involved and it is extremely important to ensure it is completed appropriately.
- 3.5 A successful meeting has been held between our Design and Construction team and their Northumbrian Water equivalents to review potential dual site access issues and any other constraints as a result of the two construction sites being located adjacent to one another. Actions agreed include weekly co-ordination meetings between construction project managers.
- 3.6 Specifications for the furniture solutions and other fixtures and fittings are reaching their final drafts. Elements of these are intended to be incorporated within the main contract. Procurement is now likely to commence in the new year.
- 3.7 The design and construction programme remains as previously reported with the exception of the novation of the design consultants milestone which will now occur in alignment with the contractor proposals sign off. The programme will undergo further review when contractor proposals are received.
- 3.8 We are liaising with the operators of the telecoms mast located adjacent to our site to coordinate all respective works and minimise impact on both sites.
- 3.9 The shared Intranet site was launched at the beginning of November. This has been designed to be a primary communication tool between the programme team and staff and councillors from both WDC and SCC. It contains the latest information regarding the programme and informal feedback from users of the site has all been positive.
- 3.10 Design work is ongoing in conjunction with the services for the refurbishment of the Marina Centre. Latest proposals will be reviewed by the Joint Management Group in January.
- 3.11 The land transfer of both the Riverside Road site and Marina Centre has been agreed and should be completed imminently. Incorporation of the Canning Rd element of the site will follow soon after. This will ensure that all the shared sites will have a 50:50 ownership between both councils
- 3.12 First drafts of the proposed change management plans and activities are in the process of being reviewed and refined by the Programme team. Final versions will be concluded early next year with activities commencing soon after.

### **4 KEY ACTIVITIES FOR THE FORTHCOMING PERIOD**

- 4.1 Continue design and workstream consultation process and ongoing update of detailed employer requirements
- 4.2 Complete enabling works and progress discharge of remaining pre-construction planning conditions
- 4.3 Agree contractor proposals and contract price.

- 4.4 Progress design work for the refurbishment of the Marina Centre
- 4.5 Complete land transfers
- 4.6 Commence furniture and other equipment procurement processes
- 4.7 Progress the development of the detailed client fit-out and change management plans

## 5 KEY MILESTONE DATES

5.1 The design and construction programme remains as previously reported with the exception of the novation of the design consultants milestone which will now occur in alignment with the contractor proposals sign off. The programme will undergo further review when contractor proposals are received..

5.2 Below are some of the key milestone dates;

Issue mini-competition contractor docs	06 June 2013	<i>Complete</i>
Submit planning application	20 June 2013	<i>Complete</i>
Appoint contractor team	22 July 2013	<i>Complete</i>
Planning approval	27 September 2013	<i>Complete</i>
Contractor agreement of GMP	11 October 2013	<i>Complete</i>
Commence enabling works	28 October 2013	<i>Complete</i>
Novation of consultants	16 December 2013	
Sign off Contractors proposals	16 December 2013	
Construction mobilisation	23 December 2013	
Construction completion	6 February 2015	
Complete occupation	31 March 2015	
Complete occupation of Marina Centre	31 December 2015	

## 6 PROGRAMME FINANCE

6.1 The programme budget is £13.65m and is equally split between the two authorities (£6.85m each).

6.2 The current latest estimate for final out-turn cost remains within the parameters of the above budget having taken account of the apportionments to date. Current programme expenditure to 30 November 2013 amounts to £567k.

## 7 PROGRAMME RISKS

7.1 There is a comprehensive programme risk register that is constantly monitored by the Programme Director and reviewed at each of the Joint Management Group meetings. Any risks that are deemed as high and need further mitigation are given special attention and appropriate actions put in place.

7.2 There are currently 25 open risks, all of which have suitable mitigation strategies in place, which means none of the risks are currently deemed as very high.

## 8 REASONS FOR RECOMMENDATION

8.1 The Programme has progressed according to approved timelines, budget and delegated authorities.

8.2 The Joint Committee has a responsibility to ensure that the programme progresses in line with all the above parameters and the contents of this report provides that assurance.

**RECOMMENDATION**

That the progress and update report be received.

**BACKGROUND PAPERS**

None other than published information.