

LOWESTOFT SHARED ACCOMMODATION JOINT COMMITTEE

Wednesday 19 February 2014

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
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Wards Affected:	All
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Cabinet Member:	<p>Cllr Mike Barnard Cabinet Member for Resources</p> <p>Cllr Colin Noble Cabinet Member for Finance and Property</p>
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Supporting Officer:	<p>Peter Revell Lowestoft Shared Accommodation Programme – Programme Director M - 07850 014035 Email: peter.revell@waveney.gov.uk</p>
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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 21st 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 17 DECEMBER 2013 JOINT COMMITTEE MEETING

Summary of General Progress

- 3.1 The enabling works package started in early November and was completed on track during the first week of December 2013.
- 3.2 Further on site survey work has also been completed meaning that the main contractor will be able to start work on site unhindered
- 3.3 The completion of the above has helped ensure discharge of the pre-construction planning conditions.
- 3.4 Following agreement with the main contractor on the value of the Guaranteed Maximum Price extensive work has been on-going by the client, design and contractor teams to establish the final version of Employers Requirements, Contractor Proposals and Contract Sum.
- 3.5 This has now been completed with a contract sum agreed within the value of the guaranteed maximum price and a project timeline meaning construction completion by 23 March 2015. We therefore remain on time and within budgeted costs.
- 3.6 The contractor will take possession of the site and commence establishment of their site set up on the 10 February 2014. A 'photo opportunity' recognising the start of the contract is planned for the 19 February 2014.
- 3.7 The Design team have been novated to the Contractor and the arrangements for the retained team have been completed.
- 3.8 The land transfer arrangements have also been completed ensuring the equal ownership of both the Riverside Road site and the Marina Centre. Incorporation of the Canning Rd element will follow soon.
- 3.9 Specifications for the furniture solutions and other fixtures and fittings are reaching their final drafts. Procurement of the main furniture items is expected to start in March 2014.
- 3.10 The shared Intranet site remains as our primary source of staff communications and has proved to be very popular since its launch in November. Informal feedback has been positive and we expect to add a 'live' webcam of the construction site soon after the main works start.
- 3.11 Final versions of the design work for the refurbishment of the Marina Centre have been completed in conjunction with the services who will be occupying the site. These proposals are due to be reviewed by the Joint Management Group at their 17 February 2014 meeting.
- 3.12 Final drafts of the proposed change management plans and activities are in the process of being reviewed and refined by the Programme team. Establishment of the Transformation Champions and Senior Manager User Groups are expected during this month.

4 KEY ACTIVITIES FOR THE FORTHCOMING PERIOD

- 4.1 Commence construction activities on the Riverside Road site
- 4.2 Progress detailed design work for the refurbishment of the Marina Centre
- 4.3 Commence production of the operating agreement arrangements for both sites

- 4.4 Commence furniture and other equipment procurement processes
- 4.5 Progress the development of the detailed client fit-out and change management plans

5 KEY MILESTONE DATES

5.1 The design and construction programme has been altered to reflect the conclusions of the contract negotiations and our occupation targets remain on schedule. The overall programme detail is currently undergoing further review in line with the above.

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	24 January 2014	<i>Complete</i>
Sign off Contractors proposals	24 January 2014	<i>Complete</i>
Construction start	10 February 2014	
Construction completion	23 March 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 31 January 2014 amounts to £781k.

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.