

LOWESTOFT SHARED ACCOMMODATION JOINT COMMITTEE

Tuesday 24 June 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
Wards Affected:	All
Cabinet Member:	<p>Cllr Mike Barnard Cabinet Member for Resources</p> <p>Cllr Mark Bee Leader</p>
Supporting Officer:	<p>Peter Revell Lowestoft Shared Accommodation Programme – Programme Director M - 07850 014035 Email: peter.revell@waveney.gov.uk</p>

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 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 19 FEBRUARY 2014 JOINT COMMITTEE MEETING

Summary of General Progress

- 3.1 All contract documentation has been agreed and completed and signed.
- 3.2 The 'turning the first sod' photo opportunity was successfully held on Wed 19th February. Feedback from all was very positive and the press coverage was comprehensive.
- 3.3 The main contractor activities on site have commenced in earnest with the site establishment and piling activities complete steel erection well underway and the slab installations in full progress.
- 3.4 The ground remediation activities have been problematic and have taken longer than originally predicted and as a result overall progress is slightly behind the contract programme. However, the contractor is currently working on regaining lost time and the forecast completion date is currently unchanged and remains on target for 23 March 2015. No extension of time requests have been received from the main contractor although the impacts of the above remain a risk to the programme.
- 3.5 There is currently one variation to the contract agreement which has been approved regarding increasing the size of the rainwater collection tank. This has no detrimental effect on the programme.
- 3.6 The furniture tender documentation was issued on 3 June 2014 and a subsequent supplier 'open' session held on 10 June 2014. The product assessment sessions involving the programme team and transformation champions is taking place week commencing 30 June 2014 and the e-auction is planned for 14 July 2014. The final contract award is due to be made by the end of July.
- 3.7 The draft tender documentation for the move contractors has been produced and is currently being reviewed before issue next month.
- 3.8 The shared Intranet site remains as our primary source of staff communications and has proved to be very popular since its launch in November. We are also now producing a regular e-newsletter for staff which helps highlight key activities and events as the programme progresses.
- 3.9 The addition of the 'live' webcam to the intranet site has been completed and is receiving regular 'hits' as staff monitor progress of the building activities
- 3.10 Further consultation with the Disability Forum took place during early May where we received their endorsement for the Riverside Road designs and the feasibility drawings for the Marina Centre. Future sessions will concentrate on the detailed design of the Marina Centre.
- 3.11 The launch of both the Senior Manager User Group and the Transformation Champions Group successfully took place on 19 March 2014. This will create more emphasis on the people and change element of the programme rather than just the buildings..
- 3.12 Staff 'drop-in' sessions are taking place during the middle of June designed to give people the opportunity to find out more about the programme through one to one discussion with programme team members and visual displays.
- 3.13 Leadership and managing change workshops are also planned for July.
- 3.14 The detailed design work for the Marina Centre is now progressing following the appointment of Concertus to continue leading the work and a project plan will soon be produced.
- 3.15 The temporary accommodation of the 2 Canning Road building has been completed and the WDC Planning and Building Control teams are now in occupation. Revised layouts to the existing Marina Centre designed to improve the current working environment will also soon be carried out.

- 3.16 The first draft of the Operating Agreement between the two councils has been produced and is currently being refined by the Legal workstream prior to further consideration by the Joint Management Group.
- 3.17 One of our Joint Management Group members and two of our workstream leaders have left their respective organisations. Replacements have been identified and their involvement within the programme has been well established.

4 KEY ACTIVITIES FOR THE FORTHCOMING PERIOD

- 4.1 Continue construction activities on the Riverside Road site
- 4.2 Progress detailed design work for the refurbishment of the Marina Centre
- 4.3 Review drafts of the operating agreement arrangements for both sites
- 4.4 Furniture and other equipment procurement processes
- 4.5 ICT installation detailed design
- 4.6 Move contractor procurement

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	<i>Complete</i>
Senior Manager User Group launch	31 March 2014	<i>Complete</i>
Transformation Champions mobilisation	31 March 2014	<i>Complete</i>
Complete temp' occupation 2 Canning Rd	15 June 2014	<i>Complete</i>
Final draft of Operating Agreement	30 June 2014	
Final ICT detailed design solutions	31 August 2014	
Furniture procurement process completed	30 September 2014	
Riverside Rd Construction completion	23 March 2015	
Riverside Road occupation	31 March 2015	
Complete occupation of Marina Centre	30 November 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 14 May 2014 amounts to £1.176m.
- 6.3 The latest invoice for the main contract works to the end of May 2014, amounting to £930k, is currently passing through the payment process and is in addition to the value quoted above.

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 24 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.

APPENDICES
None

BACKGROUND PAPERS
None other than published information.