

REPORT

Authors:

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Cllr J Collier, Deputy Leader of the Cabinet
Cllr Mrs Warrander, Cabinet Member for Resources

OFFICE CENTRALISATION – CURRENT PROGRESS AND FUNDING ROUTES

1. Purpose of Report

Members are asked to:

- i) Note the project plan.
- ii) Finalise councillor requirements.
- iii) Adopt the Conservation Policies.
- iv) Determine the preferred funding route.

2. Executive Summary

The report updates Cabinet on the key developments in the Office Centralisation project since July. It seeks Cabinet approval for:

- Councillor requirements in the new building.
- A range of conservation policies to be included in the Conservation Plan.
- Determining the preferred funding route for the project.

3. Background

3.1 At the Cabinet meeting on 21st July 2004, Cabinet determined which option to proceed with for the development of new offices. The option is based on:

- New offices to be built for the District Council at the rear of Bourne Hill.
- An office building for the County Council to be located on the former swimming pool site.
- Relocation of the secret garden and recycling facilities.

3.2 Since that meeting detailed work has been undertaken to ascertain final space requirements and an external company of project managers has been appointed. An exhibition summarising the work undertaken in preparation of a Conservation Plan for the site has also been held. Early work on funding routes has also been undertaken by the Project Manager and Head of Financial Services. This report outlines the results of work on each of these elements of the office centralisation project.

4. Appointment of Project Managers

4.1 During September James Nisbett and Partners, a firm of project managers were appointed. The lead project manager is Peter Nicol.

4.2 Attached at Appendix I is the first draft of the project plan.

- 4.3 Peter Nicol will be present at the Cabinet meeting on 15th December 2004 and will be available to answer questions.

5. Space Requirements

- 5.1 Initial space planning was undertaken in Autumn 2003. This included specific sessions with councillors to establish their requirements.

A summary of those requirements is attached at Appendix 2.

- 5.2 As detailed design is now underway, follow up sessions were held with Service Unit Heads and councillors in October 2004 (councilor requirements are summarised at Appendix 2).

- 5.3 Service Unit requirements have been totalled and rationalised at Management Team (to remove some double counting, excessive storage requests etc.) This analysis also highlighted the limited use currently being made of the Home Working Policy. Given the productivity gains and efficiency improvements that can be achieved by selected home working it will be necessary to review the Home Working Policy in the coming year with the aim of increasing take-up.

- 5.4 The space planning exercise has led to the conclusion that the following shared ancillary space will be needed:

- Information Centre/Library.
- Secure interview rooms (3).
- Reception / Customer Contact / Foyer.
- Staff Common Rooms.
- Tea point / vending.
- Copying / printing facilities.
- Filing / storage.
- Recovery room (for staff/councillors feeling unwell).
- Casual meeting rooms (6).
- Small meeting room for up to 4 people (6).
- Medium meeting room for up to 6/8 people (8).
- Large meeting room for up to 10/12 people (4).
- Committee room for up to 25 people (1).
- Parlour and associated kitchen.

- 5.5 Cabinet will note from Appendix 2 that although there are some shared views amongst councillors about their requirements, there are other issues on which councillors are either silent or there is no consensus.

- 5.6 Cabinet are asked to determine which of the following should be included:

- A Members Room (mentioned by all).
- A Cabinet Room (mentioned by Cabinet Members).
- A Leaders Room (mentioned by Cabinet Members).
- A room for each group (mentioned by one group only).
- A Council Chamber on the Bourne Hill site (mentioned by one group only).

- 5.7 Councillor car parking was also mentioned in the discussions and it is proposed that this is considered as part of the overall green travel arrangements.

6. Conservation Plan

- 6.1 Since Cabinet last met, a range of work to support the Conservation Plan has been undertaken and discussions with English Heritage have been ongoing.
- 6.2 In support of the Conservation Plan a number of draft policies have been drawn up to ensure that the significance of the site is retained in future management and use. These are attached at Appendix 3 for Cabinet approval.
- 6.3 These policies, research undertaken by Turnberry Consulting and the Exhibition will form the Conservation Plan which will shortly be submitted to English Heritage. Any comments received from English Heritage will be reported at the meeting.
- 6.4 Disappointingly English Heritage have been unwilling to start formal discussions with the architects on design until the Conservation Plan is “signed off”.
- 6.5 In addition to this, English Heritage changed their Case Officer during November and it is anticipated that this may lead to some delay in reaching agreement on the Conservation Plan. It is likely that this will impact on the design programme. This will be included in the Risk Register which will be regularly monitored by the Client Officer and Project Manager.

7. Funding Options

- 7.1 The funding strategy needs to be determined with the following core objectives in mind:

- Value for Money
- Affordability
- Deliverability
- Impact on Organisation
- Sustainability

In addition to these core objectives, flexibility in order to accommodate changing needs is desirable.

- 7.2 There are 3 main types of funding available to the council:

- A public/private partnership (including PFI)
- Using the Prudential system (with or without borrowing)
- A leasing arrangement

A table showing the potential funding options and their relative merits in comparison with the objectives is shown at Appendix 4. In addition the specific major risks applicable to each funding option are identified.

- 7.3 Whichever funding route is followed, the Council is required to achieve Best Value including the best price for its surplus assets. This principle will need to be considered as part of an Asset Disposal Strategy to be developed alongside the Funding Strategy chosen.

- 7.4 Whichever preferred funding route is identified at this stage, further work on the detail and its impact on the council's Capital Programme and revenue budgets needs to be undertaken alongside developments in the overall project.
- 7.5 The acid test of affordability of the project will need to be recalculated once the following has been finally determined:
- The overall cost of the project
 - The financing cost of capital
 - The ongoing revenue costs
 - The savings accruing from the consolidation of the offices including:
 - i. Repairs and maintenance
 - ii. Energy costs
 - iii. Staffing costs
- 7.6 Additional space requirements as a result of occupation by third parties will need to be appraised separately from the SDC requirements to ensure Best Value and proportionate risk share.

8. Recommendations:

Cabinet is requested to:

- i) Note the project execution plan.
- ii) Determine councillor requirements.
- iii) Adopt the Conservation Policies for inclusion in the Conservation Plan.
- iv) Determine which funding route should be examined in detail by officers for Cabinet consideration in February (prior to budget setting for 2005/06).
- v) Invite all councillors to an evening in January to consider the latest position on the project.

9. Implications:

Financial	: Contained within the report.
Legal	: None
Personnel	: None at this stage.
Community Safety	: The design will incorporate safe and environmentally friendly features.
Environmental	
Wards Affected	: All

10. Background Papers:

- Exhibition of the Conservation Plan for the Bourne Hill site – Turnberry Consulting.
- Business Case – Vantagepoint.
- Notes – Stanton Williams Architects.

Extract minute from the Resources Overview & Scrutiny Panel held on 8 November 2004

49. Impact on the Council's Financial Position

Councillor Brady advised the Panel that this working group had met the previous week with the Head of Financial Services and the Property Manager of Salisbury District Council. At that meeting, the matter was raised of the appearance in the South Wilts Citizen of an article which stated that the running costs of the existing offices amounted to £80/sq metre per annum whereas the new offices would reduce this figure to £20/sq metre per annum – a reduction of £60/sq metre per annum.

The explanation was that the backlog of repairs and maintenance had been included to reach the figure of £80/sq metre. The working group thought that this could be interpreted as misleading and concern was expressed at providing information to the public in this format. The only way to produce statistics such as these is to compare like with like. To add the whole backlog in to the cost per square metre per annum in to the Council's calculation and to publish this figure to produce such wildly differing figures was bound to raise questions. The whole project is a sensitive one, as the public will need to be convinced that it really is necessary for sound reasons and if this cannot be demonstrated effectively then the whole project could be jeopardised. The figure of £20/sq metre per annum for the new offices has been arrived at by taking figures from property publications as the typical costs for a modern office.

The next step for the working group is, when the layout and final designs of the proposed building are made available, to interview the quantity surveyor who will be able to give likely build cost estimates, however, we must remember that any builder will need to add on a profit margin, and at the time of letting the contract, much will depend on the construction market, as usually, the busier the market, the more expensive the contract may be.

It may also prove worthwhile to talk to the Portfolio Holder to discuss the political decisions that will need to be taken; for example, is there a cost ceiling above which the Cabinet will not approve funding.

Following on from this introduction, a discussion took place out of which the main comments were as follows:

- It is important that any figures published regarding running costs are accurate as they will be open to public scrutiny.
- There is a major perception issue by the public at stake, because, if the Council suggests that there is to be a huge reduction in building maintenance costs, they will expect to see this reflected in their Council Tax bills.
- It is probable that many of the existing properties will need to have the backlog of repairs completed to be marketable.
- It is important that this Panel, via the working group, has sight of the project plan before Cabinet makes a decision so as to be able to offer recommendations.
- The crucial time for the Resources Overview and Scrutiny Panel will be when the contract is signed with a developer.
- It is not until we actually sign the contract will the Council know what the exact cost of the project is going to be.

RESOLVED – that the Resources Overview and Scrutiny Panel recommends that, due to the sensitivity of this project and the likely public concern about costs and the effect on the Council Tax, all future articles, press releases etc relating to office centralisation cost figures should be robust and regulated/agreed at Cabinet level to prevent any further information being publicised that could be considered misleading.

Cllr's Brady,
Couper, Hooper,
McCarthy, Mills,
Moss and West



Salisbury District Council

Office Centralisation Project

Project Execution Plan

FINAL DRAFT

November 2004

Controlled Document Draft

Document prepared by	:	Peter Nicol
Signed	:	
Date	:	26 th November 2004
Checked and Verified by	:	Cliff Barnes
Signed	:	
Date	:	
For and behalf of James Nisbet & Partners		

1. Introduction
2. Brief Project Details
3. Programme
4. Management/Organisational Structure
5. Key Individuals
6. Roles and Responsibilities
7. Meetings and Communications
8. Progress Procedures
9. Reporting Procedures
10. Change & Cost Management Procedures
11. Quality Assurance/Control
12. Construction Procedures
13. Technical and Operational Commissioning Procedures

1. Generally

- 1.1 This document is the common control document and describes the organisation of and procedures to be adopted by all parties involved in the proposed new offices for the Council and 'others' at the rear of the Council House, Bourne Hill, Salisbury.
- 1.2 The document also describes the responsibilities of each party and is intended to be the guide for all operations within the Project.
- 1.3 This is intended to be a living document and the procedures set out in this document will be updated periodically by the Project Manager or when necessary and any party may request a change.
- 1.4 This document will also apply in the event that Wiltshire County Council become involved in the office project on the former swimming pool site.

2.1 Background and Proposed Scheme

- 2.1.1 The Council have recently completed a feasibility study to assess the viability of consolidating all services on one site, releasing existing accommodation for either sale or leasing to third parties.

Interest has also been expressed by the County Council for some accommodation within the existing building and the speculative office component of the scheme.

- 2.1.2 A preferred development strategy was selected after an exercise to appraise the benefits and deliverability of each of the options considered.

- 2.1.3 The preferred development strategy includes:

1. New offices to be built for the District Council at the rear of Bourne Hill.
2. Refurbishment of the existing Council House which is a Grade II* Listed Building.
3. Relocation of the Secret Garden and recycling facilities.
4. An office building for the County Council to be located on the former swimming pool site.
5. Retention of the College Street Car Park.

2 Budget

- 2.2.1 The Project Manager in conjunction with the Architect and the Council will develop an overall project budget for the scheme.

2.4 Objectives of Scheme

- 2.4.1 The Council's primary objectives for the scheme are:-

1. Improving Customer Services.
 - Facilitate the development of a One Stop Shop and Customer Contact Centre.
2. Meeting the Financial Challenge.
 - Make the best use of the Council's assets, provide cheaper more efficient buildings which are fit for purpose and will have a significant impact on long term costs.
3. Improving the capacity of the Council.
 - The co-location of staff from different services will improve the notion of "one organisation" and lead to better integration.
4. Deliverability.
 - As the site is Council owned we are not reliant on third parties.

5. Sustainability and Green Travel Plan.

- Environmental issues – reduced energy usage, enhanced recycling opportunities, minimise the amount of car journeys and travel time between office locations.

6. Economic impact.

- Continued support for local shops and businesses, surplus accommodation to be reused for employment uses and other forms of development.

7. Staffing impact.

- Seek to minimise the potentially damaging effect of change and the detrimental impact on morale and motivation of staff.

2.4.2 The following benefits will result from the above objectives:-

- Consolidate Council Services on one site.
- Refurbish the Council House.
- To provide flexible accommodation more appropriate to modern Council functions.
- Provide a comprehensive redevelopment proposal for the area.

2.4.3 It therefore follows that the Council will pay particular attention to the following:-

- Completion to the agreed management control plan.
- Completion to the agreed budget (To be determined).
- Revenue Costs.
- Compliance with the agreed standards.
- Provision for future extension and adaptation.
- Good space utilisation.
- Compatibility with the overall Estate Strategy for the Council.

3. Management Control Plan

3.1 The overall Project Programme is provided at Appendix A. The Programme indicates the following key milestone dates:-

- December 04 – Brief sign-off.
- February 05 – Budget sign-off.
- May 05 – Gateway Review – Stage C (detailed design) and sign-off.
- July 05 – Gateway Review – Stage D (planning drawings) and sign-off.
- August 05 – Submit for planning.
- October 05 – Planning consent.
- The timing of later key dates is under review.

4. Project Organisation

- 4.1 The project organisation diagram showing management and contractual links is attached at Appendix B.

5. Project Directory

5.1 A Project Directory is provided at Appendix C.

6.1 Project Ownership

6.1.1 Debbie Dixon is the designated 'Project Sponsor' for the Council.

6.1.2 The Project Sponsor will be responsible for:

- ❑ The agreement of the full business case and budget ensuring compliance with business objectives for approval by the Council.
- ❑ Ensuring development of a full brief which satisfies User requirements and clearly defines the product.
- ❑ Establishment of progress and reporting procedures.
- ❑ Approval to any changes in scope of project.
- ❑ Alerting Council to any cost escalation and recommending remedial action.
- ❑ Demonstrating Council commitment to the Project.

6.2 Client Representative

6.2.1 The Client Representative is Mr Graham Creasey.

6.2.2 The Client Representative will be responsible for managing the Council's interest in the project including liaison with external organisations involved in the project. Specifically, the Client Representative's responsibilities will include:

- ❑ Liaison with individual users.
- ❑ Management of the commissioning team.
- ❑ Production of all briefing materials and operational policies.
- ❑ Liaison with the Project Manager to ensure compliance with the project timetable and delivery of brief.
- ❑ Ensure adequate procedures are in place to monitor and control cost, time and quality.
- ❑ Ensure the Project Manager receives decisions from the Council on time.
- ❑ Regular progress reports to 'Project Sponsor'.
- ❑ Ensure change procedures are in place.

6.2 Client Representative (Cont'd)

- ❑ Maintaining project overview.

6.3 Project Manager

6.3.1 The Council has appointed Peter Nicol/Cliff Barnes of James Nisbet and Partners as Project Managers.

6.3.2 The Project Manager is responsible for the management of the project from start to completion and will manage the design team activities and monitor construction.

6.3.3 The Project Manager will endeavour to ensure that all consultants act in compliance with Council's Standing Orders.

6.3.4 The Project Manager will report formally during all Stages on a monthly basis on progress, programme, cost and the design team's performance to the Client Representative. Additionally, during the construction stages, reports will include the reference to contractor's performance.

6.3.5 The Project Manager will be responsible for:

- ❑ Ensuring adequate briefing and liaison with user groups.
- ❑ Management of design team.
- ❑ Liaison with Client Representative.
- ❑ Ensuring adequate survey information is available to the design team.
- ❑ Preparing Contract procurement strategy.
- ❑ Preparing equipment and decanting strategy.
- ❑ Project reports.
- ❑ Preparing and updating Project Execution Plan.
- ❑ Obtaining client approval to design proposals.
- ❑ Ensuring all necessary consents are sought.
- ❑ Advising Council on financial integrity of the design.
- ❑ Managing and co-ordinating procurement of building contracts.
- ❑ Co-ordination of suppliers.
- ❑ Preparing and co-ordinate consultant appointments for signature by the Employer.
- ❑ Advising the Employer on Collateral warranties

6.3 Project Manager (Cont'd)

6.3.5 (Cont'd)

- ❑ Co-ordinate contractor selection process.
- ❑ Ensuring operation of change control system.
- ❑ Establish and maintain project risk register.
- ❑ The Project Manager will report to the Project Sponsor the percentage of the work programme completed against the percentage planned to be completed on a monthly basis.

6.4 Design Team

6.4.1 The consultant Design Team (appointed individually by the Council) are as follows:

- | | |
|----------------------------|--------------------------------|
| ❑ Architect | Stanton Williams |
| ❑ Quantity Surveyor | Davis Langdon LLP (To Stage D) |
| ❑ Services Engineer | Max Fordham (To Stage D) |
| ❑ Structural Engineer | Adams Kara Taylor (To Stage D) |
| ❑ Planning Supervisor | To be appointed |
| ❑ Landscape Architect | J & L Gibbons |
| ❑ Conservation Architect | To be appointed |
| ❑ Traffic Impact Assessors | Mott Macdonald |

6.4.2 The lead consultant shall be the Architect.

6.4.3 The Structural Engineer shall be responsible for the design of car parks and below ground drainage, and hard landscaping to the Architect's requirements.

6.4.4 The Services Engineer shall be responsible for all above ground drainage, service intakes, and voice/data networks (as required).

6.4.5 The Architect will be responsible for design of rainwater disposal installations.

6.4.6 The Quantity Surveyor shall be responsible for the cost management of the building fabric and engineering services.

6.5 Clerk of Works

6.5.1 Requirement to be reviewed with appointed design team and Council.

7.1 Generally

- 7.1.1 Key meetings, their purpose and frequency together with those required to attend is set out below. Other meetings may be required in addition to those provided for on a regular basis.

7.2 User Group/Briefing/User Consultation Meetings

- 7.2.1 A number of meetings will be held with the various User groups during the design stages to define adequately the brief and operational policies.
- 7.2.2 Initial briefing meetings will be arranged by the Project Manager/Client Representative. Subsequent meetings will be arranged by the Architect (as required) who shall be responsible for compiling a schedule of accommodation, operational policies and room data sheets.
- 7.2.3 The meetings shall be attended by the Architect and User Representatives as necessary. The Project Manager is to be advised of all briefing meeting dates and will attend such meetings as is necessary.

7.3 Steering Group Meetings

- 7.3.1 The purpose of the Project team meetings will be to ensure that the work of the Project Manager and the Design Team is co-ordinated with the Council's and User's aspirations and to provide a forum for the communications of the Council's policy decisions to the Project Manager.
- 7.3.2 The meetings will also record progress against the agreed Management Control Plan and the performance of external consultants.
- 7.3.3 In addition, these meetings will also consider current issues that may affect progress and provide an opportunity for their resolution.
- 7.3.4 Steering Group members are currently:

Debbie Dixon	(Project Sponsor)
Graham Creasey	(Client Representative)
Alan Osborne	(Finance)
John Crawford	(Legal)
Alan Stanton	(Architect)
Jason Geen	(Architect)
Peter Nicol	(Project Manager)
Cliff Barnes	(Shadow Project Manager)

- 7.3.5 Meetings will be held initially at monthly intervals and accurate notes will be prepared and distributed by the Project Manager.

7.4 Project Group Meetings

- 7.4.1 The meetings will be held monthly or at other shorter periods depending on progress and need.
- 7.4.2 The meetings will be chaired by the Project Manager and accurate notes will be made and distributed by him. When requested a senior individual (with authority to make decisions) from each design discipline will be expected to attend each meeting.
- 7.4.3 The purpose of the Project Group meetings is to:
- ❑ Provide a forum for relaying Council policy decisions to the design team.
 - ❑ Record formally the progress of design/production information.
 - ❑ Discuss cost information.
 - ❑ Review critical design issues.
 - ❑ Review progress against programme.
 - ❑ Agree actions required for each discipline.
 - ❑ Ensure co-ordination of effort and design.
 - ❑ Manage risks.
- 7.4.4 The meetings are not intended to negate the requirement for the design team to hold further meetings to discuss the detail of the design and satisfy co-ordination requirements.
- 7.4.5 Project Group members are
- Graham Creasey (Client Representative)
Alan Stanton (Architect)
Jason Geen (Architect)
Peter Nicol (Project Manager)
Design team members as requested

7.5 Design Team Meetings

- 7.5.1 Design Team meetings will be held when deemed necessary by the Architect to review design and co-ordination of the design. It will also provide a forum for the dissemination of decisions from either the Project or Steering Groups.
- 7.5.2 Accurate notes of the meeting will be prepared and distributed by the Architect.

7.6 Site Meetings

- 7.6.1 Site Meetings will be held monthly during the construction stages at which the Main Contractor's person in charge and a senior individual from each design discipline will be present.

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- 7.6.2 Accurate notes of the meeting will be prepared and distributed by the Contract Administrator.

7.7 Correspondence

- 7.7.1 Copies of all correspondence between the Design Team shall be sent simultaneously to James Nisbet & Partners. Correspondence from James Nisbet & Partners to any party shall be copied to the Client Representative and, where appropriate, to the Architect and if concerning cost or programme, also to the Quantity Surveyor.

7.8 Communication Routes

- 7.8.1 The principal communication routes are shown on the attached sheet.

8.1 Design

- 8.1.1 The Project Manager shall monitor the progress of the design. Progress of the design shall be noted at each of the Project Manager's meetings and reported to the Project Sponsor.

8.2 Construction

- 8.2.1 The Contractor shall prepare a Contract Programme prior to entering into a contract which shall be agreed with the Architect and Project Manager. The programme shall be in bar chart format and be in sufficient detail to allow the progress of the works to be adequately monitored.
- 8.2.2 The Contractor shall prepare written monthly progress reports which shall be issued to the Design Team and Project Manager at least three days prior to each monthly site meeting.
- 8.2.3 The Contractor's report shall identify the percentage of work actually completed against the % of work planned to be completed for each item in the Contract Programme.
- 8.2.4 The Architect's and Contractor's view of progress, if differing, shall be made in the notes of the meeting prepared by the Architect and reported to the Project Sponsor.

8.3 Expenditure

- 8.3.1 The Project Manager shall monitor the expenditure of the Works contract.
- 8.3.2 The Quantity Surveyor shall prepare at the time of each valuation a record of planned expenditure against anticipated expenditure. The information shall be presented using an 's' curve chart.
- 8.3.3 The Quantity Surveyor shall from time to time also provide an updated expenditure forecast to the Project Manager. This shall be included in the Project Manager's report to the Project Sponsor.

9.1 Financial

- 9.1.1 Financial reporting by the Quantity Surveyor is covered under Section 10 – Change and Cost Management Procedures.

9.2 Tender Evaluation

- 9.2.1 In conjunction with the Design Team the Quantity Surveyor shall be responsible for the preparation of a tender evaluation report and shall provide a clear recommendation for acceptance of a tender.

9.3 Design Team Reports

- 9.3.1 Each member of the Design Team shall present a verbal report if present or short written report if excused attendance on their own activity in the reporting period with the details of any outstanding information required and proposed actions at each of the Project Group meetings.

9.4 Project Manager Reports

- 9.4.1 The Project Manager shall provide the Project Sponsor with a report at the end of each of the pre contract Project Group meetings supported, where appropriate, by written information and copies of supplementary reports.
- 9.4.2 The reports shall detail progress against time and cost and any current qualitative issues including the performance of the Design Team. The reports shall also deal with decisions or information required and proposed actions.
- 9.4.3 During the post contract stage the Project Manager shall provide a report subsequent to each monthly site meeting with the Contractor which shall detail.

All reports will cover the following key issues as appropriate at the time:

- ☐ Programme
- ☐ Current and critical issues
- ☐ Financial position
- ☐ Equipment
- ☐ Health and Safety
- ☐ Commissioning
- ☐ Need for appointment of other consultants/contractors

10.1 Base Information

- 10.1.1 A project budget will be developed for the total cost of the proposed works. This will form the basis for all construction cost financial reporting until such other sum is approved and advised by the Project Manager.
- 10.1.2 The design brief for the project will be set out in the following documents:
- ❑ Operational Policies
 - ❑ Room Data Sheets
 - ❑ Schedules of Accommodation
- 10.1.3 The design prepared by the Design Team upon which the construction contract shall be let will form the basis of the Contractor's appointment.

10.2 Change (once a Project Budget has been established)

- 10.2.1 Divergence from the design brief or tendered design identified above, or the increase or decrease in monies required to fund the construction of the works shall constitute a change to the project. A change to the project may occur either pre contract (ie. before tenders for construction are sought) or post contract (i.e. after the appointment of the Contractor).
- 10.2.2 All changes to the project required by the Users or any officer of the Council shall be confirmed by the Project Sponsor in writing to the Project Manager. The Project Manager shall in turn communicate changes to the project to the Quantity Surveyor and the Architect who, if occurring post contract, shall ensure the Contractor is properly instructed.
- 10.2.3 All changes to the project initiated by the Design Team shall be ratified by the Project Sponsor. Where such change would otherwise generate an increase in cost, the Design Team shall seek compensating savings, which shall not reduce the functionality or acceptable level of specification of the building.
- 10.2.4 A formal register of all changes to the project shall be maintained by the Project Manager who shall record:
- ❑ Nature of the change to the project
 - ❑ Change instigator
 - ❑ Date of notification of change to the Design Team or Contractor
 - ❑ Change in the Works Cost budget noting whether a transfer of monies within the overall project budget or the provision of additional monies from outside the project budget is to be made.
 - ❑ Effect on programme
 - ❑ Likely financial effect on estimated construction cost or projected final account.

10.2 Change (Cont'd)

- 10.2.5 The Project Manager's register of changes to the project shall be reported monthly to the Project Sponsor.
- 10.2.6 During the construction phase of the project, a change to the design forming the basis of the contract sum may be initiated by:
- ❑ The Client
 - ❑ The Design Team
 - ❑ The resolution of a site problem
- 10.2.7 Historically, it is during this stage of the project that costs have escalated and changes will, therefore, be carefully monitored and controlled. The following procedures are designed to be more restrictive as construction costs increase, but at the same time, allowing the Design Team members the flexibility and authority to proceed with the project efficiently.
- 10.2.8 The cost of Client, Design Team and non-urgent site problem changes shall be estimated by the Quantity Surveyor and approved by the Project Manager prior to issue of a formal instruction.
- 10.2.9 The estimate by the Quantity Surveyor shall identify the estimated increase or decrease in construction costs and the cost and duration of any potential/likely delay that may result.
- 10.2.10 Approval to changes initiated by Design Team and non-urgent site problems which will incur additional cost shall only be given if the Design Team demonstrate that compensating savings (as noted earlier) are not available.
- 10.2.11 Where an individual change initiated by the Design Team or non-urgent site problem generates an increase in the estimated final cost by more than £TBA, the Project Manager shall seek the written approval of the Project Sponsor prior to issue of an instruction to the Contractor. Where the net aggregate effect of a Design Team or non-urgent site problem instruction would lead to the agreed contract contingency sum being exceeded, the Project Sponsor's written approval shall also be obtained.
- 10.2.12 Changes initiated by urgent site problems (ie. those that will cause a delay if not dealt with promptly) shall be instructed immediately in accordance with the terms of the building contract and the Project Manager advised.
- 10.2.13 All instructions to the Contractor shall be made or confirmed in writing by the Architect. No other member of the Design Team, nor the Client or Project Manager is empowered to issue instructions to the Contractor.

10.3 Pre Contract Cost Management Procedures

- 10.3.1 Up on receipt of the brief and confirmation of the accommodation required, the Quantity Surveyor shall verify the adequacy of the Construction Works budget through the preparation of a notional cost plan. The notional cost plan shall identify the affordable target area of accommodation in the event that the Construction Works budget is anticipated as being insufficient to accommodate the Client's requirements.

10.3 Pre Contract Cost Management Procedures (Cont'd)

- 10.3.2 Upon completion of the outline design the Quantity Surveyor shall prepare a cost plan for the works, taking into account the proposed form of the building, surveys undertaken, outline specification of materials, and the Client's room data sheets. The cost plan shall be prepared in an elemental format in consultation with the Design Team. Before issue to the Project Manager for presentation to the Client the Design Team shall confirm their agreement to the Cost Plan and to working within the financial constraints imposed upon each element of the works.
- 10.3.3 At the end of sketch design the Quantity Surveyor shall, after consultation with the Design Team, confirm the robustness of the cost plan and subsequently undertake, at least two formal cost checks as the detailed design develops and all necessary comparative studies to aid the selection by the Design Team of materials and components.
- 10.3.4 The pre contract financial reports prepared by the Quantity Surveyor shall:
- ❑ Reconcile the estimated construction cost with the agreed Construction Works budget.
 - ❑ Identify the estimated cost of changes to the project and reconcile these with the change in the Construction Works budget.
 - ❑ Suggest, in instances where the estimated cost budget exceeds budget provision, remedial actions to restore budget compliance.
- 10.3.5 All reports shall identify the separate components of the scheme.
- 10.3.6 The Design team will participate in Value Engineering workshops as may be deemed necessary and contribute to Risk Workshops.

10.4 Post Contract Cost Management Procedures

- 10.4.1 The Quantity Surveyor shall prepare monthly financial statements of the estimated final commitment under the construction contract. The financial statement shall be circulated in draft form to the Design Team and Project Manager for comment before formal issue to the Project Manager for presentation to the Client. All reports shall separately identify the individual components of the scheme.
- 10.4.2 The financial statement shall:
- ❑ State the contract sum and contingency component thereof
 - ❑ Estimate the financial effect of instructed variations in the reported period
 - ❑ Estimate the financial effect of anticipated instructions
 - ❑ Estimate the cost of claims submitted by the Contractor or likely to be submitted by the Contractor.
 - ❑ Classify variations into changes initiated by the Design Team, Client, expenditure of provisional sums, approximate quantities, external factors outside the control of any party, ground conditions and other factors.

10.4 Post Contract Cost Management Procedures (Cont'd)

- ❑ Reconcile the estimated final commitment against the contract sum and, if different, the Works Cost budget.
- 10.4.3 In the event that the Contractor notifies the Architect of any event which he claims has caused him delay and/or disruption, the Architect shall copy the notification to the Design Team and Project Manager. The Architect will respond to the notice.
- 10.4.4 The Architect will investigate the event, consult with the other members of the Design Team, obtain an estimate of the cost implications from the Quantity Surveyor, and provide a report and recommendation to the Project Sponsor within 14 days.
- 10.4.5 After consideration the Architect will prepare a response and issue it to the Contractor.
- 10.4.6 Only the Architect is authorised to make a formal award of extension of time to the Contractor.
- 10.4.7 The Quantity Surveyor shall prepare monthly valuations of work executed and materials on site in accordance with the provisions of the building contract.
- 10.4.8 The Contractor shall be required to disclose to the Quantity Surveyor at the time of each valuation which materials are free from, and which subject to, any reservation of title clause inconsistent with the main contract provisions, together with their respective values.
- 10.4.9 Unless notified to the contrary, the Quantity Surveyor will act on the assumption that materials and workmanship are in compliance with the specification.
- 10.4.10 The Design Team shall inspect the works prior to the Quantity Surveyor's valuation and will notify the Quantity Surveyor of any work not in compliance with the specification. The notification must be in sufficient detail to enable the Quantity Surveyor to calculate the value of the offending part.
- 10.4.11 The Quantity Surveyor must withhold from the valuation a sufficient sum to cover the cost of reinstatement or remedial works and must continue to withhold such sum until it is confirmed that the work is in compliance with the specification.
- 10.4.12 The Quantity Surveyor will recommend to the Architect the amounts ascertained as due to be stated in the interim certificate.
- 10.4.13 Upon receipt of the interim certificate the Contractor shall provide a written statement to the Client showing the value of zero and standard rated works for Value Added Tax purposes.
- 10.4.14 The Quantity Surveyor shall advise the Architect and Project Manager of the clients entitlement to Liquidated and Ascertained Damages.

11.1 Quality Assurance

The Architect as Lead Consultant shall manage the elements of time, quality and cost at each stage of the project.

11.2 Sample panels and rooms

The Architect shall agree with the Design Team a list of samples and materials to be provided by the Contractor free of charge prior to incorporation into the Works.

The Design Team shall give consideration to the completion of finishes and services in a specified room or area for inspection prior to commencement of the trades in other areas.

11.3 Specification

The Specification prepared for the Contract by the Design Team shall fully decide the quality of materials and workmanship required.

11.4 Inspection

The Architect, Structural Engineer and Services Engineer shall inspect the Works weekly or at such other time as is agreed as being appropriate.

11.5 Snagging Items

The Contractor shall be required to snag the Works and satisfy himself that they are complete and to the standard specified prior to being offered to the Architect for inspection prior to handover.

The Architect shall be responsible for preparing a final list of snags.

The Contractor shall be required to complete all snagging items prior to Practical Completion of the Works.

11.6 Acceptance Testing and Commissioning

All testing shall be undertaken and witnessed. Acceptance testing shall not commence until the Architect has confirmed in writing that the building(s) has reached an appropriate level of completion.

The Contractor shall make results of all tests and measurements and a copy provides to the Services Engineer as condition precedent to the issues of a Practical Completion Certificate.

11.7 Operating and Maintenance Manuals

The Contractor shall prepare the requisite number of copies of the Health and Safety file and Operating and Maintenance Manuals required by the CDM regulations and to meet the requirements of the Council, together with all necessary training as a condition precedent to the issue of a Practical Completion Certificate.

11.8 Rectifying of Defects

The Employer will advise the Contractor via the Architect of all defects reported within the Defects Liability Period.

Unless the Employer specifically states in writing that the repair can wait until the end of the Defects liability Period, the Contractor shall be required to inspect and carry out repairs in accordance with the following priority timescales: -

- Priority 1- Emergency Works
To be completed within 24 hours
- Priority 2- Essential Works
To be completed within 7 days
- Priority 3- General Repairs
To be completed within 4 weeks

12.1 Clerk of Works

To be completed if a Clerk of Works is appointed.

12.2 Comment on Drawings

- 12.2.1 Where and to the limited extent that the Contractor is required to produce working or shop drawings, these shall be provided for comment at least 14 days prior to the work being put in hand.

12.3 Design

- 12.3.1 Each consultant will be responsible for all elements of their respective discipline. The use of contractor design is discouraged and will NOT be allowed without the express written agreement of the Project Manager.
- 12.3.2 The Architect will be responsible for the provision of one as built co-ordinated fully layered CAD drawing (Autocad v.14 format). Each consultant shall provide its respective design to the Architect for this purpose within one month of the issue of the Certificate of Practical Completion.

12.4 Nuisance

- 12.4.1 The Contractor will be required to ensure that noise and general nuisance to adjacent property owners is kept to an absolute minimum.

12.5 Building Control

- 12.5.1 The Contractor will be required to liaise with Building Control and ensure that timely inspections are requested.

12.6 Instructions

- 12.6.1 The Architect alone shall have the power to issue instructions in accordance with the change and cost management procedures set out in Section 10.
- 12.6.2 The structural and services engineers may draft instructions for the Architect to issue and these shall be provided in good time.
- 12.6.3 All instructions to the Contractor shall be made in writing. Where verbal instructions are made to cover urgent site problems they shall be confirmed in writing within seven days.

12.7 Request for Information

- 12.7.1 The Contractor may from time to time make requests for information and shall state with his request the full extent of information required including the final date for receipt.

12.8 Planning Conditions

- 12.8.1 The Contractor will be required to comply with any planning conditions that govern the possession and use of the site. These requirements shall be stated in the preliminaries section of the Tender Documents.

12.9 Archaeological Investigations

- 12.9.1 It may be necessary for an archaeologist to periodically inspect the works and the Contractor shall cooperate and ensure that access to the works is provided as required.

12.10 Temporary Accommodation

- 12.10.1 The Contractor shall provide all site accommodation for the purpose of holding site meetings. In addition, accommodation for consultants and a Clerk of Works (if appointed) shall also be made available.

12.11 Health and Safety

- 12.11.1 The Contractor is responsible for all health and safety issues on the site.
- 12.11.2 All risk assessments and method statements shall be provided by the Contractor in good time.

13.1 Commissioning Strategy

- 13.1.1 A document detailing the Council's commissioning strategy will be prepared in conjunction with relevant personnel within the Council.

13.2 Equipping

- 13.2.1 A document detailing the Council's equipment strategy will be prepared in conjunction with relevant personnel within the Council.

Appendix A

Management Control Plan

To be circulated at a later date

Appendix B

Project Organisation Diagram

Appendix C
Project Directory

Summary of Space Requirements

Transcript of notes taken at a meeting dated 2nd October 2003 with:

Cllr John Collier
Cllr Jose Green
Cllr Sheila Warrander
Jo King
Steve Gale

Purpose, to discuss likely requirements for councillors in new accommodation.

1. A Cabinet room would be required that could seat up to about 20 people for briefings and presentations. This facility should be available for general use, but easily accessible by members.
2. Facilities should be provided for members to use while on the site, and while waiting between meetings. As far as possible these should be usable by others in the building. They should offer:
 - 3 or 4 desks with PCs for e-mail and other tasks. (All documentation will be available electronically by Jan 2004).
 - Reading space with journals and newspapers.
 - Space for group meetings for 4 to 6 people (non-bookable).
 - Storage for reference documents (allocated drawers or filing for 14 users).
 - Proximity to Senior Management Team.
 - Space to make and receive calls in private.
 - Photocopiers (Canon will provide facilities next financial year).
 - Somewhere to store coats and bags securely.
 - Toilets nearby.
3. Space is needed for a Chairman to carry out various duties, demand on this would vary according to the personal working methods of each Chairman, these should ideally be located close to members, Cabinet, Mayor and support staff. The likely duties could include:
 - Occasional or regular administrative (desk-bound) activities.
 - Meeting and greeting visitors to the City by Mayor and Chairman (could this be the Guildhall Jury Rm?)
4. It would be good to be able to have lunch on site in comfortable surroundings.
5. City Hall's use for meetings of full council, Cabinet, regulatory groups and training sessions was seen as (more than) adequate for the time being, no demand was recorded for a new Council Chamber. City Hall acoustics were criticised, and a request noted for their testing and improvement if possible. Also members of public can attend (parking is good).
6. Finally, two general comments:
 - First impressions for visitors are important.
 - Ensure transitional arrangements secure continuity of business.

Summary of Councillor Requirements Expressed in October 2004

Type of Accommodation	Cllr West & Cllr Chettleborough	Cllr Hooper	Cllr Wren	Cllr Warrander & Cllr Culver
Council Chamber	On Bourne Hill site	On Bourne Hill site or Oak Court	Not on Bourne Hill site	Not on Bourne Hill site
Members Rm	Make Chamber capable of sub-division and use part as Members Rm	√	-	√
Cabinet Rm	-	-	-	√
Leaders Rm	-	-	-	√
Separate Group	Desirable	-	-	

Rm				
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6.0 CONSERVATION POLICIES

6.1 In this section, a series of conservation policies are set out that seek to build upon the information and interpretation set out so far in this Plan, and also ensure that any scheme for change will preserve, maintain or enhance the heritage value of the Council House site. It should be noted that these policy recommendations will need to be monitored and, if necessary, re-assessed over time.

6.2 As with much of our analysis and interpretation contained in this Plan, we have sought to prepare a series of policies which are both logical and easy to understand and apply, yet are effective in achieving the overall aspirations of the Plan.

6.3 With this in mind, we have grouped the policies into a series of generic headings which accord with our analysis of the key issues. These are as set out below:

1. Overall conservation philosophy towards site
2. Repair and maintenance of historic buildings and structures
3. Care and management of the grounds
4. Archaeology
5. Guidelines for alterations to listed buildings
6. Guidelines for extensions and new development
7. Guidelines for the use of the Council House
8. Interpretation of the history of the site
9. Accessibility of the site and buildings (including parking)

6.4 Overall Conservation Philosophy towards Site

6.5 **Policy 1** – As owner of the Council House and its adjoining land the Council will adopt an approach whereby it seeks to conserve the historic character of the site, recognising the importance and value of different phases of its history, whilst not discouraging change which benefits the long-term sustainability of the site and avoids compromising or eroding its significance or essential qualities. Ensure that this policy allows for change, rather than frustrating alterations that may stagnate the buildings and grounds as they are today.

6.6 **Policy 2** – Identify and take advantage of opportunities to remove inappropriate buildings and structures which have a negative impact on the character of the site such as the print works, swimming pool and prefabricated buildings.

6.7 Repair and Maintenance of Historic Buildings and Structures

6.8 **Policy 3** – Target a philosophy of repair of the Council House and other significant listed and historic structures across the site which accords with best conservation practice, minimises the extent of intervention necessary and as such, maximises the retention of the historic fabric. Wherever

possible, seek the use of traditional methods and materials for repair of the significant historic fabric.

6.9 **Care and Management of the Grounds**

6.10 **Policy 4** – Ensure that any scheme for change retains, preserves and enhances the gardens and parklands setting which is laid out to the east of the Council House building. Regard should also be had to the historic design and layout of the gardens and grounds, and role these play in the significance of the site overall.

6.11 **Policy 5** – Seek to develop a site-wide strategy for tree preservation and new planting in line with expert arboricultural advice contained in the 2004 report, and any subsequent and more detailed analysis which may be obtained.

6.12 **Archaeology**

6.13 **Policy 6** – Ensure that the archaeological resource of the site is safeguarded to inform any future understanding of the site. Seek to capitalise on any opportunity to evaluate and access the archaeology whenever the opportunity arises.

6.14 **Policy 7** – Follow the guidance contained in PPG16 in relation to any archaeology that may be uncovered through the implementation of any proposals for change.

6.15 **Policy 8** – Ensure that any new development which may take place on the site seeks to avoid or minimise any damage to buried or standing archaeological remains.

6.16 **Guidelines for Alterations to Listed Buildings**

6.17 **Policy 9** – Proposals to alter the Council House or other historic structures on the site should respect the buildings' historic fabric and features of special interest whilst still being distinguishable from them. Speculative reconstruction of lost features should not be attempted and any proposals for alterations should be supported by a statement of justification.

6.18 **Policy 10** – Seek to remove or reverse any changes which have been made to the Council House main building which are considered to be unsympathetic or degrading of the heritage value of the asset. In particular, seek the removal of any specific additions to the internal fabric fixtures and fittings of the building which detract from its heritage value. Examples include the modern shelving and cupboards included in some of the ground and first floor rooms of the main house, as well as inappropriate lighting, etc.

6.19 **Policy 11** – Protect any fixtures and fittings currently housed within the Council House building which are regarded as fundamental to the heritage value of the asset.

- 6.20 **Policy 12** – Seek the guidance of a specialist team including historic buildings and conservation architect to assist in any internal and external changes and repairs that are proposed. To this end, ensure appropriate photographic and non-invasive investigation of fabric of the building to scope fully the requirement for repair and restoration.
- 6.21 **Policy 13** – Works of alteration to the listed buildings at the Council House site should be undertaken using a standard of design, materials and craftsmanship that is appropriate to a grade II* listed building.
- 6.22 **Guidelines for Extensions and New Development**
- 6.23 **Policy 14** – Extensions to the listed building should not destroy its features of historic or architectural significance.
- 6.24 **Policy 15** – Proposals for new build should be demonstrated to have been subject to an analysis of the site which assesses the visual, historical and archaeological impact of potential locations within it.
- 6.25 **Policy 16** – Any new structure which is adjacent or linked to the listed Council House should respect the setting and character of this building, and not dominate other historic structures on the site, in terms of its bulk, massing, scale or location.
- 6.26 **Policy 17** – New development should demonstrate a sensitive handling of scale, materials and detail whilst being recognisably of its period. Where new development is proposed to replace structures which are of negative or neutral value to the site it should either preserve or enhance the quality of the architecture.
- 6.27 **Policy 18** – Any new structure should not have a harmful impact on the setting of and views to the grade II* listed St Edmund's Church.
- 6.28 **Policy 19** – The wider setting of the Council House within its important open space should be addressed as part of any scheme for change.
- 6.29 **Guidelines for the Use of the Council House**
- 6.30 **Policy 20** – Seek to identify a sensible and sustainable use for the building which will ensure the ongoing maintenance, management and enhancement of the building over the long term. An office based use could be appropriate so long as it is sensitively designed and planned.
- 6.31 **Policy 21** – In the management and selection of the existing and possible future uses for the Council House building and site, identify and develop any opportunities to provide wider accessibility to the site for the local community and public in general.

6.32 **Interpretation of the History of the Site**

- 6.33 **Policy 22** – Consider ways in which the rich and varied history of the site could be made available to the wider public. In particular, this could involve the publication in some form of findings from the various archaeological and architectural investigations that will be produced over time.

6.34 **Accessibility of the Site and Building**

- 6.35 **Policy 23** – undertake a full access audit of the Council House to identify a strategy for enhanced accessibility for all. Any recommendations that emerge should take account of the historic significance of the site and produce solutions which balance the importance of this significance set against any regulatory requirements.
- 6.36 **Policy 24** – Put in place a system of management and control of car parking, in particular to the forecourt to the front of the Council House building so as to limit any impact on the listed building and its setting.

POTENTIAL FUNDING OPTIONS

Option	Funding Method	Affordability & Value for Money	Deliverability	Impact on Organisation/ Staff/Members	Sustainability	Flexibility	Specific Major Risks Summary
1.	PPP (PFI)	<ul style="list-style-type: none"> Potential for better procurement. Disposal Strategy could be appended to procurement. Some risk transfer. 	<ul style="list-style-type: none"> Unlikely to get ODPM sponsorship due to size and scope. Long lead in time. 	<ul style="list-style-type: none"> Some operations staff would transfer to contractor to achieve risk transfer. 	<ul style="list-style-type: none"> Early PFI contracts only now coming to an end. Some PFI contractors have experienced financial difficulties. 	<ul style="list-style-type: none"> Assets not in ownership of council. Less influence over operations. 	<ul style="list-style-type: none"> Deliverability Impact on staff.
2.	PPP (without PFI)	<ul style="list-style-type: none"> Potential for better procurement. Rate of return to private sector may be prohibitive. Set up costs. 	<ul style="list-style-type: none"> Lead in time (6-12 months greater than Prudential System or leasing options). Not dependant on ODPM sponsorship. 	<ul style="list-style-type: none"> As option 1. 	<ul style="list-style-type: none"> As option 1. 	<ul style="list-style-type: none"> As option 1. 	<ul style="list-style-type: none"> Finding a partner. Lead-in time. Impact on staff. Set up costs.
3.	Prudential System without external borrowing	<ul style="list-style-type: none"> Potential for poorer procurement performance. Cost of capital approximately base rate. Embedded in Treasury Management Strategy. 	<ul style="list-style-type: none"> Council sets its own Prudential limits and operational boundaries. 	<ul style="list-style-type: none"> Less impact on staff. Operational matters to be determined by council. 	<ul style="list-style-type: none"> Dependant on good procurement. 	<ul style="list-style-type: none"> Council controls detailed design if it wishes to. Capital payments flexible with cash flows. 	<ul style="list-style-type: none"> Procurement knowledge/ skills. Project "creep". Interest rate exposure.
4.	Prudential System with external borrowing	<ul style="list-style-type: none"> As option 3. Borrowing usually at fixed rates. 	<ul style="list-style-type: none"> As option 3 subject to application to PWLB/Lenders. 	<ul style="list-style-type: none"> As option 3. 	<ul style="list-style-type: none"> As option 3. 	<ul style="list-style-type: none"> Council may be tied into capital repayments. 	<ul style="list-style-type: none"> Obtaining PWLB quota. Inflexible capital repayments.
5.	Leasing	<ul style="list-style-type: none"> Typically cost of capital at a premium rate. 	<ul style="list-style-type: none"> Available (at a price). 	<ul style="list-style-type: none"> Some decision making process taken away. 	<ul style="list-style-type: none"> Depends on Landlord/ Tenants relationship. 	<ul style="list-style-type: none"> Asset not in ownership of council. Tenant responsibility. 	<ul style="list-style-type: none"> Achieving "Best Value". Flexibility. Capitalisation.