

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	23 JANUARY 2017	4
ACCOMMODATION PROJECT - PHASE 7 WORKS			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The report presents information on the remaining work with phase 7 of the Town Hall/Chaseley refurbishment proposals and the outcome of a detailed costing exercise based on phase 7 (b) of the scheme now proposed, using rates sought from the contractor appointed to undertake previous phases. The report seeks the approval of Members to deliver phase 7 (b) works to be met from the council's agreed capital programme for 2016/17 and request approval to the letting of a contract to undertake the works.

The report also provides an update on progress with phases 6 and 7(a) of the Accommodation Project.

RECOMMENDATIONS

The Finance and Democracy Committee is requested to:

1. Approve the commencement of the proposed works in relation to the Accommodation Project in the sum of £211,702 for Phase 7 (b), including design and supervision fees.
2. To approve the letting of the contract for the proposed works to F Parkinson Ltd Blackpool in the sum of £196,000.

SUMMARY OF PREVIOUS DECISIONS (most recent only)

Council on 17th October 2016 resolved to:

1. Approve monies from the following earmarked revenue reserves be transferred into the Accommodation Project Reserve to fund the works, with the balance of £151k to be met from General Fund Reserves in 2016/17;
 - a. The Land Charges New Burdens: £28k
 - b. The Vehicle Maintenance Reserve: £127k
 - c. The Vehicle Replacement Financing Reserve: £212k; and
2. Note that subject to 1 (above), the financing of the remaining phases of the Accommodation Scheme (currently shown within the approved Capital Programme by way of a capital receipt arising from the sale of the former public offices site) will be amended to show the increase in total project

cost of £194k and the financing by way of the use of revenue reserves in the total sum of £518k as detailed in 1 (above).

Finance and Democracy Committee on 26th September 2017 resolved to:

1. Approve the proposed works in relation to the Accommodation Project in the sum of £518k (that being £363k for Phase 6 (Option 2b) and £155k for part of Phase 7) and recommend to Council that monies from the following ear-marked revenue reserves be transferred into the Accommodation Project Reserve to fund the works, with the balance of £151k to be met from General Fund Reserves in 2016/17:

- The Land Charges New Burdens: £28k;
- The Vehicle Maintenance Reserve: £127k;
- The Vehicle Replacement Financing Reserve: £212k;

2. Approve a funded budget increase to the capital scheme for the Accommodation Project, currently within the approved Capital Programme for delivery in 2016/17, in the total sum of £194k (£67k for phase 6 of the scheme and £127k for phase 7 of the scheme) such that the revised total costs are £363k for phase 6 of the project and £475k for phase 7;

3. Note that, subject to approval by Council, the financing of the remaining phases of the Accommodation Scheme (currently shown within the approved Capital Programme as being by way of a capital receipt arising from the sale of the former public offices site) will be amended to show the increase in total project cost of £194k and the financing by the use of revenue reserves in the total sum of £518k as detailed in 1 (above);

4. Note that the remaining works relating to phase 7 of the Accommodation Project (in the sum of £310k) will see the entire Accommodation Project finally completed other than for any external landscaping works to the grounds; and

5. Subject to the approval by Council of the transfer of reserves set out in recommendation 1 above, approve the letting of the main contract for the proposed works to F Parkinson Ltd Blackpool in the sum of £444,584, whilst noting that the cost of Phase 6 (option 2b) and phase 7 (1st floor) (including fees/surveys/furniture) is estimated to be £518,150 in total.

Finance and Democracy Committee on 22nd February 2016 resolved:

To approve the proposed works and approve letting of the main contract for Phases 4 and 5 to F Parkinson Ltd Blackpool in the sum of £725,854 whilst noting that the total cost of Phases 4 and 5 (including fees and surveys) was estimated to be £783,922 with the works being funded from the approved 2016/17 capital programme scheme of £784,000 for Accommodation Project – Phase 4 – Chaseley Link Bridge and Phase 5 – One Stop Shop.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. The Council has previously agreed the refurbishment of office/civic accommodation on the Town Hall/Chaseley site consisting of 8 phases of work. Progress with each of the phases is shown in table 1.

Table 1 – Town Hall accommodation project phases

Phase	Elements of work	Comments
1	Roof replacement	Completed March 2014
2	Window replacement and structural repairs	Completed July 2014
3	East Wing including lift, new protected stairway and office extension	Completed March 2016
4	Chaseley link bridge and protected stairway	Completed October 2016
5	One Stop Shop & tourist information centre	Completed November 2016
6	Council chamber, lobby and basement	Underway, due for completion March 2017
7(a)	1 st floor of the Town Hall - internal refurbishment/redecoration/services upgrade including heating and lighting	Underway, due for completion March 2017
7(b)	2 nd floor of the Town Hall - internal refurbishment/redecoration/services upgrade including heating and lighting	Subject of this report
7(c)	Replacement of boilers	To be reported to committee in March 2017
8	Car park, external works and landscaping	To be undertaken 2017/18 using existing capital/ revenue resources

2. The contract for Phase 6 and 7(a) started on 12th December 2016 and is estimated to be completed by March 2017. The contractor Parkinson's have progressed the scheme satisfactorily to date and the quality of the work is high. The procurement approach has been covered in previous reports and has allowed continuity of work and proves to be beneficial in progressing with the project in cost, programme and quality.
3. Phase 6 includes for providing a council chamber by extending the former council chamber into room 103 & create a lobby entrance using most of the corridor leading to the former chamber. This creates a space of approximately 118.5m². This scheme was appended to the previous report and referred to as option 2B.

4. There is an allowance within the scheme for furniture in the new chamber and officers are researching options for the type and style of furniture which will be considered by the Accommodation Working Group in due course.
5. The last report estimated the cost of the remaining works in phase 7 to be £320k and this amount has been set aside within the capital programme to complete the works. This includes the refurbishment of the 2nd floor of the Town Hall including replacement of boilers and fire alarm.
6. It is proposed to undertake the remaining works in phase 7 in two sub- phases.
 - Phase 7 (b), internal refurbishment/redecoration/services upgrade including heating and lighting works to the 2nd floor of the Town Hall, to be undertaken immediately following phase 7 (a) (works to the 1st floor). It is estimated that this will take 14 weeks
 - Phase 7 (c), works to replace the boilers, which are located in the basement of the Chaseley Building is technically a separate task to that involved with the refurbishment of phases 7 (a) and (b). It does not require the main contractor compound and support facilities. It is proposed therefore to undertake the replacement of the boilers during the summer months (June/July 2017).
7. At present the costs of undertaking phase 7 (b) have been calculated and are detailed in the table below.

Table 2 – Cost breakdown phase 7 (b)

Element	Phase 7 (b)
Second floor works	£74,479.93
Mechanical & electrical installations and BWIC	£59,303.98
Preliminaries	£52,902.09
Sub-total	<u>£186,686.00</u>
Contingencies 5%	£9,334.30
Sub-total	<u>£196,020.30</u>
Design & supervision fees 8%	£15,681.62
Totals	<u>£211,701.92</u>

8. The details of the remaining phase 7 (c) works to replace the boilers, is currently being finalised and will be reported to committee in March for approval with the work to be undertaken during the summer months.
9. Phase 7 (b) will be financed from the 2016/17 approved capital programme budget 'Accommodation Project - Phase 7 - Internal Refurb / Services'.
10. As part of approving the spend on any capital project the report in accordance with the Financial Procedure Rules needs to address a number of detailed issues which are set out below:
11. The objectives, outputs and outcomes of the project are to provide a fully accessible building and provide fire safety measures to comply with legislation. To address mechanical and electrical issues. Also to maximise use of the building so as to bring staff across from the Public Offices to allow the sale of that site.

12. In specifying this scheme Officers have surveyed the condition of the building and structural features and considered different solutions available. A summary of the specification is set out in the table below.

Table 3 – Specification summary

<p><u>Specification summary</u></p> <p><u>Phase 7 (b) 2nd floor</u></p> <p>Remodelling and refurbishment of the second floor offices and ancillary rooms of Town Hall, including minor demolition, alteration work and associated service installations, swipe access system and IT.</p>

13. The Town Hall is an asset currently managed and maintained by the Council and so there would not be any additional ongoing revenue costs involved.
14. A risk assessment is attached to the report at **appendix 1** which identifies those matters which require attention and mitigation.
15. It is planned (as with previous phases) that the works will be undertaken whilst the Town Hall remains in use so as to reduce costs although there will be the need to vacate specific rooms/offices as the works progress. Whilst the Public Offices remains available this will be used for decanting purposes. It must therefore be accepted that there will be some inconvenience and disruption. Mitigation of these issues is set out on the attached risk assessment.
16. Relevant drawings and documents will be supplied to the contractor which forms part of the contract to be awarded.
17. It is proposed that a report will be presented to the March meeting of committee to seek approval of phase 7 (c). Phase 8 Car park, external works and landscaping will be undertaken using in house capacity and existing capital and revenue resources and would be commenced during the latter half of 2017.

IMPLICATIONS	
Finance	The works as described in this report are part of the approved Capital Programme scheme for the Accommodation Project which is funded from the Accommodation Project Reserve.
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	The outcomes of the project are intended to deal with previously identified health and safety risks

LEAD AUTHOR	TEL	DATE	DOC ID
Paul Walker	01253 658431	10 th January 2017	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Council, Cabinet, Portfolio Holder and Programme Committee reports and minutes	31 st August 2010 (Cabinet) 15 th December 2010 (Cabinet) 16 th November 2011 (Cabinet) 15 th February 2012 (Cabinet) 26 th March 2012 (Council) 19 th June 2012 (PH Decision) 24 th September 2012 (Council) 3 rd December 2012 (Council) 16 th January 2013 (Cabinet) 10 th April 2013 (Cabinet) 2 nd July 2013 (Cabinet) 5 th March 2014 (Cabinet) 25 th June 2014 (Cabinet) 3 rd August 2015 (Finance & Democracy Committee) 30 th November 2015 (Finance & Democracy Committee) 14 th December 2015 (Council) 22 nd February 2016 (Finance & Democracy Committee) 26 th September 2017 (Finance & Democracy Committee) 17 th October (Council)	http://www.fylde.gov.uk

Attached documents

1. Risk assessment

Appendix 1 Risk assessment

Directorate: Development Services		Date of Assessment: 10 th January 2017		
Section: Technical Services		Assessment Team: Paul Walker/Andrew Dickson/Darren Bell		
Assessment Activity / Area / Type: Town Hall/Chaseley Building refurbishment – Phases 7 (b)				
Do the hazards create a business continuity risk? Yes				
RISK DESCRIPTION	RISK SCORE (Likelihood x Impact)	RISK MITIGATION	RESIDUAL RISK SCORE (Likelihood x Impact)	RISK OWNER / RISK REGISTER
Noise and disruption due to the nature of the works	5x3=15	Move some staff located in some locations to other parts of the building and Public Offices during critical stages of the work and/or hold public meetings off site when the works may disrupt public meetings	5x2=10	Darren Bell
Loss of car parking spaces during the works due to contractors occupation	5x2=10	Relocate staff parking to North Promenade with limited public and disabled provision retained on site	5x1=5	Darren Bell
Unforeseen defects with associated costs	3x2=6	Contingency budget to deal with unforeseen works. Project management practices will be adopted and supervision to oversee the works	2x2=4	Darren Bell
Inclement weather delays	3x2=6	Project management practices will be adopted and supervision to oversee the works	2x2=4	Darren Bell

Works overrun	3x2=6	Project management practices will be adopted and supervision to oversee the works. Penalty clause included in the contract to discourage delays.	2x2=4	Darren Bell
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Risk Likelihood

6 = Very High

5 = High

4 = Significant

3 = Low

2 = Very Low

1 = Almost impossible

Risk Impact

1= Negligible

2 = Marginal

3 = Critical

4 = Catastrophic

Multiply the likelihood by the impact and if the score is above 12 then mitigating action should be undertaken to reduce the risk. This action should be recorded and monitored in either a directorate or corporate risk register.