

TRANSFORMATION PROGRAMME

HIGHLIGHT REPORT: Date 19th February 2013

Sponsor: Anna Graves
Project Manager: Chris Clarke (Client) Terry Downes (Contractor)
Member Governance: Executive Advisory Panel
 Chair: Cllr Graham Spendlove-Mason

Brief Description of Workstream

Property Review – HQ Building:

- Financially sustainable redevelopment of Headquarters building, providing income generation opportunities, an improved working environment and co-located service delivery with other public sector partners

Period Covered From/To: 16th Jan 2013 to 19th Feb 2013

Current Status: **Red** **Amber** **Green**

Project Plan (Summary) CURRENT STAGE 3 (Decant and Mobilise)	Date(s)	Status RAG/ ✓
KEY STAGE 4 MILESTONES (Construction)		
• Contract of works commences	31 Jan 13	G
• Appointment of retail agent, lettings process commences	by 22 Feb 13	A
• Target contract end date	20 Dec 13	G
• Target building occupation date	Mid-Jan 14	G

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M291 Harborough District Council Contractor's Highlight Report No 1

18th February 2013

This report summarises and is based upon information presented to HDC in contract progress meeting 1 – 6th February 2013.



WILLMOTT DIXON
CONSTRUCTION

STANDING OUT FROM THE CROWD

M291 Harborough District Council

Contractor's Highlight Report No 1

18th February 2013

CONTRACTOR'S REPORT

1.1 Contract Particulars

Contract Start Date	28 th January 2013
Contract Period	47 Weeks
Period Elapsed	2 Week
Contract Completion date	20 th December 2013
Forecast Completion date	20th December 2013
Extension of Time requests	0
Extension of Time awards	0
Revised Completion date	N/A
Progress against revised Completion Date (number of weeks into project)	2

1.2 Construction Programme – Key Dates

	Forecast	RAG
• Start in site (contract of works begins)	28 Jan 13	Complete
• External works (scaffolding) commences	7 Feb 13	G
• External works completion	13 Dec 13	G
• Demolition commences	7 Feb 13	Complete
• Internal works commence	7 Mar 13	G
• Relocation of server room	16 Aug 13	G
• New server room live	19 Aug 13	G
• Museum/library fit out commences	29 Aug 13	G
• New heating system on	19 Sep 13	G
• Retail units substantially complete (shell)	25 Sep 13	G
• Handover date	20 Dec 13	G

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1.3 Contractual Cost / Expenditure

Project Target Cost	Latest Valuation (invoice) date	Expenditure to date	RAG
£4,807,617	6 Feb 2013	£ 403,790	G

1.4 Key Performance Indicators – KPIs (progress)

KPI set as agreed by Member Oversight Group:

Ref	Category	Target value	Value	Frequency	RAG
KPI 1	Recycling/re-use (as % of waste generated from construction)	80%		Monthly	
KPI 2	Workforce mileage (average daily home to site)	TBC		Aggregate	
KPI 3	Spend (subcontracts) within 20 miles/40 miles/60 miles	As per SCAPE		Monthly Ongoing, monthly)	G
KPI 4	Inclusion of local (within 40 miles) subcontractors in tenders	100%	100%	Monthly	G
KPI 5	Considerate Contractor scheme performance *nb1	38/50	TBC	Twice during contract	Pending
KPI 6	Safe and Secure site – WDC measurement: Health and Safety Working Environment Safety Management *nb2	90% 90% 30/40	94.67% 96.36% 34/40	Monthly	G

* **nb1:** The Considerate Contractor Scheme is a nationwide initiative for construction sites. The main contractor is assessed by the external monitoring body acting for the scheme, and receives a score and award (gold/silver/bronze). It is proposed to adopt this scheme as a suitable tool to assess the performance of the contractor in terms of managing a safe site within the community and being a good neighbour in terms of disruption and noise etc. The CCS has just adopted a new scoring scheme; the officer project team will meet with Willmott Dixon to agree an appropriate target for this KPI (Gold/Silver/Bronze) once this scoring scheme has been reviewed.

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nb2: Willmott Dixon operate a self-regulating site inspection scheme for health and Safety; it is proposed that this independent assessment I sused as a measure of the safety of the site. The table below illustrates the format for the reporting of this KPI set.

Visit	Date of Inspection	KPI 6.1 - Health & Safety (%)	KPI 6.2 - Working Environment (%)	KPI 6.3 - Safety Management (out of 40)
0				

1.5 Contract Commentary

1.5.1 Works progress update

With the contract now in week three the following works are now complete;

1. Initial site set up.
2. Temporary supplies to server room and diversion of data cables
3. Asbestos (R&D surveys complete and clear

1.5.2 Works in next reporting period

The following works planned in the coming month;

1. Demolition / soft strip (removal of carpets etc)

1.5.3 Environmental Aspects

At this stage, there are no environmental concerns; client has now signed off site waste management plan.

1.5.4 Procurement

WDC have procured the following packages, all in line with the project programme: -

- Elliott Hire – Site accommodation
- Wysepower - Temp water/electrical services
- Demolition – Elevate Demolition

1.5.5 Statutory Utilities

Water supply – N/A

Gas – N/A

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Electric – Payment and application submitted 29th January 2013, awaiting dates from Western Power.

BT Installation – Client issue

Broadband – Client issue.

1.5.6. Health & Safety

Construction phase health & Safety plan has been approved.

All site documents are in place and a hard copy maintained on site. The inspections from our safety Managers continue on a weekly basis.

Results of our Group Safety inspector reports will form part of the KPI report for future meetings.

1.5.7. Planning & Building regulations update (key issues)

Planning Permission granted with conditions.

Listed Building consent confirmed by Secretary of State, 3 Jan 13, with conditions.

Building Regulations – conditional approval granted; with retained conditions

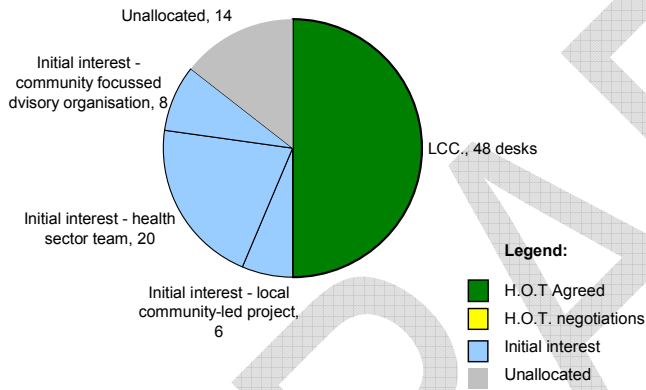
SECTION 2 – Client Highlight Report

2.1 Progress against plan (agree format for reporting)

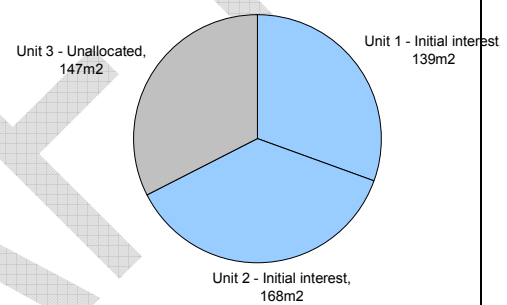
WORKSTREAM: 2.1.1 Lettings Strategy		
Deliverable	Date(s)	Status RAG/✓
Prepare lettings information pack (offices/retail).	31 Jan 13	A
Commence correspondence with potential office tenants.	1 Feb 13	G
Appoint retail agent following tender process.	22 Feb 13	G
Commence marketing of retail premises.	1 March 13	G

Lettings Tracker

Offices



Retail



Commentary

Initial 3-D modelling of offices and retail units is now completed (draft). Office versions reviewed and finalised (copies circulated with board papers). Office information pack now being prepared for use with potential tenants. Retail 3-Ds being developed at present – latest versions to be presented at the meeting.

Short-list of retail agents identified. Mini-competition process not yet started. Likely to be end of Feb before appointment (1 week delay on plan).

Office lettings interest (up to 96 desks total) as follows:

- HOT for LCC license (50 desks) now in draft format; first invoice for pro-rata contribution to build costs now to be raised;
- 1 health sector organisation; potential 10 year lease; circa 20 desks;
- 1 community led organisation; 5 year project; 6 desks;
- 1 public/community advisory organisation; initial discussions. No further info yet.

Retail letting:

- Job Centre Plus interested in ground floor space; financial feasibility being reviewed
- Private correspondence received on second unit

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WORKSTREAM: 2.1.2 Facilities Management and Building Operations		
Deliverable	Date(s)	Status RAG/ ✓
Interim FM contract commences	1 April 2013	G
Procurement route for new service	5 April 2013	G
Draft specification for new service	5 April 2013	G
Procurement/ shared service development	April - September	G
New service starts – soft landings work to make new build run smoothly.	Mid November 2013	G
Commentary		
Pre-contract meeting with LCC on interim contract/TUPE arrangements convened for 12/2.		
Development of specification/procurement arrangements for main contract to get under way.		

WORKSTREAM: 2.1.3 Office Space Planning, Protocols & Co-location		
Deliverable	Date(s)	Status RAG/ ✓
HDC office-use approach (future flexible working/hot-desking and collaboration model)	1 April 13	G
HDC office requirements defined	1 May 13	G
Building use protocol (open plan working etc)	1 May 13	G
Space allocation – HDC/ signed-up partners	1 June 13	G
Web-based room booking/appointments/meet & greet system(s) in place	1 Nov 13	G
Building use manual: – health and safety/ security/ emergency evacuation / visitor management procedures	mid-Nov 13	G
Travel plan	mid-Nov 13	G
Building induction and training process design	1 Dec 13	G
Building user induction and training starts	mid-Dec 13	G
Commentary		
Office-use models/protocols being benchmarked for an initial discussion by CMT.		
R&D exercise completed for room bookings/visitor management/queue management (ICT) system. Officer working group to be set up to work on this piece. Site visit and meeting with CBC to discuss queue/visitor system integration with Lagan and opportunities to work together to be convened.		
HR officers commissioning LCC travel advice and awareness team to support development of travel plan. “Givens” in terms of planning conditions/building regs to be provided by Property design team.		

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WORKSTREAM:		2.1.4 Museum/Library and Bowdens	
Deliverable	Date(s)	Status RAG/✓	
Bowdens charity loan offer received	Dec 12	✓	
HDC formal acceptance of offer made	Jan 13	?	
LCC supplementary funding for design fees and library furniture secured	Jan 13	✓	
Museum SLA completed	1 April 13	G	
Museum/library design consultation completed	30 May 13	G	
Integration into WDC contract	5 July 13	G	
Fit out commences	5 August 13	G	
First funding draw down made (latest date)	1 Sept 13	G	
Fit out complete	30 Nov 13	G	
Commentary			
Design review meetings programmed for 14 th and 27 th Feb to commence integration of design into main WDC mechanical and electrical work.			
Verbal update requested on SLA progress prior to board meeting.			

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2.2 Business Case Tracker (as per previously agreed format)

2.2.1 Capital Expenditure

Item	Forecast	To date
	£ 000's	
SCAPE Contract costs	£4,775	
Non-contract fees (LCC/HDC)	£ 330	
Furniture	£ 125	
ICT costs	£ 100	
Decant	£ 220	
Contingency	£ 200	
Total	£5,750	

2.2.1 Revenue Forecast

To be included in future reports; as per summary in October 2012 business case summary

2.3 Client Risk Register

Key to Risks			
L = Likelihood	1 Almost Impossible	3 Low	5 High
	2 Very Low	4 Significant	6 Very High
I = Impact	1 Negligible	3 Critical	
	2 Marginal	4 Catastrophic	

Updates in italics

Significant Risks to Achievement of Objectives				
Risk	Mitigating Actions	Owner	L	I
Delay in signing lease for decant accommodation delays move dates and start of contract. <i>Key decant site at Millers House now secured. Pre-start meeting for building modifications held. Risk Closed– leases agreed.</i>	Seek to place orders early, and by agreement with landlord, enable works to be completed.	Peter Rowbotham	5 2	4
Complementary “add-on” scheme to integrate library and museum unaffordable. <i>Risk closed. funding obtained, subject to meeting conditions of offer.</i>	Funding obtained from Market Harb and the Bowdens charity –	Anna Graves	4	2
Financial model not achievable for HQ building (high cost OR low income).	Develop fully tested business case prior to commencement of redevelopment works for HQ.	Jim Holden	3	4
Listed building or change of use applications require modification incurring delay; return on investment and completion date later than planned, <i>Consents now received. Schedule of conditions considered in setting contractual risk register.</i>	Ensure financial assumptions are conservative on date of completion. Engage planners/English Heritage in pre-submission to establish acceptability of proposals. <i>Schedule of conditions and programme for resolving set up by WDC.</i>	Architects.	2	3
New HQ and market hall operating models not sustainable in terms of in-house staffing resources once completed.	Service redesign to incorporate “to be” requirements of property redevelopment.	Norman Proudfoot	3	3
Funding Museum commercial costs in longer terms.	Continue to work with Harborough Historic Society to develop and agree self-sustaining business plan	Norman Proudfoot	4	3
Tie into the corporate asset strategy	Consider how a refurbished HQ fit into forthcoming aims and objectives of this strategy	Anna Graves	3	3

2.4 Communications

Work stream lead:

Jon Bennett

Brief Description of Workstream

Property Communications objectives:

- **Influence:** To encourage local people to perceive the changes to Adam and Eve Street as positive for the district. Specifically:
 - that the changes will not result in reduced services, amenity or opportunity
 - that the changes will provide better value to local people
- **Dialogue:** To provide interested parties with real opportunities to shape the direction of the two projects. Specifically:
 - for staff and partners to shape the new offices
 - for local people to convey concerns over the build and have these addressed
 - for councillors to give their views throughout the projects
- **Exposure:** To ensure people with a specific interest in the two projects are aware of key developments and milestones. Specifically:
 - that staff understand the timetable for decant
 - that people understand how to access services during decant and construction
 - that councillors understand when they will be asked to take decisions
 - that local people understand the construction timetable and potential impacts
- **Action:** To ensure critical parties take the right actions at the right times so that the projects run smoothly. Specifically:
 - that staff prepare in the appropriate way for decant
 - that service continue to access services during decant and construction
 - that a range of stakeholders respond to opportunities to have their say

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2.4 Communications – continued

Period Covered From/To: 19th Jan to 15th Feb 2013

Current Status: **Red** **Amber** **Green**

Progress since last meeting	Date(s)	Status RAG/✓
<ul style="list-style-type: none"> - Q&A updated and reviewed on a regular basis - Video and photographic record of HQ building as is - Community Engagement plan developed – draft for approval attached. - Lettings communication: channels to market found, agent to be appointed - Consultation on heritage hub, news release issued and reported in local media - Website updated to reflect latest news on transformation - Crisis management protocols agreed with Willmott Dixon 	Ongoing	
	End Jan	
	Jan	
	Jan	
	Feb	
	Jan	
	Feb	
Next Actions		
<ul style="list-style-type: none"> - Building naming process – consultation to start - Second Willmott Dixon newsletter to consider - Consider transformation story for local government press - Maintain Q&A and include library/museum issues - Next stage of heritage hub consultation - Communication process on working open plan with staff 		G
		G
		G
		G
		G

Key to Risks			
L = Likelihood	1 Almost Impossible	3 Low	5 High
	2 Very Low	4 Significant	6 Very High
I = Impact	1 Negligible	3 Critical	
	2 Marginal	4 Catastrophic	

Significant Risks to Achievement of Communications Objectives				
Risk	Mitigating Actions	Owner	L	I
Local people expect a decline in service quality during redevelopment	Information through customer services channels	Rachael Felts	4	2
People living local to the HQ impact on council reputation due to misunderstandings about or grievances with the build	Letter to local people and programme of engagement	Jon Bennett	4	2
Operational delays lead to extended disturbance to local people or prolonged impact on service delivery	Expectation management – any material delays to be communicated in an appropriate manner	Jon Bennett	4	2

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Operational crisis calls reputation of council into question	Crisis management protocols	Jon Bennett with WD	2	3
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