

MS2 REPORT FOR THE ALCONBURY WEALD HUB: CAMBS 2020 PROGRAMME

To: Commercial and Investment Committee

Meeting Date: 23 November 2018

From: Chris Malyon (Deputy Chief Executive)

Electoral division(s): All

Forward Plan ref: N/a **Key decision:** No

Purpose: Consider the information contained regarding milestone two (initial design phase) and consider additional funding requirements

Recommendation: It is a recommendation that the Committee:

a) Approves the detail contained within the milestone two information and to progress to milestone three (scheme design level/planning application stage) which will begin on 26th November

b) Requests General Purposes Committee to approve the additional funding required from the Council's Capital funding budget

c) Approves that delegated authority is given to Chris Malyon (Deputy Chief Executive and Chief Finance Officer) to sign off the milestone two report

<i>Officer contact:</i>	<i>Member contact:</i>
Name: Chris Malyon Post: Deputy Chief Executive & Chief Finance Officer Email: Chris.malyon@cambridgeshire.gov.uk Tel: 01223 699796	Name: Cllr Joshua Schumann Post: Chair of Commercial & Investment Committee Email: Joshua.schumann@cambridgeshire.gov.uk Tel: 01223 706398

1. BACKGROUND

- 1.1 In May 2018 Full Council agreed to support the Hub and Spokes model and disposal of the Shire Hall site, choosing the new Civic Hub to be built in Alconbury Weald.
- 1.2 In June 2018 Faithful and Gould were appointed as the Project Management function for the new build in Alconbury Weald via the Council's existing Education Framework. They scored highest on cost and quality and the Council were therefore able to directly award the contract within procurement guidelines.
- 1.3 RG Carter were appointed as the Construction Company and AHMM as the architects (in a joint bid) through a full procurement process in August.
- 1.4 A high level design brief for the new building was developed in consultation with staff, Members and key technical expertise within the organisation. Since this point, the programme team have worked closely with Faithful and Gould, RG Carter and AHMM to bring the brief to life and have run a series of design workshops with various stakeholders, developing the designs each time in line with requirements.
- 1.5 The intention of this report is to provide an overview as to how the scheme has developed and how these changes have impacted the overall budget.

2. MAIN ISSUES

2.1 Project Brief

- 2.1.1 Throughout the MS2 process the project brief has developed following consultation with the core team members and key stakeholders. The project brief can be confirmed as below:

- **Total Gross Internal Floor Area (GIFA):** 3600sq.m
- **Reception:** To be provided
- **Office Floor:** Open Plan
- **Floorplan/Zoning Requirements:** Zones will be identified using colour, materials or furniture. This is to be investigated further during Milestone 3.
- **Breakout Spaces:** On each floor
- **Number of desks:** 350
- **Council Chamber:** 90-person occupancy room which can be split into three smaller meeting rooms if required
- **Political Party Rooms:** A total of six rooms - four Political Group Rooms (the lead party room includes an additional meeting room attached) and a Chairperson's Office – this was an additional request not provisioned for in the original business case
- **Meeting Rooms:** 17 in total of various sizes (not including the Council Chamber)
- **Kitchen Areas (Tea Points):** Two on each floor
- **Toilet Facilities:** Unisex superloos to be provided
- **Post Room:** May not be delivered within the Hub but this is to be confirmed. Area has been allocated for this facility within the building for the MS2 design
- **Data Centre:** Will not be required
- **Food & Drink:** Options appraisal to be carried out in MS3

- **External Landscaping:** Provide external spaces for staff to utilise

2.2 Concept Design

- 2.2.1 The architects (AHMM) have progressed the design in MS2 in line with the Project Brief and the wider site masterplan parameters. Additionally, through the appointed project team, a series of design workshops have been held with key CCC staff and Members together with input from a number of focus groups. The feedback received from these stakeholder events has been reviewed and incorporated where appropriate into the updated concept design proposals. An extract from the latest MS2 design proposals is included as part of this report.
- 2.2.2 The current proposals provide a two-storey building solution, which is shallow in plan (see latest design proposals attached) and sits at the front of the proposed site with car parking to the rear. This proposal has been developed in line with the wider masterplan and design code criteria together with responding to the key criteria in the project brief. The design has been developed to allow for flexibility and potential expansion on the proposed site, should this be required in the future - the two-storey solution provides an efficient footprint, it maximises natural daylighting throughout the building floor plans and takes up minimal area on the overall site. The two-stories also creates presence within the wider development and in relation to its neighbours including the listed Watch Tower building opposite. This reduced building footprint also provides a more cost efficient solution (reduced groundworks and roof covering works) in order that it can be delivered within the overall project budget.
- 2.2.3 The building will provide 350 desks along with flexible breakout areas and more formal meeting rooms. The office area floor plans are designed to be open plan and facilitate the brief requirement for 'hot desking'. It also provide dedicated spaces for democratic functions such as a multi-purpose Council Chamber, Political Group Rooms and a public reception area. Externally, the project will provide for around 175 car park spaces together with external amenity space for staff, cycle shelters will also be provided.

Appendix A shows the current external design of the building.

2.3 Key Risks

As with all projects of this nature, scale and complexity the Civic Hub scheme has risks attached to it. The most significant of the risks are listed below:

- Construction costs exceed the agreed budget
- Delay to land purchase/size of plot to be purchased
- Delivery of temporary and permanent utility connections (electricity, gas, water, drainage)

- Delay in agreement of design parameters for the building with planners lead to significant difficulties in progressing design and planning process
- Planning issues relating to Ecology, Archaeology requirements, Stakeholders etc result in delay in planning process
- Widening scope of planning application
- Obstructions in ground/poor ground conditions not reasonably established during design phase
- Hazardous materials/contaminated land discovered during site activities which could impact cost/programme
- Scope creep/change in the Project Brief
- Delay to the overall build leading to staff not being able to move out of the Shire Hall site within the agreed timescale as planned

Risks will be closely managed throughout the lifecycle of the project and removed or mitigated where possible in accordance with the current project financial and programme contingencies.

2.4 Costs

2.4.1 At the beginning of MS2, Cambridgeshire County Council's agreed capital budget for the build totalled £16.606 million including the land purchase. This included the following allocations:

• Feasibility Studies (original estimate)	£0.171m
• Construction Budget	£11.7m (inc Cat B fit out)
• ICT/FFE Budget	£1.75m
• Land Purchase	£0.8m
• Other (contingencies etc.)	£2.185m
• Total	£16.606m

2.4.2 Following the stakeholder engagement, it was requested that the Political Group Rooms are replicated within the new Hub building. These spaces did not form part of the original brief and therefore will come at an additional cost to the project. In addition, the Council have now confirmed that they will be purchasing 4 acres of land (@£400k/acre). The original

project cost only allowed for 2 acres of land (a total cost of £800k), however the purchase of 4 acres will increase this to £1.6m.

2.4.3 Faithful and Gould have drafted a cost estimate to reflect these amendments and to capture the design development to date. The costs below reflect this update:

• Feasibility Studies (actual cost)	£0.137m
• Construction Budget	£12.2m (inc Cat B fit out)
• ICT/FFE Budget	£2m
• Land Purchase	£1.6m (4 acres)
• Other (contingencies etc)	£2.4m
• Total Overall Project Cost	£18.337m
• Budget difference:	£1.731m

2.4.4 **The reason for the change in budget is due to the following factors:**

- The addition of Political Group Rooms (six in total, including a Chairperson's Office) were not originally included in the design scope and have subsequently been added, increasing the construction costs and associated professional fees due to the increase in floor area. The construction budget is therefore required to increase by a total of **£580k**, based on a budget cost per square metre.
- The original brief factored a total land purchase of 2 acres, and 4 acres are required (adding a total of **£800k**)
- Due to the size of the building increasing, associated budgets for ICT, FF&E, fees and contingency allowances have pro-rotta increased to reflect this (adding an additional **£385k**)
- Reduction in feasibility costs (previously estimated at £0.171m and these actuals were £0.137m, saving **+£34k**)

Agreement is therefore required for the £1.731m increase in budget.

2.5 Key Programme Dates

2.5.1 The key programme dates are as follows:

• Conclude MS2	23 November 18
• MS3 (up to planning application)	End Nov 18 – End March 19
• MS4 (Detailed Design/Contract Sum)	April 19 – Oct 19
• MS5 (Finalise Contract Documents)	October 19
• MS6 (Construction)	Nov 19 – End Dec 20

The programme team will report back to Commercial and Investments Committee prior to MS3 sign off and the planning application being submitted for political agreement (estimated February/March 2019).

3. ALIGNMENT WITH CORPORATE PRIORITIES

The Cambs 2020 Programme is an opportunity to change the ways and places we deliver services to support the Council in the delivery of its corporate objectives by providing fit for purpose infrastructure, technology and workforce to face the organisational challenges that lie ahead.

3.1 Developing the local economy for the benefit of all

Through the distribution of services across the county, the Council will support economies in a more disbursed manner than at present.

3.2 Helping people live healthy and independent lives

Placing services in the heart of the communities they support will facilitate more citizens living independent lives by keeping them in their own homes with appropriate support networks wrapped around them.

3.3 Supporting and protecting vulnerable people

As above.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

A separate request for funding from the Transformation budget has been submitted to General Purposes Committee in November.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications arising directly from this report.

4.3 Statutory, Legal and Risk Implications

The risks associated with not funding the additional budget required would mean the removal of the Political Group Rooms, and potential value engineering required meaning a smaller space or lower quality materials.

4.4 Equality and Diversity Implications

There are no significant implications arising directly from this report. As part of the engagement process representatives from the Equality and Diversity network have been invited to the design workshops and provided valuable feedback which has been incorporated into the design of the building.

4.5 Engagement and Communications Implications

There are no significant implications arising directly from this report.

4.6 Localism and Local Member Involvement

There are no significant implications arising directly from this report. The Local Member was invited to a visit to Alconbury Weald (along with all Members) for an update on the overall development and the current design plans for discussion.

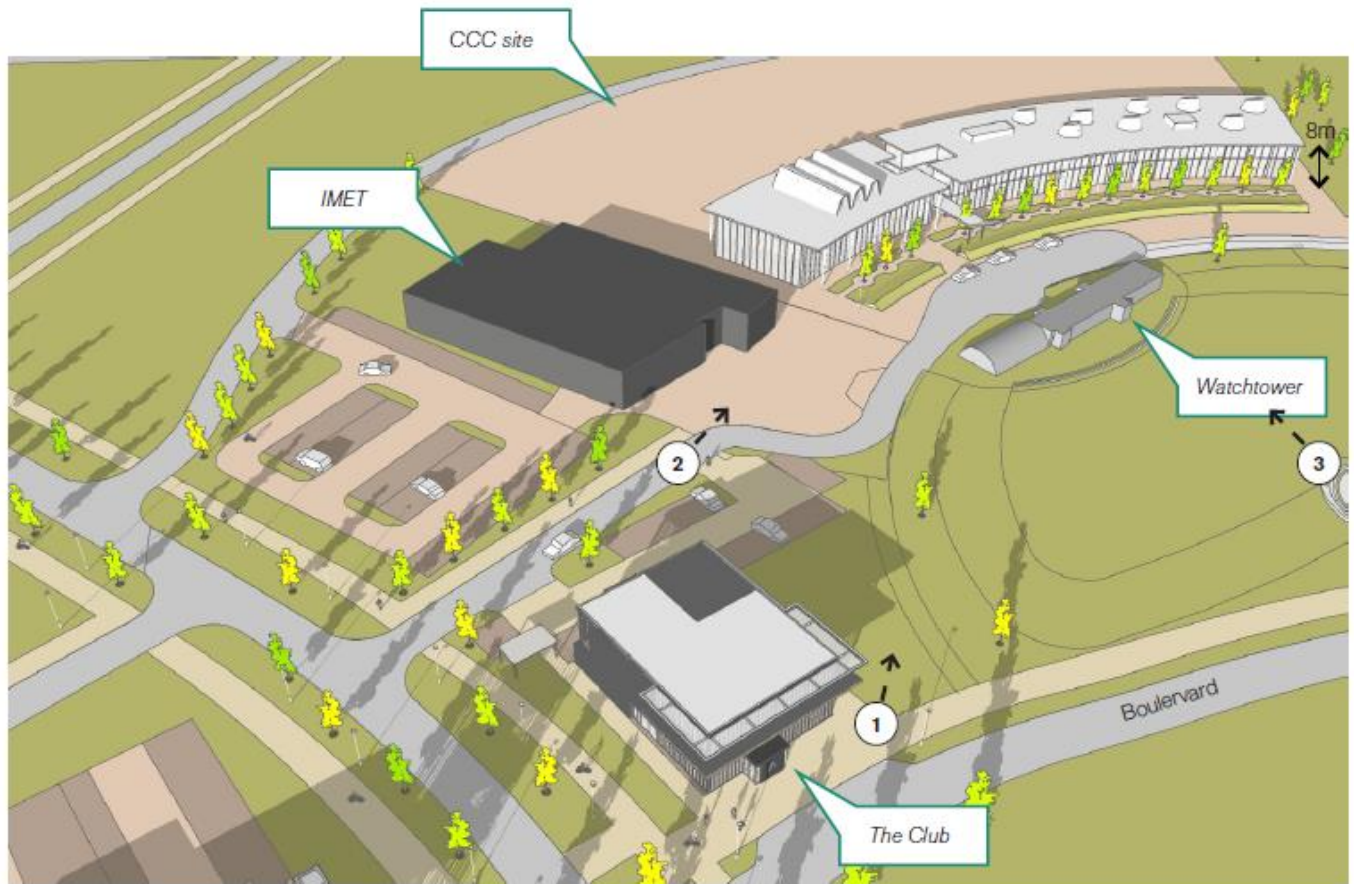
4.7 Public Health Implications

There are no significant implications arising directly from this report.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Jon Collyns
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Not applicable
Have the equality and diversity implications been cleared by your Service Contact?	Not applicable
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Marc Mageean
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Not applicable
Have any Public Health implications been cleared by Public Health	Not applicable

Source Documents	Location
Cambs 2020 Governance report at C&I April 2018	Link

Appendix A – External view of the current building design



Aerial View