



EAST DEVON DISTRICT COUNCIL OFFICE RELOCATION PROJECT

Project Report No 48, Rev -
Period between 1 – 30 April 2018

VOLUME 1

ISSUED UNDER PART B



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SSPP, JWW, SCata

VOLUME 1

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1.0 Executive Summary

1.1 This formal Project Progress Report identifies Project issues and progress generally during the period 1 – 30 April 2018

1.2 During this period, the following key events have occurred;

- Interserve has continued with the construction of Blackdown House, the New HQ at Heathpark.
- At the Site Progress Meeting on 2 May, the Contractor advised that the Works were one and half weeks behind their latest programme and noted that previously incurred the bad weather had caused this delay. Interserve have advised that they are looking at mitigation measures to recover this delay and would be issuing an updated programme shortly
- The Contractor has now completed the walls on the southern wing up to wall plate level. Progress on the southern wing is slightly ahead of the north wing. This is so that supporting scaffold can be dismantled on this wing at an earlier stage, thereby enabling work to commence to the external retaining wall at the earliest opportunity. The scaffold crash deck and perimeter eaves scaffolding has now been installed in readiness for the roof truss installation during May
- The masonry work to the central core has been completed to roof steel bearing level, which has allowed the roof steels to be fitted.
- Internally, M&E first fix works and BWIC are continuing within the temporary waterproofed zones on the ground and first floors
- Interserve have confirmed that no reportable accidents have occurred on site since the Project commenced on 24 July 2017
- Following the competitive framework tender, the FF&E Order for the remaining elements (desks, storage etc.) has now been placed with Portsdown
- Subsequent to Cabinet's decision to proceed with the single track, one-way, new access route to Blackdown House through the EDBC site, we have consulted with the Tenants at the Business Centre. We have considered in detail the comments advised and have now incorporated the retention of two-way traffic movement for the Business centre car park. This will enable Tenants to both enter and exit via Heathpark Way. The new section of road beyond the existing car park will remain as one way for vehicles travelling to Blackdown House.

- Interserve has completed their defects correction works at Exmouth Town Hall. Any subsequent maintenance matters are referred to Interserve's Aftercare service which to date have reacted satisfactorily.
 - County Registry Service has returned as a Tenant to the Town Hall
 - Following the Staff Workshops at Exmouth Town Hall and the issues identified, most of the further works have now been carried out.
 - The reinforced concrete slab for the new facilities at Manstone Depot, which will enable the Knowle Depot to be relocated, have been completed a week early. The associated superstructure works are due to commence in June/July 2018.
 - PegasusLife have carried out their preparation works for the relocation of the ginkgo tree. In coming months PegasusLife will carry out additional non-invasive investigations and surveys at Knowle, in readiness for the commencement of their Development works post VP.
- 1.3 The overall Project Budget, as defined at the Council meeting on 26 April 2017, is £10,586,000. All relevant expenditure, including accruals, to 30 April 2018 totals £5,850,915. Consequently, there remains a budget balance of £4,735,085. Project Costs are further discussed in Chapter 7 of this Report. A copy of the Interim Cost Report is included in Volume 2 of this Report.
- 1.4 Risk Reviews have continued to be regularly carried out. The current Risk Register is Rev AT (Rev 0) dated 30 April 2018, which confirms 52 Open Risks (previously 55), comprising of;
- 4 Red Risks (previously 4),
 - 33 Orange Risks (35)
 - 15 Blue Risks (16).
- 1.5 Three existing risks were closed, and an additional risk was added during the period. A total of 150 risks have been closed to date.
- 1.6 Interserve's share price continues to be monitored. At the end of April 2018, the price was 93.75. This is a modest improvement to that at the end of March when it was 81.75 but remains lower than that at the end of January of 106.8. As previously there does not appear to be any detrimental effects on site such as loss of subcontractors or the lack of plant and materials. The RM will continue to monitor the situation.
- 1.7 Pre-arranged and ad hoc meetings between Officers, Members and External Consultants have continued during the period.

2.0 Particulars of Progress and Key Project Issues

2.1 Blackdown House, Honiton

- 2.2 Interserve has continued with the construction of Blackdown House. The Contractor issued revised Programme Rev 8, which has been formally accepted along with an associated commentary, reaffirms the Contract Completion date of 15 October 2018.
- 2.3 At the Site Progress Meeting on 2 May, the Contractor advised that the Works were 1.50 weeks behind their latest programme and identified previous bad weather (rain, snow and temperatures) that had occurred during March. Interserve have, however, confirmed their confidence that they will complete the Works by the Contract Completion
- 2.4 In respect of the apparent bad weather, Interserve have issued an Early Warning Notice and an associated CEN
- 2.5 The following works are advised as having been undertaken during the period;
- The Contractor has employed the masons on completing the second-floor wall units up to wall plate level. The southern block has progressed in advance of the north to allow PV installations to commence earlier and to allow the scaffold to be struck as early as possible to allow for the construction of the retaining wall. Following completion of the south block masonry to wall plate, the crash deck and perimeter eaves scaffolds have been installed for the roof truss installations. The central core structural deck and temporary water proofing has been completed
 - The masonry work in the central core has been completed to roof sheet bearing level, which has allowed the roof steels to now be installed
 - Internally, the M&E first fix and BWIC has continued in the areas of temporary waterproofing on the ground and first floors.
- 2.6 The Contractor has also identified the following matters that may affect progress;
- The incorrectly located gas main has prevented the retaining wall from being built before the scaffold. It will now have to be built after the scaffold and with restricted access.

2.7 The Contractor has identified the following planned activities for next month;

- Fit the South wing trusses
- Complete the North Wing to the wall plate and fit the wall plate and trusses
- Commence gable masonry ends
- Continue fit-out works on the ground and first floors
- Strip second floor north and south internal crash decks
- Commence the second-floor fit-out works
- Commence perimeter scaffold alterations for windows.

2.8 The Contractor has continued to advise that there have not been any reportable accidents on site since contract commencement.

2.9 ICL's internal H&S advisor, who regularly attends the site, has not identified any significant issues, only moderate trivial risks, within his latest report. It is also advised that appropriate risk controls are in place or have been agreed and implemented.

2.10 EDDC's Consultant CoW is regularly attending site and is providing interim/summary reports. While he has not identified any significant issues, he has provided commentaries on issues associated with water ingress and consequential issues including efflorescence.

2.11 A Contract Administration Tracker for works at Blackdown House is being maintained by the RM. The following is a summary of the Contract Administration carried out to date;

Contractors Compensation Event Notification	3 Nr.
Contractors Early Warning Notices	10 Nr.
Employers Early Warning Notice	2 Nr.
Employers Formal Quotation Requests	5 Nr.
Employers Notification of Compensation Event	6 Nr.
Employers Project Managers Communication	40 Nr.

2.12 The tenth valuation for the works was received on 30 April, assessed and subsequently certified for payment on 4 May 2018

- 2.13 The installed time-lapse camera continues to record regular photographs of the site progress at approximately ten-minute intervals during the working day. An initial short film has now been provided, and this will be regularly updated as progress proceeds.
- 2.14 The S171 Stopping Up Order for Border Road has now been granted, while the Sections 38 / 278 Applications have been submitted and liaison is taking place between EDDC and DCC Highways
- 2.15 The Contractor issued his latest iteration of the construction programme, Rev 8, on 28 March 2018 for acceptance. The programme reaffirms the Contact Completion by 15 October 2018. This programme has been formally accepted along with advisor comments.
- 2.16 Following the competitive framework tender, the FF&E Order for the remaining elements (desks, storage etc.) has now been placed with Portsdown. As with Kinnarps, the other FF&E supplier, and amendments to the Orders will need to be provided by mid-June to ensure delivery and installation by November.
- 2.17 Relocation Workshops with Members and Officers have been arranged over the next few months. The first of these is due to take place on 10 May.
- 2.18 Following Cabinet's decision to proceed with the single track, one-way, new access route to Blackdown House through the EDBC site, consultation with the Management and Tenants at the Business Centre has taken place. Advised comments have been considered, and as a result the two-way traffic movement for the Business Centre car park has been reintroduced. This will enable Tenants both to both enter and exit via Heathpark Way. The new section of road beyond the existing car park will remain as one way for vehicles travelling to Blackdown House. Aecom will now update the drawings. As a result the date of the Planning Application is likely to slip, although completion by September remains on target.
- 2.19 Interserve has completed their defects correction works at Exmouth Town Hall. Any subsequent maintenance matters are referred to Interserve's Aftercare service which to date have reacted with satisfaction.
- 2.20 An outstanding domestic matter relates to acoustic issues associated with the ground floor back office. The specialist Acoustic Consultant has now provided his report. He recommends that acoustic panels are incorporated into the office. This work is due to be carried out during May.
- 2.21 Following the return of Exmouth Town Council, the Volunteers and Exmouth Town Centre CCTV, the County Registry Service has now taken up their tenancy at the Town Hall

- 2.22 PegasusLife have carried out their preparation works for the relocation of the gingko tree. In coming months PegasusLife will carry out additional non-invasive investigations and surveys at Knowle, in readiness for the commencement of their Development works post VP. For these works, EDDC issued a single Licence.
- 2.23 For future similar works, EDDC is preparing a single overarching Licence. It is anticipated that this will be negotiated and agreed with PegasusLife before the end of May.
- 2.24 Liaison with the TA Team has continued with members visiting and reporting on both sites and associated matters.
- 2.25 Copies of the Contractor's Report Nr. 10 for Blackdown House together with the TA Teams individual respective Reports are included within Volume 2 of this Progress Report

3.0 Facilities Management – Updates.

3.1 Blackdown House.

- The various Knowle items of interest (older furniture & antiques etc) have been finalised into disposal categories of either staff/member auction, public auction, local museum, or relevant Town Council etc.
- The second of this year's staff awareness workshops took place on the 29th March, and the third is due on the 10th May. Tweaks have been made to the proposals in terms of reception/interview room furniture and input has been received on preferences for materials, colour, and functionality.
- A summary of departmental archive storage requirements has been presented to SMT and is now with Service Leads and Managers to check and verify to confirm final requirements and inform off site storage requirements.
- Preliminary proposals for carpet and entrance matting have been provided by the Architect for review by the DCEO. Formal proposals are due from the Contractor shortly.
- Requests have been made by SMT for some minor alterations to the furniture layout in the Chamber, to give 60 no. Member seats and 7 no. Officer.

3.2 Exmouth Town Hall

- Devon Registration Service are due to take occupation on the 3rd May, as the final remaining tenant to move in.
- Updated internal and external wayfinding signage has been installed.
- The consultant acoustician analysis of the ground floor back office and first-floor open plan office has been received, and recommendations are being implemented.
- The deeper desk top for Room A is due next month.
- The two middle wall mounted AV screens in the Committee Room have been moved into the Chamber, to aid meeting Chairperson's awareness of what is being displayed on the main screen.

3.4 Manstone Depot (move from Knowle Depot)

- Phase 1 groundworks and foundations completed successfully more than a week early on the 17th April. The next phases are due in June/July, with completion in the Autumn.

4.0 Strata Report

- 4.1 Strata continue not to provide a report in the previous format advising on likely programme completion dates, during the period. The report that has been provided is high level in content and provides a Monthly Service Summary for the East Devon, Exeter and Teignbridge Councils.
- 4.2 For the Relocation Project, Strata confirm “Strata continue to support the new EDDC HQ build in Honiton, regular site meetings are being held with the contract to ensure that key project milestones are being met”.
- 4.3 Consequently, because of a lack of Project specific information, it has it has not been possible to reaffirm the previously advised completion dates. Nonetheless as advised within Strata’s Report, there are liaison meetings and a programme has been provided by Strata. On this basis there is no reason at this time to fear any overruns of the previously advised completions dates.

5.0 Risk Management

- 5.1 Since the commencement of the Project, the RM has provided and been responsible for a live Project Risk Register document.
- 5.2 Project Risks are regularly reviewed and updated as necessary following weekly discussions between Deputy CEO, RM, and FM. During the regular meetings of the Joint Members Executive Project Board & Relocation Officer Working Group and Design Team / Site Progress Meetings (with Aecom and Interserve) there are specific agenda items for the review of risk.
- 5.3 There are also Risk Workshops at regular intervals with representatives from the Executive Group and Officer Working Party in attendance. The latest of these Workshops was held on 21 March 2018.
- 5.4 Also, the RM also updates the Risk Register on an ad hoc basis when a new risk becomes apparent, or an identified risk is no longer applicable.
- 5.5 Risks are identified under three categories;
 - Red Risks - Medium to long-term effect and expensive to recover
 - Orange Risks – Medium term effect, which may be expensive to recover.
 - Blue Risks – Short to medium term effect
- 5.6 Following the Risk Workshop on 21 March 2018 the RM, has carried out a detailed review of the Risk Register taking into consideration advised comments, current progress and issues. The resultant Project Risk Register Analysis is Rev AT (V 0) dated 30 April 2018 which has been prepared and has been issued for ongoing consideration and comment.
- 5.7 Currently, there are 55 Open Risks (previously 55) based on Rev AT (V 0), comprising of;
 - 4 Red Risks (previously 6),
 - 33 Orange Risks (previously 35)
 - 15 Blue Risks (previously 16).
- 5.8 Four existing risks were closed, and an additional risk was added during the period. A total of 150 risks have been closed to date.
- 5.9 Interserve's share price continues to be monitored. At the end of April 2018, the price was 93.75. This is a modest improvement to that at the end of March when it was 81.75 but remains lower than that at the end of January of 106.8. As previously there does not appear to be any detrimental effects on site such as loss of subcontractors or the lack of plant and materials. The RM will continue to monitor the situation

- 5.10 Further Risk Workshops will continue to be generally held on a bi-monthly basis with Members and Officers of the Project Executive Board, SMT and Officer Working Group in attendance. The next Risk Workshop is due to be held in May 2017
- 5.11 While copies of the Risk Register will be issued during the Joint Members Executive Board and Officer Working Party Meetings, it has been agreed for confidentiality reasons that copies of the Risk Register will not be included in the Project Progress Reports.

6.0 Project Programme and Key Milestones

- 6.1 The agreed Contract Programme for Blackdown House has an overall period of 64 weeks, with a commencement date of 24 July 2017 and a Contract Completion date of 15 October 2018. As part of the contract negotiation, it has been agreed that a further six weeks beyond 15 October 2018 will be LAD free should the Contractor overrun.
- 6.2 The Heathpark Project Programme identifies a similar six-week period to Exmouth for Client Fitting Out works. This period continues to be reviewed in consideration of the larger number of Departments and Officers as well as Members facilities being relocated.
- 6.3 The Contractor issued his latest iteration of the construction programme, Rev 8, on 28 March 2018 for acceptance. The programme reaffirms the Contract Completion by 15 October 2018. This programme has been formally accepted along with advisor comments.
- 6.4 The Contractor has advised that currently site progress is 1.50 weeks behind his Programme Rev 8.
- 6.5 The current Project Programme PreC O (V 2), dated 12 March 2018 is included within Volume 2 of this Report.
- 6.6 The following table confirms the key Project Programme dates based upon this programme

Event	Date
Gateway Decision Nr 2 – Appointment of Multi-Disciplinary Design Team	28 August 2015
Approval of Aecom RIBA Work Stage 1 proposal	27 November 2015
Gateway Decision Nr 3 – Approval of Aecom RIBA Work Stage 2 - Brief and Concept Designs	
Exmouth Town Hall	15 February 2016
Heathpark, Honiton	8 March 2016
Gateway Decision Nr 4 - Initial Appointment of identified Contractor – Interserve - on a Pre-Construction Agreement basis.	23 November 2015

Gateway Decision Nr 5 – Exmouth Town Hall Approval of Aecom RIBA Work Stage 3; Agreement to proceed to RIBA Plan of Work 4	5 April 2016
Gateway Decision Nr 5 – Heathpark Approval of Aecom RIBA Work Stage 3 – Agreement to submit Planning Application – Agreement to proceed to RIBA Plan of Work 4	6 May 2016
Gateway Decision Nr 6 – Approval of Aecom RIBA Work Stage 4 – Technical Design for Exmouth Town Hall & Heathpark, Honiton	26 July 2016
Detailed Planning Application considered for EDDC Offices at Heathpark, Honiton	1 November 2016
Detailed Planning Application considered for EDDC Offices at Exmouth Town Hall, by Delegated Authority.	7 December 2016
DM to consider PegasusLife Ltd Planning Application for the Knowle	6 December 2016
Extraordinary Cabinet Meeting and Council Meeting to consider accelerated delivery of the Refurbishment Works to Exmouth Town Hall.	Cabinet Meeting 14 December Council Meeting 21 December 2016
Refurbishment of Exmouth Town Hall (Mobilisation commences). Formal Contract commencement date 13 February 2017	30 January 2017
Members Decision regarding the Heathpark Opportunities	Cabinet Meeting 5 April 2017 Joint Scrutiny, O&A, Governance Meeting 18 April 2017 Council Meeting 26 April 2017
Construction of New Office at Heathpark (Contract commencement)	24 July 2017

Refurbishment of Exmouth Town Hall (Certified Contract Completion Date)	25 September 2017
EDDC relocates to refurbished Exmouth Town Hall	13 November 2017
Construction of New Office at Heathpark (Contract Completion Date)	15 October 2018
EDDC relocates to New Office at Heathpark. Vacant Possession is achieved at Knowle and Pegasus complete sale including payment of the balance of monies.	Antic by end December 18 / January 2019

7.0 Project Cost Report

7.1 In the period, the RM has continued to review and manage the costs for the Project

7.2 The Council Decision on 26 April 2016 confirmed the overall Project Budget in the sum of £ 10,586,000. Formal Approvals that total this sum are as follows;

• Original budget before Aecom’s appointment	£	200,000
• Uplift approved by Cabinet 5 September 2012	£	114,354
• Uplift approved by Cabinet 17 July 2013	£	95,333
• Uplift approved by Cabinet 5 February 2014	£	92,000
• Uplift approved by Cabinet 4 June 2014	£	203,881
• Formal Approval by Council 25 March 2015 to Proceed with the Project, subject to Gateway Decisions	£	9,020,887
• Uplift to accelerate the refurbishment works at Exmouth Town Hall approved by Council on 21 December 2016	£	408,000
• Uplift to enable Heathpark to proceed approved by Council 26 April 2017	£	226,545
• Allowance for a new access road to Heathpark, within EDBC as approved at Council Meeting 26 April 2017	£	225,000

7.3 All relevant expenditure, including accruals, to 30 April 2018 totals £5,850,915 This leaves a balance from the overall Project Budget of £4,735,085 This balance includes for both the respective Project Construction Costs and, as a separate specific element, Client Costs.

7.4 In comparison of the budget to actual expenditure, the following is confirmed;

	Budget	Expended to Date	Balance remaining
Viability / Appraisal Stage - * Note	£ 624,761	£ 624,761	£ 0
Pre-Contract – RIBA Plan of Work Stages 1 – 4 + Note	£ 1,120,000	£ 1,111,655	£ 8,345
Post Contract – Plan of Work Stages 5 – 7	£ 8,616,239	£ 4,114,499	£ 4,501,740

Access Road to New Office through EDBC	£ 225,000	£ 0	£ 225,000
TOTAL	£ 10,586,000	£ 5,850,915	£ 4,735,085

Notes

- * *The original approved budget for the viability/appraisal stage was £705,568. As this stage has now been achieved, the Budget figure has been amended to reflect actual expenditure. The balance has been transferred to the subsequent stages of the Project.*
- + *Budget allowance identified for pre-contract stage amended to reflect the anticipated actual costs based upon the appointments of Aecom and Interserve. This figure has been updated from the originally advised allowance to reflect the latest anticipated expenditure based upon the current programme. The overall Budget figure remains unaltered*

7.5 A summary of the costs to date advises the following expenditure.

7.5.1	Knowle Outline Planning Application	£	112,329
7.5.2	PM, Surveying, and Valuation Costs	£	972,923
7.5.3	Sundry Client Costs	£	222,691
7.5.4	Multi-Disciplinary Design Team	£	722,124
7.5.5	Sundry Survey costs and associated works	£	40,373
7.5.6	Construction and associated costs	£	3,604,626
7.5.7	Commercial and Valuation Costs	£	61,321
7.5.8	Audit and associated Costs	£	37,766
7.5.9	Legal assistance and advice. VAT advice	£	<u>76,761</u>
	Total		<u>£ 5,850,915</u>

Other categories will be added when associated costs are incurred.

7.6 Based upon advised anticipated costs to date, including Aecom's cost advice, agreed contract sum for Blackdown House Heathpark, Strata's current budget estimate and relevant other matters, it is confirmed that the forecast final overall cost is on budget.

7.7 A full review/reconciliation of the costs compared to the original budget allowances is included within Cost Report Nr 36 annexed with Volume 2 of this Report.

7.8 The Cost Report is based on the capital receipt for Knowle offered by PegasusLife Ltd. It does not reflect potential further receipts that the Contract may provide.

Submitted by:

Steve Pratten - EDDC Relocation Manager

Simon Allchurch – EDDC Project and Facilities Manager

