

**HAMPSHIRE COUNTY COUNCIL**

<b>Committee/ Panel:</b>	Buildings, Land and Procurement Panel
<b>Date of Decision:</b>	1 April 2011
<b>Decision Title:</b>	Major Projects Update
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<b>Report From:</b>	Director of Culture, Communities and Business Services

**Contact name:** Steve Clow

**Tel:** 01962 847858

**Email:** steve.clow@hants.gov.uk

**1. Executive Summary**

1.1 This report provides an update on the major projects currently being progressed relating to:

- Co-location Projects
  - Havant Public Service Village
  - Ringwood Gateway
  - Workstyle
- Children’s Services Capital Programme
  - Children’s Centres
  - Private, Voluntary Independent Settings Programme
- Portchester Community Centre
- Park Community School, Havant
- Capital and Asset Pathfinders

**2. Co-location Projects**

**3. Havant Public Service Village (PSV) - Refurbishment of Civic Suite**

3.1 In November 2010, the Havant PSV design team completed a feasibility study for Havant Borough Council for the refurbishment of the first floor of the Borough Council’s Civic Suite. These project proposals represent additional investment in the Public Service Village, and will comprise of the Council Chamber, three committee rooms, toilet facilities and the Mayor’s room.

3.2 The objective will be to provide a number of high quality spaces available for the business activities of the Council and it’s partners. This new accommodation will provide flexible working environments for a wide variety of uses including conferences, exhibitions, events and performances, which will complement the office accommodation. The feasibility study noted that if

works were not undertaken, it would lead to significant abortive costs within 5 years, resulting from the replacement of mechanical plant at the end of its life.

- 3.3 On 13 December 2010, Havant Borough Council approved a further expenditure of £481,000, due to their wish to support this additional work to the Havant PSV project. This additional expenditure has increased the total cost of the project to £671,000, and will be funded directly by Havant Borough Council. It is therefore proposed to seek approval to the increase in the financial envelope of the project.
- 3.4 It is intended to undertake the additional work as a separate contract section, in order to avoid any risks associated with this element delaying completion of the main work, as well as achieving optimum use prior to the completion of the final phase two works.
- 3.5 Members will be pleased to know that the proposals will provide a significant opportunity for users of the Public Service Village to benefit from an enhanced environment, and improved operational flexibility, which will bring the Civic Suite design in line with the aspirations of the remainder of the scheme.

#### **4. Ringwood Gateway**

- 4.1 The project is progressing to programme, with significant milestones having been achieved since the last update to the Panel. In January 2011, both a detailed planning consent for the new building and associated enabling works to the adjoining Furlong car park were secured, in addition to an improvement scheme to the local square.
- 4.2 The project team, in conjunction with the selected contractor, has also been developing the scheme design and securing tender prices for sub-contract packages, with a view to securing cost certainty by the end of April 2011. Draft legal agreements that support procurement of the project and set out the respective legal interests in the finished building, as well as a management agreement to support the future use of the building are all well advanced.
- 4.3 Following cost certainty at the end of this month, it is then proposed that New Forest District Council, as Employer for the project, will let simultaneous enabling and main works contracts in May, in order to support the opening of the building in Spring 2012.

#### **5. Workstyle Programme**

- 5.1 Since the last update to the Panel, significant milestones have been met and good progress has been made across the Workstyle programme. The Corporate Management Team has also endorsed the Workstyle strategy, which has been further developed by the Strategy Group over recent months.

- 5.2 Key milestones have now been identified for each of the specified areas to be covered by the programme. Thus, the completion of the strategy and sign-off of Gateway B is programmed for the Basingstoke Workstyle project at the end of April, for Winchester Workstyle in May and for Farnborough Workstyle and the north of the County in June.
- 5.3 Implementation of the Workstyle programme continues with the completion of the Hampshire House project in Eastleigh, and good progress on site with the Havant PSV. Phase Two of the internal moves in Elizabeth II Court (South) are planned to take place during May and will see moves being undertaken with both Chief Executives and Treasurers staff. Further work is also planned to relocate the new Departmental Finance Unit for Culture, Communities and Business Services (CCBS) and Environment into Castle Avenue.
- 5.4 The completion of the Hampshire House project in Eastleigh enabled all Adult Services, Children's Services and Hampshire Partnership Foundation Trust staff to vacate Russell House and move onto the ground and first floors of the building on 24 January. Children's Services staff also moved into the building at the beginning of March, and the office accommodation is now fully occupied.
- 5.5 The Hampshire House accommodation has been redesigned as a flexible office space, with a large reception area and a suite of public contact rooms. Staff have access to new 'Follow Me' technologies, including phones and printers. As with all Workstyle projects, the staff will be supported in their occupation of the building over the first six months to ensure the design meets their needs in operation.

## **6. Children's Services Capital Programme**

### **7. Children's Centres**

- 7.1 The three phased programme of providing 81 Children's Centres across Hampshire is nearing completion, with the conclusion of the third and final phase of construction projects. Of the 24 projects within this final phase, 19 centres are now complete, with the remaining five due to complete shortly, all within budget.
- 7.2 With total funding of £45 Million, across 67 individual construction projects, the successful conclusion of the Children's Centres programme represents a significant achievement for the County Council. This project has now established a high level of support for young families across Hampshire, with the comprehensive network of Children's Centres complementing the existing primary and secondary school framework.

### **8. Private, Voluntary and Independent Settings Programme**

- 8.1 The 9 major pre-school projects undertaken by the County Council with Mansell Construction as part of the Private, Voluntary and Independent programme of work have been completed on time and within the approved

budget.

- 8.2 Two major projects at Kings Worthy Primary School and Stockbridge Primary school, which are joint Children's Centre/Pre-School projects, have been successfully delivered. The refurbishment project at Havant Academy will also complete at the beginning of next month.
- 8.3 The additional 34 smaller scale projects on County Council owned or controlled sites have also been completed, having been delivered within the overall funding grant to the County Council's Children's Services Department from the Department for Education (DfE).
- 8.4 A number of more modest additional investment projects were introduced into the programme in February 2011 to ensure the grant allocation from the DfE was fully expended.
- 8.5 The projects undertaken on County Council owned or controlled sites form part of a much larger programme of work equating to 247 projects. The original funding grant for the programme was £15.125 Million. However, in July 2010, the DfE reviewed the value of the individual grants to local authorities and £3.6 Million was taken back by the Treasury from the County Council's allocation. The revised grant to the County Council was £11,507,323. As a result, the number of projects to be delivered within available funding has been reduced . Each of the remaining projects have now been completed or will be completed shortly and within the identified funding and timescales of the grant from DfE.

## **9. Portchester Community Centre**

- 9.1 Members may recall that an allocation of funding for a partnership project between the County Council and Fareham Borough Council, in order to deliver a new Community Centre in Portchester, was approved at the Executive Member for Policy and Resources Decision Day on 28 October 2010. The new Community Centre will be situated on land to the south of the existing community centre, which is located off Westland Gardens, with an estimated total cost of £2 Million for the project.
- 9.2 In order to facilitate the project, the County Council is expecting to purchase the identified site from Fareham Borough Council (FBC) and also make a grant and loan available to them. It is then intended to lease the land back to Fareham on a long term basis. A further financial contribution of £400,000 has been allocated in the Children's Services Capital Programme, specifically for a Children's Centre that is to be included as part of the accommodation requirements for the new building and this use will be protected through a legal agreement. Discussions with FBC on all transactions are ongoing and the outcome will be reported to the Executive Member for Policy and Resources in due course.
- 9.3 FBC confirmed their approval to appoint the County Council to undertake the design and construction project management of the new Portchester Community Centre at their Task and Finish Panel meeting on 26 January

2011. The Task and Finish Panel has been established to monitor progress of the project and comprises of Councillor Ellis from Hampshire County Council, in addition to seven FBC Local Members and three Portchester Community Association Members. The Panel is chaired by FBC's Councillor Mrs Hockley. A formal Memorandum of Agreement for the appointment of Property Services has also been prepared and has been forwarded to FBC.

- 9.4 FBC officers have now compiled a brief and schedule of accommodation and Property Services are currently developing initial proposals for the building. It is proposed that a planning application be submitted to Fareham Borough Council following a public consultation exercise in early summer 2011. It is then intended to commence construction of the new building in early 2012, with a proposed completion date of September 2012. An update of the project's progress will be reported to the Panel later in the year.

## **10. Park Community School, Havant**

- 10.1 Members may be aware that, in July 2009, the County Council was invited to join the Building Schools for the Future (BSF) programme. Park Community School in Havant was one of ten sites in a first wave of investment of over £80 Million of Central Government capital grant to rebuild, remodel and refurbish school buildings in Havant and Horndean, in order to provide exemplary learning environments for their local communities.
- 10.2 In July 2010, Michael Gove, the Secretary of State for Education, announced that the national BSF programme would be suspended. Subsequently, most new projects were cancelled, which included the proposed scheme of work at Park Community School. However, Members will be pleased to know that following a further review of the project, the school has now been allocated £10 Million from within the Children's Services Capital Programme to complete its refurbishment and rebuilding works. The balance of £10 Million to contribute to the total estimated cost of £20 Million will come from the Policy and Resources Capital Maintenance allocations over the financial years, which refers to item 2 on the agenda.
- 10.3 The school is the County's Council's highest priority, in terms of building condition, as 70% of the existing building area is constructed from a 1950's pre-cast concrete system, which is close to the end of its useful life. Accordingly, plans to replace the defective buildings and refurbish the remainder of the school are being designed by Property Services, with an anticipated start on site of early 2012. Members will be appraised of the design proposals for the project at a future meeting of the Panel.

## **11. Capital and Asset Pathfinder**

- 11.1 In January 2011, the Panel received an update on the government's Capital and Asset Pathfinder programme, which was initiated to test a customer-centric and place-based approach to asset management and capital investment. The County Council is one of six intensive Pathfinders, sponsored by the Chief Executive and supported by Chief Executives and senior officers from other public sector partners in Hampshire. Business

cases were submitted to Ministers in December 2010, which focused on two areas in Hampshire - Winchester and Basingstoke. The business cases showed significant reductions in floor area, leading to substantial savings in revenue if the public sector partners collaborated, in order to share and collectively manage their assets.

11.2 The next stage of the programme has focused on the development of a Long Term Strategy for the area. Central government set out their expectation for a strategy that *'is designed to build on the earlier business cases and show that they were not only tactical opportunities, but a set of strategic choices for local areas over a 10 year period that made sense for councils, sense for other public sector partners, and sense for residents/council tax payers'*. The Long Term Strategy for Hampshire was submitted on 11 March 2011.

11.3 The County Council's Long Term Strategy proposes to expand the Pathfinder approach to the wider public sector in Hampshire. The strategy includes:

- A vision for a collective public sector asset strategy for Hampshire.
- An approach that deepens the business cases for Winchester and Basingstoke.
- A Routemap to extrapolate the case across the wider Hampshire area.
- An estimate of the 'Size of the Prize', for example what could the collective benefit be across Hampshire if this approach is adopted.
- How customer demand could be modelled and used to shape service delivery, in turn informing how the estate could be re-profiled.
- Proposals for governance, ranging from a formal agreement where assets are pooled though to a more informal collaborative forum.
- Measures for success.
- How the approach might be taken to the wider public sector across the country, in conjunction with the other Pathfinders in the programme.

11.4 The submission of the Long Term Strategy to central government in March represents a threshold at which the public sector partners within the Hampshire area will need to decide whether or not to follow this approach. In following this approach, the County Council's strong leadership of the Pathfinder will need to continue, including support and engagement at Member and Chief Executive level between partners.

## 12. Recommendations

- a) That progress on each of the projects be noted.
- b) That in respect of the refurbishment of the Havant Public Service Village Civic Suite (Section 3) **the Panel advises the Executive Member for Policy and Resources** to approve the additional expenditure for the project,

which will be funded from increased contributions by Havant Borough Council.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	No
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	Yes
Corporate Business plan link number (if appropriate):	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1 An Equalities Impact Assessment has been completed in the development of this report and no adverse impact has been identified.

### **2. Impact on Crime and Disorder:**

- 2.1 The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

### **3. Climate Change:**

- 3.1 All the projects referred to in this report are and will be sensitive to future changes in climate and are principally naturally ventilated and use construction technologies that minimise solar gain and energy consumption.