



# **RESOURCES OVERVIEW AND SCRUTINY PANEL**

## ***Panel Report***

### **Public**

**Date of Meeting:** 26<sup>th</sup> July 2012

**Title:** PROJECT ASSURANCE GROUP

**Report of:** Town Clerk and Chief Executive

**Report reference:** CE 13/12

### **Summary**

The Project Assurance Group was established to ensure that there are effective governance arrangements on the significant projects that the Council undertakes. This report provides the most recent summary of significant projects currently being undertaken.

### **Recommendations**

Members are asked to scrutinise the most recent summary of significant projects. This is contained within Appendix A.

They are asked to note details of a new significant project being undertaken by the City Council.

### **Questions for / input required from Scrutiny**

Members are invited to comment upon the projects within the report including issues being addressed by project managers. They are also asked to identify any further information or updates they may require in relation to the work of the Project Assurance Group.

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## **City of Carlisle**

**To:** Resources Overview and Scrutiny Panel (ROSP)

**Date:** 26<sup>th</sup> July 2012

### **1. Introduction**

The Project Assurance Group has an advisory and high-level monitoring role in relation to the significant projects delivered by Carlisle City Council.

As required by ROSP, a progress update on significant projects is provided from the Project Assurance Group every 3 months and this is attached.

### **2. Projects Summary**

The latest summary of significant projects is included as Appendix A.

### **3. New Project – Automating Services**

At a time of very significant changes in email/website accessibility and electronic self service administration, local authority customer contact systems need to keep pace with and anticipate future developments in demand. Specifically this includes change migration from written, telephony and face-to-face contact to electronic platforms. To continue to provide excellent value for money services Customer Contact processes, the City Council website and back office systems need to be aligned.

To achieve the highest savings and gain the most efficiency, the automation of services will concentrate around the highest demand and highest transactional cost per channel per contact. The services initially targeted will be Revenues and Benefits, Waste Services and the Enterprise Centre. A one customer account for all City Council services will also be developed.

Carlisle's current cost per contact is £3.20 for phone and £8.37 for face-to-face. Web transactions are on average 32p per contact. There will still be a need for an advocacy services via telephone and face-to-face, although it is envisaged that this will be a reduced service over time and resulting reduced resources and increased savings.

The service will be valuable with the proposals related to the forthcoming Welfare Reform Act as self-serve will reduce the impact on the Council.

The capital outlay for the technology (Business Process Management software) will be met by ictCONNECT.

The timeframe for this initial phase of the project is to the end of March 2013 when further evaluation/plans for continued automation of services will occur.

The project manager is the Customer Contact Centre Manager and the project sponsor is the Director of Community Engagement. The project will have it's own board and be monitored by the Project Assurance Group.

#### **4. Recommendations**

That Members note:






- (i) the most recent summary of significant projects. This is contained within Appendix A.

# Appendix A

## Project Assurance Group

### Projects Summary

#### July 2012







| Action Status   |                          |
|---|--------------------------|
|  | Cancelled                |
|  | Overdue; Neglected       |
|  | Unassigned               |
|  | Not Started; In Progress |
|  | Completed                |



#### Community Resource Centre

The new Resource and Training Centre will provide support and opportunities for both homeless and people within the local community. Anticipated completion is November 2011. The budget is £3.2m which includes £1.89m funding from Government Places of Change Grant.






Revenue implications = An external managing agent will be responsible for the financing, running and development of the centre.






| Project update / any issues   |   | Key Stages                                   | Stage Status Icon   |
|---|---|--|---|
| 10/07/2012: The new build was completed 19 <sup>th</sup> December 2011. The Contractor has submitted a claim on the 6 <sup>th</sup> month deadline of the final account settlement. The QS and Architect team working for the City Council are disputing the sum and have requested substantiation. Approx £50k is unforeseen works to John St Hostel to comply with H&S regulations in respect of wiring systems etc. These were camouflaged in the old building and exposed during the works. |   | Business Case Approval                       |    |
|   |   | CHIP/HALO funding bids submitted/ successful |    |
|   |   | Planning Consent                             |  |
|   |   | Construction of building                     |  |
|   |   | Settlement of final account                  |  |
|   |   | Lease to YMCA                                |  |
| <b>Project Finances</b>   | Budget for 2012/13 is £11,000. Expenditure to end of June 2012 is £7,745. |  |   |
| <b>PAG ACTION</b>   |   |  |   |
| <b>Project Manager</b>  | Mike Swindlehurst; Simon Taylor   |  |   |

## Dalton Avenue, Raffles

The project aims to deliver 37 units of housing over 2 years for rent charged at an affordable level. The build will be carried out by a private developer Lovell's (in receipt of a grant from the Homes and Community Agency) on land owned by the Council. A Registered Provider (RP) will purchase the land and properties and manage them.












Cost of the land value is £370,000, which should be recouped when it is sold to an RP.

| Project update / any issues   | Key Stages          | Stage Status Icon   |
|---|---------------------|---|
| <p>06/07/2012: As per the last update, it was decided that Lovell's would lead on the procurement process. This is ongoing. Lovell's has been in discussions with both the Homes and Communities Agency (HCA) and the Housing Associations to identify facets of the scheme where savings can be made. These discussions have taken longer than expected. Lovell's are understandably reluctant to submit a planning application, as the shape (type of housing, tenure of housing, layout etc) of the scheme could change following discussions with housing associations, which would necessitate a re-submission and extra cost. However, one benefit of the longer timescale has been that another housing association, which had previously dropped out of discussions, has now once again expressed a potential interest in participating in the scheme with Lovell's.</p> <p>In trying to bridge the feasibility gap and bring this scheme forward, it is likely that Lovell's will come back to the City Council requesting that the value of the land (which was included in the scheme at reduced land valuation) be reduced further.</p> | Tender for RP       |  |
|   | Planning Permission |  |
|   | Start on site       |  |
|   | 17 units delivered  |  |
|   | 20 units delivered  |  |
| <b>Project Finances</b>   |                     |   |
| <b>PAG ACTION</b>   |                     |   |
| <b>Project Manager</b>  | Simon Taylor        |   |
| <b>Project Sponsor</b>  | Keith Gerrard       |   |

| Historic Quarter - Castle St Public Realm Improvements   |  |   |
|--|--|---|
| <p><b>Enhancements to the Historic Core of the City with particular emphasis on Castle Street:</b></p> <ul style="list-style-type: none"> <li>- Restricted zone for traffic</li> <li>- Pedestrianising and stone paving using traditional materials</li> </ul> <p><b>The total budget is £773,100</b></p> <p><b>Revenue implications = The area is adopted highway and is maintained for the County Council under claimed rights funded by them.</b></p> <p><b>The additional items of furniture will be maintained by existing pedestrianised area budget.</b></p>  |  |   |
| Project update / any issues  | Key Stages   | Stage Status Icon   |
| <p>06/07/2012: Approval for the design section of Annetwell St has been granted and Executive approval has been granted for these works.</p> <p>The City Council is seeking approval to progress this scheme as a one-off project as new traffic orders are generally only progressed annually. This has been delayed until 14th August due to County Council resource issues. The traffic order is intended to make a restricted zone in the historic core making loading easier for the businesses and to reduce congestion. Further public consultation will be required as part of this process. The majority of the works have been completed; work remaining is the enhancement of the paving at the corner of Abbey St/Annetwell St using the same material as used on Castle St.</p> | Approval by County Council                                     |  |
|  | Consents and Orders  |  |
|  | Finalise design  |  |
|  | Traffic Management   |  |
|  | Works  |  |
| <b>Project Finances</b>  | Budget for 2012/13: A carry forward of £70k has been approved. |   |
| <b>PAG ACTION</b>  |  |   |
| <b>Project Manager</b>   | Keith Poole  |   |
| <b>Project Sponsor</b>   | Angela Culleton  |   |

## Old Town Hall Restoration and Repair

This project will help secure the fabric of the building in the short to medium term, and enhanced repairs and work to the interior parts of the building. The total cost of the project is £551,000. This consists of £296,000 City Council and LABGI funding, and £255,000 grant from English Heritage. Project completion to be by 31st March 2013.

| Project update / any issues  | Key Stages  | Stage Status Icon   |
|--|---|---|
| <p>29/06/2012: Executive approved release of funding for this project in March 2012 of up to £296,000 from capital resources to enable maximum grant funding to be drawn down from English Heritage to part fund the project.</p> <p><i>However, negotiations with English Heritage are ongoing to agree the exact works that they are willing to fund from a building conservation point of view. There may be a shortfall in the level of grant of approx. £115k.</i></p> <p>In the meanwhile detailed design of the scheme is being drawn up by the retained Conservation Architects, with a view to commencing on site in September. Works need to be complete by the 31st March 2013.</p> | Executive approval project proposals  |    |
|  | Consultant tenders  |    |
|  | English Heritage funding approved   |    |
|  | Co-ordinating consultant appointed  |    |
|  | Stage 1 'Final Project Plan' approved   |    |
|  | Statutory Applications submitted  |    |
|  | Building work tenders / Statutory approvals   |    |
|  | Main Contractor appointed   |    |
|  | External works  |    |
|  | Internal repairs  |  |
|  | PSICA Programme completion  |  |
| <b>Project Finances</b>  | Funding issue – see details above   |   |
| <b>PAG ACTION</b>  | <i>Concern that there is no firm proposal for full funding for this project in light of tight timescale to complete the project that has been set by English Heritage. It is likely that the Council will either need to review the scheme design or find additional capital funding to progress the project.</i> |   |
| <b>Project Manager</b>   | Chris Pearson   |   |
| <b>Project Sponsor</b>   | Jane Meek   |   |

| Business Improvement District   |   |                   |
|---|---|-------------------|
| <p>This project, initially being facilitated by the City Council, involves the formation of a company to be the driving force in developing a Business Improvement District covering mainly the city centre retail area. The project budget is £80,000 which includes £60,000 City Council contribution.</p>  |   |                   |
| Project update / any issues   | Key Stages  | Stage Status Icon |
| <p>29/06/2012: The project remains on target with the formation of the BID to be achieved by the end of September subject to a positive result to the ballot. The BID web-site has been formed and is now live. The Business Plan has been agreed by the BID Steering Group / Shadow BID Board and will be published via the BID website and sent to every single business who will be the proposed constituents of the BID. These will be the businesses who will be asked to vote in the required ballot. The ballot period will run from 26th July - 23rd August with the result being announced on 24th August.</p> | Formation of project board, recruitment of Director and creation of Tourism and City Centre Management Company  | ✓                 |
|   | Bid Consultation and Development Phase  | ✓                 |
|   | Bid Campaign Phase  | ▶                 |
|   | Ballot Phase  | ▶                 |
|   | Formation of the BID  | ▶                 |
| Project Finances  |   |                   |
| PAG ACTION  | The contract specification that the City Council provides for all statutory functions and town centre services needs to be identified to the Council and the overall impact made clear. |                   |
| Project Manager   | Chris Pearson   |                   |
| Project Sponsor   | Jane Meek   |                   |



## Replacement Families Accommodation





To develop a new provision for homeless families and women to improve the quality of service, address equality and accessibility issues and comply with government legislation. The estimated cost of the project is £1,850,000 which includes a split of funds from the original Centre of Excellence project and funding allocations under the Housing Strategy programme. A capital receipt is also included for the current hostel building.

Revenue implications = It is currently proposed that the maintenance of the building will be the responsibility of the City Council and ongoing running costs met from within the service and contained within existing budgets for running the London Road hostel.

| Project update / any issues  |   | Key Stages                                   | Stage Status Icon |
|--|---|--|-------------------|
| 10/07/2012: The tender has been awarded and work started on site on 11 <sup>th</sup> June. It is currently to timetable and within budget. |   | Planning and formal approval for the project | ✓                 |
|  |   | Tender Process for architect                 | ✓                 |
|  |   | Planning permission                          | ✓                 |
|  |   | Tender returns for contract under review     | ✓                 |
|  |   | Construction period                          | ▶                 |
|  |   | Fit out                                      | ▶                 |
| <b>Project Finances</b>  | Budget for 2012/13 is £1,716,900. Expenditure to end of June 2012 is £21,130. |  |                   |
| <b>PAG ACTION</b>  |   |  |                   |
| <b>Project Manager</b>   | Mike Swindlehurst; Simon Taylor   |  |                   |
| <b>Project Sponsor</b>   | Keith Gerrard   |  |                   |








## Kingstown Industrial Estate

To bring roads and pavements at Kingstown Industrial Estate up to an adoptable standard.  
 The total project budget is £473,100.  
 Revenue implications = Following completion the County Council will adopt the Highway.

| Project update / any issues   | Key Stages   | Stage Status Icon   |
|---|--|---|
| 10/07/2012: A briefing note was presented to the Highways and Transport Working Group (HTWG). The works that will be carried out will not achieve Cumbria County Council's new enhancement 40 year design life criteria due to budget limitations. The works will incorporate Kingstown Broadway (North).<br>The works are out to tender on the Chest and return tenders are due back by the end of July 2012 and will be awarded, subject to budget, late August 2012.<br>Project completion is anticipated December 2012. | Business Case Approval   |  |
|   | Tender Process   |  |
|   | Construction work  |  |
|   | Project Completion   |  |
| <b>Project Finances</b>   | Budget for 2012/13 is £468,000. Expenditure to the end of June 2012 is £0. |   |
| <b>PAG ACTION</b>   |  |   |
| <b>Project Manager</b>  | Mike Swindlehurst  |   |
| <b>Project Sponsor</b>  | Angela Culleton  |   |

## Castle Way Cycle Ramp

This project is the formation of a cycle ramp, forming part of the original overall Sustrans cycleway scheme. The cost of the project is £370k and forms part of s106 Sainsbury funding. Funding will be released once Sainsbury actually start construction on site.

| Project update / any issues   |  | Key Stages                | Stage Status Icon   |
|---|--|---------------------------|---|
| 10/07/2012: The consultant design commission has been awarded. The design will now be progressed and it is anticipated that this will be completed by the end of August ready for planning application. |  | Surveys                   |  |
|   |  | Consultations             |  |
|   |  | Consultant tender process |  |
|   |  | Design period             |  |
|   |  | Planning process          |  |
|   |  | Contractor tender process |  |
|   |  | Construction              |  |
| <b>Project Finances</b>   | Budget for 2012/13 is £330k. Expenditure to the end of June is £360. |                           |   |
| <b>PAG ACTION</b>   |  |                           |   |
| <b>Project Manager</b>  | Mike Swindlehurst  |                           |   |
| <b>Project Sponsor</b>  | Peter Mason  |                           |   |

