

Norfolk County Council

Record of Individual Cabinet Member Decision County Hall Refurbishment Works

Responsible Cabinet Member: Councillor Greg Peck Cabinet Member for Commercial Services and Asset Management	
Background and Purpose: During the County Hall Refurbishment phase 2 project several issues have been uncovered relating to the aging building fabric in the North Wing and the North Wing meeting room area. These issues were not discoverable during the design and tender stages and only became apparent when the existing structure was opened-up. This report outlines an approach to deal with these urgent issues in a timely manner that will also contribute to maintaining the health, safety and welfare of staff working at and visitors to the County Hall site. The decision will involve substantially extending the value of an existing works contract and therefore it was considered appropriate to involve the Cabinet Member for Commercial Services and Asset Management in the decision.	
Decisions: To confirm the extension of the contract with Mace Interiors Group Ltd to undertake the: <ul style="list-style-type: none">• Replacement of the Cladding to the North Wing, funded by a transfer of £2.4million from the existing Accommodation Rationalisation capital budget.• Additional repairs to the North Wing meeting room area, funded from a transfer of £3.1million from the existing Accommodation Rationalisation capital budget.• In total (figures above) of £5.5m.	
Is it a key decision?	Yes
Is it subject to call in?	Yes
If Yes – Deadline for Call in	Date: 4pm Tuesday 2 March 2021
Impact of the Decision: Key construction works that will reduce the risk of further damage and disruption and contribute to the maintenance of health, safety and welfare of staff working at and visitors to the County Hall site will be completed far earlier and with less disruption than if the County Council were to procure new contractors.	
Evidence and reason for the decision: As set out in the attached report.	
Alternative options considered and rejected: As set out in the attached report.	
Financial, Resource or other implications considered:	

As set out in the attached report.	
Record of any conflict of interest:	
Background Document <ul style="list-style-type: none"> Policy & Resources 31 May 2016 – County Hall Programme, agenda page 214. 	
Date of Decision:	23 February 2021
Publication date of decision:	23 February 2021
Signed by Cabinet member: I confirm that I have made the decision set out above, for the reasons also set out Signed: G Peck Print name: Cllr Greg Peck Date: 23 February 2021	
Accompanying Documents: <ul style="list-style-type: none"> Report County Hall Refurbishment Work 	

Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to committees@norfolk.gov.uk

Individual Cabinet Member Decision Report

Item No:

Decision making report title:	County Hall Refurbishment Works
Date of meeting:	Not applicable
Responsible Cabinet Member:	Councillor Greg Peck Cabinet Member for Commercial Services and Asset Management.
Responsible Director:	Simon George Executive Director for Finance and Commercial Services.
Is this a key decision?	Yes
If this is a key decision, date added to the Forward Plan of Key Decisions.	General exception notice issued 16 February 2021

Introduction from Cabinet Member

During the County Hall Refurbishment phase 2 project several issues have been uncovered relating to the aging building fabric in the North Wing and the North Wing meeting room area. These issues were not discoverable during the design and tender stages and only became apparent when the existing structure was opened-up. This report outlines an approach to deal with these urgent issues in a timely manner that will also contribute to maintaining the health, safety and welfare of staff working at and visitors to the County Hall site.

Executive Summary

It has been a key priority of the County Council to repair and refurbish the County hall building to provide safe and secure accommodation for staff and visitors. To this end Mace Interiors Group Ltd were contracted to undertake the County Hall Refurbishment phase 2 project. They are a competent contractor who are working diligently to repair and refurbish the North Wing and other parts of County Hall. The issues that have arisen with the existing fabric will impact upon health and safety, as well as the condition of the building and therefore require urgent attention. It is proposed to extend the contract to address these matters. The cost of these works will be funded by reallocating monies from existing capital budgets.

Recommendations

- The Cabinet Member for Commercial Services and Asset Management is asked to confirm the extension of the contract with Mace Interiors Group Ltd to undertake the:**
 - Replacement of the Cladding to the North Wing, funded by a transfer of £2.4million from the existing Accommodation Rationalisation capital budget.**

- **Additional repairs to the North Wing meeting room area, funded from a transfer of £3.1million from the existing Accommodation Rationalisation capital budget.**
- **In total (figures above) of £5.5m.**

1. Background and Purpose

- 1.1. In July 2012 the Council made a key decision to undertake a major programme of repairs and refurbishment to County Hall. County Hall, which opened in 1968, was in a poor condition with significant structural issues, poor energy efficiency and inefficient utilisation of the office space. In making the decision to repair and refurbish significant parts of the building consideration was given to alternative options including demolition and the construction of a new headquarters for the County Council. On balance it was concluded it was more cost effective to proceed with a repair and refurbishment programme. This was on the basis that staff would remain in situ during the repair and refurbishment works relocating within the building as required by the building programme.
- 1.2. The initial repair and refurbishment programme concentrated on the main tower, however the programme was extended to cover other areas such as the mezzanine floor, rear terrace and a limited refurbishment of the lower and basement floors as additional capital resources became available and was allocated by the Council. This initial programme was completed in 2016. The remaining parts of the County Hall complex had to wait for additional Capital resources to be identified.
- 1.3. A separate programme (Norfolk County Hall Refurbishment Phase 2) was proposed to refurbish the North Wing and remaining parts of the lower ground and basement not completed in the initial phase. Following a competitive procurement process Mace Interiors Group Ltd (MACE) were appointed as Main Design and Construction Contractor. The contract was signed and recorded on the Councils contracts register as part of business as usual. However, to aid transparency of decision-making Members are reminded that the contract value is £18,456,058.00 and is fully funded from the approved capital programme.
- 1.4. The phase 2 programme commenced works on site on 19 May 2020 and the contractual completion date of the final part of the works is 24 August 2021 however the Covid 19 Pandemic has had and continues to influence progress. A revised final completion date will be agreed in accordance with the contract provisions that deals with this risk.
- 1.5. Several issues have arisen on the County Hall site that require urgent attention and as any decision will involve substantially extending the value of an existing works contract it was considered appropriate to involve the Cabinet Member for Commercial Services and Asset Management in the decision.

2. Issues and Proposals

- 2.1. During the refurbishment works for the North Wing an issue was discovered relating to the cladding in the courtyard area that would have been unforeseen during the early design and tendering phases for the programme. Following the opening-up of the structure to replace the windows and to cut new openings it was discovered that the external walls were of single skin brick construction retained in place by intermittent ties and buckling had occurred over the years. It is fortunate that it was discovered now. On inspection it was determined that there would have been a catastrophic failure of the element at some future point with consequential damage and disruption and the very real risk of personal injury.
- 2.2. As part of the design solution for the cladding on the North Wing significant effort was made to negotiate a design that satisfied the County Councils insurers (this is an effect of the Grenfell Fire and attitude to risk arising from building cladding design and installation). The design provided by MACE for the North Wing was agreed and there is a clear division and acceptance of responsibility for the design and installation of the approved products.
- 2.3. Because of the urgency to correct the issue and to mitigate any delays to the contract a contract variation was issued to the contractor to design a solution and undertake construction works. The cost of this additional work (including professional fees) is based on the existing rates within the contracts with MACE and the Employers Agent and will cost an additional £2.4million. This additional work is funded by a transfer of £2.4million from the existing Accommodation Rationalisation capital budget.
- 2.4. Cabinet, at their meeting on the 7 September 2020 resolved to approve the drawdown of £2.7million, from the existing Accommodation Rationalisation capital budget, to fund Accessibility and Inclusivity improvements to the Public Meeting Rooms forming the North Wing meeting room area in County Hall. The North Wing meeting room area comprises the Council Chamber, Foyer, Cranworth room, Colman room, Edwards room and associated facilities. These have remained largely unchanged since the building was opened in 1968. As a result, there is a significant maintenance backlog and the area does not meet the needs of Councillors and residents, particularly those with disabilities. There are issues with lighting, heating and cooling, and public gallery access. In addition, the lack of air handling does not meet the current Covid regulations. It is anticipated a proposed Accessibility and Inclusivity project will address all these issues and was predominantly aimed at the internal parts of the building.
- 2.5. The aim was to use the contractor that was already on site to undertake the design and subsequent construction works for several key reasons:
 - (1) There are critical services connections/cross-over between the plant room (in the area of the existing Phase 2 refurbishment project) and the North Wing meeting room area and are understood by the MACE team.
 - (2) MACE is already on site so cost of contract preliminaries and site set up would be significantly reduced,
 - (3) Carrying out the North Wing meeting room area works whilst MACE are on site omits the cost of abortive work where MACE carry out works under the Phase 2 project that is then damaged or un-done by a second contractor when the North Wing meeting room area works are carried out later.

- (4) A significant health and safety risk of asbestos is removed by MACE by carrying out the works now.
- (5) To complete the works to meet a corporately established completion date of February 2021.
- (6) The enforced time limit for completion would not have allowed sufficient time to arrange for competitive tenders to be submitted for the work.
- (7) Furthermore, and again due to the enforced time limit, it is essentially impossible to have two separate contractors working in the same area who are not contractually tied as this would contravene the Construction (Design and Management) Regulations.

2.6. To this end MACE were instructed to undertake an investigation and provide a report and estimated cost up to RIBA (Royal Institute of British Architects) plan of work stage 1 based on non-intrusive surveys, access limited by COVID 19 regulations and existing information on the construction of the building. This report provided the estimate of £2.7million used in the earlier Cabinet report.

2.7. Following Cabinet's approval to draw down the monies from the existing Accommodation Rationalisation capital budget a contract variation was issued to MACE to undertake the Accessibility and Inclusivity project works to the North Wing meeting room area. As Mace progressed with the internal strip out several key issues with the structure were uncovered:

- (1) No internal fire breaks.
- (2) Significant leaks through the roof which on investigation was sourced to the failure of the copper roof finish.
- (3) Water ingress around window subframes.

Consequently, the original design has had to be adapted to include a sprinkler system, replacement roof members and finish and substantial works to the windows, these works are needed to ensure the safe operation of the building. This will involve an additional cost of £3.1million (construction cost and Professional fees). This is funded from a transfer of £3.1million from the Accommodation Rationalisation capital budget.

3. Impact of the Proposal

3.1. Key construction works that will reduce the risk of further damage and disruption and contribute to the maintenance of health, safety and welfare of staff working at and visitors to the County Hall site will be completed far earlier and with less disruption than if the County Council were to procure new contractors.

4. Evidence and Reasons for Decision

4.1. Essential repair works will be delayed. It is likely that in the event of procuring new contractors there will be an increased cost to completing these works as the current contractor has already factored in the risks of working on the County Hall site and is familiar with the site.

5. Alternative Options

- 5.1. The alternative would to procure new contractors which is rejected as argued elsewhere in this report

6. Financial Implications

- 6.1. The Additional work for the North Wing cladding and the North Wing meeting room area will be funded from existing capital budgets.

7. Resource Implications

- 7.1. **Staff:** Nil
- 7.2. **Property:** As described elsewhere in this report
- 7.3. **IT:** Nil

8. Other Implications

8.1. Legal Implications

The modifications to this contract, both in September 2020 and now, will be subject to the Public Contracts Regulations 2015, regulation 72. Notices will be published in accordance with those Regulations in the Official Journal of the European Union.

- 8.2. **Human Rights implications** nil

8.3. Equality Impact Assessment (EqIA)

This was undertaken as part of the initial County Hall refurbishment project. As there has been no significant change this has not been repeated for the phase 2 project (and any extensions there to).

8.4. Health and Safety implications

A key aim of undertaking the work described elsewhere in this report is to reduce the risk of damage, disruption and personal injury by existing and future failure of building elements. Also, this is an opportune time to undertake these noisy and intrusive works as the number of people working in County Hall is very much reduced during the current Covid 10 pandemic.

8.5. Sustainability implications

A key aim of the refurbishment works programme is to improve the energy efficiency of the fabric of the building and the services therein thereby contributing to the council's carbon reduction commitment.

9. Risk Implications/Assessment

- 9.1. Delay in carrying out the additional works described elsewhere in this report poses significant risks of damage and disruption and a very real risk of personal injury. It is fortunate that there is already a competent contractor working on the site who is familiar with the construction of the building and has the resources ready to address the issues with the building fabric.

10. Recommendations

- 10.1. The Cabinet Member for Commercial Services and Asset Management is asked to confirm the extension of the contract with Mace Interiors Group Ltd to undertake the:

- Replacement of the Cladding to the North Wing, funded by a transfer of £2.4million from the existing Accommodation Rationalisation capital budget.
- Additional repairs to the North Wing meeting room area, funded from a transfer of £3.1million from the existing Accommodation Rationalisation capital budget.
- In total (figures above) of £5.5m.

11. Background Papers

11.1. Policy & Resources 31 May 2016 – County Hall Programme, agenda page 214.

Officer Contact

If you have any questions about matters contained in this paper, please get in touch with:

Officer name: Simon Hughes, Director of Property **Tel No.:** 01603 222043

Email address: simon.hughes@norfolk.gov.uk



If you need this report in large print, audio, braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.