

PART 1 - PUBLIC

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**Decision Maker:** Resources Portfolio Holder

**Date:** 7 July 2016

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** **FORMER CHARTWELL BUSINESS CENTRE, CENTRAL DEPOT – IMPROVEMENT WORKS (POST COMPLETION REVIEW REPORT)**

**Contact Officer:** Catherine Pimm, Head of Asset Management and Strategic Projects  
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**Chief Officer:** Director of Regeneration and Transformation

**Ward:** Bromley Town

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1. Reason for report

- 1.1 As part of the Capital Programme Procedures it is a requirement that schemes should be formally reviewed within one year of completion and the outcome of this review is brought to the Portfolio Holder for endorsement.
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2. **RECOMMENDATION(S)**

- 2.1 That the Portfolio Holder endorses the findings of the Post Completion Review that has been carried out in respect of Former Chartwell Business Centre – Improvement Works.

### Corporate Policy

1. Policy Status: <please select>.
  2. BBB Priority: <please select>.
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### Financial

1. Cost of proposal: N/A
  2. Ongoing costs: N/A.
  3. Budget head/performance centre: Capital Programme
  4. Total current budget for this head: £870k
  5. Source of funding: LBB Capital
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### Staff

1. Number of staff (current and additional):
  2. If from existing staff resources, number of staff hours:
- 

### Legal

1. Legal Requirement: Statutory requirement.
  2. Call-in: Call-in is not applicable.
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### Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A.
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

3.1 The Capital Programme Procedures require that a post completion review be carried out within 12 months of the completion of schemes that are included within the programme. This process is designed to determine the Authority's performance in the following key area;

- Were the original scheme objectives achieved?
- Were the scheme costs contained within the original budget?
- Did the scheme complete on time?
- What was the level of customer satisfaction from the end user with the overall process?

3.2 The information set out in the appendices shows the above information for Former Chartwell Business Centre - Improvement Works.

3.3 The scheme completed within budget and the original contract programme was met. A full analysis of the project is contained within the appendix.

### 4. POLICY IMPLICATIONS

4.1 One of the main aims of the Council's Asset Management Plan is to ensure that all the partners in the asset management planning processes are fully consulted on the process and its outcomes. Progression of the scheme will assist in meeting one of the key outcomes of Building a Better Bromley: Quality Environment.

### 5. FINANCIAL IMPLICATIONS

5.1 This report provides information on a Post Completion Review that has been carried out in respect of Former Chartwell Business Centre – Improvement Works.

5.2 The table below summarises the financial outturn position of the scheme: -

	<b>£'000</b>
Capital Estimate	870
Final scheme costs	859
<b>Net underspend</b>	<b>-11</b>

5.3 The scheme came in £11k below the latest approved capital estimate and this balance will be returned to capital receipts.

5.4 There were no direct revenue savings as a result of this scheme, however the Cleansing contractor gave an indication that there would be notional savings related to operating from the Central Depot compared to Beaverwood Depot. The estimated non-cashable savings from increased productivity and savings on fuel were £35k per annum, or a total of £245k over the seven year contract. This would have contributed to the savings of £818k per annum that were achieved from the re-tendering of the street cleansing contract as reported on 14 December 2011.

**6. LEGAL IMPLICATIONS**

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**7. PERSONNEL IMPLICATIONS**

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<b>Non-Applicable Sections:</b>	Personnel and Legal Implications Consultation
Background Documents: (Access via Contact Officer)	[Title of document and date]

## APPENDIX 1

### Former Chartwell Business Centre - Improvement Works

#### Scheme Details

1. The scheme comprised works to the former Chartwell Business Centre to enable the relocation of the street cleansing contractor from Beaverwood Depot to Central Depot, together with the provision of office facilities for the street cleansing client side staff.

#### Scheme History

2. In November 2007, the Depot Review Project concluded that there would be financial and service gains from relocating the street cleansing services from Beaverwood Depot to Central Depot. When the Chartwell Business Centre was vacated in 2011, it provided the opportunity to relocate the street cleansing service. The building costs included expenditure needed to maintain the useful life of the building and “enhancements” which were works required to make the building suitable for occupation by street cleansing services.
3. There were tight time constraints on the project as the new facilities had to be ready to coincide with the commencement of the new street cleansing contract, so the works were divided into two phases to speed up the programme: Roofing Works and Main Works.

	Original Estimate	Actual Expenditure	Variance
<b>Former Chartwell Business Centre – Improvement Works</b>	<b>£870,000</b>	<b>£859,000</b>	<b>-£11,000</b>

The works proceeded smoothly and completed on time and under budget.

#### Running Costs

4. There have been no changes to the running costs relating to this scheme.

#### Scheme Objectives

5. The objectives of the scheme were as follows:
  - Development of Central Depot as the Council’s main operational base for key operational services
  - Reduced traffic movements (mileage and fuel)
  - Greater service efficiencies, particularly from vehicle journeys
  - Potential synergy between waste services and street cleansing
  - Fit for purpose facilities
  - Reduction in backlog maintenance costs
  - Rationalisation of Depots
  - Vacation of Beaverwood Depot

#### Assessment of Scheme Success

6. Most of the scheme objectives have been met, although Beaverwood Depot continues to be occupied by contractors providing services for Environment and Community Services.

## Assessment of Contract Efficiency

7.	Contract period – Roofing Works:	3 weeks
	Start Date:	30/4/2012
	Practical Completion:	2 July 2012
	Over-run:	2 weeks
	Contract period – Main Works:	20 weeks
	Start Date:	9/7/2012
	Practical Completion:	17 December 2012
	Over-run:	3 weeks

The roofing works overran due to inclement weather.

The practical completion certificate was issued 3 weeks later than anticipated for the main works. The works had been completed by the anticipated completion date of 23/11/2012, but the final connection of radio links to the main depot building prevented the issue of the practical completion certificate.

After occupation of the building there were several copper pipe leaks between 2013 and 2014. The defective pipework was replaced and samples of pipework analysed showing a manufacturing fault exacerbated by chlorination. The remaining pipework has been monitored and there have been no further failures since 2014.

It was decided to defer the review and closing of the account until the responsible officer was satisfied that there were no further problems with the pipework.

The Project Team were complimented by the client department on the excellent management of the project and satisfaction was expressed about the new facilities.

## Outstanding Issues and Their Proposed Resolution

8. There are no outstanding issues.