

MELBOURN PARISH COUNCIL

(District of South Cambridgeshire)

An Extraordinary Meeting of this Council was held on Monday, 10 May 2021 in the Marquee at the front of Melbourn Community Hub, 30 High Street, Melbourn, Cambridgeshire, SG8 6DZ at 8.30pm

Members of the public are reminded that copies of reports and supporting documentation for agenda items can be obtained from the Parish Council website or on request to the Clerk

Present: Cllrs Clark (Chair), Cowley (Vice Chair), Baker, Barnes, Davey, Hart, Kilmurray, Travis

Absent:

In attendance: Claire Littlewood (Parish Clerk), Gabby van Poortvliet (RFO) Jose Hales (Director MCHMG)

1 To receive and approve apologies for absence

Apologies received from Cllrs Buxton and Wilson – acceptable reasons were given.

It was:

RESOLVED to accept apologies for absence from Cllrs Buxton and Wilson.

Proposed by Cllr Cowley, seconded by Cllr Kilmurray. All in favour.

2 To receive any Declarations of Interest and Dispensations.

- a) To receive declarations of interest from councillors on items on the agenda
- b) To receive written requests for dispensations for disclosable pecuniary interests (if any)
- c) To grant any requests for dispensation as appropriate

Cllrs Travis and Kilmurray declared an interest in item 4 as Directors of the Hub Management Group. They were given dispensation to participate in the discussion but would abstain from the vote.

Cllr Cowley declared an interest in item 4 (A1 Decoration) as a friend of one of the contractors. He was given dispensation to participate in the discussion but would abstain from the vote.

3 Public Participation: (For up to 15 minutes members of the public may contribute their views and comments and questions to the Parish Council – 3 minutes per item)

There were no members of the public in attendance.

4 To consider approving expenditure on additional post-construction works to Melbourn Community Hub

Chair introduced the item and referred to supporting documentation. Questions were invited from councillors.

A member queried why these items of expenditure had not been identified in February when tenders were considered and contracts awarded. Noted that discussions in February had not indicated further expenditure at this level would be required

Response: Work on the Hub extension needed to progress in order to obtain costs for post construction works.

A member queried if Hub Management is confident that there is sufficient money available from original budget to complete the works and noted that lessons could be learned about discussing additional works earlier in the process. Query also raised as to how the project would have proceeded in the event of an earlier overspend.

Response: There is confidence that no further funds will be required. However, this is a complex project. If earlier elements of the build had overspent, this would have reduced the amounts available for post construction items.

A member noted that there had been 30% contingency built in to the original budget. Current proposals will have 8.4% contingency. Some elements of the budget are nearly exhausted. How will this be managed?

Response: Main contractor's costs are fixed in the contract. Budgeted costs will only change if there is a change to the scope of works. Noted that materials budget is likely to be underspent.

A member noted at A1 Decoration - there is great variation in the decorating quotes under consideration.

Response: Lowest cost quote is a small local business which has satisfactorily carried out previous decorating works at the Hub.

A member noted at A5 Electrical Work – amount under consideration is an estimate.

Response: Formal quote from yet received but this amount is based on previous works and quantified by the Project Manager.

A member queried what safeguards the Parish Council has in place to protect against modern slavery.

Response: No formal safeguards or due diligence but further guidance will be sought in this regard.

A member queried if expenditure would be prioritised to ensure sufficient funds are available.

Response: Confirmed.

Noted that the building would require redecoration following build works. Would be cost effective to have all areas decorated at the same time. Noted importance of minimising disruption and impact on Parish Office.

A member queried whether items under A4 Meeting Room Furnishings were required prior to re-opening.

Response: Need to ensure there is no delay to availability of meeting rooms and associated revenue.

A member noted concern that IR heaters are included in A5 Electrical Works.

Response: These are a necessary item.

Chair presented each element of spend in line with supporting notes for consideration:

A1 Redecoration

It was:

RESOLVED to accept the quotation from PAA Maintenance in the sum of £8,215.00 for redecoration of the Hub.

Proposed by Cllr Hart, seconded by Cllr Baker. In favour: Cllrs Hart, Baker, Barnes, Davey, Clark. Abstain: Cllrs Travis, Kilmurray, Cowley.

A2 Flooring

It was:

RESOLVED to accept the quotation from PL Cooper & Sons Ltd in the sum of £11,031.25 for flooring.

Proposed by Cllr Davey, seconded by Cllr Cowley. In favour: Cllrs Davey, Cowley, Baker, Hart, Barnes, Clark. Abstain: Cllrs Travis and Kilmurray.

A3 Air Conditioning Equipment

It was:

RESOLVED to accept the quotation from Airway Group for supply and installation of air-conditioning units in the sum of £8,625.00.

Proposed by Cllr Cowley, seconded by Cllr Baker. In favour: Cllrs Cowley, Baker, Hart, Clark, Barnes, Davey. Abstain: Cllrs Kilmurray and Travis.

A5 Electrical Works

It was:

RESOLVED to approve additional electrical works to be arranged by Brownstone up to an amount of £3,500.00.

Proposed by Cllr Hart, seconded by Cllr Barnes. In favour: Cllrs Hart, Barnes, Clark, Davey, Baker. Against: Cllr Cowley. Abstain: Cllrs Kilmurray and Travis.

A4 Meeting Room Furnishings

It was:

RESOLVED to approve expenditure up to £6,820.00 on meeting room furnishings.

Proposed by Cllr Barnes, seconded by Cllr Baker. In favour: Cllrs Barnes, Baker, Hart, Cowley, Davey, Clark. Abstain: Cllrs Travis and Kilmurray.

- 5 To note the date of the next meeting : 24 May 2021

The meeting finished at 9.14pm.

Melbourn Parish Council Extraordinary Meeting May 10th 2021: Post Construction Internal Works

Explanatory Notes:

- ❖ **Background:** The funds to be considered for approval are only usable for the Hub extension. They have been acquired by the Hub Management for deployment through the Parish Council in the interests of the Parish Council and the community we all serve. There is no cost to residents from this project. The funding agencies involved (TTP and Cambridge County Council) expect these funds to be used in their entirety as we promised at the time of application – namely to maximise the benefits and services delivered by the Hub for the local community.
- ❖ **At the Parish Council meeting of 22nd February 2021 the following was noted as part of the approvals:**

PC 106/20 It was:

RESOLVED to approve a contingency of 30% on all elements of the project in the amount of £31,118.00

Proposed by Cllr Hart, seconded by Cllr Barnes. In favour: Cllrs Clark, Hart, Baker, Buxton, Barnes, Cowley, Davy, Kent. Abstain: Cllrs Travis and Kilmurray. Noted that the total budget for the Hub extension including a contingency of 30% across all elements of the project is £153,743.00.

It is now time to consider re-assignment of part of the 30% contingency funding. The 30% allowance, totalling £31,118 was originally applied to give a high level of confidence to everyone that the construction project was completely secure. A normal level of contingency would be no more than 10-15%. Unassigned surplus funding is also available of £20,529.05.

- ❖ **The project is now two months into construction. Any questions/risks related to the groundworks and building frame are now firmly in the past. Two thirds of materials are either on site or have been ordered and/or price-fixed. The main contractor is on site and his costs also fixed. The safety net of previously agreed contingency attached to these projects elements can now be reviewed. Holding back the contingency funds on tasks now complete/materials purchased is clearly not logical or necessary. The Project Manager supports this position (see Annex C attachment).**
- ❖ **The Council approvals of 22nd February 2021 applied only to the basic building construction phase. It is now necessary to integrate and follow this phase with all those tasks and purchases that form the inside environment after the construction handover. Contingency funds that are no longer relevant, together with previously undesignated surplus funds, can now be considered for this next step. The budget impact is shown in Annex B.**
- ❖ **Final specification of the major internal works and competitive bidding can only be done once the scope of works can be seen on the ground. The timing is critical. Until the build process is secure and the timing and sequencing of (say) decoration can be properly defined no contractor will quote and reserve the significant capacity required to do the work. Hence the reason for returning now to seek an approval for the internal works as a separate application.**

Annex A Schedule of Post-Construction Costs for Approval Consideration. The various works that follow must be integrated and harmonised with the building construction plan so that all parties know who requires access and when. For budget impact and remaining contingency see Annex B. Detailed supplier quotes are available on request.

It is proposed that the Council considers funds for approval according to the following headings:

A 1. Resolution to accept a quotation for Re-Decoration as per the options listed.

Bidder/Item	Quote Price (£)	Notes (see also Note (a) below)
Nigel Watts Painting & Decorating	19,870.00	
PAA Maintenance	8,215.00	Previously worked on Hub external redecoration (2019); Preferred Quote
Painting Room	19,800.00	

Note (a). An operational decision has been taken to redecorate the Atrium. This is in conjunction with re-decoration already required in various spaces as a result of extension works, including the reception area, toilets, front lobby and Austen Room. The Parish Council office is of course included, as it would be appropriate to carry the improvements throughout the entire building; this work would be covered by the same contract to decorate the outside building (new work), new rooms and nearby spaces and corridors that form the new build or result from the impact of the new build. It should be noted that interior decoration under the Hub Lease is the responsibility of the Hub Management Company. The costs of redecoration work including the Atrium could thus be shared between Hub and Parish Council. However it should be noted that, as there are likely to be substantial funds remaining after the extension works are completed, it would be in keeping with the s106 conditions that the works be included as 'whole project' costs. Carrying out a total re-decoration in one contract will be very cost effective and will protect both Hub and Parish Council future budgets. An early decision is required in order to secure contractor capacity and link with the new-build schedule.

A 2. Resolution to accept a quotation for Flooring as per the options listed

Bidder/Item	Quote (£)	Notes (see also Note (b) below)
Final Finish Flooring	13,620.36	
PL Cooper & Sons Ltd	11,031.25	Preferred Quote
All the Floors	17,064.00	

Note (b). An operational decision has been taken to replace the *Altro* flooring material in the Atrium space, ground floor toilets and entrance area. Although this flooring is relatively unworn it has proved very difficult to clean and maintain to an acceptable standard. This is because it contains an abrasive non-slip surface component more suitable to a constantly wet industrial setting. The abrasive surface damages café furniture and shreds cleaning equipment, with dirt being very difficult to remove. A replacement material would solve these problems and also give the entire café space a much-needed face-lift. The same material would be used in the two new meeting rooms on the ground floor, the newly created corridor, the newly created walk in cupboard and the newly created ground floor storage cupboard. First floor rooms and stairs would all be carpeted and some re-carpeted, including the Parish Council office. An early decision is required in order to secure materials, to program the works and arrange clearance of affected spaces. As with re-decoration item A1, this work can only be achieved at a point where the wider business is closed and not trading.

A 3. Resolution to accept the quotations from Airway (existing supplier of installed units) for Air Conditioning equipment in various locations

Bidder/Item	Quote (£)	Notes
Airway Group		
New Meeting rooms	3,965.00	Single Quotes as Airway installed existing Air Conditioning to Hub
Server/Staff Room	895.00	
Covid Compliant Ventilation-Austen Room	3,765.00	
TOTAL	8625.00	

A 4. Resolution to Fund Meeting Room Furnishings and related Items

Bidder/Item	Quote (£)	Notes
Various		All items to match specifications for equipment in existing Meeting Rooms
Projectors	2925.00	
Screens	1245.00	
Cabling and Installation	400.00	
Furniture for new Rooms	2,050.00	
Custom Security Door Furniture	200.00	
TOTAL	£6820.00	

A 5. Resolution to fund added Electrical Work up to a cost of £3,500

Bidder/Item	Quote (£)	Notes
Brownstone - Client Bid Variation		This work was in the most part included in last years precept/s106 but was not carried out.
Added Power Sockets)		
Outside Power Circuit)		Emergency Lighting Upgrade removed from 2021 precept (£1,715) and Dist. Board removed from other S106 funds (£918) This work to be done a part of the wider electrical work related to the Hub extension.
IR Heaters) Global		
Emergency Lighting Upgrade) quotation		
Distribution Board Upgrade)		
TOTAL (estimated)	£3,500.00	Awaiting Brownstone Quote – Cost Estimated by 1731 Ltd.

GRAND TOTAL: £38,191.25

Annex B – Budget Comparisons

Construction Only

Item	Budget
Main Building Contractors	53,010.00
Materials Supplies	39,615.00
Plumbing and Heating	15,000.00
Professional Services	11,100.00
Landscaping Works	3,900.00
Sub Total	122,625.00
Proposed Post Build Spend	Nil
Contingency Remaining (30%)	31,118.00
Other Costs	
Totals	153,743.00
Total Funds Available	174,272.05
Funding Surplus	20,529.05

Post-Construction

Item	Budget
Main Building Contractors	53,010.00
Materials Supplies	39,615.00
Plumbing and Heating	15,000.00
Professional Services	11,100.00
Landscaping Works	3,900.00
Sub Total	122,625.00
Proposed Post Build Spend	38,191.25
New Sub Total	160,816.25
Contingency Remaining (8.4%)	13,455.80
Other Costs	
Totals	174,272.05
Total Funds Available	174,272.05
Funding Surplus	Nil

Annex C 1731 Ltd – Estimate of Contingency Monies



Melbourn community hub expansion - advice on availability of contingency funds 04/05/2021

I am responsible for ensuring that the budget approved by the Parish Council is managed sufficiently well so that it comfortably completes the construction and fit out of the expanded areas of the hub.

It was hoped when this budget was approved by the Parish Council that it would be sufficiently generous to allow for a broader series of works covering the maintenance, refurbishment and future proofing of the hub as a whole. Specifically a contingency of 30% (roughly £35,000 in cash terms) was added in on top of my estimates of expansion costs. It should be noted that even with this 30% contingency there is still approximately £20,000 of emergency contingency available in addition before the funds secured for this project are exhausted.

In order to secure goods and services for these broader works in a timely manner, that will prevent delays or the replication of works and charges on the expansion project, it has been proposed that a portion of funds previously allocated to the contingency be used to secure the purchase of goods, make payment to contractors or expand the brief of existing contractors to allow for additional refurbishment works - decoration and flooring for the entire hub for example.

It is my view that we are at a stage in the project where a majority of the risk and uncertainty about costs is over. With groundworks being by far the most common area where costs increase dramatically and that having been completed successfully. The rest of the labour charges having been agreed with the main contractors and the vast majority of materials for the whole project are either ordered or agreed, I think we are in a safe position to re-allocate a significant portion of the contingency funds to the broader refurbishment works, indeed in some cases we are in danger of the refurbishment works actually delaying the expansion works due to onsite logistics which makes certain reallocations doubly prudent.

The approved budget is £153,743 including a 30% contingency meaning the "real" budget is approximately £118,000. When looking at what has been spent to date, what we know definitely will be spent and what we are assuming we are going to spend to complete the project, we are running at a total of approximately £115,000 even allowing for some additional works that constitute the broader refurbishment because it is impossible to complete the hub expansion without doing them, electrics being a prime example.

As such I see very little risk in transferring over £20,000 from the contingency portion of the budget to be available to spend on the refurbishment of the hub immediately. This would still leave £128,843 to service a project tracking below £120,000 more importantly it would allow approximately £85,000 left in the budget to service known costs of around £68,000 still giving us a 20% contingency on the budgeted expansion works to be completed. In addition to this I would consider a further portion (£5000) of contingency "safe" once the roofing is complete on the expansion project, this is likely to be within a fortnight of this document.

Tom Upcraft

Director 1731Ltd

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