

<b>BODY</b>	<b>CABINET</b>
<b>DATE</b>	<b>29 May 2013</b>
<b>SUBJECT</b>	<b>Devonshire Park Review</b>
<b>REPORT OF</b>	<b>Senior Head of Tourism &amp; Leisure and Senior Head of Development</b>

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<b>Ward(s)</b>	Meads
<b>Purpose</b>	To update Members on the work so far on the procurement strategy for the project, agree an amended governance structure and authorise the works to the upper façade of the Congress Theatre.
<b>Contact</b>	Jefferson Collard, Senior Head of Development Tel : 01323 415240 <a href="mailto:Jeff.collard@eastbourne.gov.uk">Jeff.collard@eastbourne.gov.uk</a>
<b>Recommendations</b>	<ol style="list-style-type: none"><li>1) That the governance of the Devonshire Park Review work is arranged as shown in Appendix 1;</li><li>2) That the decision on the final procurement strategy for the overall development of Devonshire Park is delegated to the Senior Head of Development in consultation with the relevant Portfolio Holders;</li><li>3) That up to £850,000 is released from capital reserves to enable the re-design and restoration of the upper levels of the Congress Theatre façade, as a priority first stage in the development;</li><li>4) That all matters to complete this first stage of the development are delegated to the Senior Head of Development in consultation with the Senior Head of Tourism &amp; Leisure.</li></ol>

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## **1.0 Introduction**

- 1.1 At the December 2012 Cabinet meeting members agreed funding to progress two key strands of work:-
- Review the procurement routes for the most efficient and effective way to progress the Masterplan for Devonshire Park to RIBA Stage C; and
  - Commission more detailed work on the business plan, financing models, organisational and governance structure for the Devonshire Park Complex, to include all services and functions

of the site. This decision was augmented by Cabinet approval in March to retain the services of David Clark Associates (DCA) to progress this work.

- 1.2 Progressing an informed decision on the preferred procurement strategy has entailed highlighting key dependencies between the viability of the business case, the procurement of the design team and sequencing of works. Consequently the contract with DCA has been arranged to allow a staged approach to achieve RIBA stage C. This will mean that we sensibly manage financial exposure while progressing the project.
- 1.3 Since December work has been undertaken on the practicalities of realising the Council's ambitions for Devonshire Park. Detailed consideration continues on how best to bring about the significant development and the most favourable way to phase the construction works with the minimum impact on business continuity. The review of the optimum procurement route has progressed significantly, but is not yet completed. However, ownership of a preferred masterplan, its design interdependencies and knowledge of the procurement options available to us, has provided us with sufficient confidence to prioritise essential works and timetable the start of these by way of a separate specialist contract for the restoration and replacement of the upper façade of the Congress Theatre.
- 1.4 The final strand of this report deals with the necessary governance arrangements for the scale of this work, with the Project Board and the delegations to senior officers in consultation with relevant Portfolio Holders on that Board.

## **2.0 Procurement**

- 2.1 With such a large, high value and complex project it is critical that the procurement strategy chosen at the start of this project is a robust and appropriate arrangement to deliver the requirements and last the full term of the works. The Council also needs to comply with European procurement rules, necessitating time being given to ensuring the most appropriate route, from several options, is chosen. This has also entailed the need to procure specialist legal advice. The legal services are also essential to considering the implications of the business case in terms of gateway reviews, financing and governance models that will provide the optimum conditions for long term sustainability.
- 2.2 Working with our procurement specialist at iESE under the existing partnership arrangements, several workshops have taken place to ensure a complete understanding of the various procurement routes, which individually have a range of advantages and disadvantages. The final decision depends on the Council's priorities, or combination of, for the final outcome, in terms of quality, cost and time and risk management.

### **3.0 Priority Phasing: The Congress Theatre**

3.1 The December 2012 Cabinet report proposed progressing with a new iteration of masterplan for Devonshire Park, which illustrated a design strategy based on a business case for optimum operational efficiency. Since then consideration of the procurement strategy to realise the masterplan has progressed alongside discussions with English Heritage over the design solution for the façade of The Congress Theatre. Now that we have a full understanding of the design inter-dependencies of the masterplan, business continuity implications and English Heritage's view, we can make an informed recommendation to progress with the facade works as a priority phase, under separate contract, without prejudicing the viability of the development or business case.

3.2 The key information that has informed this recommendation is as follows:-

- At the end of the last phase of the Devonshire Park review, we were considering options around the realignment of the façade of the Congress to provide extended catering facilities. Testing these options against the business case for the development, including consultation with English Heritage, demonstrated that retention of the original structure was the more viable option, with refurbishment and repurposing of the interiors being key to the long term sustainability;
- The existing façade has a design fault which has caused the water ingress to corrode the internal re-enforcement which led to the failure of the façade fixings. The design solution needed specialist consideration and this work has been ongoing alongside the master-planning but is also now complete.
- As the Congress Theatre is a listed building any changes to the façade needed discussions with English Heritage. They have said that they prefer the façade to remain in the current alignment but have accepted the need for a solution to the design fault.
- The upper floors can be authentically redesigned and restored, while dealing with the inherent flaws of the original façade, without compromising the masterplan that proposes putting in place a new public realm and box office service at ground level. The future work to remodel the entrance, box office and public realm to the front of The Congress and create integrated links with the new build are therefore not compromised.

3.3 The work to the failing concrete of the façade is of a very specialist nature and requires a specialist contractor, and should therefore be a separate stand alone contract. The contractor for the façade would not be the same contractor for the internal refurbishment and will be commissioned as specialist work. We will aim to procure this in the immediate term and begin work as soon as practically possible.

#### **4.0 Future Phasing – realising the masterplan**

- 4.1 Once the procurement strategy is finalised, a set of briefs will be issued for the services required to fulfil the ambition for the whole site. It is anticipated that these services will be procured from existing frameworks and consist of project management, design and construction expertise services. The inter-dependencies with the business planning work will inform the milestones and gateway reviews that guide the release of the funds against the contracts to achieve RIBA stage C. At this stage, Cabinet will be presented with a further business case which outlines the programming implications of the contracts and financial model for the development alongside future operational management and governance recommendations for the long term viability of the scheme.
- 4.2 At this stage the business case is predicated on all the buildings to the south of the Park being of equally high quality, operationally efficient, fit for purpose and attractive to the contemporary market demands of visitors, touring theatre, audiences, conference agent and delegate needs. Therefore the programme, which includes intensive restoration of the historic buildings; relocation of box office services; introduction of full disabled and technical access needs and circulation space; new bars, cafes and retail areas; new conference exhibition spaces and new public realm is considered to be part of a single phase of works, albeit subject to a programme that allows for operational continuity.
- 4.3 Works to enhance the overall visibility of the park, landscaping and configuration of the tennis courts alongside refurbishment of the ILTC, player facilities, stadia seating and car parking, to allow for future requirements can also be considered as a single phase; the timetable of which will be governed by the tennis season and continued discussions with the LTA around investment options as well as detailed consideration of the most economic and practical phasing of the construction works.

#### **5.0 Governance**

- 5.1 The current governance arrangements have worked well. The technical Project Team has been undertaking work for the Project Board, consisting of stakeholders and partners, to be engaged in the process. This has assisted the Member Board to make informed decisions.
- 5.2 As the project moves on to a status of capital programme management with significant long term risk management, it is sensible to review the governance needs so that decision making is clear and accountable, whilst retaining the necessary inputs from key partners.

- 5.3 Currently there are two groups with Councillor representation – the Member Board and Project Board, with more seats on the latter. At this stage in the project, it is recommended that one board is established which adopts the role of a capital Project Board, as would be expected in a scheme of this scale. The role of stakeholders and partners will be usefully focused to a 'partner group' with Client and end use representation. eg. Theatre/ conference/ event staff and business planning consultancy.
- 5.4 It is inevitable that relationships between the different groups will mean some cross over and attendance at meetings of the various groups. This is reflected in Appendix 1 showing the Governance Relationships of the proposed teams and groups. The appendix also lists the members of the Project Board and their broad remit.

## **6.0 Public Consultation**

- 6.1 Extensive consultation has taken place with stakeholders, business and community groups as the programme has progressed, with several presentations and public events inviting feedback on the plans throughout their iterations. Further consultation on the results has also been instigated with conference agents and exhibition designers; potential funders; sports and leisure; theatre and audience; catering and retail bodies and display boards are on permanent display in the foyer of the Congress.

## **7.0 Financial Implications**

- 7.1 The December 2012 Cabinet allocated the funds to carry on the work to RIBA Stage C as well as the funding for work on the business and organisational design. This report recommends the release of up to £850,000 from capital reserves to carry out the specialist work for the redesign and restoration of the upper tiers of the Congress Theatre.
- 7.2 The capital cost of these works is within the overall cost envelope that was detailed in the previous Cabinet Report. Therefore this funding is part of the overall project costs and will be included in the financing model to be eventually adopted for the whole complex.

## **8.0 Other Implications**

- 8.1 There are no adverse implications as a direct result of this report. There are however positive impacts on the environment and health and safety as the work to repair the front of the Congress Theatre façade will deal with the failing concrete, water ingress and solar gain.
- 8.2 It is hoped that the contract for the works can be so arranged so that the Congress Theatre remains open while the repair is carried out.

## **9.0 Equalities and Fairness**

- 9.1 The project as a whole is subject to an equalities and fairness assessment. In recognition of the fact that the protected characteristic of disability is likely to have more relevance in terms of accessibility, we have already started a dialogue with the Council's Disability Involvement Group. Representatives of this group were also invited to comment on early ideas and found it extremely useful to speak with the Architect directly. In the early stages it will be important to ensure representation within the partnership group and as the scheme develops to ensure that solutions to potential equalities and fairness issues are considered and incorporated it to the final project.
- 9.2 The main thrust of this report is for the repair of the front façade of the Congress from first floor level upwards which has no major impact on equality and fairness issues.

## **10.0 Conclusion**

Work on the procurement of the design, project management and construction specialist team continues with the investigation of the most appropriate strategy for the commissioning the works and the contract appointments. However it is now clear that with the front of the higher floors of the Congress Theatre staying in their current position, work can now begin on its full and intensive redesign and restoration. This is the first phase of works that will start the realisation of the Council's ambitions to create a new cultural destination at Devonshire park. Members are asked to authorise the release of necessary funds for this part of the project within the context of the overall masterplan.

- 9.2 The current governance of the project can be established for the next phases of work and it is recommended that the current Project Board and Member Board are merged to form one Project Board with a partner group established to ensure ongoing input and feedback for stakeholders.

**Tracey McNulty, Senior Head of Tourism and Leisure**  
**Jefferson Collard, Senior Head of Development**

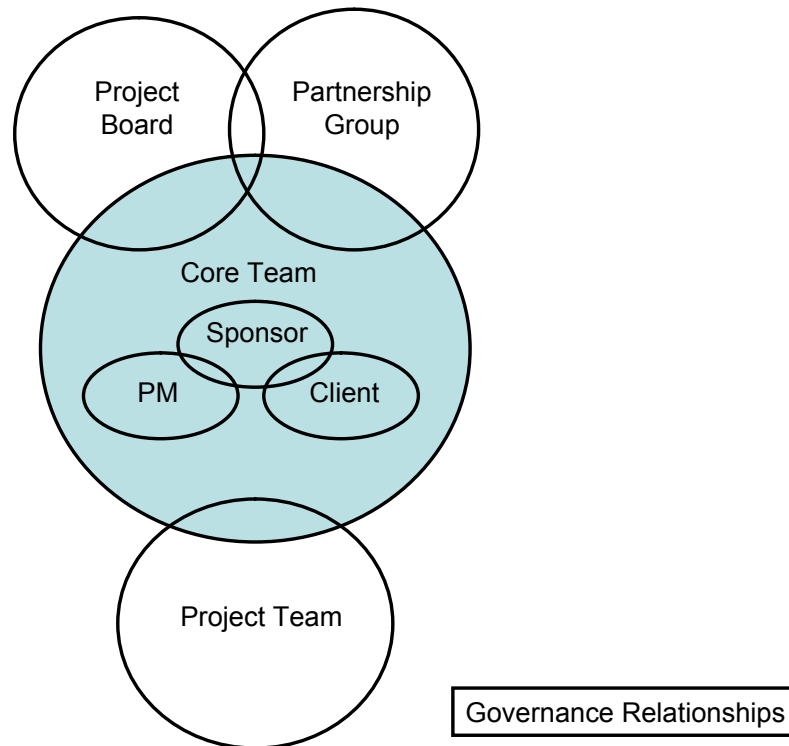
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Background Papers:

Cabinet Minutes – 12 December 2012  
Marks Barfield Associates – November 2012

To inspect or obtain copies of the background paper, please refer to the contact officer listed above.

## Appendix 1 – Governance Structure and Remit for the Project Board



## Project Board

Cllr David Tutt
Cllr Carolyn Heaps
Cllr David Elkin
Cllr Sandy Howlett
Robert Cottrill
Alan Osborne
<i>Supported by</i>
Client
Project Sponsor
Project Manager

### Remit

- Champions of project
- Take decisions within delegated governance arrangements
- Endorse the PID
- Control dissemination of information
- Stakeholder management
- Resolution of conflicts between time, cost and performance
- Awareness of risks
- Agree the benefits