

# Calverley Square Delivery

Town Forum

12 September 2019

# Key Stages



- October 2014                      AHT Mandate
- December 2015                    Stage 0-1
- July 2016                            Stage 2
- February 2017                      Stage 3
- December 2017                    Stage 4 Development

# Key Dates



9 May 2018	Planning Committee
28 Feb 2018	Project Management – Avison Young
24 May 2018	Contractor - Mace
12 Jun 2018	Commencement of Stage 4 design
15 Jun 2018	Planning Decision confirmed
19 Jul 2018	CPO decision by Cabinet
24 Jul 2018	Appropriation of Council land
12 Feb 2019	CPO Inquiry
3 May 2019	CPO Decision
27 Aug 2019	Stage 4 Report

# Construction Procurement



- **Stage 1 D&B close out**
- Technical Design carried out by Mace's Design Team.
- Changes managed via change control.
- Project broken down into 31 trade packages.
- Each package tendered competitively sequentially (as design completed), to between 3 & 5 trade contractors from Mace's supply chain.
- All tenders opened & recorded jointly by Mace, Avison Young & Aecom.

# Theatre Cost Benchmark



New Marlowe Theatre  
Gross floor area = 5,100m<sup>2</sup>



New Marlowe Theatre adapted for Tunbridge Wells



## New Marlowe Theatre Canterbury

Base date of tender	2009
Contract Sum (exc fees)	18,870,000
Floor area (as derived by Aecom)	5,100
£/m <sup>2</sup> at 2009	3,700
Inflation from 2009 to 2Q 2016	20%
Revised cost per m <sup>2</sup>	4,440
Allowance for post contract change	260
Equivalent cost at current day	4,700

## New Marlowe Theatre Canterbury - updated to current technical standards, enhanced foyers

Base date of tender	2009
Contract Sum (exc fees)	18,870,000
Floor area (as derived by Aecom)	5,100
£/m <sup>2</sup> at 2009	3,700
Inflation from 2009 to 2Q 2016	20%
Revised cost per m <sup>2</sup>	4,440
Allowance for post contract change	260
Additional technical equipment	200
Enhanced wall elevations	150
Basement construction	320
Equivalent cost at current day	5,370

## Aylesbury Theatre

Base date of tender	2008
Contract Sum (exc fees)	37,000,000
Floor area (as derived by Aecom)	7,500
£/m <sup>2</sup> at 2008	4,930
Inflation from 2008 to 2Q 2106	10%
Revised cost per m <sup>2</sup>	5,420
Allowance for post contract change	310
Equivalent cost at current day	5,730

Note - bought before market crash as 2 stage tender



Tunbridge Wells new Civic Theatre  
Gross floor area



Aylesbury waterside Theatre  
Gross floor area 7,500m<sup>2</sup>

All prices are based on outturn costs, adjusted for location and price point.  
Exclusions: FF&E  
Professional Fees

# Theatre Bar



# Theatre Auditorium



# Civic and Commercial Office Foyer





# Risks reduced or eliminated during Stage 4



- **Planning Consent**
- **CPO Inquiry**
- **Technical Design**
- **Construction Planning**
- **Competitive Market Pricing**
- **Ground Conditions, Obstructions and Underground Services**  
*Now with contractor, except asbestos, antiquities and UXOs*
- **Adjacent BBC Studios**  
*Workable plan & measures agreed*
- **Fixed Price, Lump Sum Contract negotiated**
  - **Future price increases** - *Risk of future cost increases with contractor*
  - **Design Development** - *Risk of future design development with contractor, (except the Square - planning condition - and any changes due to new legislation)*
  - **Construction Risks** - *Risk rests with contractor*

# Risks retained by TWBC into Stage 5



- **Changes that TWBC instructs**
  - Postponement of the works by TWBC
  - Impediment, prevention, default delay or disruption caused by TWBC, its directly-appointed suppliers or utility companies
  - Finds of asbestos, antiquities, archaeology, unexploded ordnance
  - Expenditure of provisional sums
  - Delays in receipt of permissions or approvals
- **Cost Assessment**

Assessment made at the end of Stage 4 and contingency sum included

# Calverley Square Funding

# Macro Political and Market Events (Since December 2017 decision)

- The UK leaving the European Union on 31 October 2019 (uncertainty on labour supply and importing of materials)
- Reduction in the value of Sterling (imported materials more expensive)
- Grenfell Tragedy (building control and demand for superior materials)
- Collapse of Carillion (supply chain confidence)
- Collapse of British Steel (increase costs and demand)

# Costings

## Stage 3 (Developed Design)

## Stage 4 (Technical Design)

	£m	£m
<b>Gross Construction Cost</b>	<b>90</b>	<b>108</b>
Less: Expenditure to planning	(4)	(4)
Less: Civic Complex Receipt	(9)	(9)
<b>Sub Total</b>	<b>77</b>	<b>95</b>
<b>External Funding</b>		
External Contribution (KCC)		(5)
Fundraising		(3)
<b>Net cost to finance from borrowing</b>	<b>77</b>	<b>87</b>
<b>Annual Cost</b>		
Loan Repayments	2.8	2.8
Less: Rent and Theatre Subsidy	(0.5)	(0.5)
<b>Annual Revenue Impact</b>	<b>2.3</b>	<b>2.3</b>
Approved Funding Strategy	2.3	2.3

# Economic Benefits

Annual	RIBA Stage 3 £million	RIBA Stage 4 £million
Lichfield's Critique Report of the Gross Value Added for the New Offices	24.3	24.3
Avison Young Gross Value Added from Redevelopment of Civic Complex Site		10.0
<b>Net Cost to the Council</b>	<b>2.3</b>	<b>2.3</b>

# Civic Complex

# Potential Use Testing



- From Long to Short List



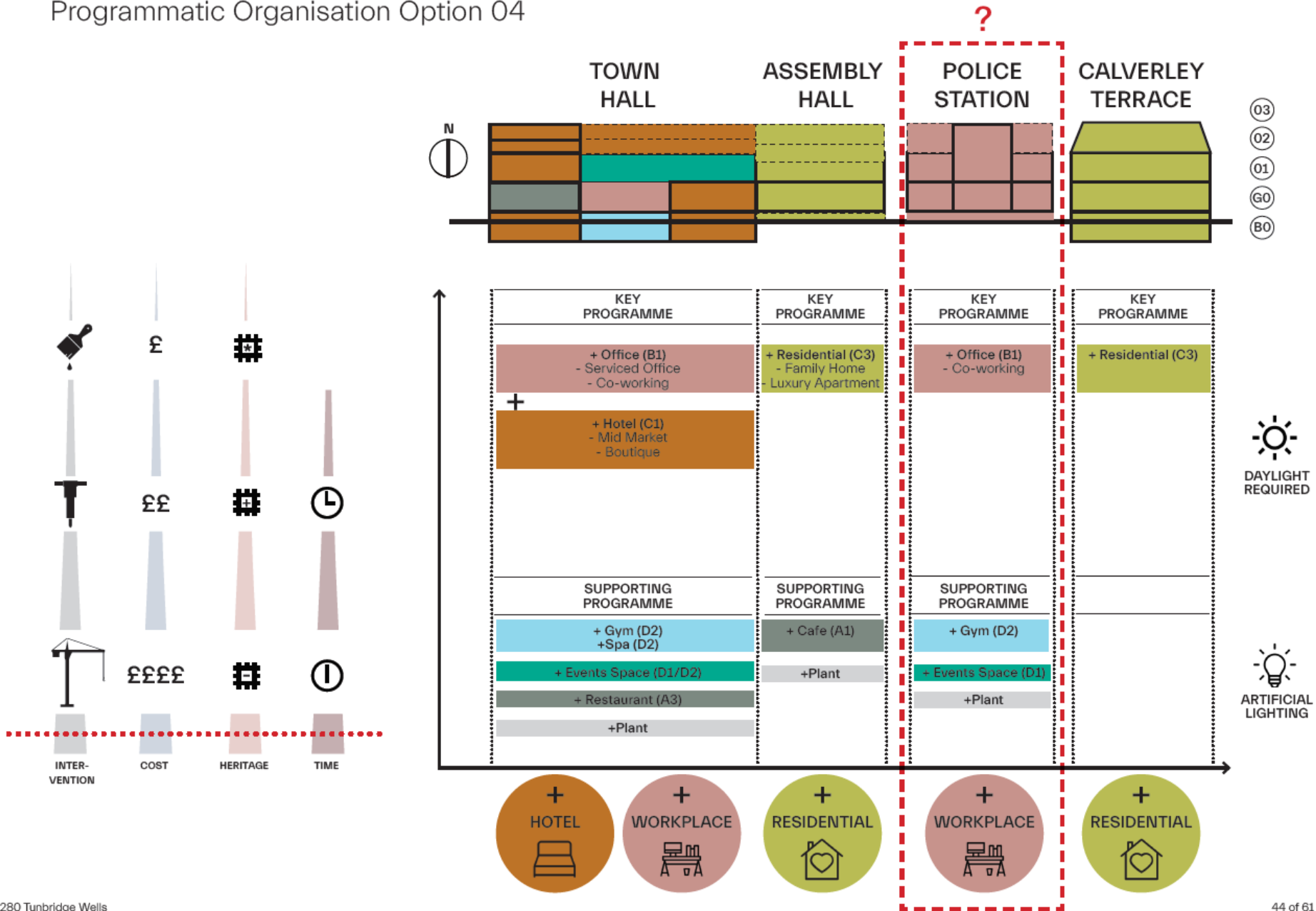


# Place-Shaping Options



- Option 1 - New workspace, re-using the majority of spaces for office, co-working and creative industries.
- Option 2 - Boutique hotel, restaurant and new workspace, with residential uses in Calverley Terrace.
- Option 3 - Residential led mix of uses, new leisure uses and some workspace.
- Option 4 - Hotel, residential and workspace.
- Option 5 - Residential development with community, event and work spaces.
- Option 6 - Residential across the site with some business space.

# Programmatic Organisation Option 04



# Programmatic Organisation Option 04

- 1 Town Hall
- 2 Assembly Hall
- 3 Police Station
- 4 9-10 Calverley Terrace
- 5 Calverley Terrace New



**HOTEL RESTAURANT**



**HOTEL CO-WORK**



**HOTEL EVENT SPACE**



**MID RANGE HOTEL**



**APARTMENT**



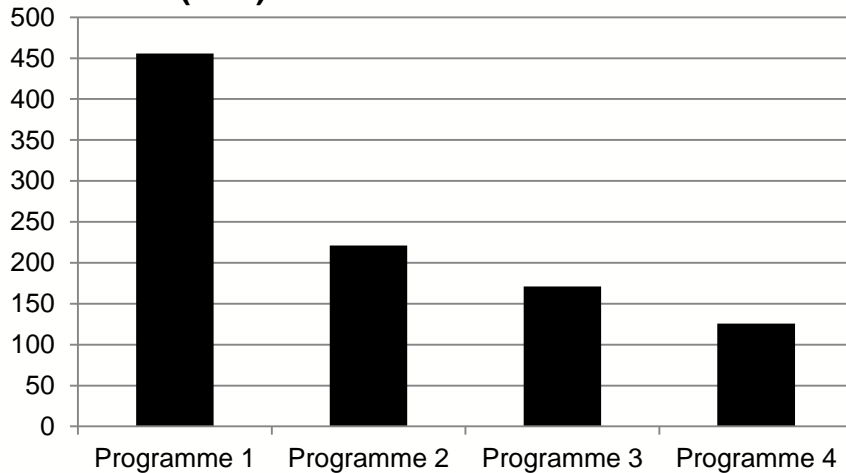
**FAMILY HOME**

# Wider Impacts

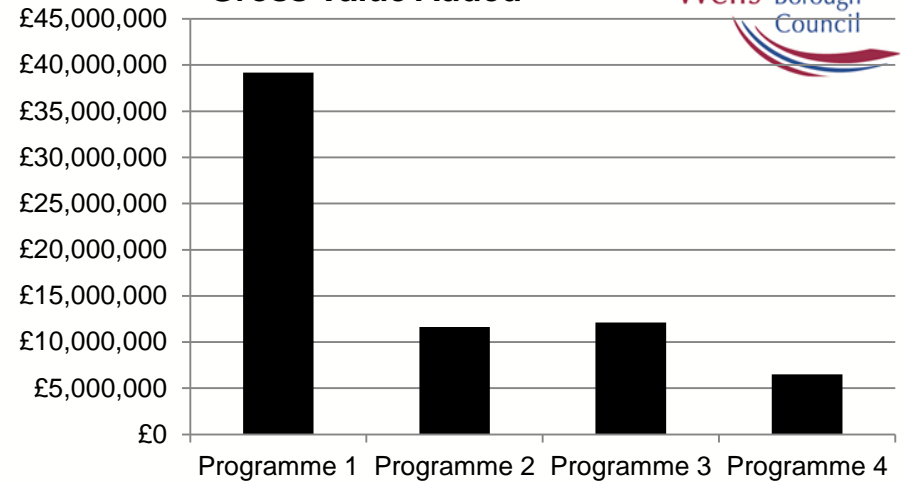


- Estimate of quantitative impacts
- Consistent approach to Calverley Square WEBA

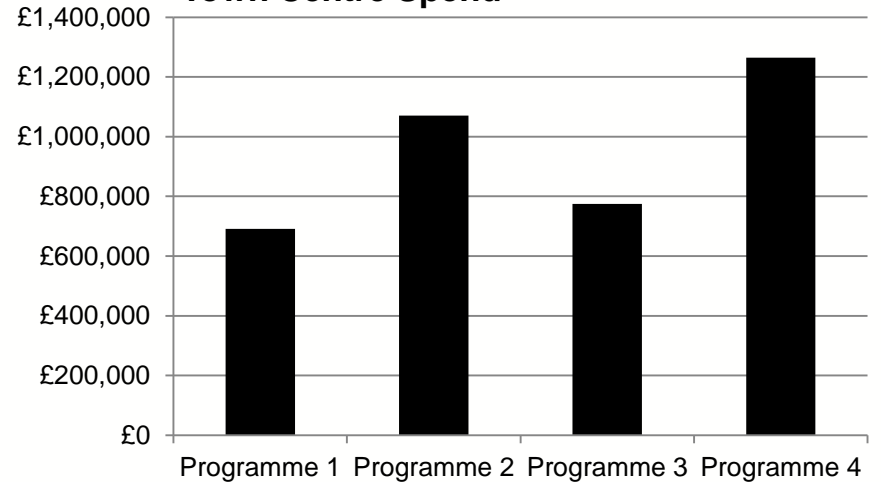
### Jobs (FTE)



### Gross Value Added



### Town Centre Spend



# Committee Report



- Calverley Square Delivery Stages 5 -7

<b>Appendix A</b>	Site Location
<b>Appendix B</b>	Key Project Decisions 2014 - 2017
<b>Appendix C</b>	Key Project Decisions 2018 to date
<b>Appendix D</b>	CPO Inspectors Report
<b>Appendix E</b>	Feedback from Producers
<b>Appendix F</b>	Equality Impact Assessment
<b>Appendix G</b>	<b>Report 1 - Calverley Square Development</b>
<b>Appendix H</b>	Construction Management Plan
<b>Appendix I</b>	<b>Report 2 - Civic Complex Feasibility</b>
<b>Appendix J</b>	Civic Complex Plan
<b>Appendix K</b>	Civic Complex Placeshaping Assessment
<b>Appendix L</b>	Civic Complex Placeshaping Assessment Appendices
<b>Appendix M</b>	<b>Report 3 – Calverley Square Financials</b>
<b>Appendix N</b>	Public Interest and Best Value request report from Grant Thornton
<b>Appendix O</b>	Evaluation of Fundraising Prospects
<b>Exempt Appendix A</b>	<b>Calverley Square Exempt Report</b>
<b>Exempt Appendix B</b>	Avison Young Stage 4 Report
<b>Exempt Appendix C</b>	Civic Complex Placeshaping Assessment Exempt Appendices

# Key Committee Dates



- 5 Sept Cabinet Advisory Board
- 12 Sept Cabinet
- 25 Sept Full Council

# Completion of Stage 4



- Preparation to start on site in January 2020 (subject to the Full Council decision on 25 September). Following to continue, at pace:
  - Archaeology survey
  - Finalising agreement with BBC
  - Serving notices to acquire land and rights
  - Planning Consent - preparation and submission of:
    - non-material amendments.
    - discharge of pre-commencement conditions.
  - Preparation of Mace's contract

# Questions