



Public Accounts Committee



Review of Police Station HQ

Presented to the States on 11th August 2017
P.A.C.2/2017

Contents

1.	Terms of Reference – Police Station	1
2	(Acting) Chairman’s Foreword	3
3	Summary of PAC’s Key Findings and Recommendations.....	4
4	Introduction.....	5
5.	Planning and Pre-build	7
6.	Project Management and Delivery	12
7.	Budget	16
8.	Future-proofing	19
9	Conclusion	22

1. Terms of Reference – Police Station

- 1.1 The PAC wanted to determine whether the Police Station building project delivered on all that was envisaged by the States Assembly, in particular whether it delivered value for money in a timely manner, and what lessons could be learnt for the benefit of future capital projects.
- 1.2 The States of Jersey agreed P.92/2012 in November 2012, setting out the proposed development of the new Police Station in Green Street. Most of the personnel were transferred in March 2017, with an official opening of the Station planned for the latter part of 2017. The PAC, for the purposes of this review, concentrated on the period from the decision to locate the Police Station at Green Street (2011), to its operational opening in March 2017.
- 1.3 The PAC review scrutinises:
 - overall governance arrangements for the project
 - the identification of the need for external support
 - the project's cost effectiveness and value for money, including whether corporate standards were applied to determining the size of office and desk space; and
 - overall project management and post-project evaluation.
- 1.4 The review does **not** extend to considering whether the new Police Station should have been built, nor can it investigate whether concerns over parking facilities or traffic congestion have been realised. These latter aspects could form part of a future review in 2020.

Evidence Gathering

- 1.5 Private meetings were held with members of the Project Team including the Chief of Police (Mike Bowron), Robert Moy, (Police), Barry Taylor (retired, Police) and Richard Cheal (Property Holdings) in order to gain background information. PAC members also visited the site both during, and after the build.
- 1.6 A meeting between the Lead Reviewer and external contractors/consultants took place on 18th May 2017 and the Lead Reviewer (Connétable Simon Crowcroft of St Helier, Vice-Chairman of PAC) asked a series of questions designed to probe the management of the project before, during and after the building of the Police Station. The following people were at that meeting:

Architect: Michael Richardson, IBI Group (formerly Taylor Young)

Mechanical and Electrical Design Engineers: Christopher Hitchcock, Hoare Lea

Structural Engineer: John Woodward, Rothwell and Partners, representing Arup/Rothwells

Quantity Surveyor: Paul Whiley, Colin Smith Partnership

- 1.7 A Public Hearing was held by the PAC on 19th June 2017, and the following Project Team members attended:

Project Lead: Robert Moy, Head of Facilities for States of Jersey Police.

Project Sponsor: Ray Foster, Director of Property Holdings, within the Department for Infrastructure (at commencement of project, this was a role within the Treasury and Resources Department) and senior responsible officer for delivery of the project.

Chief of Police: Mike Bowron, senior responsible owner of the project.

Project Co-ordinator: Barry Taylor, former Deputy Chief Officer of the Police and senior user of the project.

- 1.8 Email correspondence, project briefs, confidential reports to the Council of Ministers, and summaries of oral evidence inform the main body of this report.

Public Accounts Committee

- 1.9 The Public Accounts Committee's remit is different to that of other Scrutiny Panels in that it has a retrospective perspective and holds States Officers, rather than States Members, to account for their implementation of policy and procedures. It takes a retrospective look at whether public funds have been applied for the purpose intended by the States and whether sound financial practices have been applied throughout the administrations of all States departments. It reports its findings to the States Assembly. The PAC incorporates both States Members and non-States Members.

Committee Membership

Deputy Andrew Lewis, Chairman (delegated responsibility to Acting Chairman from July 2017)

Constable of St Helier, Simon Crowcroft, Vice-Chairman (from September 2016), Acting Chairman (from July 2017) and Lead Reviewer

Deputy Judith Martin of St Helier

Constable of St John, Christopher Taylor

Mr Robert Parker

Mr Michael Robinson

Mr Gary Drinkwater

2 (Acting) Chairman's Foreword

The PAC is charged with reviewing all public expenditure and decisions made by government that have both a long and short term impact on the public purse.

In terms of the Scrutiny process, it is rare for a review to conclude without at least one finding or recommendation underlining a failure of some sort. I am pleased to note that after a protracted start, allowing its siting, parking and size issues to be addressed, the Police Station build exemplifies that rare phenomenon.

A good consultative planning process, an element of future-proofing, strong communication between teams, flexible and able contractors, and robust fiscal and practical management, helped to deliver this project on time and to budget. Our findings and recommendations are succinct – the lessons learnt and principles embodied should be carried forward to all future major public sector builds.

I would like to thank all the officers who cooperated with the PAC in this review, my Committee, and the PAC officer, for their work in reviewing evidence and compiling recommendations.

Constable of St Helier, Simon Crowcroft, Vice-Chairman (from September 2016), Acting Chairman (from July 2017) and Lead Reviewer.

3 Summary of PAC's Key Findings and Recommendations

KEY FINDING 1: Thorough planning, regular meetings, good communication and a collaborative process enabled a timely and cost effective project delivery.

RECOMMENDATION 1: Property Holdings should effect B.I.M modelling processes and regular consultation and collaboration on all (major) States projects.

KEY FINDING 2: Risks were identified, scored in terms of their likelihood and their impact on the project, risk owners were attributed and risks were dealt with on an ongoing basis.

RECOMMENDATION 2: Mitigation of risks by early identification and ongoing management should be integral to States building projects.

KEY FINDING 3: Ongoing 'final account', fixed costs, and penalty clause inclusion were instrumental in preventing or mitigating against costly delays.

RECOMMENDATION 3: The principles and lessons learnt from the police station build should be taken forward into other public sector building projects.

4 Introduction

Background

- 4.1 As early as 1999, the need to find an alternative site for the Police Station, or elements of its operation, had been considered. The brief chronology below shows the timeline:

Year	Action
1999	Decision to find alternative site for Police first mooted.
2001	Full feasibility study completed, investigating 24 alternative sites and concluding Esplanade was the most appropriate siting. This was not accepted politically.
2003	Further review of available sites undertaken by the Property Services Department identified the Summerland site as the preferred site.
2005	Feasibility study completed
2006	Formal planning application was made for a new Police HQ on the Summerland site, which did not progress further.
2009	Under new leadership of the Police, work was undertaken to critically review all requirements of the building, in particular space requirements. This led to the proposals for a split site and formed the basis of the option of acquiring Lime Grove as part of the solution.
2011	In April, it was agreed that the option of acquiring Lime Grove and refurbishing /redeveloping facilities at Rouge Bouillon should be progressed. Once the site became unavailable, a Project Group was established to find an alternative option.
2012	Political Steering Group agreed that the scheme for this site should proceed to Planning Application stage. Public consultation on the proposed scheme was undertaken in February and the scheme redesigned in advance of making a Planning Application.
	The States of Jersey agreed P.92/2012 in November 2012, setting out the proposed development of the new Police Station in Green Street.
2014	Build commences
2016	Build complete

- 4.2 The budget for the project was set in 2000 at £21m but it was not until 2011 that the Green St site was identified and planning could commence. In September 2011 the Police Relocation Political Steering Group agreed that the option of a full build on Green St car park should be progressed to feasibility stage. In making this decision, the Steering Group noted that this site would not only meet the needs of the States of Jersey Police, but that it would also will free up the whole of the Summerland Site and part of the Rouge Bouillon site for alternative use. In December 2011 a feasibility study was completed.

- 4.3 The majority of administrative policing functions do not require a bespoke 'build' and can be accommodated in standard office accommodation. However, certain essential features, as set out in the Concept Site Optional Appraisal report, were the basis for the discussions of the site options in September 2011¹, and included:

- Flexibility of accommodation to cope with operational responses to increased criminal activity
- Area to plan response to major incidents and deploy significant numbers of police
- Access to the building for different purposes and by different routes
- Continuing operation in times of major disruption

¹ Concept Site Option Appraisal, dated September 2011 – not seen by PAC

- Safe handling of detainees and provision of safe and secure facilities for legal representation and other criminal justice processes
- Provision of security around the building for overall access control and management

‘Abortive’ costs

- 4.4 Noting the time it had taken to agree the Green St site, the PAC was interested to know if ‘abortive’ costs had been incurred up until that decision had been taken, namely the cost of drawing up plans or other arrangements for alternative sites which would no longer be needed. The Project Sponsor and Director of Property Holdings stated that costs of approximately £150,000 had been incurred, mainly due to drawing up plans for the Lime Grove site.

5. Planning and Pre-build

Planning Application

- 5.1 In January 2012, the Political Steering Group agreed the new Police HQ scheme should proceed to Planning Application stage. At that stage, concerns and objections were raised, including over the size and layout of the building and lack of parking. Some reservations expressed by Police Officers to their Association were addressed in discussions with the Deputy Chief Officer and Project Team. Feedback from civilian staff raised very similar concerns and the Project Team was asked to address these at the design stage of the building:² Below is an extract from the response to objections raised during the planning process:³

Key aspects of the building have been specified with the future in mind. In particular, the new custody suite has been expanded from the current 12 cells to 20. The throughput of detained persons remains fairly consistent over several years and a similar number can be anticipated following extrapolation of this data for the next 30+ years. Whilst there will be peaks and troughs of activity over particular time scales, the additional cell capacity within the new scheme will enable these volumes to be accommodated whilst observing all the necessary guidance and regulations with which the States of Jersey Police need to be compliant.

It should also be noted that, operationally, States of Jersey Police staffing has seen little or no growth since 1988. The numbers of personnel within the States of Jersey Police has reduced in recent years and is unlikely to change dramatically in the long term. In setting the requirements for the new building, the States of Jersey Police have carefully considered the implications of 'future proofing' in their user requirement.

For operational reasons the internal layouts are confidential. We can confirm that steps have been taken to future proof the site for a growing population. An expansion allowance of 10% has been incorporated to all office areas; custody cell numbers include provision for anticipated detainee numbers over a minimum of 30+ years. The structure of the building incorporates provision for future technological demands. Security provisions are confidential given the nature of the end use. Extensive security measures have however been incorporated within the design. Detailed consultations with States of Jersey Police senior officers, counter terrorism security advisers and the Home Office have taken place. The design proposal incorporates 'state of the art' security systems that will future proof the building for many years to come.

As described above, architecturally, the design of the building is such that any reorganisation of staffing commitments can readily be accommodated. Fundamentally, policing is now, and will continue to place increased reliance on the application of technology to achieve its business aims.

- 5.2 The subsequent Stage D report for the planning application set out stringent requirements including a custody suite at ground floor level and secure and discreet parking for operational and covert vehicles, plus office accommodation to support operational obligations and improve efficiency.
- 5.3 The Council of Ministers contended that the Green Street site met the original brief set by the States of Jersey Police⁴, and offered a robust defence to a proposition requesting an alternative site be found:⁵

² Education and Home Affairs Scrutiny Panel - Addendum Report S.R. 19/2012, presented to the States on 28th January 2013

³ From Planning Application documentation, letter from agents in response to objections received dated 8th October 2012

⁴ Proposed New Police HQ –Design Concept Brief Version 0.8, March 2009

⁵ Police Station Relocation: Review of Decision (P.92/2012) – CoM Comments, presented to the States 19/11/2012

“The building has been designed collaboratively and to modern standards, and has the flexibility to accommodate future changes in staffing, operations and technology. Even if a larger site were to be found, the internal space would not be any bigger than currently specified.”

- 5.4 The architect told the Lead Reviewer that the planning stage had taken 12 months because there were a lot of interested groups involved in the decision making, and that 8-12 weeks was the norm for a similar size UK project:

“(the process) was long but that is because (there was) detailed public consultation, drop-in sessions, ... we were taking a lot of comments, concerns from local people, and trying to address those issues as it went through.”⁶

- 5.5 The Project Co-ordinator confirmed that in early 2015 public consultations had resulted in the planners requesting that the plans be revisited. He commented that the lengthier and thorough process had worked in their favour:

“...(we had to) revisit the plans, redraw some of the plans, go back to public consultation and go through that proper process...It was very worthwhile...because under the remit of building guidelines we were a couple of stages ahead of where we should have been in normal circumstances. That was helpful because we went through a lot of detailed work again, we did the specific materials and the cost of materials at a much earlier stage than we would have done if we had gone through the normal timetable. So it enabled us to get ahead of the game to some extent by about 2 stages.”

- 5.6 The architect confirmed that having such a robust initial brief helped to develop the final design. The design team met fortnightly with project team members, and a number of action points were made at those meetings so that deadlines could be met. A web-based portal was created to exchange drawings and information in a secure manner. The architect followed the R.I.B.A. (Royal Institute of British Architects) stages A to L, and that stages C and D included detailed consultations with the Police and other departments:

“...they all had input into the design and that obviously gave them ownership of the building ... we had an initial design workshop which was to identify what the police aspirations were out of the project, what the constraints were, whether the existing site was to be split between various buildings and the age of buildings...we used that information to inform the design so at the various design stages we were able to provide drawings that were put up in the staff areas”

B.I.M. (Building Information Management)

- 5.7 The building was developed using the principles of B.I.M. and a 3D model of the building was created. The Project Sponsor told the PAC that B.I.M modelling was relatively new and had developed in capability over the last ten years. The architect advised that this technology helped enormously as the structural engineers could use the modelling:

⁶ Meeting between Lead Reviewer and external contractors and consultants, 18th May 2017

“...and we were inputting into the same model so when we delivered the project onsite there were fewer issues with clashes of service...because it was co-ordinated from day one.”⁷

- 5.8 The engineer agreed and added that it was great for seeing the 3D design on the computer and being able to navigate round the building, easier than the traditional method of going through several drawings:

“...It all sort of came together very, very quickly for us to be able to digitalise it and ...we could click on a particular element on the B.I.M. modelling, a door, for instance, and a box would appear which gave the specification of that door. Back then, we could not rely on it at that stage for measurement. But we could now - I think as B.I.M. gets used more and more by consultants, it is going to be quite invaluable going forward.”

KEY FINDING 1: Thorough planning, regular meetings, good communication and a collaborative process enabled a timely and cost effective project delivery.

Space Saving

- 5.9 In 2009 the internal occupied area brief for the Police HQ had set a spatial requirement for 5,303 m². The current design at Green Street had an internal occupied area of 5,457 m².
- 5.10 In 2012, Mr Barry Taylor, the then Deputy Chief Officer told the Education and Home Affairs Panel that the design specifications developed from 1999 to 2009, had been ⁸ over-specified and did not take full account of developments in modern policing standards. Mr Taylor told the PAC at its recent Public Hearing,⁹ that in 2009, he had been given the initial plan and had looked at the space requirement. He advised that he had been able to reduce the space required by about 46 per cent:

“...there had been a degree of over-specification ... in some of the early iterations but also there was an awful lot of wasted space in the old buildings.”

- 5.11 Michael Richardson, the architect of Taylor Young (now IBI Group) told the Lead Reviewer¹⁰ that his firm had been involved with the States of Jersey since 2002. It had delivered a number of projects at La Moye Prison prior to being commissioned for the police station and was involved in the initial site searches. The structural engineer advised that he had also been involved on some of the previous sites investigations and brought expertise in specialist design of police headquarters. In terms of the internal areas, the brief had been developed to support the adoption of modern office working methods and to facilitate a more efficient use of space.
- 5.12 The architect explained that the revision of space, with its concurrent saving of approximately £5 million, had taken place at a sufficiently early time, where the structure of the build had not yet been designed. He agreed that the pre-application meetings with the planners had highlighted problems with the original design which incorporated an extra storey and a large light well throughout the core of the building, so it was reduced accordingly. The Project Team confirmed to the PAC that no space had been lost because

⁷ Lead Reviewer meeting with external consultants and contractors, 18th May 2017

⁸ Education and Home Affairs Scrutiny Panel (main report S.R. 19/2012) presented to the States on 16th November 2012

⁹ PAC Public Hearing for Police Station HQ Review, with Chief Of Police and Project Team, 19th June 2017

¹⁰ Lead Reviewer meeting with external consultants and contractors, 18th May 2017

the design change from a “U” shaped building with an open atrium in the centre had been adapted to incorporate more floorspace.

- 5.13 The Team advised the PAC that due to using smaller furniture, and incorporating the concept of hot desking (shown below) and mobile data, the required office space per person had reduced, leading to greater savings. However, the clever design of the building meant that it still felt spacious. The PAC was satisfied that, within the constraints of specialised policing needs, the project successfully applied modern standards in relation to the size of offices and desk space.



- 5.14 The Lead Reviewer asked if the design specification had changed as a result of planning or the need to reduce costs and the architect stated:

“I think it was a combination of the two...also, originally, we were going up to the boundary so we pulled the building back in line with the car park in order to create that light well between the 2 buildings.”

Home Office (HO) Guidelines

- 5.15 The architect advised that it had been necessary to take Home Office guidance in terms of siting the custody cells and in order to get natural light into each of them. This dictated the layout of the areas above. He said that it had been a challenge to get light from roof level, 3 storeys up, down into the cells, but that it was necessary to do so because the HO guidelines specified the amount of light to be provided in detention cells.

User Brief

- 5.16 The Project Team agreed that the project had been driven primarily by the user requirement (the States of Jersey Police) and the building design governed by statutory guidance requirements. The Chief of Police told the PAC that his main concern had been to construct a building to fit policing requirements now and in the future:

“...here is a building which is going to stand up for a long time, there is a lot of concrete in there and it needs to be future-proofed. I was looking to the future, what would policing look like in 50, 60 years’ time. So I was focused entirely on process.”

Prior to Tender

- 5.17 The Project Sponsor told the PAC that a pre-tender process had been undertaken to “understand the capacity and capability of local contractors.”¹¹ He said that the Project Team had needed to ensure that there was the necessary local skills base but also that competitive tenders would be received. The Project Lead agreed and commented that another factor was the specialist technical requirements of the building:

“...there is not a building like it anywhere else in Jersey ... They work with specific items of equipment and it is quite a restricted site, so we had to make sure prior to going into the whole tender process that we could do it on Island.”

- 5.18 The pre-tender meetings with potential local contractors gave each of the contenders a chance to express interest in the project, address any concerns and scrutinise the tender package. The Project Lead told the PAC that when the tenders had come in, they were analysed in terms of 60% price and 40% quality and the tenderers had to illustrate that they could manage these projects properly with sufficient resources.

Local Skills

- 5.19 The PAC followed up on the theme of utilising local skills and the Project Co-ordinator confirmed that securing as much skills and knowledge on-island had been a priority built into the tender process as well as a planning requirement. The Quantity Surveyor told the Lead Reviewer that work had gone onto checking whether there would be a reliable local source of materials and skills¹², and stated that recruiting skilled labour had not been an issue during the currency of the police station build. He was not aware of delays on site because a particular skill could not be obtained and cited the glazing for the top floor and roof material as examples:

“...We needed to make sure there was a local supplier that could, first, install the roof, but then if there are any problems 10 years down the line that there is local ability to repair.”

- 5.20 Once planning permission had been received, the project went out to tender and were subsequently returned. An adjudication on the tenders was undertaken, and ROK-Regal (a UK contractor and local contractor team of ROK Construction and Regal Construction) were selected to deliver the project on the site. The architect commented that the combination of local and UK knowledge and expertise had worked very well.¹³

RECOMMENDATION 1: Property Holdings should effect B.I.M modelling processes and regular consultation and collaboration on all (except minor) States projects.

¹¹ PAC Public Hearing for Police Station HQ Review, with Chief Of Police and Project Team, 19th June 2017

¹² Lead Reviewer meeting with external consultants and contractors, 18th May 2017

¹³ Lead Reviewer meeting with external consultants and contractors, 18th May 2017

6. Project Management and Delivery

Property Holdings

- 6.1 During a previous PAC review,¹⁴ the Property Holdings Department were criticised for considering its role to be the maintenance and upkeep of States assets rather than strategic planning. The PAC questioned the Director of Property Holdings about the now redundant sites of the former police station.

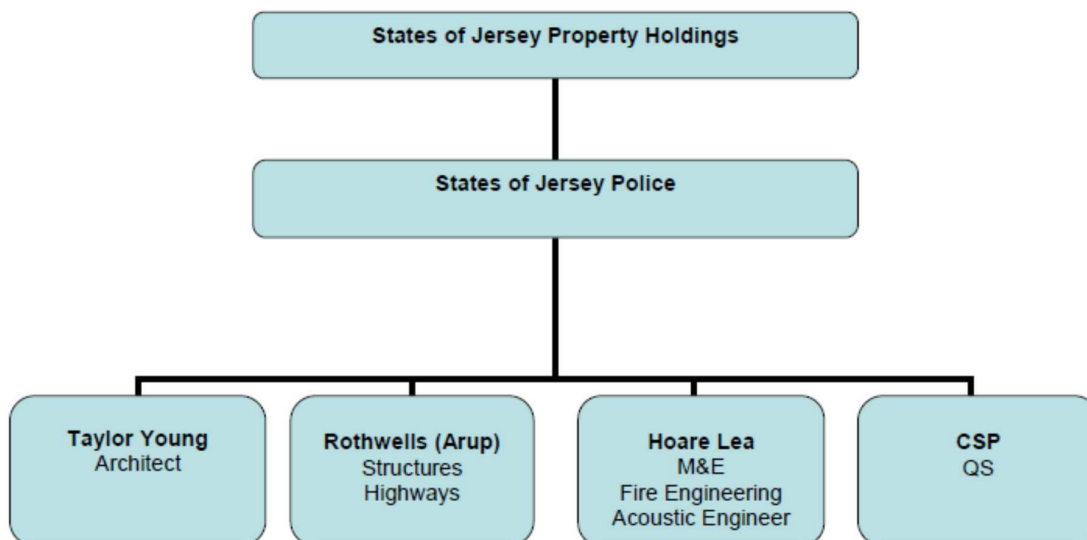
Redundant sites

- 6.2 The Director of Property Holdings confirmed that three areas, namely the Summerland building, Broadcasting and Thorpe House, would be redeveloped into social housing by Andium Homes, but that the development of the site of the Fire Service, adjacent to the former police building was more complicated. He told the PAC that the original intent had been to combine the Fire Service and Ambulance Service on the site, freeing up the ambulance station site for further affordable housing. However, the operational needs of the Fire and Ambulance Service were being reviewed and three alternative schemes for the site were being considered:

“ ...We are in dialogue with both the school and the Education Department and with the Fire Service to look at which of those schemes will come forward into the bidding process for the next Medium Term Financial Plan”¹⁵

Chain of Command

- 6.3 The PAC was pleased to see evidence of the Property Holdings Department working as part of a wider team to deliver the building of the Police Headquarters on time and on budget, and noted the chain of command in relation to the project build, illustrated in the diagram below:



- 6.4 The architect praised the hands-on approach of Property Holdings in respect of the Police Station build, and stated that the client input had been invaluable. The PAC was pleased

¹⁴ PAC Review of Fuel Farm Renewal of Lease –[PAC 3/2016](#)

¹⁵ PAC Public Hearing for Police Station HQ Review, with Chief Of Police and Project Team, 19th June 2017

to hear from the Director of Property Holdings that he also thought the Project Team had worked well together:

“...getting the right standards, applying them and getting that healthy tension, the communication ... get the problems on the table, work collaboratively... if you put the right people in the room they will solve the problem.”

Materials

- 6.5 The architect commented that during the early design stages it had been decided to use concrete rather than steel, as the former material was available locally. The Structural engineer agreed¹⁶ and stated that studies showed that concrete would also be more economical and quick to build with:

“...even though steel is perceived to be quicker, in many respects concrete can be just as quick because you do not have to fire protect it....a lot of our concerns were the foundations and the works up to 1st floor level where we had these very large concrete structures covering the basement and the access ramps. There is a lot of concrete and it had to be of a very good quality and I have to say we were very impressed.”

Contractors

- 6.6 He also commented on the professionalism of the contractors, ROK-Regal:

“(They) ... were a completely new entity and it was certainly the largest project that we have worked on in Jersey and we were a little bit apprehensive ... We knew ROK and we knew Regal but ... they had not worked together ... (they) were determined to demonstrate that they are capable of managing major projects”

- 6.7 The project sponsor commented that Rok-Regal as a new entity had caused the department to undertake more ‘due diligence’ procedures than normal, but he was satisfied that it had the necessary infrastructure and resources to work collaboratively with the team.

Light

- 6.8 The PAC questioned the Team on how they had accommodated the Home Office requirements for natural light entering custody cells at lower ground level. The architect praised Property Holdings, in particular, Richard Cheal, for driving the process in order to end up with a suitable solution. The Project sponsor told the PAC that they had seen ‘Helios tubes’ commercially used before, and had them adapted for use in the building, to allow a natural light going through all the floors. The Team also agreed that the atriums dropping through from roof level provided the same sort of function at a much cheaper cost. The corridor areas allowed for air circulation and brought in natural light into the building and the Chief of Police agreed it had a positive effective on the staff.

¹⁶ Lead Reviewer meeting with external consultants and contractors, 18th May 2017

Security Issues

- 6.9 The PAC wanted to know if the sensitivity of the building project had led to heightened security over its build, and the engineer confirmed that certain detailed information on the drawings, after being thoroughly discussed with the Project Team, in particular the police, was removed before sharing with a wider audience. The architect confirmed that the contractor's onsite personnel were vetted by the police (at no additional cost because it was a management process and included in the tender document). The Project Team told the PAC that during the course of the construction, information was shared using R.F.I (Request for Information), a formal process whereby if a piece of information was required that was not provided in the tender document or in the plans, the person requesting the information would be allocated a response timescale. An R.F.I. register was held by the architect and by Property Holdings, and the web-based portal for sharing information was secure.
- 6.10 The specialist installer, Chubb, was selected because of the sensitive nature of security in the building, including the movement of people, how the systems need to inter-relate, and the engineer agreed that a lot of work had been undertaken with the police in selecting the right company, including detailed analyses on value for money, experience, technological capability and security assurance.

Specialist Use

- 6.11 The PAC wanted to explore whether having such a specific use for parts of the building meant consequential drive up costs or more planning and design time. The electrical engineer of Hoare Lea, responsible for the mechanical and engineering aspects of the build, agreed that there were lots of specialities with various departments, but that this was mitigated by raising requests to the police for information, detailing specifics early on, and working closely with them on system integration.
- 6.12 The team agreed it was an unusual site, but that once above first floor level, it became more of a conventional build. Another factor that worked well was the early input from the mechanical and engineering team, who could start on the installations before the building was even watertight:

“...So they were still constructing structurally the 2nd and 1st floors, but down on the basement and ground floor the installations were beginning...Any problems were picked up very early on... it meant that a lot of the main problems were picked up and they could easily be fixed, rather than waiting until the end to ...sort the problem out.”¹⁷

- 6.13 The Structural Engineer advised that careful consideration had gone into deciding how the site was best serviced as it was on a busy arterial road (La Route du Fort) and it had been decided that a road realignment was key. This was managed by diverting the traffic through the area being developed for motorbike parking so it caused minimum disruption.
- 6.14 The Project Team external consultants and contractors all agreed that a combination of a very detailed brief and minimal client changes or variations led to a successful build, which stayed on budget and on time. Temporary ramps were installed to move heavy equipment and concrete loads down from road level to lower ground level. Additional reinforcement was installed into the concrete walls in vulnerable areas, for motion blast impact¹⁸.

¹⁷ Representative of Hoare Lea, Meeting between Lead Reviewer and external contractors and consultants, 18th May 2017

¹⁸ Meeting between Lead Reviewer and external contractors and consultants, 18th May 2017.

Archaeological Dig

- 6.15 The architect confirmed that there was at least one unexpected change to the planned build, leading to a request for a time extension of approximately 4-6 weeks.¹⁹ The archaeological dig had produced items of interest which are now at Jersey Archives. The Project Sponsor told the PAC that a desktop study was undertaken and it was recognised then that there could be archaeological remains on site. The Planning, Department asked for excavations to take core samples and further examine what may be present. He said although the level of detail required had been a surprise, the contractor had agreed to reorder work so that it could take place concurrently with pilings work on site.

Cemetery

- 6.16 The Lead Reviewer asked about the issue of building next to the historically important Green Street cemetery and the team agreed it had been mindful of the potential sensitivity and alternative access routes had been devised so as not to disturb the site. The Director of Property Holdings also commented that the demarcation between the cemetery and the build site was something established early on so that the risks were minimised.

Risk

- 6.17 He told the PAC that there was a full risk management process in place:

“Risks were identified, scored in terms of their likelihood and their impact on the project, risk owners were attributed and risks were dealt with on an ongoing basis...where risks occurred they were proactively dealt with ...(and) the risk log was managed.”

- 6.18 The architect advised that, in terms of delivering the project, the monthly site meetings with the client and fortnightly technical co-ordination meetings, attended by the design team, the contractor and his subcontractors ensured the contractor could mitigate against delay.

KEY FINDING 2: Risks were identified, scored in terms of their likelihood and their impact on the project, risk owners were attributed and risks were dealt with on an ongoing basis

Penalty Clause

- 6.19 The Structural Engineer advised that no matter how the contractors were trusted to deliver the project on time, a penalty clause for delays was essential. The architect agreed and added that ROK Regal had been able to work proactively to complete sections of the build in order to mitigate against delays in other sections of the project.

RECOMMENDATION 2: Mitigation of risks by early identification and ongoing management should be integral to States building projects.

¹⁹ Vice-Chairman of PAC meeting with external consultants, 18th May 2017

7. Budget

- 7.1 In 2014, prior to the build, the total projected cost was calculated as £22,892,134 against available funding of £21,070,818 leading to a forecast deficit of £1,821,316. The application from the COCF for funding of £1,800,677 effectively removed the potential deficit. Decisions taken to ‘substitute’ funding from the COCF were taken outside the project (by Treasury with political approval)²⁰. It was confirmed that the £21,070,818 figure is a combination of 2013 year end budget plus 2014 allocation and an adjustment for costs identified as requiring ‘write off’ to revenue, which actually occurred in 2015 – this is set out on the separate budget table, on p.18 of this report. The movements in from the COCF are shown.
- 7.2 Additional funding of £1,500,000 for the extension to Green Street car park was approved in the 2014 Budget.²¹ Figures released by the Project team show that, based on the overall Gross Internal Floor Area²², of 7329.57 m², the overall cost of construction per square metre is £2878.30. The custody suite has the greatest cost given its complexity, at £4548 per m² so the cost of construction for the remainder of the building equates to £2637.40 per square metre²³.

Criminal Confiscation Fund

- 7.3 The Chief Of Police told the PAC that he was particularly proud of the fact that the Criminal Confiscation Fund had covered approximately two-thirds of the cost of the build, totalling £14.775 million, so that only a third of the cost had been publicly funded.

The ‘Jersey’ factor

- 7.4 The architect confirmed that the multi-storey car park was a consequence of planning permission, and an extra cost on the budget. He commented on the “Jersey factor” of higher pricing and explained that process of ‘uplift’ to account for this:

“...uplifting for inflation, given the nature of the building, the parking, the custody suite, basement parking, the offices above, all these different areas and functions, we had to look at the historical information available to us separately for each of those to be able to do a detailed cost plan.”

- 7.5 The Quantity Surveyor agreed that in comparing a police headquarters on a greenfield site with full access to an inner city site with a basement and adjoining a multi-storey car park, it was difficult to make like-for-like comparisons, and the Jersey factor would come into play, meaning a higher cost per square metre of the build:

“The B.C.I.S. (Building Cost Information Service) has information for similar types of buildings. We look at the Jersey factor and what we tend to do for B.C.I.S is analyse local projects, feed that information back to them in the U.K. and they can do a full comparison with those projects against local ones. Then we get indices produced so we can put a timesing factor against the U.K. cost for cost monitoring and cost planning schemes in Jersey.”

²⁰ Email correspondence to PAC Officer from Project Team 4th April 2017

²¹ Confirmed by email to PAC Officer by Project Team, 4th April 2017

²² [RICS - gifa and ipms for offices \(website link\)](#)

²³ Email from Robert Moy to PAC Officer, 11th April 2017

7.6 At the PAC public hearing, the issue was also raised and the Director of Property Holdings agreed that there was always a greater cost of undertaking construction works in Jersey than there would be for comparable sites in the UK. He told the PAC that it could be as much as 25% more, or similar to price levels in Central London.

7.7 The engineer also advised that the 'Jersey factor' came into play in resilience of the power supplies:

“The design guides tell you what the resilience should be, but all of those documents are based on the U.K. When you apply a Jersey factor, around power and back-up power supplies, J.E.C. (Jersey Electric Company) and the amount of outages is very limited, (however) the positioning of the building is very good from their point of view ... (and) helps the resilience.”

Final Account

7.8 The Quantity Surveyor told the Lead Reviewer that on most projects in the UK, the final account would not be agreed until a year or more after the project had finished. However, in order to achieve the best value and minimise the risk of over-runs on the budget or timescale, he had calculated on an ongoing basis:

“ I just felt on a project like this, fairly complicated, high value, it had to be done as we went along. That worked very, very well. The contractor was very amenable to that idea ... He had cost certainty; we did it for cost-reporting purposes ... As the job finished on site we were 99 per cent there ... You can never complete it 100 per cent because you still have a 12 month defects period ... once we are through that we then get the contractor to sign on the dotted line.”

7.9 The Project Team told the PAC at its recent public hearing, that the official final cost figure was expected to be within the £25million allocated to spend. The Director of Property Holdings said the final figure was expected around December 2017, but:

“There will be some retentions to pay for the contractor and ...fee retentions ... probably another 3 to 6 months, to have the final account ... Is it on budget? We are very close to the limit but ... the answer is yes.”

7.10 The Project Sponsor admitted there had been some unexpected items which had impacted upon the budget, such the archaeological investigation, rock-netting work on the Snow Hill car park, upgrading of the C.C.T.V. (closed-circuit television) systems, work on the freezing/drying room provision and the resurfacing of the zebra crossing. However, he considered these to be minor in comparison to the overall size of the project. He told the PAC that the net impact, including fees, had amounted to approximately £600,000 which was drawn down from the contingency of 5%.

Relocation costs

7.11 The Project Co-ordinator advised that relocation planning of equipment and personnel had taken two years but was carried out (mainly by staff) over approximately 8 weeks. The Chief of Police added that the IT team had a seamless transition between the old buildings and the new, and the entire relocation costs had come to around £20,000.

Budget Table:

	£	Cumulative Total (£)
Transfer to JPH (2007)	11,837,000	
Cumulative Total		11,837,000
2008		
Winding up of capital reserve inflation element	1,698,000	
Capital Closedown	-808,990	
Cumulative Total		12,726,010
2009		
2009 Budget Allocation	4,254,000	
Central Planning Vote	241,000	
Cumulative Total		17,221,010
2010		
Temporary transfer to Prison	-1,050,000	
Cumulative Total		16,171,010
2011		
Return from Prison	1,050,000	
Cumulative Total		17,221,010
2012		
2012 Budget Allocation	2,000,000	
Cumulative Total		19,221,010
2013		
2013 Budget Allocation	1,000,000	
Car Park Feasibility Funding	100,000	
Cumulative Total		20,321,010
2014		
2014 Budget Allocation	1,000,000	
2014 Car Parking Funding	1,500,000	
Car Park Feasibility Funding Repayment	-100,000	
Transfer from COCF to purchase Plemont (in)	3,575,000	
Transfer from COCF to purchase Plemont (out)	-3,575,000	
Additional Funding from the COCF	1,800,677	
Transfer from COCF to balance Consolidated Fund (in)	9,400,000	
Transfer from COCF to balance Consolidated Fund (out)	-9,400,000	
Cumulative Total		24,521,687
2015		
Transfer costs of old scheme to revenue	-150,200	
Transfer Car Park costs to asset	-1,340,124	
Cumulative Total		23,031,363
2016		
Transfer of costs directly incurred by SoJP	26,384	
Cumulative Total		23,057,747
Budget at the start of the Green Street Build	£	
2013 Brought forward	20,321,010	1
2014 Allocation	1,000,000	2
Monies already spent on aborted options	-150,200	3
Total	21,170,810	

8. Future-proofing

8.1 Previous Scrutiny reviews, prior to the build, had queried whether the proposed building would adequately meet the requirements of the States of Jersey Police Force over the next twenty to thirty years. In particular, the Education and Home Affairs Panel had sought to clarify the following:²⁴

- Would projected increases in the population of the Island over the next 30/40 years require additional police officers and facilities?
- Could the accommodation become inadequate for future requirements such as new services (e.g. responses to rising financial crime and domestic violence)?

8.2 At public hearings in 2012, the Deputy Chief Officer of Police maintained that the Green Street site provided all the facilities which could foreseeably be required by the Police for the next thirty years, and the Minister was confident that the measures incorporated into the scheme would ensure that the building provided flexibility for the future and allowed for departmental expansion or changes to meet current day and future Policing requirements.

8.3 The PAC wished to explore with the Project Team, whether the building had been a success in terms of meeting the current and future requirements of the States of Jersey. Members of the Project Team told the PAC that they were confident that the office space within the new building had been designed with an overall expansion flexibility of 10%. This was borne out by visits by the PAC to the newly-developed site in 2017, whereby the Committee could see that the layout of the internal offices and the movable internal walls lent themselves to different uses over time.

8.4 The electrical engineer told the PAC Lead Reviewer that the flexibility of the building, with upper floors as standard V.R.F. (Variable Refrigerant Flow) type installation, would ensure that it could be easily modified to suit new layouts. The ground floor was for specialist use, but future capacity had been factored in. The team agreed that it had identified early on where future capacity could be added later to help with costs in budget and the design modified to suit both budget and future flexibility. The building also had its own generator and U.P.S. (Uninterrupted Power Supply), plus two independent water supplies, so the infrastructure was well placed to take additional load and additional areas or equipment.

Energy Efficiency

8.5 The PAC noted that the building had achieved 14 out of 15 B.R.E.E.A.M. credits (Building Research Establishment Environmental Assessment Method), demonstrating its high level of energy efficiency and putting into perspective the 6 credits achieved on the Finance Centre building. The project co-ordinator told the PAC that in order to achieve the highest score, solar panels would have had to be incorporated, but they were prohibitively expensive.

Future Policing

8.6 The PAC was told that a lot of time had been spent on considering workforce modernisation and open planning, and the Chief of Police advised that there had been a reorganisation of the police force as a result:

²⁴ Education and Home Affairs Scrutiny Panel (main report S.R. 19/2012) presented to the States on 16th November 2012

“ ... We brought in a new call handling system called Thrive. We restructured²⁵ the organisation and (introduced) a mobile data project which dramatically changes the way policing is done and eliminates time in the station.”

Advancing Technology

- 8.7 The Chief of Police agreed that the building reflected changing needs of the police and stated that the mobile data app (shown below) meant that a major incident could be reported via a device similar to an iPhone, and the witness statement could be electronically signed, sent back to the police station and placed in the appropriate file before the officer returned to the headquarters. The Chief of Police also informed the PAC that the developed technology would be shared with other departments with mobile officers such as community health nurses or fire officers, “for the greater good of the States.”



(Mobile data app)



- 8.8 The Chief of Police advised that policing had radically changed in the last 5 or 6 years and that the crime element had also changed. Equipment to combat hi-tech crime included a positive pressure DNA termination room. Other rising crimes were fraud, economic crime and money-laundering, and it was necessary to anticipate technological advances so that conduits and other communication technology could be built into the building with minimal disruption.
- 8.9 The Project Lead agreed and noted that the moveable partitions would allow flexibility in working space. He added that all the furniture was the same, throughout the building regardless of whether it was used for the front desk or the Chief Officer. This ensured maximum flexibility. In terms of personal ownership over desk space, the Project Team had seen a cultural change. There was a standard locked box for ongoing paperwork and hot-desking (logging onto the nearest computer rather than individuals having their own fixed workspace) was increasing flexibility.

Lessons learnt and future projects

- 8.10 The Lead Reviewer was keen to probe what lessons had been learnt to enable the success of future projects. The architect stated that a major factor in the success of the project was the team all working together, and the rest of the team agreed that detailed planning, good decision making, regular meetings and fixed cost was vital:

²⁵ Word correction by telephone, Chief of Police to PAC Officer, 4th August 2017

“ ... you move from square metre rate, elemental rates to fixed item by item costs and that helps inform final budget and whether or not the project is affordable ... that goes right the way down to specifications ... a full list of all the manufacturers proposed ... that was then market tested in-house by Property Holdings ... the decision making was done very quickly because of the fortnightly meetings ... a good team effort.”

9 Conclusion

- 9.1 The PAC was encouraged to see the successful completion of the Police Station. It recommends that the lessons learnt and principles discussed should be carried through to other projects, such as collaborative working, regular meetings between contractors and the Project Team, and a strong commitment to a single, shared vision and stringent monitoring of processes.

Future Hospital Build

- 9.2 Although the scale of the proposed hospital building is much larger than the Police HQ, the PAC agrees with the Chief of Police that the processes are transferable:

“ ... the team work, consulting staff ... if I was building²⁶ a hospital I would get all the staff together from porters to top surgeons ... never mind the size of the building or who has got the biggest office ... It is how do they (run) their business and then the rest builds around it.”

- 9.3 The Project Co-ordinator said that fully understanding the brief, having a team that has shared goals, and a commitment to quality, were key. The Project Sponsor agreed and stated that although the culture of the hospital and its staff were different, engagement and communication were paramount.

“The principles are the same ... If it is going to work you have to have everybody brought into the project understanding, communicating the direction of travel.”

- 9.4 The PAC was encouraged to see the ongoing use of B.I.M modelling and noted that it had improved to the point where it could be used for accurate quantification and costings of materials. The PAC was of the opinion that it should be used in all major projects.
- 9.5 The PAC was also pleased to note that standardised desk space and furniture were being used throughout the building, and combined with ‘hot-desking’ and other flexible working methods, there had been a real drive towards cost effectiveness and value for money. It was satisfied that, within the constraints of specialised policing needs, the project successfully applied modern standards in relation to the size of offices and desk space and recommended that these standards are rigorously applied by the States when new offices are built or existing offices are redesigned.

Risk

- 9.6 The PAC was also encouraged by the ongoing risk management in the Police Station build, and was convinced that together with a robust communication framework, fixed costs, and penalty clause inclusion on contracts, this was instrumental in preventing or mitigating against costly delays.

Ongoing cost evaluation

- 9.7 The PAC was impressed with the Quantity Surveyor’s approach to achieve the best value and minimise the risk of over-runs on the budget or timescale by calculating the final count on an ongoing basis. Even with unexpected items which had impacted upon the budget, good communication and contingency planning allowed other parts of the build to go ahead or be reconfigured so that the impact on the overall build was minimised.

²⁶ Word correction by telephone from Chief Officer to PAC Officer, 4th August 2017.

- 9.8 The PAC concludes that the project is an example of good project teamwork. It was most impressed that the building embodied the professionalism of the officers working within it, and that the very impetus of the new building and advances in technology, meant that other aspects such as morale and recruitment retention had improved. The PAC recommends that the lessons learnt are taken forward into other public sector projects.

KEY FINDING 3: Ongoing 'final account', fixed costs, and penalty clause inclusion were instrumental in preventing or mitigating against costly delays.

RECOMMENDATION 3: The principles and lessons learnt from the police station build should be taken forward into other public sector building projects.