

STATES OF JERSEY



STATES BUILDING REFURBISHMENT PHASE 2: APPROVAL OF DRAWINGS

**Presented to the States on 21st January 2003
by the Environment and Public Services Committee**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

to refer to their Act dated 19th July 2000, in which they approved drawings showing Phase One and Phase Two of the proposed refurbishment of the Royal Court/States Building, and –

- (a) to approve revised drawings Nos. 2980/13 (B) and 102(D) showing Phase Two of the refurbishment of the States Building, Royal Square, St. Helier, to provide improved accommodation for States members as agreed with the Privileges and Procedures Committee;
- (b) to authorise the Greffier of the States to sign the said drawings on behalf of the States; and
- (c) to agree that the commencement of Phase Two of the refurbishment works should be brought forward to coincide with the completion of works being undertaken as part of Phase One.

ENVIRONMENT AND PUBLIC SERVICES COMMITTEE

Note: The Finance and Economics Committee is prepared to sanction the proposed Phase II refurbishment works on the basis that the total cost would be contained within a maximum sum of £1 million. The Committee agrees to transfer a maximum sum of £1 million from the Capital Reserve Vote (C0070) in order that the Environment and Public Services Committee may fund the works to be undertaken.

The Privileges and Procedures Committee notes that the proposals are in line with those contained in its First Report to the States dated 22nd October 2002, and it fully supports the proposition of the Environment and Public Services Committee accordingly.

REPORT

Introduction

On 19th July 2000, the States adopted the Public Services Committee proposition as amended –

- “(a) to approve drawings Nos. 2980/13, 21(A), 22(A), 24(A), 25(A), 101(C), 102(L), 103(B), 104(A), 105(B), 201(D), 202(F), 300(A) showing Phase One and Phase Two of the proposed refurbishment of the Royal Court/States Building excepting that the proposed usage and allocation of space described with the drawings should not be fixed until the needs of the legislature could be assessed in the light of the recommendations of the Machinery of Government, and approved drawings Nos. 105(E), 600, 601 and 602(A) illustrating the proposed alterations to the existing caretaker’s flat; and
- (b) authorize the Greffier of the States to sign the said drawings on behalf of the States”.

Although approval of the drawings by the States made reference to Phase Two of the works, the funds were only sufficient to carry out Phase One. This was clearly highlighted in the previous Report under “Programme” where the Phase Two works were anticipated to commence in August 2004, i.e., the first available year for funding a Capital Project at that time.

Background

Following receipt of competitive tenders, Stansell QVC Limited were awarded the contract for Phase One in the sum of £5,690,900. The work has progressed well in spite of numerous unforeseen circumstances, including substantial amounts of hidden asbestos, and an increase in the scheduled number of States Meetings. The extended contract completion date is scheduled for 20th January 2003 and it is anticipated the final account will be within the contract sum excluding the cost of fluctuations (estimated at £250,000), the provision of IT infrastructure in the States Chamber funded by JISC (£21,000), and the additional security measures requested (£20,000 as part of the contract).

The total budget currently allocated to Phase One of £7,320,700 is likely to be exceeded by the estimated cost of fluctuations, and a balancing figure for asbestos removal. These costs are legitimate claims against the Fluctuations and Risk Reserve held by Treasury and additional funds will be requested when the final figures are ascertained.

A review of States Members accommodation needs was undertaken by the recently created Privileges and Procedures Committee. The conclusion reached was that the originally proposed conversion of the Land Registry to provide three meeting rooms, a library and a common room supplemented by the use of the gallery to the former library would provide sufficient shared space for States Members.

Negotiations were entered into with Stansell QVC Limited on the basis that they had submitted the lowest tender for Phase One, they were familiar with the building and in principle were prepared to apply the same competitive rates to Phase Two. Stansell QVC Limited were requested to submit two quotations, one on the basis of continuing straight on with Phase Two after completion of Phase One and an alternative for including a substantial gap between the two phases. The cost difference identified between the quotations was in the order of £140,000 (excluding fees). The most cost effective option being the one which continued straight on with Phase Two.

As no funds had been allocated to Phase Two of the refurbishment at this time the Privileges and Procedures Committee with the agreement of the Public Services Committee, decided to meet with the Finance and Economics Committee in a final effort to convince members of that Committee that the figure negotiated with the contractor, Stansell QVC Limited, did represent value for money and the saving identified of £140,000 (excluding

fees) by continuing straight on with Phase Two was worth pursuing.

On 29th November 2002, the Finance and Economics Committee received the Presidents and Officers of the Privileges and Procedures and Public Services Committees. It was agreed that the proposal was a sensible way to proceed and that the Treasurer would ascertain the most appropriate funding route. The Public Services Committee were requested to endeavour to reduce the figure negotiated with Stansell QVC by a target of 20%.

Scope of Phase Two Work

Alterations and improvements to existing accommodation including the following:

- Conversion of the existing ground floor members' room to provide a third Committee Room.
- Conversion of existing Land Registry to provide facilities for States Members, including a library, common room, three interview rooms and a small kitchen.
- Decoration of the existing Members Room at first floor.
- Provision of a media interview room.
- Provision of the necessary mechanical and electrical services associated with the works in Phase Two.
- Provision of facilities for electronic voting.
- Conversion of the gallery of the former library for States Members use.

Budget

The original budget submitted by Stansell QVC Limited in the sum of £877,539 included only £400,000 of building cost and upgrading the existing lift car. Following discussions with Stansell QVC Limited a total of £80,000 was taken out of this element of their tender ie., 20%. A further £24,451 was taken out of the Mechanical and Electrical works following receipt of quotations from the two nominated sub-contractors. In summary the contract costs for Phase Two would be as follows:

Stansell QVC Original Quotation	£877,539
Reduction in Stansell QVC works (20%)	(£80,000)
Reductions to Mechanical & Electrical	<u>(£24,451)</u>
Revised Quotation	£773,088
Other Costs	
Furniture (provisional)	50,000
Temporary security (6 months)	12,000
Temporary Court Costs and Bus	7,500
Asbestos (provisional)	5,000
Ushers Overtime (provisional)	5,000
Professional Fees	90,000
TOTAL	£942,588

The relocation of the Courts and associated costs are still budgeted in Phase One.

Funding/Manpower

There is no approved funding for Phase Two of the project within the current capital allocation or forward programme to 2005 contained in the Resource Plan 2002 as approved by the States.

The Finance and Economics Committee, having noted the significant financial and non-financial advantages to be obtained by continuing the works into Phase Two with the existing contractor, agreed that the proposed course of action was in the best interests of the States.

The Finance and Economics Committee considered that the unallocated sum contained in the Capital Reserve Vote was the most suitable source of funding as it would not impact on the previously agreed capital programme. The use of the Capital Reserve for this purpose must be considered as exceptional and should not be seen as a precedent for circumventing the capital allocation process.

There are no manpower implications for the States.

Programme

Phase One	Contract Completion extended to	20th January 2003
Phase Two	Anticipated Commencement	21st January 2003
	Anticipated Completion	25th July 2003

