

## PROJECT BOARD MINUTES

<b>Project:</b>	North Herts Museum & Community Facility
<b>Date:</b>	15 <sup>th</sup> July 2013
<b>Classification:</b>	Confidential
<b>In Attendance:</b>	Councillor Tony Hunter (NHDC), Councillor Tricia Cowley (NHDC Advisor), John Robinson (Project Executive), Neal Charlton, (BFAW Architect) Steve Crowley (Project Team), Vaughan Watson (Project Team), Ros Allwood (Project Team), David Leal-Bennett (Hitchin Town Hall Ltd), Brent Smith (Hitchin Town Hall Ltd, Technical Advisor)
<b>Circulation:</b>	Those attending, Project Librarian,
<b>Publication:</b>	Publication on the web to be withheld until construction contact has been awarded

---

### 1 Apologies

None received.

### 2 Roles & Responsibilities

The roles and responsibilities document relating to Project Management had been included on the agenda so that the ACF representative would understand the management methodology adopted for this project. DLB advised that not enough notice had been received for a representative to attend. However, it was noted that the dates had been advised in April 2013.

### 3 Matters Arising from the Minutes of the Last Meeting 14<sup>th</sup> May 2013

- Hitchin Town Hall Ltd Mobilisation Plan

DLB tabled a version at the meeting and agreed to forward an electronic copy to SC for inclusion within the overall project plan.

Action: DLB

- Deed of Variation

JR requested that this matter be progressed and all issues resolved, including the option agreements, by the end of the week so that this was not further impact on project revised deadlines. Recent correspondence from Foreman Law indicated that they were awaiting instructions from Hitchin Town Hall Ltd on the Option Agreement and awaiting feedback from ACF on the revised Development Agreement.

Action: DLB/BS

There being no outstanding action, the minutes were agreed.

### 3 Highlight Report No 6

The Highlight Report detailed all activity between 15<sup>th</sup> May through to 12<sup>th</sup> July 2013. The tasks completed to date were as follows:

Stage six 15/05/13 – 12/07/13	Date Due	Date Completed
<b>Construction contract</b>		
BFAW lead in time (3 weeks)	4 <sup>th</sup> June 2013	4 <sup>th</sup> June 2013
<b>Design</b>		
Review existing scheme for statutory compliance	7 <sup>th</sup> June 2013	7 <sup>th</sup> June 2013
Finalise design	7 <sup>th</sup> June 2013	7 <sup>th</sup> June 2013
Develop revised areas to stage E	21 <sup>st</sup> June 2013	9 <sup>th</sup> July 2013
Redevelop affected adjoining areas to stage E	25 <sup>th</sup> June 2013	25 <sup>th</sup> June 2013
Develop revised areas to stage F	9 <sup>th</sup> July 2013	Ongoing
Redevelop affected adjoining areas to stage F	12 <sup>th</sup> July 2013	12 <sup>th</sup> July 2013
<b>Exhibition Design</b>		
Partial award	7 <sup>th</sup> June 2013	7 <sup>th</sup> June 2013
Collections Meeting (1)	11 <sup>th</sup> June 2013	11 <sup>th</sup> June 2013

SC advised that the only element of the programme not completed was to develop revised areas to stage F. This element of work had now be incorporated in to the next stage.

#### Issue Log

The table below is an extract from the Issue log (Appendix 2), this shows the issues that are currently relevant to this project. The issues identified in the Issue log are impacting on the project with regards to time, cost or quality, however, will be monitored and if required escalated to a risk.

Type	Description	Author	Status
Operational	Risk of delay to project because due to 15 Brand Street being included into the project and subject to ACF conditions.	SC	Ongoing
Procurement	Procurement of main contractor being awarded by 31 <sup>st</sup> March 2012. This is being controlled by BFAW.  As the project is now including 15 Brand Street, BFAW will be negotiating with the preferred contractor on new design with an aim to award by 16 <sup>th</sup> August 2013	SC	Ongoing
Finance	Funding Arrangements & Acquisition of Brand Street Hitchin.  Town Hall funding was assured when Council agreed to include 15 Brand Street in to the development. However, one of the donors has not confirmed their £50,000 donation, HTH are trying to resolve this matter.	SC	Ongoing

Property	HTH are currently awaiting final confirmation to secure 15 Brand Street. The Council has not received from HTH the draft options agreement that includes 15 Brand Street.	SC	Ongoing
Partnership Arrangements	Need to manage public and community expectation of project	SC	Ongoing
Partnership Arrangements	To ensure that the communication process between Hitchin Town Hall Ltd and North Herts District Council is adhered to, to assist the Project.	SC	Ongoing
Project Design	The Council and Hitchin Town Hall Ltd are not in agreement with the current access to the museum. An independent access assessment has been undertaken on the three options, this demonstrated that the external ramp option provides the best solution. However, Hitchin Town Hall Ltd prefer the internal ramp option.	SC	Ongoing

## Funding

Hitchin Town Hall Ltd's ability to meet the 16th August deadline for signing the revised Development Agreement ahead of award of a contract has been identified as a new risk (this is partly detailed in minute 3 (2<sup>nd</sup> Bullet point) above). Hitchin Town Hall Ltd have stated that their original funding package has now changed and that they are reliant on a donation of £50k from a donor who is yet to be convinced that his/her investment will produce tangible results. Hitchin Town Hall Ltd are working to try and persuade the individual that it will and NHDC have offered assistance in doing this. Hitchin Town Hall Ltd have stated that they have contingency arrangements in place for £25k, and that they are confident that they could raise the rest by other means. The Risk Log and Issue Log have been updated to reflect this.

DLB confirmed that funding has now been secured and that they were awaiting for a letter from NHDC advising them of the 'extras' the donor would see within the project. JR advised that he had spoken with Morag Norgan and confirmed with her that she would advise JR of any requirements once she had spoken with the donor. JR had not received a request from MN for a letter.  
 Action: DLB to ensure Deed of Variation and Option Agreements documentation are prepared and forwarded to NHDC Legal Team to ensure that the revised project deadline could be met. It was noted that the deadline for this was Friday 19<sup>th</sup> July 2013.

## Design / Entrance to Museum

The Council has investigated alternative options to the entrance of the museum. These options were discussed at the design review meeting on 27<sup>th</sup> June 2013. An independent access assessment has been undertaken on the three options and also Planning have considered all options. The Council has written to Hitchin Town Hall explaining the preferred option for the Council which includes an external ramp, whilst Hitchin Town Hall favour the option with an internal ramp. Taking onboard all of the information that has been gathered on the different options and the risks to the project, the Project Executive has indicated the Council's preference would be to revert to the original scheme that Hitchin Town Hall have obtained planning approval for.

After some discussion, it was noted that the original scheme which, had planning consent, be proceeded with.

Action: NC to progress

### **Delay on Project**

Due to the delay on agreement of the Stage E design, detailed design cannot be completed, and the design team is no longer able to meet the Mid-August deadline. The project team are currently aiming to revise the Bill of Quantities by 9th August, and complete negotiations with the preferred contractor on 30th August 2013. Appendix 4 provided the proposed project plan taking into account the project delay and this is replicated in 'Products Sue at the Next Stage' below.

There was discussion about the delay in the project and the causes. JR advised that this was due not only to do with agreeing the design but, with the approaches Hitchin Town Hall Ltd have made to NHDC consultants and architects which, in itself, has created further work streams. JR requested that an approach to ACF be made to request an additional two weeks to the deadline. It was also noted that, because ACF had taken three weeks to confirm their decision in terms of the loan/grant, this had taken the two weeks contingency allocated for this element of the project.

DLB raised concern that ACF would not accept such a delay and that they would withdraw from the project. DLB asked that consideration be given to signing the Development Agreement prior to conclusion of negotiations with the preferred contractor. VW cautioned against this and JR advised that the Development Agreement would need the figure of the contract to be included.

It was therefore requested that Hitchin Town Hall Ltd approach ACF with the request to extend their deadline so that a meeting of Project Board could be held on 4<sup>th</sup> September 2013 with a view to awarding contract on 5<sup>th</sup> September 2013.

Action: DLB/BS

### **Legal**

At the time of writing the report the draft Option agreement for the purchase of 15 Brand Street had not been sent to the Council. This option agreement will contain the terms for the purchase of 15 Brand Street and it is essential that the Council is made aware of the terms of purchase. This document must be in an agreed form before the new Development Agreement can be signed by the Council and HTH Ltd.

This element had been discussed under funding arrangements and it was noted that DLB would instruct his legal team with a view to forwarding the relevant documentation to NHDC's legal team by 19<sup>th</sup> May 2013.

Action: DLB

The Council has been approached by Hitchin Town Hall Ltd's legal representative regarding the Put Option. In the original development agreement, it was agreed that the Council would pay HTH Ltd the sum of £250,000 in the event that the development did not complete by November 2016 or because of other 'Trigger Events'. This payment would be to reimburse HTH Ltd for the cost of purchasing 14 Brand Street. It has now been suggested by HTH Ltd that the Council should pay HTH Ltd the sum of

£350,000, if the development does not complete by March 2017, in order to cover the cost of purchasing both 14 and 15 Brand Street.

DLB advised that it would indeed be another £190,000 in addition to the £250,000 already agreed. JR confirmed that this request had not been made to NHDC when Council agreed the inclusion of 15 Brand Street in April 2013. After some discussion, Councillor Hunter advised that such a request would need to be put to the Council as a further financial risk for decision as to whether it wished to proceed.

In doing this, this would put the project back further as the next meeting of Council would be in September. Another option would be to Hitchin Town Hall Ltd to indemnify themselves for £190,000 risk at their own cost.

Action: DLB/BS to advise on Hitchin Town Hall Ltd's position

### Products Due at Next Stage

Next stage 15/07/13 – 30/08/13 (stage seven)	Completed by
<b>Construction contract</b>	
Develop revised areas to stage F	26 <sup>th</sup> July 2013
Revise Bill of Quantities	9 <sup>th</sup> August 2013
Negotiate with preferred contractor	30 <sup>th</sup> August 2013
<b>Exhibition Design</b>	
Collections Meeting (2)	16 <sup>th</sup> July 2013

In considering the above, Project Board noted that there was no further contingency built in to this stage of the timetable and that this therefore presented a high risk to the project.

### Risk Log

The risk log was reviewed and the following changes made:

- Item No 3 Change probability score to 3 which would make the overall score 8 and would therefore become Red
- Item No 28 Change probability score to 2 which would make the overall score 8 and would therefore become Red

Items no 4 and 35 remained red and item no 36 (labelled at 35 on risk log) was no longer red as the design had been agreed earlier on in the meeting.

Action: SC/RA to update the risk log

## 4 Recommendations

1. Sign off RIBA stage E design – Agreed
2. To approve the Project Risk Log – Agreed subject to changes above.
3. To approve the Project Issue Log – Agreed
4. To approve completion of stage six. (Item 4) – Agreed

Confidential

5. To allow stage seven to commence. (Item 6) – Agreed subject to ACF's agreement that they will extend the deadline and, Hitchin Town Hall Ltd's ability to indemnify themselves for the purchase of 15 Brand Street