

**BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK****MEMBER MAJOR PROJECTS BOARD**

**Minutes from the Meeting of the Member Major Projects Board held on Monday, 27th February, 2023 at 10.00 am in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ**

**PRESENT:** Councillor R Blunt (Chair)  
Councillors S Dark, A Dickinson, A Kemp, G Middleton, C Morley and T Parish

**Under Standing Order 34:**

Councillor M de Whalley

**Officers:**

Michelle Drewery, Assistant Director Resources (Zoom)  
Vanessa Dunmall, Performance and Efficiency Manager  
Louise Gayton  
Lorraine Gore, Chief Executive  
Matthew Henry, Assistant Director, Property and Projects  
Oliver Judges, Executive Director – Place  
Robert Wiseman, Energy and Environment Officer

**1 APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor A Ryves.

**2 MINUTES FROM THE PREVIOUS MEETING**

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The minutes of the meeting held on 9 December 2022 were agreed as a correct record.

**3 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**4 URGENT BUSINESS UNDER STANDING ORDER 7**

There was no urgent business.

**5 MEMBERS PURSUANT TO STANDING ORDER 34**

Councillor M de Whalley was present under Standing Order 34.

## 6 **CHAIR'S CORRESPONDENCE**

There was no Chair's correspondence.

## 7 **PROJECT OVERVIEW REPORT**

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The Corporate Projects Programme Manager explained that Members were familiar with the report that provided an overview of the major projects under the auspicious of the Board as it had been presented to previous meetings. There had been changes made to the overview report because of new highlight reports which was the next item on the agenda. The Board was informed that there were 17 projects on the list – 5 red, 9 amber, 3 green.

The Board was reminded of the previous more detailed 5 RAG ratings but the report had moved to a simplistic approach taking into account the highlight reports process which followed as the next agenda item. The RAG ratings were now just red, amber and green.

The Corporate Projects Programme Manager advised that officers had been unable to present the West Winch report because of staffing capacity issues but would endeavour to bring a report to future meetings.

The Board was informed that this was the first month of the new reporting arrangements this was quite an ask of project managers so a significant amount of work had been put in but that there were a few gaps which were part of the transition to the new arrangements.

In response to a comment from the Chair, the Corporate Projects Programme Manager explained the reporting process and undertook to circulate the reporting timetable as an appendix to the minutes.

The Corporate Projects Programme Manager explained the change that at the end of every month was that all reports would be published on Mod Gov so all Members were able to view the information and it was anticipated that the January update would be published on 1 March 2023.

Councillor Morley asked if it was the purpose of the Board to go through each project or just take a helicopter view of what was presented. In response, the Chair, Councillor Blunt explained that this was a helicopter view and that the next step would be to discuss how the Board could undertake a "deep dive" into specific projects.

Councillor Kemp commented that the report set out a clear format of the overall view of the projects which included the financial risks.

In response to questions from Councillor Morley on the Board selecting which red RAG project to look at in more detail and a consistent approach being adopted across the Council on the current progress, the Interim Technical and Delivery Advisor explained that Members get early warning as Members could view reports on a monthly basis and could see the flow of information available and where the risks were etc, and also see the first report in detail where red flags were identified and it depended on how deep the Board wished to go. He explained that sometimes reports could have a red status but the commentary and mitigating measures set out in the report and why, type of mitigation that may be etc, may mean the Board were comfortable with the project, without needing further information.

Councillor Blunt added that he would expect Portfolio Holders to be aware of any projects which had a red flag.

Under Standing Order 34, Councillor de Whalley thanked the Interim Project Delivery and Technical Advisor and the officers for the work undertaken and commented that transparent approach was much appreciated but was not entirely clear how much was down to a change in process and how much was down to the change in status of the projects. In response, the Interim Project Delivery and Technical Advisor explained that what had happened was that there was more demand on the Project Managers to explain why a certain risk, cost overruns, etc in the status there were and that more detail had been included than previously so Project Managers would not have to explain to the MMPB why the particular status. It was noted that this was the first month of the new reporting arrangements and that there be may a few hiccups in the terminology/understanding and the reason for setting up the Programme Management Office was to help with consistency across projects and it was hoped that the reports would continue to improve to enable the Board to have a better understanding of the projects.

The Chair, Councillor Blunt expressed concern that the report was written three weeks ago and had gone through at least two other stages before being presented to the Board and commented that those changes could cause the report to change and asked how would Members know that. In response, the Corporate Projects Programme Manager explained that this was normal process of operational management, with information going through checks and then the Officer Major Projects Board and added that if senior officers felt an element needed adjustment, this was the normal evolution of reports presented to Councillors.

The Interim Technical and Delivery Advisor added that a period of time had to be set for reporting and the quality control of the information to be presented was reviewed by the Project Boards so the data was as accurate as possible for that one month. However, if for some reason the issue was resolved then the officers could give a verbal update.

The Chair, Councillor Blunt commented that it would be useful to present the information to an all Member Briefing.

In response to questions from Councillor de Whalley on why there was no January report for West Winch, the Chair, Councillor Blunt advised that this was due to a staffing issue.

Councillor Kemp commented that West Winch was the biggest project and provided an overview on the importance of transparency.

## 8 **PROJECTS HIGHLIGHT REPORTS**

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The Corporate Projects Programme Manager introduced the report and provided an overview on the content, the new areas of reporting and areas of development for each project. The Board was informed that at the end of February a new section on outputs/ outcomes that the project was looking to achieve would be added to the template.

The Board advised that the Robert Wiseman, the Council's Energy Efficiency Officer and Environment Officer was present to answer any questions relating to the Re-Fit Scheme.

The Board considered each of the red RAG ratings as set out below:

### Re-Fit Scheme

The Energy and Environment Officer provided an overview of the project, a summary of the key points are set out below:

- £3.8m grant towards delivering the project – tight timescales for delivery and installation.
- Contract with Ameresco who issued their final detailed design May 2021.
- Grant funding required completion of installation works (and all grant monies to be spent/allocated) by end June 2022.
- Heat pumps installed and operational by end June 2022 with the exception of BMS controls, owing to long lead time for equipment delivery..
- Timescales did not allow for 'stress testing' as heat pumps installed in height of summer.
- In colder winter months some sites have since struggled with lower flow temperatures provided by the heat pumps and some sites have had to revert to gas boilers. Progress being made to ensure sites are operational in line with the expectations.
- Discussions ongoing with Ameresco to ensure guarantee savings are delivered as promised with their detail design.
- Outstanding BMS controls – Lynnsport works to be completed by 31st March 2023 and at St James' works to commence mid-

March. Oasis BMS upgrade was completed by end December 2022.

- Control Strategies can now be finalised to integrate heat pumps with existing heating and distribution systems as this was a decarbonisation project.
- There will be times when boilers will still be called upon to boost flow temperatures and maintain building temperatures; alternative would be to replace all existing heating distribution systems, which would not be cost effective or possible within the grant envelope.

Officers responded to questions in relation to:

- Concerns regarding no manufacturing base or supply chain in the UK for producing the heat pumps or for spare parts.
- Maintenance contracts/costs of both gas boilers and heat pumps to be set out in one contract.
- Heat pumps not working at St James Swimming Pool.
- Poor quality of water at some sites seen to be a health and safety issues, although water quality issues were associated with closed systems and not water supplied to showers/drinking water etc.
- Concerns in relation to heat pumps and new technology for the Council's housing schemes at Parkway and a private development in Heacham to make the houses as green as possible.
- Competence of contractor appointed.
- Financial summary and budget contingency.
- Insulation upgrades were installed where possible.
- Control Strategies in operation for majority of sites/thermostatic control system. Needs to be fine tuned to optimise performance.
- Conditions attached to grant funding/timescales for delivery and finalisation of the project by end of June 2022.
- June 2022 not in a position to undertake stress testing.
- Remedial works required.
- Alternatives such as solar water heating.

The Leader, Councillor Dark commented on comments made by Members and explained that there was a clear distinction between the Refit project going into existing systems in larger buildings that may not be environmentally friendly or energy efficient buildings versus smaller housing who were installing their own heat source pump into a building which was fuel efficient.

Councillor Morley commented on the process and added that in the previous report the RAG rating was green and in this report was now red and added that the information showed the issues that were not previously unearthed before. Councillor Morley further commented that the report was to be commended but raised questions on, for example,

if the correct supplier was chosen, should some money been held back, and highlighted things to look at in the future.

### Enterprise Zone – Infrastructure

The Assistant Director, Property and Projects provided an update, a summary of the key are set out below:

- Road construction – worked well, contractor appointed, on site and estimated to complete October 2023, NCC acting as highway consultant managing project for the Council, currently anticipated to be delivered on time and within budget.
- Long running engineering works project which may be impacted by the weather.

Officers responded to questions in relation to:

- Financial Summary – current budget spent to date and predicted forecast spend during 2023.

The Assistant Director, Property and Projects informed the Board that there was some refining to be undertaken on the financial reporting figures.

### Enterprise Zone – Phase s 1 & 2

Officers responded to questions in relation to:

- Concern expressed on the cost and £2m overspend of the spec units.
- Ownership/risks of the Morston Point drains.
- Total contingency budget.
- Capital spend to date and projected spend for March and April 2023.
- Disposal route for all properties identified and subject to contract.

The Assistant Director, Property and Projects explained that the Council had received funding from the New Anglian LEP and Phase 1 was nearing completion for the provision of a pair of office buildings and light industrial buildings.

The Assistant Director, Property and Projects explained that there was no overspend on the spec units, tenders had gone out for Phase 2 through the framework contract for NORA and tenders had come back more expensive than anticipated and outlined the work being undertaken to look at funding opportunities and Members would be presented with the information once it was to hand. It was highlighted that the only money spent to date was the going out to tender exercise.

### Major Housing – Bus Station and NCC Library Site (St Edmunds Terrace, Hunstanton)

The Interim Project Delivery and Technical Advisor explained that the decision had been taken to remove the project from the Council's Capital Programme as it was behind schedule and would be the last time the Board would receive an update on this project.

### St George's Guildhall and Creative Hub

The Interim Project Delivery and Technical Advisor explained that this was a more difficult and challenging project and provided an overview as to why the project had a red RAG rating and informed the Board that future updates would be more detail on de-risking as much as possible.

The Deputy Leader, Councillor Middleton outlined the two main reasons why there was a red rating – in relation to timing in that the tender exercise was behind between 2 to 3 months. It was noted that a submission had been made to Government regarding re-phasing timescales on a number of projects. The second area of the red rating was in relation to the funding and that this would continue to be red for the £12m project, with £9m secured and until such time as the Council either obtained the initial funding to top up the £3m or at the end of the design phase setting out the actual cost either to re-prioritise the available funding or identify alternative funding.

Officers responded to questions in relation to:

- Reasons why the tender exercise had been delayed.
- Timescales and expenditure.
- Reason for delays for the Design Team.
- Concerns regarding availability of a Design Team to deliver project.
- Design Team - 100 companies expression of interests to date.
- Cost of Design Team/fees.
- Budget and necessary works.
- Submission made to Government to reprofile projects/ timescales.
- Number of review processes whilst undertaking stages 2 and 3.

The Leader, Councillor Dark outlined the reasons why the Council should continue to concentrate on the funding gap.

The Chair, Councillor Blunt invited the Board to comment on any other issues which had not received a red rating.

### Other Issues raised by the Board

#### **Active and Clean Connectivity – West Lynn Ferry**

The Interim Project Delivery and Technical Advisor informed the Board that the West Lynn Ferry was not a major project or part of the ACC project and explained that a separate feasibility study was being explored with NCC.

The Leader, Councillor Dark and Deputy Leader, Councillor Middleton outlined the work on a feasibility study which was jointly being undertaken and funded between the Borough Council and NCC.

### **Parkway**

In response to a question from Councillor Morley on the overall status and condition regarding emergency road access to the site was yet to be resolved, the Chair Councillor Blunt commented that he did not believe there was an issue but would seek confirmation and respond direct to Councillor Morley.

Following comments from Councillor Parish on resistance to development, the Chair, Councillor Blunt advised that a recent meeting had been held with Lovells and residents to discuss the process of building out and that solutions would be sought to address the issues raised.

### **Hunstanton Southend Road**

Councillor Morley informed the Board he had visited the site to see how the project was progressing and explained that Lovells had not updated their boards around the site and also expressed concern that the financial summary last month the current spend to date was £1.4m, this month £1.9m and at year end £3.582m and asked if the figures reported were accurate and added that he felt Project Managers were not looking at the detail.

The Chair, Councillor Blunt commented that this was a point well made over the whole process and that the level of accuracy timing of financial information and would ask the Project Team to look at the points made by the Board.

In conclusion, the Chair, Councillor Blunt commented that the Board had moved on an incredible long way since the start of the process and the information given in the Project Highlight reports now was much more challenging for the officers to produce and outlined the benefits to the Board.

The Chair, Councillor Blunt and the Deputy Leader, Councillor Middleton congratulated the officers on the work undertaken to date.



The schedule of meetings 2023 was noted.

Meeting requests would be sent out for the April meeting. Following the May elections 2023 and confirmation of membership received, meetings requests would then be sent out for the remainder of the year.

10 **WORK PROGRAMME**

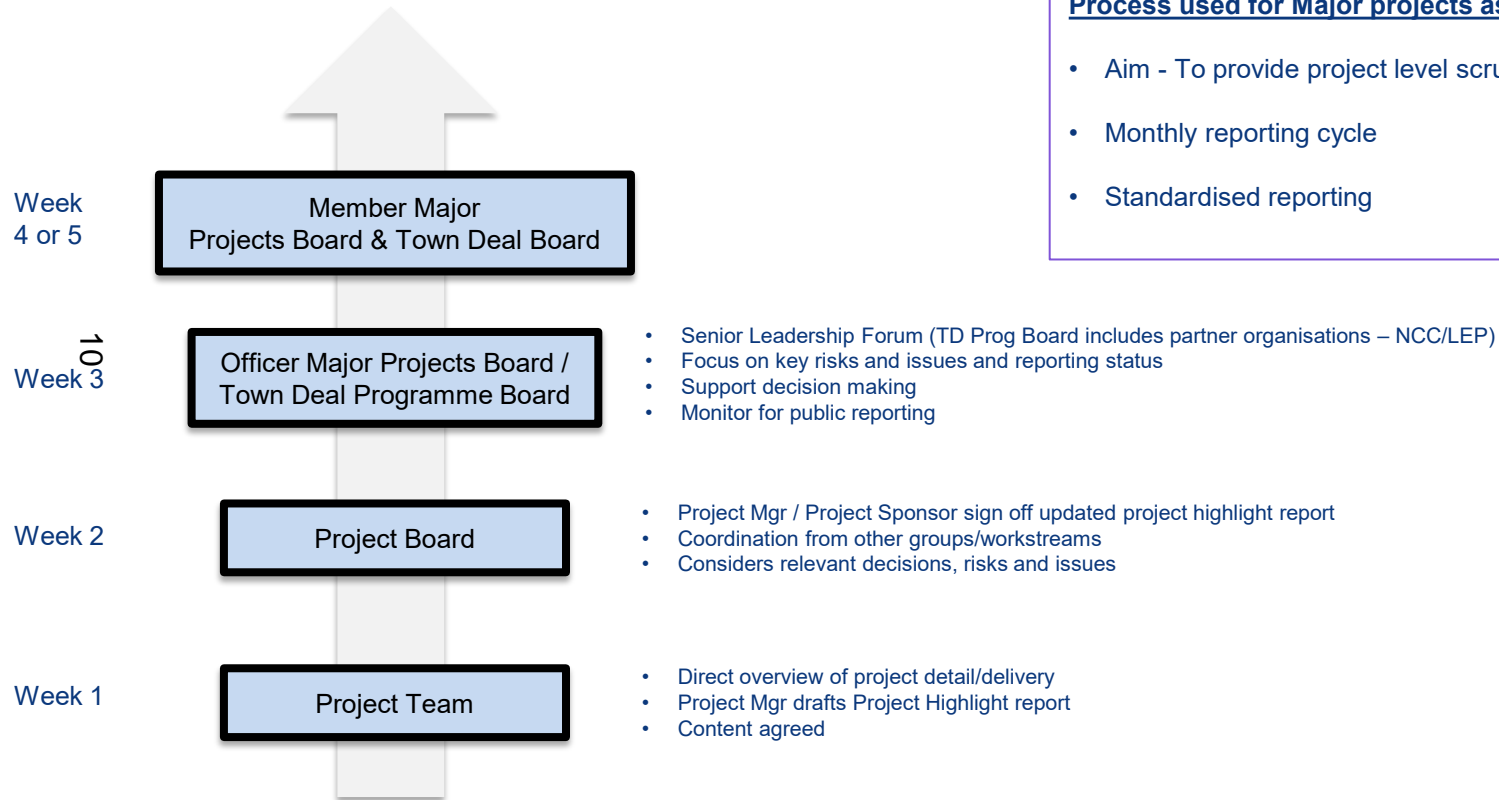
11 **MINUTES FROM THE OFFICER MAJOR PROJECTS BOARD**

The Board noted the Officer Major Projects Board minutes.

12 **DATE OF NEXT MEETING**

**The meeting closed at 11.44 am**

# Project Highlight reports - Information flow



## Process used for Major projects as designated by Cabinet

- Aim - To provide project level scrutiny and assurance
- Monthly reporting cycle
- Standardised reporting

Minute Item 7

