
FINAL OUTTURN REPORT INGENIUM PARC PROJECT

Responsible Cabinet Member – Cllr McEwan

Responsible Director – Dave Winstanley

SUMMARY REPORT

Purpose of the Report

1. To report the lessons learned from the project and the final outturn in accordance with the Financial Procedure Rules.

Summary

2. Ingenium Parc lies to the South of Salter's Lane with Cummins Engineering Limited to the north and Maidendale nature reserve to the west.
3. This a large town centre fringe site consisting of approximately 40 Hectares (HA) of previously greenfield land. The project set out to build infrastructure to and within the site.
4. The aim of the project was to unlock development land, which was ultimately capable of delivering regeneration priorities for the Council. The strategy was to develop the site in phases. Phase 1 provides a length of road from Salter's Lane to serve the first developable plots alongside major drainage works to unlock land for development.
5. Over £5m, in grant funding was secured from the Combined Authority to deliver this phase of the Ingenium Parc Project which included the installation of Utilities, Spine Road, Ecological Mitigation and Morton Palms Car Park.
6. Para 43 of the Financial Procedure Rules requires that the final outturn of all schemes with a value in excess of £1 million be reported to Cabinet.
7. The report reviews the actual cost, timeliness and quality including lessons learned; to ensure a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management processes.

Recommendation

8. It is recommended that Members note the final outturn of the Project.

Reasons

9. The recommendation is supported by the following reasons: -
 - (a) To comply with the Council's Financial Procedure Rules.
 - (b) To ensure a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management processes.

Joanne Wood – Capital Projects Manager

MAIN REPORT

Information and Analysis

10. Ingenium Parc lies to the South East of Salter's Lane with Cummins Engineering to the north and Maidendale nature reserve to the west.
11. In 2015 the local authority instigated a project to open up a large area of land, including 40ha of land south of Yarm Road known as Ingenium Parc. This is a greenfield site located between Salters Lane and Alderman Best Way. The site is also adjoined by Maidendale Nature Reserve.
12. The project was originally conceived in 2015, with the initial works involving the upgrades to the adjoining Morton Palms development to the south-east in 2017 and then the construction of the access road by the Council in 2019. The programme was for the preparation of site itself to follow immediately after, but progress on this project was slowed as a result of complex, planning related requirements, namely:
 - (a) The discovery of archaeological findings that required a revision to the approach.
 - (b) The existence of Great Crested Newts that required works to be undertaken in accordance with a Natural England licence at pre-set times - specifically during winter months, which coincided with periods of flooding making for extremely challenging and on occasions impossible progression of groundworks.
 - (c) Due to changing legislation, the need to redesign and extend the drainage scheme to cover not just the land earmarked for the initial phase of development, but to design and build a flood mitigation solution that covered much of the entire site.
 - (d) Due to another legislation change, new Biodiversity Net Gain requirements had to be provided for.
13. As a result of the above, following redesign, and a significantly revised planning application, the works had to be split across three winters (2021/22, 2022/23 and 2023/24). They also coincided with the Covid-related restrictions on working practices.
14. Despite the time delays and the resultant inflationary and Covid-based increases in prices the works were completed for the available budget, albeit they increased from the original £4.27m to £4.88m.
15. The road infrastructure was designed and installed by the Council's own Highways Dept. The drainage works were designed by Lynas Engineers and installed by Seymour's Construction; and the wildlife planting was undertaken by Brambledown and the Council's Street Scene team.

16. The site now consists of:

- (a) a large expanse of developable land under the responsibility of the Council's Estates team who will be responsible for its upkeep and promotion; and
- (b) a large area of surrounding land, particularly to the south that has been improved in terms of its wildlife habitat and in particular for the support of the Great Crested Newt population which occupies land to the south. This is separated from the development land by a permanent newt barrier. The improved habitats are being managed alongside the Maidendale Nature Reserve by Street Scene.

17. Para 43 of the Financial Procedure Rules requires that the final outturn of all schemes with a value in excess of £1 million be reported to Cabinet.

18. The report reviews the actual cost, timeliness and quality including lessons learned to ensure a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management processes.

Cost

19. The table below summarises the project budget and final outturn.

Original Project Budget (CP1)	Original Approved Project Budget	Revisions to Approved Project budget	Approved Project Budget	Final Out Turn Cost	Variance (%)	Variance (Value)
£4,265,593	£4,265,593	£611,500	£4,877,093	£4,877,903	<+0%	+0

20. The budget was revised and authorised prior to works beginning on the main site works, following a range of mainly planning-related challenges, exacerbated by Covid and significant increases in market costs between 2020 and 2023.

Quality

21. In terms of quality the project met all standards laid out in the appropriate design guides, Planning permission and Building Regulations.

Time

22. The table below summarises the project timeline.

Original Planned Project Completion Date (CP1)	Revised Approved Project Completion Date	Actual Completion Date	Schedule Variation (days)
31 August 2018	23 December 2022	31 July 2024	596

23. The revised timeframe reflects a slightly delayed start following on from earlier elements of the wider project (works to Morton Palms and Salter's Lane); time taken to amend the approach to meet changing legislation and a result of the complex environmental and Covid-19 situation that existed. The project "lost" an entire year as groundworks required slightly more time than the short winter window allowed, so two winters were required to complete the full scope of drainage works.

Lessons Learned

24. The Asset Management and Capital Programme Review Board (AM&CPRB or AMG) has specific roles defined in the Council's Constitution. The Board shall maintain a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management.
25. The key findings and lessons learned from this project are summarised below:
- (a) Works carried out during the first covid restrictions slowed progress due to changes to working requirements; particularly during site establishment – the team now have a better understanding of such requirements and how to mitigate these should any comparable restrictions be reintroduced.
 - (b) Planning requirements on the project changed as a result of legislative changes. Closer working between the Capital Projects and Planning teams will be implemented on future schemes so that the impact of any change is understood at an early stage.
 - (c) This project was handed over to the Estates team on completion. The project management control point (CP) process has been amended to agree handover details prior to starting work so that all teams are clear on their responsibilities.

Procurement

26. The majority of the Highway works were delivered through DBC Highways and the specialist drainage elements were delivered by Seymour Civil Engineering Ltd through a competitive tendering exercise.

Contract Management

27. In terms of contract management, the highways contract was delivered inhouse "in the spirit of JCT" and the drainage contract was delivered externally in accordance with NEC3 Form of Contract 2013. These operated as anticipated.

Health & Safety

28. The Principal Designer role for the scheme was delivered by Noel Walecki of the Council. There were no reportable accidents during the development.

Risk Log

29. The risk log for the scheme was regularly reviewed and risk which could be transferred onto the Principal Contractor were included within the main construction contract.

Communications

30. The communications strategy for the scheme was developed through the Ingenium Parc Board to regularly highlight risks and/or opportunities in each phase of the project in a timely manner.