



COMMUNITY JUSTICE SECURITY

EXECUTIVE ORDER 0056 NORTHERN ACCOMMODATION HUB

By the authority of the Police and Crime Commissioner as designated by the Police Reform and Social Responsibility Act 2011, and, by democratic mandate invested in me by the electorate of Northamptonshire, I have taken the following decision:

To approve the award of a negotiated contract to construct the Police Investigation Centre (PIC) and the Northern accommodation Building to Bowmer and Kirkland Ltd.

The revised cost for the combined project is £20.550m.

The Commissioner has also approved a budget of £20.550m to be included in the Capital Programme representing an increase of £4.362m over the budget previously included.

This increase in budget will be funded from the Capital / Transformation Fund

ADAM SIMMONDS
NORTHAMPTONSHIRE POLICE AND CRIME COMMISSIONER
15th February 2016

Equality, Diversity and Human Rights

The Police Investigation Centre will provide modern custody facilities in the north of the County in compliance with Home Office requirements. All new accommodation will comply with relevant legislative and regulatory requirements.

Other Advice Taken

Advice was taken from:

1. The Acting Chief Executive (Northamptonshire Police and Crime Commission)
2. The Acting Director for Resources (Northamptonshire Police and Crime Commission)
3. The Head of Finance and Asset Management, and the Head of Estates and Facilities (Northamptonshire Police Force)
4. Report to the Commissioner dated 15th February 2016

**OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR
NORTHAMPTONSHIRE**

**A proposal to approve funding towards the costs of the Kettering Northern
Accommodation Hub**

Report by the Acting Chief Executive and Acting Director for Resources

15th February 2016

1 PURPOSE

- 1.1 This report makes recommendations regarding a proposal that the Commissioner approves the award of a negotiated contact to construct the Kettering Northern Accommodation Hub to Bowmer Kirkland at an estimated cost of £20.550m, and to amend the approved Capital Programme accordingly.

2 RECOMMENDATIONS

- 2.1 The Police and Crime Commissioner is **RECOMMENDED** to approve the award of the negotiated contact to construct the Kettering Northern Accommodation Hub to Bowmer Kirkland at an estimated cost of £20.550m

3 BACKGROUND

- 3.1. The Northern Accommodation Hub (NAH) was developed as a component of the 21st Century Estate Programme which was included as an aspiration in the Police and Crime Plan. It consisted of two elements
- Northern Accommodation Building (NAB) – replacement of out dated accommodation in the Northern area
 - Prisoner Investigation Centre (PIC) – second phase of the custody review approved by the former Police Authority in March 2012. This delivers the second purpose built custody suite in the North of the County to compliment the Criminal Justice Centre.
- 3.2. Executive Order 31 approved the purchase of land to facilitate the construction of a Police Investigation Centre. Executive Order 38 approved the purchase of land adjacent to that purchased under Executive Order 31. Executive Order 42 approved capital expenditure of up to £0.96m to take the project to the contract award stage.
- 3.3. Tenders were received for the construction of the NAH in late 2015 with an acceptance date of 2nd December 2015. These tenders were in excess of

the budget of £16.188m included in the approved Capital Programme. On the advice of the Acting Chief Executive, Acting Director of Resources and the Head of Estates and Facilities, Northamptonshire Police included in a report to the Commissioner dated 2nd December 2015, the Commissioner approved the commencement of the programme to construct the PIC but deferred a decision on the NAB until March 2016. This would enable negotiations to proceed with the contractor regarding the NAB

- 3.4. These negotiations are now complete and the Commissioner is recommended to approve the award of the negotiated contract to construct the Kettering Northern Accommodation Hub to Bowmer Kirkland at an estimated cost of £20.550m.

4 CURRENT POSITION

- 4.1. Negotiations have now concluded with the contractor and the revised total cost of the scheme including land fees and equipment is estimated to be £20.550m, which is £4.362m in excess of the provision included within the approved Capital programme.
- 4.2. The Chief Constable has confirmed the operational significance of the delivery of this project to support the primary purpose of protecting the people of Northamptonshire from harm and has made that operational recommendation to the Commissioner. Furthermore the Strategic Alliance discussions have also confirmed that this project would be required should the Alliance proceed and it is understood work being undertaken on the Force Service Delivery model is being formulated around 3 hubs of which the NAH is one.
- 4.3. The design of the accommodation incorporates innovative concepts to encourage new and more agile working behaviours.
- 4.4. By delaying the build of the NAB by 6 months would increase the cost by £750k and by 12 months £1.25m. In the light of this and the pressing operational needs it is recommended that a single contract be let for both buildings.

5 COSTS AND FINANCING

- 5.1. The currently approved Capital Programme contains a provision of £16.188m for this project. By accepting this tender the costs will increase by £4.362m to £20.550m.
- 5.2. The current capital programme funding is fully committed with the overall borrowing requirement of £25m being reached in 2017-18 and capital receipts to the value of £5.241m being required.
- 5.3. For these additional costs to be contained within the financing envelope the following actions will need to be taken:

- Schemes to an equivalent value will need to be cancelled, deferred or cash flow profile adjusted.
 - Additional generation of capital receipts.
 - Use of Capital/Transformation Reserve
 - Operational Boundary increased
 - Use of revenue
- 5.4. A new Capital/Transformation Reserve has been created as part of the 2016-17 Revenue Budget process. This has been created to cover pressures arising from the Capital Programme, Strategic Alliance, and Transformation Programme. Contributions to this reserve will total £7.9m by 31st March 2017 and will increase by £4.3m each year to 2020-21.
- 5.5. As part of the Strategic Alliance Full Business case a review of the Capital Programme is necessary to ensure all expenditure is now required.
- 5.6. Pending the review of the programme the Capital/Transformation Reserve will have sufficient funds to finance the additional expenditure.

6 NEXT STEPS

- 6.1 The current thinking is that works will start early in 2016 and are programmed to be complete late Spring 2017.

7 CONCLUSION

- 7.1 This report constitutes formal advice to the Commissioner from the Chief Executive and Chief Finance Officer on a proposal to approve the award of a negotiated contract to construct the Kettering Northern Accommodation Hub to Bowmer Kirkland at an estimated cost of £20.550m, and to amend the approved Capital Programme accordingly.

John Neilson – Acting Chief Executive
Steve Dainty – Acting Director of Resources

Report author

Steve Dainty

END

