



CABINET MEMBER DECISION

Decision:

That approval is granted to

- a) delegate authority to the Strategic Director - Environment and Property in consultation with the Cabinet Member for Major Projects to incur expenditure up to a maximum of £200k (of the allocated capital budget) on external professional fees to progress the pre-construction technical design and costs to update the detailed business case; and**
- b) authorise the Executive Manager - Property to instruct the Council's solicitors to prepare the Agreement for Lease and Lease with the cinema operator based on the Heads of Agreement and in consultation with the Cabinet Member for Major Projects.**

(1) Details of Decision

To determine whether to commit expenditure to progress the pre construction detailed technical design and to progress the Agreement for Lease and Lease with the Cinema operator as outlined in the attached report as outlined in the attached report.

(2) Considerations/Evidence

As part of the Council's overall plans for the St Peter's Hill development in Grantham, the Council will act as developer to undertake the development of a five screen cinema, A3 units and multi functional first floor space. The Council has developed a set of Heads of Agreement with the preferred cinema operator as the anchor tenant for this building and recently obtained planning permission for minor material amendments to the building.

Having reached the above position, authority from the Cabinet Member for Major Projects to incur expenditure to progress the detailed pre-construction design and produce an Agreement for

Lease and Lease to be entered into by the Council and cinema operator once the detailed business case has been reviewed and approved and prior to entering into a build contract with a contractor to implement the development is required.

(3) **Reasons for Decision:**

On the 25 July 2017 the Council's Development Management Committee considered and approved a Section 73 Application for the variation of condition 2 (Approved Planning Permission ref S14/2296). This application was in relation to minor material amendments to the previously approved cinema development.

The amendments are:

- The building footprint has been revised to exclude the two existing cinema screens and amend the internal layout and elevations.
- The cinema entrance has been moved from St Catherine's Road to the north-west corner of the site to ensure footfall past the restaurant units is maximised. This has necessitated an adjustment of the cinema foyer level. This has resulted in the roof level of the cinema being slightly higher than the previous application.

The procurement route to engage the professional team and contractor will be via a framework for bodies governed by public law, otherwise known as "Contracting Authorities" under the Public Contracts Regulations 2015. The Council already has access to and has used frameworks to access contractors who are pre qualified to carry out construction work through the framework.

Early contractor involvement and contractor support/advice on the development brief, budget costing, project programming and buildability is provided at feasibility stage. Frameworks are designed to deliver value resulting from this early involvement and should be significant in shaping the success of a project giving greater certainty that the project is delivered to time and budget.

From previous experience of using frameworks strong project management and a cost consultant, working directly for the Council, are required to hold the contractor to account at every stage and these will be appointed at this stage to ensure the pre construction stage is sufficiently monitored and scrutinised.

It will take approx 26 weeks to develop pre-construction detailed technical design packages for the cold shell and fit out and refine the cost model with any necessary value engineering. (Aug 2017-Jan 2018). This information will be used to refine the detailed business case prior to review by Growth Overview and Scrutiny Committee.

The further decisions required prior to building work commencing on site are as set out below with anticipated dates:

- Review of tariffs and development of a leisure tariff for Welham St car park and revised capital budget allocation.

Growth O & S	4 October 2017
Cabinet	9 November 2017
Council	23 November 2017

- Detailed business case, Agreement for Lease and Lease, build contract and tender cost.

Growth O & S	10 January 2018
Cabinet	11 January 2018

Conflicts of Interest

(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).

None

Dispensations

(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).

None

Decision taken by:

Name:
Cabinet Member for Major Development Projects

Date of Decision: 04 September 2017

Date of Publication of Record of Decision: 05 September 2017

Date decision effective (i.e. 5 days after the date of publication of record of decision unless subject to call-in by the Chairman of an Overview and Scrutiny Committee or any 5 members of the Council from any political groups):

15 September 2017