



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

# Finance and Economic Overview and Scrutiny Committee

Tuesday, 24 February 2026

Report of Councillor Richard Cleaver -  
Cabinet - Member for Property and  
Public Engagement

## Turnpike Close Grantham Depot - Project Closure Report

### Report Author

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### Purpose of Report

This report confirms the completion of the construction and fit out of the new depot at Turnpike Close Grantham and provides a summary of the project.

### Recommendations

**The Finance and Economic Overview and Scrutiny Committee is asked to review the information set out in this report, noting the completion of the Depot project and the successes and lessons learned.**

### Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Effective council
Which wards are impacted?	All Wards

## **1. Implications**

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 Budget approval of £8.8m has been given for this project by Council 28th September 2023 (£8m) and 29th February 2024 (£800k) and the ongoing financial updates are being presented to the Finance and Economic Overview and Scrutiny Committee. Council approved a revenue contribution of £500k on 27th February 2025 in order to meet the mobilisation and fit out costs of the new facility. Therefore, the combined budget for this project is set at £9.3m. This report confirms the project was delivered within the overall approved budget.

*Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer*

### ***Legal and Governance***

- 1.2 There are no significant governance implications arising from this report, which is for noting.

*Completed by: James Welbourn, Democratic Services Manager*

## **2. Background to the Report**

- 2.1 The Finance and Economic Overview and Scrutiny Committee (FEOSC) has received regular progress reports on the construction of the new Waste Depot project at Turnpike Close, Grantham since commencement of the project in June 2024. In total, 9 update reports have been provided to members throughout the duration of the project to ensure robust scrutiny was undertaken.
- 2.2 Works commenced in October 2024, and the site handover was confirmed on 18<sup>th</sup> November 2025. Following handover, the mobilisation was enacted and the operational go live of 1<sup>st</sup> December 2025 was achieved.

2.3 The final programme timetable is outlined below.

Milestone	Previous Reported Programme	Final Project Programme
<b>Cabinet Approval</b>	16 <sup>th</sup> April 2024	16 <sup>th</sup> April 2024
<b>Value Engineering Period</b>	16 <sup>th</sup> April – 24 <sup>th</sup> May 2024	16 <sup>th</sup> April – 24 <sup>th</sup> May 2024
<b>Enter into NEC4 Professional Services Contract</b>	14 <sup>th</sup> June 2024	14 <sup>th</sup> June 2024
<b>Progression of Stage 4 Design</b>	17 <sup>th</sup> June – 23 <sup>rd</sup> August 2024	17 <sup>th</sup> June – 23 <sup>rd</sup> August 2024
<b>Design Evaluation, Completion and legal preparation.</b>	27 <sup>th</sup> August – 24 <sup>th</sup> September 2024	27 <sup>th</sup> August – 24 <sup>th</sup> September 2024
<b>Construction Contract Award</b>	18 <sup>th</sup> October 2024	18 <sup>th</sup> October 2024
<b>Contractor mobilisation period</b>	1 <sup>st</sup> October 2024 – 28 <sup>th</sup> October 2024	1 <sup>st</sup> October 2024 – 28 <sup>th</sup> October 2024
<b>Construction Period commences</b>	29 <sup>th</sup> October 2024	29 <sup>th</sup> October 2024
<b>Targeted completion date</b>	11 <sup>th</sup> November 2025	11 <sup>th</sup> November 2025
<b>Mobilisation Period</b>	11 <sup>th</sup> November – 15 <sup>th</sup> December 2025	11 <sup>th</sup> November – 30 <sup>th</sup> November
<b>Operational Go-live</b>	15 <sup>th</sup> December 2025	1 <sup>st</sup> December 2025

#### 2.4 Summary of Project Objectives -

The following objectives were set out in the original project business case:

- *The Council will have a depot that is in the optimum location to meet the needs of its further service requirements. This will enable improvements to the depot operation and safety.*
- *A more efficient and pleasant environment for staff.*
- *Parking and lorry movements to be streamlined.*
- *Improve the workplace for the council workforce and help deliver an outstanding service in a way that means they are spending public money as wisely as possible.*
- *Provide a modern energy efficient depot, what will have a positive impact on the council's carbon reduction target.*

- *Mitigate health and safety concerns regarding movement of vehicles and risks to operatives at the Alexander Road depot.*
- *Business continuity of current services is maintained during the construction works and relocation to the new depot.*
- *Operate an energy efficient facility.*
- *Enhance the local economy as employment opportunities will arise for residents due to the natural turnover of staff and new job opportunities arising because of the growth in service requirements.*
- *Reduction of the disruption to Alexandra Road residents due to move of the Depot location.*

- 2.5 The original objectives have been delivered through the design, procurement, contract management and project delivery. The project has successfully delivered against all the objectives outlined in the original project business case and achieved a modern, compliant and fit for purpose operations building which supports the services it houses.
- 2.6 The new depot provides a strategically advantageous location which supports the Council's current and future operational needs. The improved site configuration also enables improved safety through separation of operational areas and vehicle movements where possible.
- 2.7 An enhanced working environment has been created for staff working from the operations depot, with improved welfare facilities and a modernised building designed for the requirements of the building's use. The design addresses health and safety concerns associated with the former site, particularly around vehicle and pedestrian movement and restricted space. The improved layout also supports the efficiency of fleet deployment and reduces congestion and unnecessary idling which was an issue at the former site.
- 2.8 Replacement of the outdated facility at Alexandra Road has ensured that services can be delivered in a consistent and cost-effective manner. The investment supports frontline services while also producing operational savings, reduced maintenance costs, and improved working practices.
- 2.9 The depot is built to modern building regulations and energy efficiency standards. By incorporating high-quality materials and supporting energy efficiency measures such as solar panels, the building supports the Council's carbon reduction commitment through reduced energy consumption.
- 2.10 Throughout construction and the mobilisation period, business continuity was maintained, ensuring that all operational services continued to run without disruption. Careful sequencing of works and clear communication meant that relocation from the Alexandra Road depot to the new building was achieved smoothly and without substantive impact on residents or service delivery.

2.11 With the relocation of the depot now complete, residents of Alexandra Road will have reduced noise, traffic and disruption which would have been otherwise been experienced as a result of Council services delivered from the location.

2.12 Following completion of the project a project closure meeting has been held with officers and board members to discuss the project as a whole. Detail of the positive outcomes of the project itself and lessons learnt are set out in the following tables 2.13 and 2.14.

### 2.13 Summary of Project Positives

Item	Reasons
Governance Structure	<p>Monthly Project Board meetings throughout the project have ensured effective communication between the Project Team and Lead Councillors that sat on the Board (three Cabinet Members and the Chairman of the Finance and Economic OSC).</p> <p>Support from the Board Members has also been invaluable at Scrutiny meetings and other Council meetings. This will be implemented as best practice for future projects that are of a significant size or complexity. Full attendance at all Board meetings from all representatives was inconsistent due to diary pressures which proved challenging in ensuring all Board members were kept fully updated. The addition of the FESOC Chairman later into the project to the Board was a positive action to further strengthen the ties between the project and the Scrutiny Committee.</p> <p>There were periods of minimal reporting updates and there could have been better alignment with the project critical path to ensure the time and resources required for these meetings were used as efficiently as possible.</p>
Officer End User Group	<p>To ensure buy-in to the significant cultural and operational changes that are integral element of this project, an end user group was established that included representation from all teams that would locate to the new facility. The scope of this group remit was to consider operational changes and remove barriers to a successful migration. The group also reviewed the design as it was being implemented recognising that the design was finalised 2 years prior to the operational readiness of the facility.</p> <p>The teams felt they were able to voice any concerns, and this allowed for all teams to review their working methods in readiness for the move to a larger shared area.</p>
Risk management	<p>Clear escalation, monitoring and governance routes in place throughout. This enabled swift and decisive action to be taken in resolving and mitigating against risks posed to the project.</p>

Procurement	<p>The project was procured in line with SKDC's Contract and procurement Procedure Rules. Officers used the Pagabo Framework to procure the works which provided reassurance of a compliant tender process and checks of the suppliers upon it.</p> <p>The process was expedient; however, only 2 bids were received, and both were initially over the allocated budget resulting in a delayed start due to value engineering activity to reduce the contract value.</p>
Mobilisation	<p>Despite the delays in the construction period which ultimately delayed the handover of the site, mobilisation was completed in time, and all teams are now settled in the new depot. This phase of the project was successful despite being truncated into a shorter mobilisation period.</p>
Team SK	<p>Feedback from the users of the new depot has been very positive and regular officer meetings are in place to ensure a smooth operation and to respond to any ongoing issues post operational go live.</p> <p>A temporary depot supervisor role for a period of 12 months has been established to create a dedicated resource which has been very helpful to focus the coordination of the various activities and help ensure that the teams respect the operational areas and conform to the health and safety responsibilities.</p>

#### 2.14 Project Lessons Learnt

Item	Reasons
Budget	<p>The original budget of £8m was established following costings provided by consultants but was set prior to the bids being received (budget approved September 2023). The procurement confirmed that further budget allocation was required and a 10% increase to the budget was approved in February 2024.</p> <p>This increase allowed a bidder to be selected but value engineering (VE) activity was still required to ensure the construction costs and all associated project costs could be delivered within the £8.8m revised budget. This VE activity caused a delay to the anticipated commencement period.</p> <p>Control of budget and scope creep was a constant risk throughout the project as operational requirements had changed since the design had been agreed. There were several 'wish list' items from the End User Group which required careful</p>

	<p>management between those that had become essential modifications and those that were deemed to be desirable.</p> <p>The mobilisation and fit out was a further budget request as this phase of the project was outside the scope of the construction contract and a further one-off revenue allocation of £500k was approved in February 2025.</p> <p>The mobilisation costs were not considered when requesting the initial budget. However, it was reported to Cabinet in April 2024 that further budget allocation would be required for fit out and mobilisation costs.</p>
Delays during construction period	<p>These were outside of the control of SKDC. The contractor fell behind on programme early in the project due to a sub-contractor going into liquidation and challenges with utilities providers connections.</p> <p>It was originally anticipated that the delays this caused could be made up within the construction phase, however, it was evident towards the latter stages of the construction phase that this had not been recouped and impacted on the completion date and in turn the Go Live date of the project.</p>
Timeline Reports	<p>Project Board papers required the inclusion of several contractor update and progress reports alongside a Council officer report.</p> <p>At times during the project these were not supplied until late, or the project had been moved on significantly since the last external report was provided. This meant that some of the information was out of date and verbal updates were given at meetings rather than up to date documentation being supplied. All verbal updates were documented; however, this does allow for a risk of not communicating an exact picture of the project.</p> <p>Due to Committee reporting timelines, the reports being presented to FEOSC could not present the most up to date position, particularly towards the completion of the project when events were occurring at pace. Verbal updates were provided at the meeting to ensure members were provided with the most complete picture.</p>

## 2.15 Financial Summary

As expected for a project of this scale, the financial control on this project was very robust and at no stage did costs exceed the approved budgets and overall, the scheme was delivered below budget. Monthly budget reporting was provided

to the Project Board and all progress reports to FEOSC provided details of spend incurred to date, committed spend, forecasts and any cost variations. Detailed breakdown of the spending headings was also provided for full transparency.

2.16 The final statement showing the outturn position of the project can be found at Appendix A – Turnpike Close Depot Financial Statement. This financial statement outlines the project was delivered within the overall budget envelope and delivered a financial saving of £126k.

2.17 Following the mobilisation period and operational go live of the facility, a small number of operational improvements have been identified that once modified improves the efficiency and working practices. These are being implemented and are expected to cost in the region of £13k and are included in the Financial Statement.

2.18 Mowbeck Way Former Depot Site

Following the vacation of the former depot site, a marketing strategy has been commissioned in order to let the units for commercial purposes. The site will be divided into separate lots and include offices, car parking space and communal areas. This letting opportunity is being marketed by the Councils property agents Eddisons.

### **3. Key Considerations**

3.1 This report sets out a project summary in respect of the Turnpike Close Grantham depot new build and summaries the successes and lessons learnt of the project. This learning will be taken forward into other significant projects of similar size and complexity.

### **4. Appendices**

4.1 Appendix A – Turnpike Close Depot Financial Statement