

## **Item: 4**

**Orkney Health and Care Committee: 1 April 2021.**

**Hamnavoe House – Post Project Review.**

**Report by Chief Officer / Executive Director, Orkney Health and Care.**

### **1. Purpose of Report**

To present the Post Project Review for Hamnavoe House.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That, following completion and delivery of the new residential care home facility in Stromness, Hamnavoe House, a post project review has been undertaken.

#### **2.2.**

The detailed analysis of the project to deliver Hamnavoe House, attached as Appendix 1 to this report.

### **3. Introduction**

#### **3.1.**

On 30 September 2014, when considering the preferred site for the proposed replacement of St Peter's House, Stromness, the Policy and Resources Committee recommended that, taking account of technical assessments and the outcome of public consultation and engagement, Garson West be identified as the preferred site for the proposed replacement of St Peter's House, Stromness, and, if possible, the building should have unrestricted views across the bay to Stromness.

#### **3.2.**

On 17 February 2015, when considering the proposed replacement of St Peter's House, Stromness, the Policy and Resources Committee recommended:

- That the Stage 2 Capital Project Appraisal in respect of the proposed replacement facility for St Peter's House, Stromness, [attached as Appendix 6 to this Minute], be approved.
- That the proposed replacement facility for St Peter's House, Stromness, be included in the capital programme for 2015/16 onwards, at a gross capital cost of £9.1 million.

### **3.3.**

On 16 December 2015, when considering the revised procurement and phasing options appraisal, the Policy and Resources Committee recommended that Option 3, namely to utilise the traditional Council design utilising external consultants with restricted European Tender for construction as the method of procurement for the proposed replacement care facility for St Peter's House, Stromness, be approved.

## **4. Project Review**

### **4.1.**

Hamnavoe House is a modern, purpose-built residential care home facility and a direct replacement for the previous facility in Stromness, St Peter's House, which was considered no longer fit-for-purpose.

### **4.2.**

Hamnavoe House comprises four residential wings that reflect recognised best-practice for small group living. Feedback from residents, their families, and staff, as well as the wider community, has been extremely positive.

### **4.3.**

The building has been designed to accommodate an extension to the premises, should this be required, in the future.

### **4.4.**

The project was delivered below budget, with a slight delay, mostly as a consequence of the weather.

### **4.5.**

The detailed review of the project, including the analysis of the Lessons Learned, is attached as Appendix 1 to this report.

## **5. Corporate Governance**

This report relates to the Council complying with governance and financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## **6. Financial Implications**

### **6.1.**

Section 7.5 of the Financial Regulations states that a post project review shall be carried out at the end of a project to determine how successful the project delivery had been. The client Service should prepare a final report, in consultation with the Development and Infrastructure Service or other Service if appropriate, and submit to the client Committee.

The report should cover, among others, the following areas:

- Whether the design brief was satisfied.
- Cost compared to approved budget.
- Time taken to complete compared to original time scale.
- Performance of the contractor.
- Whether the benefits highlighted in the CPA process have been realised.
- Lessons learned for future projects.

## 6.2.

The Stage 2 Capital Project Appraisal, referred to at section 3.2 above, proposed a budget of £9,111,500.

## 6.3.

Details of the budget and the estimated final spend on the project are provided in the table, below:

Project Element	Budgeted Cost	Actual Cost
Site Cost	£75,000	£73,800
Construction costs	£7,895,300	£7,450,000
Fees, Consultant	£349,100	£349,100
Fees, D&I	£792,100	£386,700
<b>Total</b>	<b>£9,111,500</b>	<b>£8,259,600</b>

## 6.4.

The total spend figure of £8,259,600 includes estimates for the final retention payment to the contractor and Development and Infrastructure fees for staff time spent on the project during financial year 2020/21. Based on these estimates the project spend against budget will be underspent by approximately £851,900. This can be attributed to construction and internal fee costs being lower than budgeted for in the Stage 2 Capital Project Appraisal.

## 7. Legal Aspects

The post project review process helps the Council to meet its statutory obligation to secure best value.

## 8. Contact Officers

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## **9. Appendix**

Appendix 1: Hamnavoe House – Post Project Review.



## **Post Project Completion Review**

### **Replacement of St Peter's House, Stromness**

**April 2021**

## Revision History

Revision Version	Revision Date	Summary of Changes
First Draft	February 2021	First Draft
Second Draft	March 2021	Comments regarding the End User Survey Added at Page 3
Third Draft	March 2021	Consultant and Contractor sections, Project Manager Report, Project Objectives, Project Handover, Residual Risks, and Lessons Learned sections updated
Fourth Draft	March 2021	Project Manager's Report updated, on page 3

## Authors

This document has been prepared by the following persons:

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## Distribution

This document has been distributed to:

Name	Title	Date of Issue

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## 1. Executive Summary and Narrative

<b>Project Title:</b>	Replacement of St Peter's House, Stromness
<b>Project Ref No:</b>	
<b>Project Client:</b>	Orkney Health and Care (OHAC)
<b>Project Manager:</b>	Ian Rushbrook, Capital Programme Manager, Development and infrastructure Karen Stevenson, OHAC Lynda Bradford, OHAC
<b>Project Main Consultant(s):</b>	Young and Gault Ltd
<b>Project Main Contractor(s):</b>	Orkney Builders (Contractors) Ltd
<b>Project Budget (total):</b>	£9,111,500
<b>Project Cost (final):</b>	£8,259,600
<b>Project Start Date:</b>	April 2016
<b>Project End Date:</b>	January 2020

St Peter's House was one of the Council's residential care facilities for older people, providing care for 32 low-to-medium dependency people, including four respite places, and was one of three residential care settings in Orkney.

St Peter's House lies on the site of the original Manse for St Peter's Church (now Stromness Community Centre). The Manse was a substantial Victorian stone-built dwelling, later serving as an administrative and service wing to the facility.

The building was extended in the mid-1950s, with a two-storey construction, linked with a flat-roofed new entrance, additional service areas and dining room.

A three-storey extension was added in the late 1980s forming a new residential wing on two floors, with staff accommodation in the basement. The early 1990s saw the upgrading of some of the bedrooms to en-suite.

In the mid-1990s a general-purpose room was added, along with other upgrades, including a profiled steel roof to the flat-roofed areas.

Throughout the following years, a continuous programme of maintenance, electrical and mechanical upgrades and improvements had been undertaken. However, it was felt that this process had run its effective course, with the decision taken to construct a replacement for St Peter's House.

The proposed new facility would be a 40-bed residential care home, across a single floor, featuring en-suite facilities throughout, as well as small-group living, a model of residential care at the forefront of 21st century best practice.



The service is delighted with the facility – named Hamnavoe House after receiving suggestions from local children - and, furthermore, feedback from residents, their families and care staff has been superb. The End User Survey, completed by a number of staff, rated most of the features as “Good” (scoring 8-10/10).

## **2. Project Manager’s Report**

The project received final approval from the Council in December 2015 after various changes in the design route. At first it was proposed to utilise HUB North, however this was discovered to be a slower route to construction and likely to exclude the local contracting base. On 16 December 2015, the Policy and Resources Committee recommended to use the traditional Council design utilising external consultants with restricted European Tender for construction as the method of procurement for the proposed replacement care facility for St Peter’s House, Stromness.

The design team was procured using the two-stage process via the OJEU process with a pre-qualification questionnaire issued in December 2015 and the Invitation to Tender (ITT) issued to the six highest scoring consultants design teams. The ITT was returned in March 2016 with Young and Gault appointed as the successful lead consultant in April 2016. The design process commenced in May 2016 and was completed in July 2017 with the issue of tender documents to three shortlisted contractors. The design was two months late and this was partly due to the process required to develop the furniture, fixtures, and equipment (FF&E), which took longer than programmed.

The construction tender was returned in mid-August 2017 and following evaluation Orkney Builders (Contractors) Ltd (OBC) were appointed as the successful contractor on 8 September 2017. The works commenced on site on 9 October 2017 with a contract completion date of 9 August 2019. The project progressed well on site apart from some weather delays during the winter months. OBC applied for an extension of time to cover these delays and obtained practical completion on 16 September 2019.

The furniture and equipment were then installed in the new facility during the period from practical completion to Christmas 2019. During this period the staff were also trained on the various components within the new care home. An open day to allow the public view the facility was held on 24 January 2020 and the facility was operational the following week.

During the defects period there have been some problems in the co-ordination of the building management control systems and the heat pumps. This has resulted in additional work for both the contractor and the Development and Infrastructure (D&I) team to ensure the system is operating efficiently and in line with the users’ expectations.

The design has been well received and fits in with the local surroundings, which is a credit to the Architect, Young and Gault, and their design team. The contractor provided a great facility with attention to detail and care with their workmanship and have provide a great facility for Stromness and Orkney.

### **3. Business Case / Capital Project Appraisal Review**

St Peter's House was an aging building that no longer met the requirements for residential care homes set by the Care Inspectorate. In addition, a health needs analysis, undertaken in 2008 and refreshed in 2012, identified the need for additional residential care beds, in Orkney.

With refurbishment and extension identified as an unsuitable option, not least owing to the fire safety implications of beds over two floors, as well as the possible need to extend further, in the future, the decision was taken to construct a new, purpose-built facility.

#### **3.1. Benefits Achieved to Date**

Hamnavoe House delivers much larger bedrooms, complete with en-suite facilities, for all of its residents. In addition, the small group living setting provides better opportunities for self-care (such as the kitchen facilities in each wing), as well as a more homely setting in a stunning situation, overlooking Hamnavoe, Stromness and the Hoy hills.

The accommodation (arranged across four wings, three of which are currently occupied) supports 10 people per wing, facilitating a homely, small group living environment, supported by a minimum of two staff at any given time.

The layout of each wing and the resident:staff ratio enables staff to provide more responsive person-centred care and support to each individual resident, and maintain and promote individuals' living skills. Staff now enjoy the opportunity to be more involved in all aspects of daily living and routines, such as supporting and assisting residents to make a drink, a snack or a meal, wash up, etc., as well as supporting other aspects of care.

#### **3.2. Residual Benefits Expected**

The heating system at Hamnavoe House uses ground-source heat-pumps, a fully renewable source. In addition, as a brand-new, purpose-built facility, Hamnavoe House includes the latest insulation solutions, meaning that energy costs are expected to be much more favourable than those at St Peter's House.

The landscaping and garden facilities at Hamnavoe House are far more extensive than those at St Peter's House, affording more opportunities for fresh air and exercise. Coupled with the larger rooms, homely facilities and magnificent views, these factors are all expected to contribute to both better physical and mental health.

#### **3.3. Deviations from the Approved Business Case / Capital Project Appraisal**

There were small changes to the internal layout of the kitchen and some of the other support facilities. However, Hamnavoe House was otherwise delivered in accordance with the approved Capital Project Appraisal.

## 4. Project Objectives Review

### 4.1. Scope / Quality Performance

Off-specification Product / Service	Concession Detail
Targets and tolerances for scope and quality do not appear to have been formalised at the inception of the project	N/A

### 4.2. Budget / Cost Performance

Project Element	Budgeted Cost	Actual Cost	Comments
Site Cost	£75,000	£73,800	
Construction Cost	£7,895,300	£7,450,000	Includes construction contract along with other site costs such as installation of IT connection. Final Account with Main Contractor to be finalised
Fees, Consultant	£349,100	£349,100	
Fees, D&I	£792,100	£386,700	Includes estimated Fees for financial year 2020/21

### 4.3. Programme Performance

Project Milestone	Scheduled Completion	Actual Completion	Comments
Appoint Designer	April 2016	April 2016	
Appoint contractor	May 2017	September 2017	Delays in completing the design primarily the detail required for the FF&E
Practical completion	May 2019	September 2019	Delays from the design stage along with weather delays contributed to the extra time
Fit out	July 2019	December 2019	Fit out took slightly longer than scheduled due to delivery issues
Operational	July 2019	January 2020	It was decided not to open a new facility immediately prior to Christmas so the facility was opened following the Christmas break

## 5. Project Handover

Practical Completion was reached on 16 September 2019.

Following practical completion there was a period of time for the commissioning, training and fit-out of furniture, fixtures and equipment. This was completed over a period of three months, and was followed by an open day at the end of January 2020. During this commissioning and training period, staff were trained on the various systems within the facility so they would be familiar with the new care home once it opened.

The open day was held on 24 January 2020 to allow the public to view the facility and the building was operational the following week.

## 6. Residual Risks and Issues

### 6.1. Risks

<b>Risk Descriptor</b>	<b>Impact / Probability / Exposure</b>	<b>Mitigating Plans</b>	<b>Owner</b>
MVHR filter replacement	Low impact, high probability, low exposure	User training and advice to monitor system performance, inspection, and filter change by site staff	OHAC staff at property
Sprinkler system false activation or damage caused to heads	High impact, low probability, low exposure	Staff training and educating building users	OHAC staff at property
CWST located in warm roof	Medium Impact / Low probability / Low exposure	Maintain flow through tank to prevent water temperature rise, insulate tank, monthly water temperature checks by building users Annual audit by D&I	OHAC staff at property D&I
Hoists	High Impact / Low probability / Low exposure	Ensure all components are reviewed regularly and any wear and tear replaced when discovered Undertake 6 monthly inspections in accordance with Legislation	OHAC staff at property D&I

## 6.2. Issues

Issue Description	Issue Priority	Latest Update	Owner
Medical Storeroom over heating.	High.	Air conditioning unit has been installed to keep the temperature down within the room.	D&I.
Heating controls.	High.	Building Management System (BMS) control of heat pumps. Software has been developed to allow the systems to operate at the most optimum position.	D&I.
Kitchen layout (in wings).	Low.	The layout of the kitchens requires to be reviewed as the use has developed from the original brief and now are used on a daily basis – layout requires to be reviewed	OHAC and D&I.

## 7. Consultant / Contractor Appraisals.

The Design team consisted of Architect and lead consultant Young and Gault Ltd, Structural and Civil Engineer Goodsons Ltd and Mechanical and Electrical Engineer Hawthorne Boyle. The Project Management and Quantity Surveying and Clerk of Works services were provided by D&I property team. The external consultants provided an excellent design that met the requirements of the brief. They worked well with both the client team and the in-house D&I team to produce a great design that meets the needs of the users and staff while also fitting in nicely to its environment in Stromness.

The Main Contractor, Orkney Builders (Contractors) Ltd, took the design and brought it into fruition and succeeded in providing an excellent building and surroundings that will meet the needs of the care facility for years to come.

## 8. Lessons Learned

Lesson Description	Recommendation
Design statement for Planning	Design Statement to include all items within the project so as will be included in the approved planning statement, particularly important for underground pipework/boreholes as the application for RHI was delayed until the boreholes were specifically mentioned in the planning approval
Block sizes in underbuilding	General note for the design of underbuilding blockwork to comply with HSE Manual handling guidance
Heating controls	Simplify Building Management Systems for hot water control
Location of water tank	Water storage to be kept outwith the insulated building envelope

<b>Lesson Description</b>	<b>Recommendation</b>
Sluice room location	Equipment space requirements to be fully considered
Design of kitchen in wings	Consideration to be given to accessibility for residents
Design of vanity units in en-suite	Heights and accessibility for residents to be considered to give best possible access
Location of plant / laundry space in relation to users and noise transmission	Consideration to be given for the location of back of house operations in relation to residents' accommodation
Furnishings	Future projects should consider improved communication between the furnishing provider and the client. The vinyl seats, delivered by the contractors, have proved to be unsatisfactory. Samples had been provided to the client; however, these did not properly convey the nature of the delivered article
Ornamental Furnishings	Future projects should ensure that all ornamental furnishings are approved by the client, beforehand, especially when considering what ornamental and functional furnishings will transfer from an existing facility