

Meeting of the Property Committee
4pm on Wednesday, 28 January 2015
In Room 1B27, Technopark, London Road, London SE1

Agenda

<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and apologies		Chair
2.	Declarations of Interest		Chair
3.	Minutes of the previous meeting (for publication)	PC.01(15)	Chair
4.	Matters arising		Chair
5.	Presentation on the redevelopment of Elephant and Castle	PC.02(15)	HoED
6.	Estates master planning proposal (to approve)	PC.03(15)	COO
7.	Purchase of Hugh Astor Court business case summary (to review)	PC.04(15)	COO
8.	Media Centre business case summary (to review)	PC.05(15)	DVC
9.	Confucius Institute update (to note)	PC.06(15)	PVC(R&EE)
10.	Enterprise Centre post occupancy review (to discuss)	PC.07(15)	COO
11.	General Estates Matters (to discuss and note)	PC.08(15)	COO
12.	Any other business		Chair
13.	Date of next meeting – Wednesday 15 April 2015 at 4pm		Chair

Members: Ken Dytor (Chair), David Longbottom (Chairman of the Board), Prof David Phoenix (Vice Chancellor), Jerry Cope, Emine Dzhihan, Sarah Mullally, Andrew Owen and Prof Shushma Patel.

With: Chief Operating Officer, Director of Estates, Chief Financial Officer, Deputy Vice Chancellor, Pro Vice Chancellor (Research and External Engagement), University Secretary, Head of Estates Development and Governance Manager.

	PAPER NO: PC.01(15)
Paper title:	Minutes of the meeting of 17 September 2014
Board/Committee	Property Committee
Date of meeting:	28 January 2015
Author:	James Stevenson, University Secretary and Clerk to the Board of Governors
Board sponsor:	Ken Dytor, Chairman of the Property Committee
Purpose:	To approve the minutes of the past meeting as a correct record and to approve the suggested redactions for publication

Matter previously considered by:		
Further approval required?	N/A	On:

Executive Summary

The Committee is asked to approve the minutes of its meetings of 17 September 2015 and the suggested redactions (in grey) for publication on LSBU's website.

Minutes of a Meeting of the Property Committee
held at 4pm on 17 September 2014
in Room 1B27, Technopark, London Road, London SE1

Present

Ken Dytor	Chairman
Prof David Phoenix	Vice Chancellor and Chief Executive
Andrew Owen	
Prof Shushma Patel	

In attendance

Prof Phil Cardew	Pro Vice Chancellor (Students and Education)
Richard Flatman	Chief Financial Officer
Ian Mehrtens	Chief Operating Officer
Carol Rose	Director of Estates
James Stevenson	University Secretary and Clerk to the Board of Governors
Michael Broadway	Governance Manager

Welcome and Apologies

1. Apologies had been received from David Longbottom, Sarah Mullally and Louisa Nyandey.

Conflicts of Interest

2. No interests were declared on any items on the agenda.

Minutes of the meeting of 7 May 2014

3. The committee approved the minutes from the meeting held on 29 January 2014 (paper **PC.07(14)**) and the proposed redactions for publication.

Matters arising

4. The committee noted that the Executive were looking at options regarding childcare arrangements for students (minute 12 of 7 May 2014 refers) and an update would be provided at the next meeting.
5. There were no further matters arising which were not covered elsewhere on the agenda.

Estates Development Strategy

6. The committee received a discussion paper on the long-term development of the estate. The estates strategy would be developed in accordance with the goals of the corporate strategy, 2015-2020. External consultants would be brought in to help develop the estates master plan.
7. A further discussion would take place at the Board strategy day of 23 April 2015.

Elephant and Castle regeneration

8. The committee noted an update on developments in the local area (paper **PC.13(14)**). The committee requested the Head of Estates Development to attend the next meeting to update the committee on the latest Elephant and Castle redevelopment plans.

K2 Heating, Air Conditioning and Ventilation Performance

9. The committee discussed an update on the energy performance of K2 (paper **PC.14(14)**). It was reported that the problems were due to a change in the original design during value engineering as part of the construction.
10. Investment of £280k was required to resolve the problems. A business case would be considered by the Executive at its meeting of 1 October 2014.

General estates matters

11. The committee noted an update on general estates matters (paper **PC.15(14)**). It was reported that valuations for Hugh Astor Court had been received and negotiations with Peabody were underway.
12. It was reported that the final account for the Student Centre project has yet to be settled.

Terms of Reference

13. The committee noted its terms of reference (paper **PC.16(14)**).

Committee Business Plan

14. The committee noted its annual business plan (paper **PC.17(14)**).

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Date of next meeting

15. The committee noted that the next meeting would be held on Wednesday 28 January 2015 at 4pm.

There being no further business, the Chairman closed the meeting.

Confirmed as a true record:

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Chairman



Committee Action Points

21 January 2015

10:54:54

Committee	Date	Minute	Action	Person Res	Status	
Property	17/09/2014	4	Update on childcare arrangements to 28 January 2015 meeting	COO	Update to be given at April 2015 meeting	<input type="checkbox"/> Completed
Property	17/09/2014	7	Discussion on estates strategy at Board strategy day of 23 April 2015	COO	On forward plan	<input type="checkbox"/> Completed

Surrounding context

Key to plan

- 1 Erlang House & Hill House (North East Quadrant)
Mixed use development including 30 storey tower
(planning consent granted, subject to GLA approval)
- 2 Two Fifty One (formerly Eileen House)
40 storey mixed use building and 8 storey commercial building
(under construction)
- 3 The Signal Building (89-93 Newington Causeway)
22 storey tower residential tower
(completed)
- 4 One The Elephant
37 storey residential tower
(under construction)
- 5 Heygate Estate masterplan / Elephant Park
Major redevelopment of Heygate Estate
Phase 1, Trafalgar Place
(under construction)
- 6 London 360 (former London Park Hotel)
44 storey residential tower
(under construction)
- 7 Elephant and Castle Leisure Centre
(under construction)
- 8 Borough Triangle
Residential-led development with two towers of circa. 38 and
32 storeys.
(planning application submitted)
- 9 Elephant One
Mixed use retail, leisure and residential development
including three towers ranging from 16 to 24 storeys
(under construction)
- 10 130-138 Newington Butts
5 and 6 storey residential development
(under construction)
- 11 Northern Roundabout
TfL/Southwark proposal for reordering roundabout into two way
system with peninsular extended from south east corner
(Highway consultation complete, public realm consultation
taken place, works due to commence Spring 2015)
- 12 Elephant and Castle Shopping Centre
New owner considering development potential
(planning submission late 2015)

- 01 Erlang House & Hill House
- 02 Two Fifty One (formerly Eileen House)
- 03 The Signal Building
- 04 One The Elephant
- 05 Heygate Estate/Elephant Park
- 06 London 360 (former London Park Hotel)
- 07 Borough Triangle



01



03



02



04



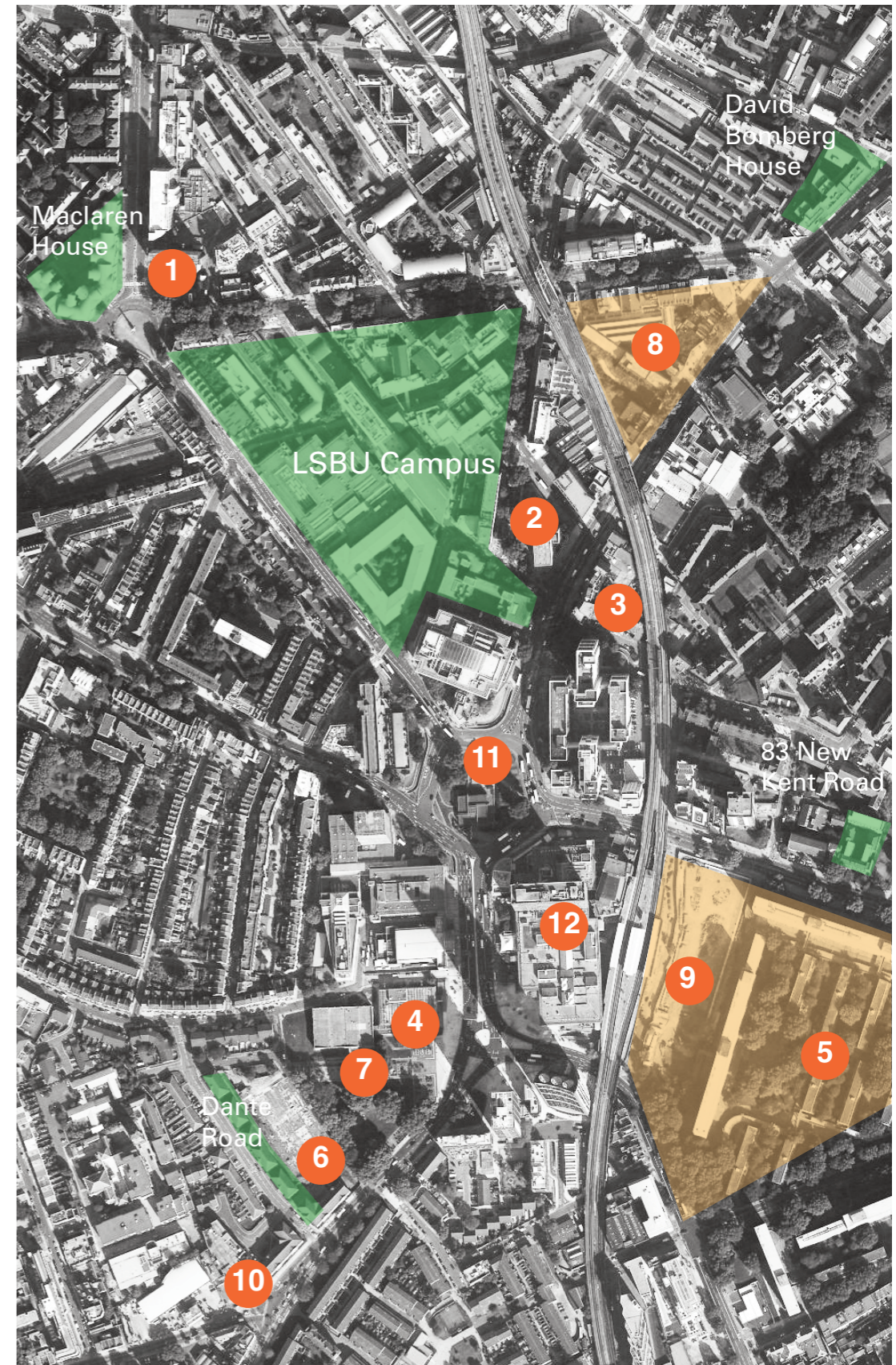
05



06



07



	PAPER NO: PC.03(15)
Paper title:	Estates master Planning Proposal
Board/Committee	Property Committee
Date of meeting:	28 January 2015
Author:	Ian Mehrtens, Chief Operating Officer
Executive sponsor:	Ian Mehrtens, Chief Operating Officer
Purpose:	To agree the formation of a short time limited working party

Executive Summary	
Context	The report outlines the proposal to create a short time limited working party to consider the wider estates issues.
Question	How do we consider the wider estates issues?
Conclusion & Recommendation	To agree the formation of a time limited working party.

Matter previously considered by:	N/A	
Further approval required?	N/A	

Estate Master-Planning Proposal

The mistake many organisations make is to adopt an ad hoc approach to estate development and in this context, this is what LSBU has been doing for a number of years. The result is an isolated unstructured development of the estate.

Whilst there have been a number of short term (5-10) year 'master-plans' for the estate, these have not addressed many of the fundamental issues such as tenure, development opportunities and context.

The University has identified a strategic need for a development of approx 15,000 m2 and is currently defining the functions that should be accommodated within the

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development. This includes a new Teaching & Learning Resources Centre (including the library), new home for the School of Arts and Creative Industries and other design related activities, a one-stop shop for students (including the Students Union and other student related activities and conferencing/exhibition spaces.

This only deals with the immediate demand and takes no account of the wider estate principles defining amongst other things the development opportunities, tenure and funding.

It is proposed that alongside and supporting the development of a brief for the new building(s), there should be a small time limited (3-4 months) working group led by the University but importantly including an external development expert who are already engaged in the Elephant & Castle regeneration and a design concept architect.

The group proposed is:

- COO (Co-Chair)
- DVC
- CFO
- Director of Estates and Academic Environment
- Developer (Co-Chair)
- Architect

This group can consider:

- The principles for further development and what they mean
- Context – the Elephant & Castle effect.
- Design /master-plan concepts (including residential)
- Funding options including disposals

It is hoped that the findings will give a focus and direction for the estate development up to 2035 and will also give context to the business case for the development of the St George's quarter site.

	PAPER NO: PC.04(15)
Paper title:	Acquisition of Hugh Astor Court from Peabody Trust
Board/Committee	Property Committee
Date of meeting:	28 January 2015
Author:	Carol Rose, Director of Estates and Academic Environment
Executive/Operations sponsor:	Ian Mehrtens, Chief Operating Officer
Purpose:	To present the business justification case for the acquisition of Hugh Astor Court from The Peabody Trust for consideration/discussion and for the Committee to recommend to Policy and Resources Committee that the property be purchased at a total cost of £11,383,000 including legal costs and VAT.

Executive Summary	
Context	Corporate Strategy 2015-2020 'Strategically investing in the creation of first class facilities and ensuring that they are underpinned by services which are responsive to academic needs and outcome focused'.
Question	Following consideration and discussion, will the Property Committee recommend to Policy and Resources that Hugh Astor Court be purchased from The Peabody Trust at a total cost of £11,383,000
Conclusion & Recommendation	In order to enhance the student experience and to invest in the creation of first class teaching and social facilities, it is essential that the existing provision be reviewed and improved and the Estate Development Strategy, which is currently being prepared, includes various proposals to achieve this goal – most of which are dependent on the acquisition and redevelopment of the Hugh Astor Court site. The conclusion of an agreement with The Peabody Trust by March 2015 is crucial to obtain the building at the current draft purchase price. Approval for disposal of the property

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	<p>by the Homes and Communities Agency(HCA) has already been obtained by The Peabody Trust and should the University not agree to purchase the site, there is a risk that it could be offered for sale to private developers on the open market. The total cost of the acquisition is £11,383,000 including legal costs and VAT. This includes a negotiated 10% discount to reflect bulk purchase.</p> <p>In order to meet the strategic objective of securing the footprint of the site for future University development opportunities, it is recommended that the Committee recommend to Policy and Resources Committee that Hugh Astor Court be acquired by the University at the agreed purchase price.</p>
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Matter previously considered by:	Executive	
Further approval required?	Policy and Resources	On: 3 rd February 2015

Acquisition of Hugh Astor Court from Peabody Trust.

LSBU Large Project Business Justification

This document provides a template for business cases in support of business cases above £250k.

Executive Summary

The University Southwark estate comprises a triangular campus site bounded by Borough Road, London Road and Southwark Bridge Road. The University owns freehold or occupies leasehold all buildings within this core area with the exception of Hugh Astor Court.

Hugh Astor Court is a block of 32 social rented flats, garden and car park, constructed in 1994 by Peabody, on a lease with a term of 125 years dated 1991 from The Bridge House Trust (Corporation of London). The location of this property is far from ideal being a small number of social housing flats within the centre of what is otherwise a University campus.

The University owns the freehold of the adjacent sites i.e. the former Chapel and garden at 109-122 London Road. The acquisition of the Hugh Astor Court site is of significant strategic importance to LSBU as the footprint unlocks potential development opportunities for the campus.

The main benefits of the purchase are the acquisition of a significant development site of strategic importance at the heart of the campus and the ability to create a real sense of a university campus with a new building as the central hub which is currently lacking. In order to enhance the student experience, it is essential that the existing facilities be reviewed and improved and the Estate Development Strategy, which is currently being prepared, includes various proposals to achieve this goal - most of which are dependant on the acquisition and redevelopment of the Hugh Astor Court site. In turn a development on the combined site could release value within the University estate, and afford an opportunity to consider further options for increasing/improving the student accommodation stock. Given the current strong residential development market within the Elephant & Castle area, the purchase would also prevent a private developer gaining control of the Hugh Astor Court site. The Southwark Campus covers an area of 11.7 acres with Hugh Astor Court covering an additional .49 of an acre.

The University has been seeking to acquire the property for some considerable time with negotiations close to being finalised as far back as 2007. The three way deal, in conjunction with First Base/English Partnerships and The Peabody Trust, failed to reach conclusion due to both the recession and the linked Park Hotel development not proceeding at that time.

Dialogue between LSBU and Peabody re-commenced in the summer of 2013. Following independent valuations, the Peabody Board agreed to dispose of their interest in Hugh Astor Court and will deliver vacant possession within 18 months of an official agreement to purchase by LSBU. Peabody has already gained Homes and Communities Agency (HCA) approval for the disposal.

The current purchase price is £11,358,000 to Peabody exempt from VAT, plus estimated legal fees of £25,000 inclusive of VAT, giving a total acquisition cost of £11,383,000 which includes the 93 year remainder of the lease.

The negotiation with existing tenants is already underway to achieve vacant possession within 18 months. Once the purchase has been agreed, The Peabody Trust has provisionally offered any voids to LSBU which could offer short term increased student accommodation/visiting lecturer capacity. Continued occupation of the premises will mean that there will be no problems with squatters for either the Peabody Trust or LSBU and, therefore, no need to enter into an arrangement with property guardians to keep the building safe. This offer is, however, subject to careful consideration and discussion before any decision is made as LSBU students would be living in self contained flats located in blocks which also include social housing. The

building will be handed over with vacant possession on completion of the sale by Peabody Trust notwithstanding any students we have placed in there.

Document Control

Version	Created/Changed by	Date	Notes
1.1	Roger Tuke	18/12/14	
1.2	Carol Rose	06/01/15	Comments from 05/01/15 meeting incorporated.
1.3	Richard Flatman/Ian Mehrtens	20/01/15	Comments included

Scope of work

Investment objective The objective is to acquire Peabody's interest in the Hugh Astor Court site (with vacant possession) in order to achieve the campus improvement objectives currently being developed in the Estate Development Strategy. The conclusion of an agreement by March 2015 is crucial to obtain the building at the current draft purchase price in line with the HCA approval. The effect of the strong residential market in the Elephant & Castle area and increasing purchase prices should not be underestimated if a purchase agreement is not made by this date – the difference between the valuations carried out by Savills in November 2013 and September 2014 exceeds £1.7m before any bulk purchase reduction.

Business need The need for this property purchase is driven by the strategic imperative of securing the Hugh Astor Court site footprint which will enable the University to invest in the creation of first class teaching and social facilities at the very heart of the campus and deliver and improved student experience.

Implementation The proposal is to conclude the agreement with Peabody to purchase their interest in the Hugh Astor Court site for £11,358,000, having undertaken legal due diligence. This needs to include confirmation of legal boundary, planning permission history, past building regulations approval, any restrictive covenants or rights affecting title and the like. At this stage no significant issues are currently envisaged or known.

Sponsorship Sponsor – Ian Mehrtens – Chief Operating Officer.
Estates and Academic Environment to deliver the purchase.

Rationale

Relationship to Corporate Plan The proposed re-development of the campus responds to the following Resources and Infrastructure key outcome included in the Corporate Strategy 2015 – 2020 :

“ Strategically investing in the creation of first class facilities and ensuring they are underpinned by services which are responsive to academic needs and outcome focused”

It is imperative to secure the Hugh Astor Court site which will, together with the immediate adjacent LSBU owned sites, release development opportunities on campus to contribute to the achievement of this aspiration of the Corporate Strategy.

Critical success factor(s) Satisfactory completion of legal due diligence confirming that there are no adverse issues affecting purchase.

Concluding the formal agreement to purchase with Peabody.

Ensuring Peabody delivers vacant possession within the agreed 18 month timescale.

Successful purchase unlocks significant development opportunities of strategic importance on campus.

The above success factors will be achieved by engaging the University's term solicitor Mills & Reeve LLP to act on the University's behalf and will be monitored by regular monthly review meetings with both Mills & Reeve and Peabody.

The achievement of planning permission from London Borough

**Options
Analysis**

Options

There are only two options;

- 1) Do nothing. This would not meet the strategic imperative of securing the Hugh Astor Court site footprint for future University Estate Development Strategy purposes. It would mean that 32 social rented flats would continue to be in the centre of what is otherwise the University campus. There is also a risk given the incompatibility of this location for this purpose and high residential demand in the area that Peabody could offer the Hugh Astor Court site for sale to private developers on the open market.
- 2) Purchase of Peabody's interest in Hugh Astor Court site to meet the strategic objective of securing the footprint of the site for future University Estate Development Strategy purposes.

Negotiation and Valuation

Provision was made in the Capital Plan for this acquisition (Option 2) with a notional £10m allocated as at November 2013, based on advice from Peabody's advisors Savills, who suggested a value range between £8,925,000 and £10,890,000 at that time.

Peabody and the University subsequently had separate formal valuations undertaken in September 2014 in accordance with RICS Red Book (2012) Professional Valuation Standards.

The valuation undertaken by GVA for the University valued Hugh Astor Court at £13,000,000 but suggested a market value of £11,250,000 to reflect a discount for bulk purchase on the special assumption of vacant possession.

The valuation undertaken by Savills for Peabody valued Hugh Astor Court at £12,620,000 but recommended a reduction to reflect bulk purchase resulting in an amended valuation of £11,500,000.

Peabody initially indicated that they would be unable to accept any offer less than £11,500,000 but following negotiations with LSBU, ultimately increased their discount on the original valuation of £12,620,000 to 10% to reflect both the bulk purchase and the fact that LSBU is not a commercial property developer.

A draft purchase price of £11,358,000 (£12,620,000 less 10%) has, therefore, provisionally been agreed between LSBU and Peabody to enable them to seek HCA approval for the disposal of their interest in Hugh Astor Court.

Evidence from GVA indicates that over the same period, the Land Registry House Price Index shows a 24% growth in the cost of property in Southwark reflecting the increase in valuations from 2013 to the 2014 value.

Affordability/cashflow

The University budgeted for the likely expenditure incurred in both purchasing and potentially demolishing Hugh Astor Court in its Capital Plan and these amounts have been reported in the Management Accounts as pipeline projects for the last year. The purchase price has been increased from the initial notional £10m to £11.4m to reflect latest negotiations and a further £2m has been included in the Capital Plan to cover potential demolition costs which are in line with estimates and make up some of the £100m of potential capital expenditure reported to the Board in our last 5 year forecast. The University is currently revising its 5 year forecast for the period 2015 to 2020 and will update its Capital Plan. There is flexibility within this plan including large amounts allocated to unspecified estates projects and so committing these amounts to the purchase of Hugh Astor Court at this stage does not put any particular project at risk.

Accounting treatment

The University's auditors have provided guidance on the accounting treatment for this project. The accounting entries and presentation on the balance sheet will be driven by the intended and actual use of the building and the University will need to consider at the end of each financial year if the asset can remain on the balance sheet at cost, if an impairment charge is necessary or if the asset should be derecognised and written off as an expense.

Initially, following purchase, the building will either be put to use or be left empty. Using the building, for example as accommodation or office space, will mean the asset can be held on the balance sheet at cost and depreciated in line with our accounting policy – in this case the length of the lease which is 93 years. This will result in an annual charge to depreciation of approximately £120k. In a scenario where the building is left empty, we would have to assess if the carrying value of the asset was no more than the 'net realisable value' of the property – i.e. the market value less the cost to sell. Assuming that property prices in the area continue to increase, it is likely that the value would always be higher than the net book value and we would not need to write down the asset even if it was not being used. We would continue the annual depreciation charge as if it was in use and would in addition incur costs of obtaining a market valuation periodically.

At the time that plans for a subsequent new build have been agreed, all costs directly attributable to bringing the new building and surrounding areas into use can be included in the cost of the asset, including the net book value of Hugh Astor Court and demolition costs. When the asset comes into use and at each accounting date the University will need to assess whether there are any indications of impairment. As with the Enterprise Centre project, service criteria will need to be agreed (such as the building's role as a central hub to the campus and improved student experience) and performance against these criteria used in justifying its carrying value.

Description	Year	£
Internal costs:		
External costs:		

Current purchase cost	2015/16	11,358,000
Legal costs estimated at £25,000 inclusive of VAT	2015/16	25,000
Total costs:		
	2015/16	11,383,000

Planning

Timing

Date	Milestone / Deliverable	Notes
End of March 2015.	Complete legal due diligence to conclude purchase at current purchase price.	
End of August 2016.	Peabody delivers the Hugh Astor Court property and site with full vacant possession.	

Dependencies University Board approval to purchase at the current purchase price of £11,358,000. Completion of legal due diligence satisfying the University that there are no adverse issues affecting purchase.
Conclusion of the agreement to purchase so as to achieve purchase at current purchase price offered.

Risks

Risk	L'hood (H/M/L)	Impact (H/M/L)	Mitigation	Owner
Legal due diligence discovering an adverse issue affecting purchase.	L	H	Engagement of University term solicitor Mills & Reeve LLP to promptly complete legal due diligence.	R.Tuke.
Inability to	M	M	Prompt	R.Tuke.

conclude purchase to take advantage of the current purchase cost.			approval to proceed and agreement of terms of purchase using Mills & Reeve LLP to act on the University's behalf.	

Checklist Have you consulted the appropriate departments when drafting this business case:

Department	Requires consultation?	Consulted?	Will consult later in process
Estates & Academic Environment.	Y	Y	
ICT			
Procurement	Y		Y
HR			
Pro-Vice Chancellor (Academic)			
Pro Vice Chancellor (External) e.g marketing			

	PAPER NO: PC.05(15)
Paper title:	Media Centre business case
Board/Committee	Property Committee
Date of meeting:	28 January 2015
Author:	Janet Jones, Dean of the School of Arts and Creative Industries
Executive sponsor:	Prof Pat Bailey, Deputy Vice Chancellor
Purpose:	To present the business justification case for the creation of a new Media Centre for consideration/discussion and for the Committee to recommend to Policy and Resources Committee that resources be made available to create the new facility.

Executive Summary	
Context	Delivering ambitions outlined in the Corporate Strategy 2015-2020 : Goal 1. Employability Goal 2. Student Experience Goal 4. Research and Enterprise Goal 8. Resources and Infrastructure
Question	Following consideration and discussion, will the Property Committee recommend to Policy and Resources that resources be identified to create a new Media Centre based in London Road.
Conclusion & Recommendation	The creation of a new Media Centre in London Road will address the issue of the current facilities being inadequate affecting the learning outcomes of the courses currently offered. The enhanced facilities will enable the LSBU to compete successfully with the sector competitor group and will lead to an increase in applicants for courses. The proposal was considered by the Strategic Space Management Group and the space needs of current users

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	<p>of the space discussed. It was agreed that alternative, comparable space for current users could be created elsewhere on campus and the allocation of space for this proposed project was agreed.</p> <p>It is recommended, therefore, that this Committee recommend to Policy and Resources Committee that resources be made available for the creation of the new Media Centre and for the creation of new teaching and exam facilities in the Tower Block to replace space lost in London Road.</p>
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Matter previously considered by:	Executive Committee	
Further approval required?	Policy and Resources	On: 3 rd February 2015

ACI Media Centre

LSBU Large Project Business Justification

This document provides a template for business cases in support of business cases above £250k.

Executive Summary

We wish to build a new Media Centre in order to greatly enhance undergraduate specialist teaching provision for Journalism, Photography, Film Practice, Sound Design and Digital Design and MA Creative Industries (the core of ACI teaching provision) and to provide additional support for all ACI students and the larger LSBU student community. The main benefits will be to halt a potential irreversible decline in sector applications and external transfers, whilst allowing for controlled, strategic growth within our Portfolio. We are currently not able to compete successfully within our sector, as our current facilities are inadequate and dated, measuring-up poorly when compared to our competitor group. There are also major gaps in our resource provision, especially in Sound Design, Film Production, Journalism and Photography, where students are unable to meet their courses' learning outcomes due to lack of facilities. (Estimated cost: **£4,080,574**)

Document Control

Version	Created/Changed by	Date	Notes
1.1	Janet Jones	14/11/14	

Scope of work

Investment objective

Analysis shows our key London-set competitors have made significant recent investments in facilities for their media courses. (Media Centre Competitor Research available on request.) Enrolment across cognate sector courses has remained and new facilities coupled with innovative refocusing of our portfolio will help us reverse the decline in applications experienced over the last 5 years and create a stronger market brand for LSBU Digital Media courses. (enrolment stats available on request)

The subject cluster has the potential to attract more students, and with the right positioning, allow LSBU to enhance the quality of the student mix and increase the percentage of students who actively select LSBU, thereby increasing tariff. ('where else do our students apply' available on request)

The new facility is an essential building block to meet the following specific aims:

- Substantially improved student experience
 - Significantly improved NSS ratings on question 18
 - Significant improvement in the average score for Learning Resources.
 - Scores for organisation and management (Qs 13, 14 and 15) reflecting improved planning resulting from dedicated teaching resources.
 - Enhanced satisfaction with preparation for employment and making our students more employable
 - Improve student confidence working with industry standard facilities
 - Consequential improvement in overall satisfaction (Q22)

- Improved competitive position
 - NSS ratings on question 18 to sector average or above in NSS 2015/16
 - Significant improvement in the average score for Learning Resources.
- Improvement in student digital profile, enhancing their employability.
- Increased applicant numbers and enrolments generating additional income.
- Increase in the number of student listing LSBU as their first choice.
- Improved retention.
- Increase in PG and O/S numbers and ability to attract and sustain academic collaborations such as British University Egypt.
- Improved quality of conversions. Students who may have previously gone to our competitors.
- An enhanced School identity for students and staff reflected in a greater co-location of resources
- Improved staff and student engagement with the School.
- Support for research activities related to industry practice
- Support for LSBU Student Union Media
- Income generating activities including hire of facilities and short courses and enterprise activity.
- Ensure a competitive short-list for staff recruitment.

Business need

What triggered the need for the project? / what is the impact of the issue?

The School has seen a sharp decline in applications within these subject areas since the introduction of higher fees in 2012. Targets have been reduced and we have not benefited from the growth in application numbers that our competitors have over the same period.

The effect of higher fees and value for money has created an expectation of 'state-of-the-art' facilities paralleling industry, (see competitor facilities ppt.) with students (and parents) wanting to see a better range and quality of facilities for their investment.

We have failed to build on our potential in Arts and Creative Industries through chronic lack of investment into facilities over many years. Consequently, the Creative Industries subjects at LSBU represent 7% of its turn-over and yet our competitor institutions, with less desirable locations, boast 16-25% of their turnover in this area. These competitor institutions have invested heavily and strategically, where we have not.

- By comparison to other London Universities, LSBU is very small scale, and is not competing across the full reach of the Arts Process
- Traditional specialist competitors, such as The University of the Arts and Goldsmiths, operate at a very large scale in only a small number of areas. They should not be considered major competitors for the curriculum that LSBU is seeking to achieve.
- Non-specialist competitors, particularly Kingston and the University of East London, have achieved a much greater reach and larger scale across the board than LSBU. Most have more diversified portfolios, and operate at a larger scale than LSBU currently does. (source: market research 2013)

Specifically, competitor institutions in London (Kingston, Middlesex, Westminster, UEL, UAL, and Ravensbourne) have made significant infrastructure investments to support their creative arts provision and remain competitive. LSBU's offer is, by contrast, somewhat dated and piecemeal. This has been picked up by visitors on open days who have pointed out that our facilities are not comparable with other institutions. We are becoming increasingly less competitive in the market place reflected in recent recruitment figures not only with Sound Design (which has no sound recording facilities at all) but also flagship programmes such as Digital Design and the newly expanded provision in Journalism.

The lack of a professional media production space allowing students to work with industry standard formats contributes to NSS ratings on the optional questions about careers, in particular B1.1 (As a result of my course, I believe that I have improved my career prospects), at 71%, which is 14% below benchmark.

Why it should be done now and what are the implications of not doing it?

It resolves long overdue issues. The triggers mentioned above evidence a lack of student satisfaction in current teaching spaces and access to specialist equipment as well as preparation for employment – the fact that these results now appear on KIS data published on the web makes it essential to improve such scores. We cannot be competitive with applicants commenting at open days that we do not have comparable facilities to other Universities, especially with the increase in student fees and the focus on value for money.

The workshop-dependent courses within ACI have expanded and have significantly outgrown their use of spaces allocated within Keyworth. For example, when the Dept. of CWP was created in 2010 (as result of division of old department of AME into Arts &

LSBU Large Project Business Justification

Media and Culture, Writing and Performance) it was agreed that BA (Hons) Multimedia Journalism would continue to utilise the Keyworth Digital Media Labs for the teaching of its practice modules. In addition, the degrees BA (Hons) Film Studies and BA (Hons) Media and Cultural Studies also had a small number of media/film practice modules – and this teaching has continued to take place in the Keyworth Digital Media Labs. Since 2010 there have however, been a number of curriculum based developments in the CWP portfolio – as well as continuing innovation/development in the creative industries in relation to ubiquity/centrality of ‘the digital’. This has meant a growing requirement for more lab-based teaching.

Validation panels and external examiner reports have noted these wider developments within the creative industries and have made a number of recommendations. In May 2011 – the course, BA (Hons) Print and Online Journalism was successfully re-titled as BA (Hons) Multimedia Journalism – and the panel noted that it was desirable for students to have access to a newsroom. This was echoed in the validation of the MA Creative Media Industries: Journalism in March 2012. Journalism is a competitive area for recruitment in London and competitors such as Westminster, City, and London College of Communication have these facilities. These facilities would improve the teaching and learning experience, develop students’ employability, aid recruitment and offer the potential for income generation as a site for short course teaching.

The aim of the bid is to replicate a professional working environment with students using industry standard formats that will give them the skills for future employment. The proposal is student-centred and responds to their continuous feedback that the teaching environment and facilities need to be improved to a suitable if not professional standard and one that puts us on a more even keel with our competitors. There is a real danger that by becoming less competitive we will not be able to deliver these courses and we find ourselves at a critical juncture, with a limited window of opportunity to reverse the decline.

In addition to an increase in applications, greater satisfaction with learning resources should translate into students more willing to attend regularly and therefore more likely to achieve and progress. Finally, we enjoy the best location for Creative Industries courses in the UK and arguably internationally. We should be able to better exploit our SE1 location.

Implications of not doing it:

- Reduction of the student experience and their engagement with the course/University.
- Deteriorating NSS satisfaction ratings leading to a cycle of decline which has already started across some of the programmes.
- Lower competitor positioning.
- Lack of competitive facilities resulting in the gradual decline of recruitment to the core ACI courses.
- Inability to deliver some of the validated curriculum, triggering revalidation or resulting in potential closure of the course(s).
- Reduction in the staff engagement.
- Reduce possibilities for future curriculum development in what is a fast changing digital environment.
- Reduced enterprise potential.
- Inability to grow our enterprise provision around short course and CPD.
- Poor application base for new staff positions.

Implementation *How you propose to implement the change?*

- n The works will be carried out within a network of teaching rooms within the Abbey Suite. (see plan PDF)

The expectation is for the Media Centre to be available for student teaching from October 2015. This would require works to be completed over the Easter break and summer months.

High level costs are as follows: Total £4,080,574

- AV (Gavin Warnock) £297,600
- Media Centre Kit costs (ACI) £930,974
- Lecture Theatre repurposing £300,000
- Estates costs with 15% contingency: £2,552,000 (includes costs associated with creating new teaching spaces/exam spaces in the Tower Building £300,000 and a buffer of £100,000 for decant.)

Addendums to this document list the detailed works required.

In summary

- a) 250 seater screening/lecture theatre, advance sound system, blackout and HD projector.
- b) Flexible studio/production space with lighting rig for Digital Photography/Sound Design and Digital Design and green screen for Film Practice.
- c) Sound recording studio primarily for Sound Design, but will enhance current provision available to all ACI courses
- d) 12 editing suites for post-production work in sound, journalism, games and film
- e) New student facing loans store - essential for student experience with extended opening hours afforded through the London Road location.
- f) 1x Newsroom and 1 x Mac Lab (each room to accommodate 25-30 students working at any one time) to support teaching and potentially to provide a base for income generating short courses (evening/weekends/summer schools).
- g) 25 desks with Macs and headphones and printers. This will include video cameras/lighting kit/mixing desk/laptops,
- h) Fully equipped radio studio with telephone, desk mics etc.
- i) New expanded kit room and technician's office

Those items which are in scope, out of scope, and not essential

All items are in scope as the Media Centre is integrated and networked with a common server enjoying multiple student interdisciplinary use.

The screening/lecture theatre will be re-created from a current lecture theatre split across two levels and the upper level will be centrally timetabled, although Film and Media students should have priority booking.

Similar known requirements in other schools and departments.

A Media Centre has multiple uses across all Schools and Services. Central timetabling of facilities should ensure that the benefits accrue across the Institution, although fee-paying students on courses within ACI should have preferential access to support their modular learning outcomes.

Sponsorship

Janet Jones, Dean of School, Arts and Creative Industries

The key stakeholders have been identified as ACI students, applicants, staff, ACI Deanery, Faculty Manager, Estates and Academic Environment (Room Bookings), ICT (Support for MacLab/A/V requirements), Strategic Space Management Group, Marketing Dept. Procurement.

All have been consulted/notified.

Rationale

Relationship to Corporate Plan The Media Centre will provide a professional environment to ensure high quality teaching and effective learning. It will ensure that we are able to fulfil the Corporate strategy and Learning and Teaching strategy.

- Delivering success for our students
- Successfully meeting the Learning Outcomes of our programmes.
- Supporting all students who have the potential to succeed academically and in professional employment.
- Increasing our support for employability skills for our students
- Excellence and continuous improvement in all we do to meet the aspirations of our students and deliver ever better value for money

Relationship to Local Delivery Plan

It meets the School's *Local Delivery Plan* by providing a solid foundation on which to consolidate and subsequently build on student numbers with improved KPI performance across the full range of indicators, (Tariff, NSS, Employability, Progression, Good Honours, Recruitment and increased market share) followed by controlled growth over 5 years from a UG base of 1000 students to 1500. It also provides a venue for developing Enterprise income in the form of CPD and short courses. In addition it provides an improved showcase for international recruitment.

Critical success factor(s)

Objective	Critical Success Factor	Success Monitor
Increased income	a) Greater competitiveness with key HE institutions in performing arts subject area; growth in applications in UG market. b) Improved teaching and learning experience and further enhanced progression and retention. c) Develop income generating activities – summer schools, Saturday schools, short courses, venue hire etc.	University League Tables Internally monitored KPIs Quarterly accounts
Enhanced University reputation	a) Excellent external partnerships with key external stakeholders, will result in a vibrant exchange of knowledge, experience and expertise and which will enhance the employment prospects of our students	NSS/Management and Quarterly accounts/Enhanced external reputation/employability.

LSBU Large Project Business Justification

	<p>b) The new Centre will lead to new partnerships within the local community and enhance the reputation and standing of the University.</p> <p>c) We aim to allow partner companies and alumni to use of the space to develop their own creative practice, in association with LSBU, thus positioning the University as a focal point for creative industry practice and research.</p>	<p>Enhanced external reputation and local community partnerships.</p> <p>Marketing opportunities for LSBU from the delivery of programmes to the wider creative arts industry through key partnerships</p>
Reduced costs	The subsequent reversal of the decline in recruitment and growth in student numbers will ensure that we continue to increase our income.	Annual accounts
Improved employability	Improved facilities will enhance progression and create an aspirational working environment with appropriate professional contexts.	<p>KPIs</p> <p>Income from partnerships embedding networking opportunities.</p> <p>External examiners reports</p> <p>Successful validations</p>
Reduction of risk to continued portfolio success	The School Risk Register notes the importance of NSS ratings, recruiting to target and appropriate quality of teaching environment	NSS, Recruitment (including international) and Enterprise

Describe how you will monitor these success factors through the project to ensure benefits can be realised at the end.

The most significant measure to monitor will be student recruitment. Also key will be tariff on entry, improved retention, increased competitor share of the market and enhanced employability. Other success indicators will be meeting international income and Enterprise targets.

LSBU Large Project Business Justification

Options Analysis 1) **Student income return on Investment (5 years) UG and PG numbers (with and without investment)**

The courses below reflect primary usage of the new facility. There are other courses within ACI that will benefit from secondary usage. The estimates reflect a predicted a 30% decline in student numbers across the of the portfolio, as we continue to lose market share. It's predicted that some courses will close, others will stabilise at a lower student FTE.

<i>Estimate without investment (current progression) Reduction of 30% student FTE over 5 years across course portfolio.</i>	14/ 15	15/ 16	16/ 17	17/ 18	18/ 19
BA(Hons) Digital Sound (course will close)	40	30	20	10	0
BA (Hons) Film Practice	130	120	110	100	100
BA(Hons) Digital Photography	93	85	80	75	75
BA (Hons) Game Design	81	75	75	75	75
BA(Hons) Digital Design (course will close)	47	35	25	15	0
BA (Hons) Multimedia Journalism	75	70	65	65	65
BA (Hons) Film Studies (with combined)	82	75	70	65	65
MA(Journalism)	7	7	6	6	6
MA (Photography)	2	2	2	2	2
MA (Digital Film)	2	2	2	2	2
Total FTE	559	501	455	415	390

<i>Estimate with investment (15% enhanced progression) 20% growth in portfolio numbers.</i>	14/ 15	15/ 16	16/ 17	17/ 18	18/ 19
BA(Hons) Digital Sound (course will remain open)	40	45	50	55	60
BA (Hons) Film Practice	130	135	140	145	150
BA(Hons) Digital Photography	93	100	105	110	115
BA (Hons) Game Design	81	85	90	90	90**
BA(Hons) Digital Design (course will remain open)	47	50	55	60	65
BA (Hons) Multimedia Journalism	75	80	90	100	100
BA (Hons) Film Studies (with combined)	82	85	90	90	90
MA(Journalism)	7	8	9	10	10
MA (Photography)	2	6	8	8	8
MA (Digital Film)	2	6	8	8	8
Total FTE	559	600	645	676	696*

*A 20% growth in student portfolio numbers is not unrealistic given our current, relative low market share across the London sector. The LDP argues that we should be able to grow our total student numbers from the current 1000 to 1500. It is predicted that with additional investment Drama and Performance will also grow by 25%.

**Additional new games-related courses will be launched with the support of the new facility. The current course should stabilise at an intake of 35-40 per year with a net number of 90 students across all three years.

2) Staff investment

To support the growth in student numbers over the five years, we will require extra staff. On an SSR of 35:1, we will require four new academic full time staff over five years to compensate for the extra numbers plus the equivalent of 1.0 FTE in HPL support.

We will also require a new full time technician from September 2015 and another two 0.5 technicians, one joining us in 2016 and the second in 2017.

3) Enterprise Income

We currently have no CPD or short course income within the School.

We anticipate that the new Media Centre will enable us to grow our portfolio over 5 years.

Enterprise income through CPD and short courses	14/15	15/16	16/17	17/18	18/19
	6000	77,000	137,000	197,000	197,000

Description

NPV shows positive in 4.3 years from start of project (2014/15) at 6% discount factor

Payback Period on Initial Investment @ 4 years 1mth

The implementation costs including AV/IT/Estates and full fit-out are £4,080,574

Refurbishment of Rooms	2014-15	2,152,000
Equipment Cost	2014-15	930,974
AV Equipment	2014-15	297,600
Refurbishment of Lecture Hall	2014-15	300,000
Decant and building new teaching and exam facilities in tower Block	2014-15	400,000
Total costs (including contingency and VAT):		4,080,574

Planning

Timing This project is urgent in order to reverse the decline in attractiveness for these courses and the ensuing reputational damage accrued from the negative impressions caused when students visit on Open Days, and also how they judge us when they study here. We require this facility to be operational by September 2015. This can only be guaranteed if the case is approved within this review cycle. E.g. BoG approval in February.

Date	Milestone / Deliverable	Notes
February 2015	Detailed plans delivered	
March 2015	Contract tendering	
May 2015	Contractor starts	
August 2015	Installation, testing etc.	
September 2015	Handover	ready for Week 1 Semester 1 2015-16
		If the timeline is interrupted – Week 1 Semester 2, 2016 if necessary.

Dependencies [Detail any projects, events or work that are either dependent on the outcome of this project or that the project will depend on.]

Availability of the Abbey suite of rooms in London Road. Vacant possession needed in time for building works to start.

Risks [Identify the key risks that might impact on the project and particularly on the achievement of the desired benefits in the following table. For large or complicated projects, a separate risk register should be used. This should be referenced here and summary information provided below. Risks to consider:

- Business risks that impact the business processes or structures.
- Financial risks that have consequences for LSBU's financial stability.
- Technical risks e.g. system downtime, specification standards, and incompatible interfaces.
- Implementation risks e.g. deviation from plan, delays, and implementation not to standard.]

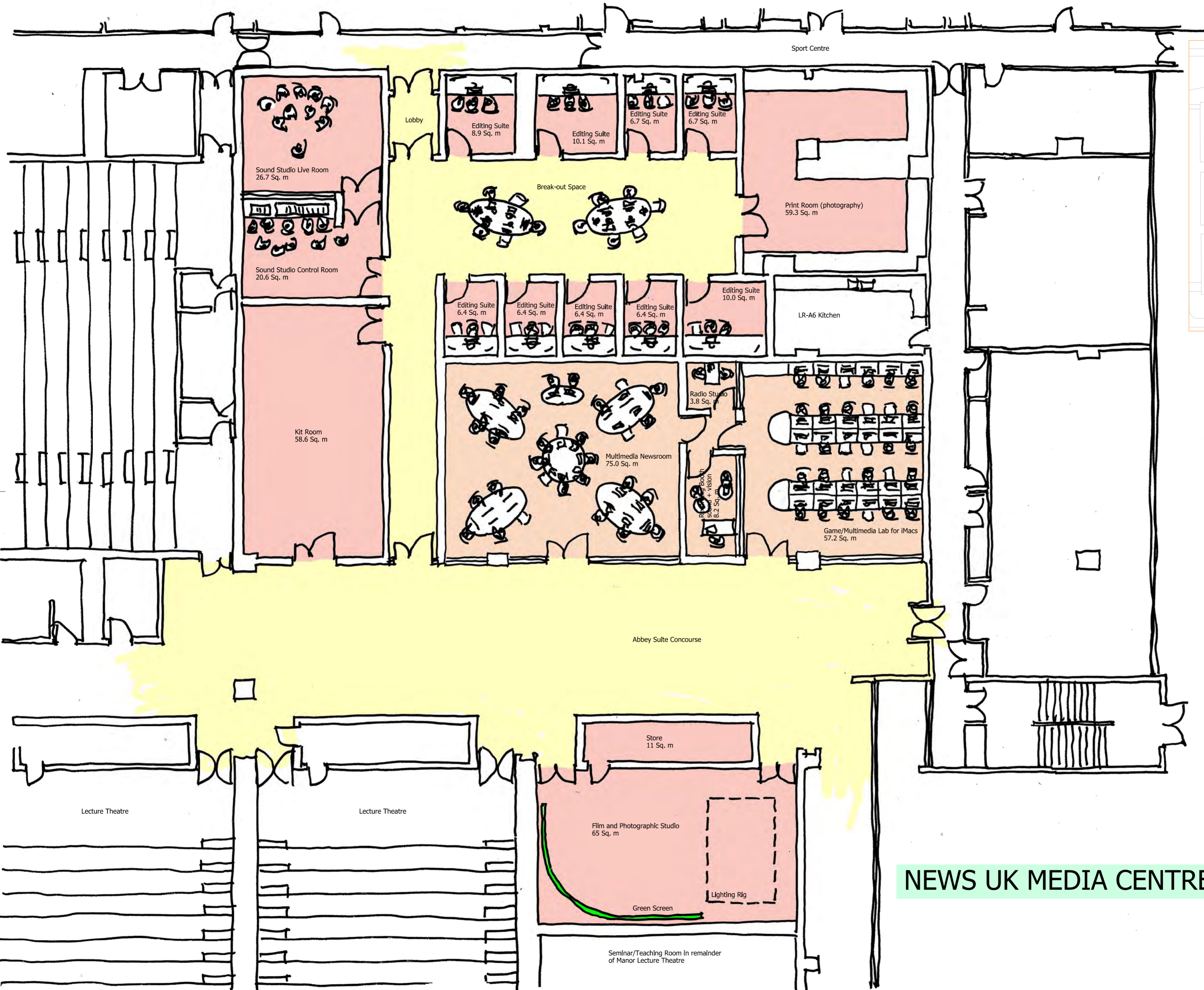
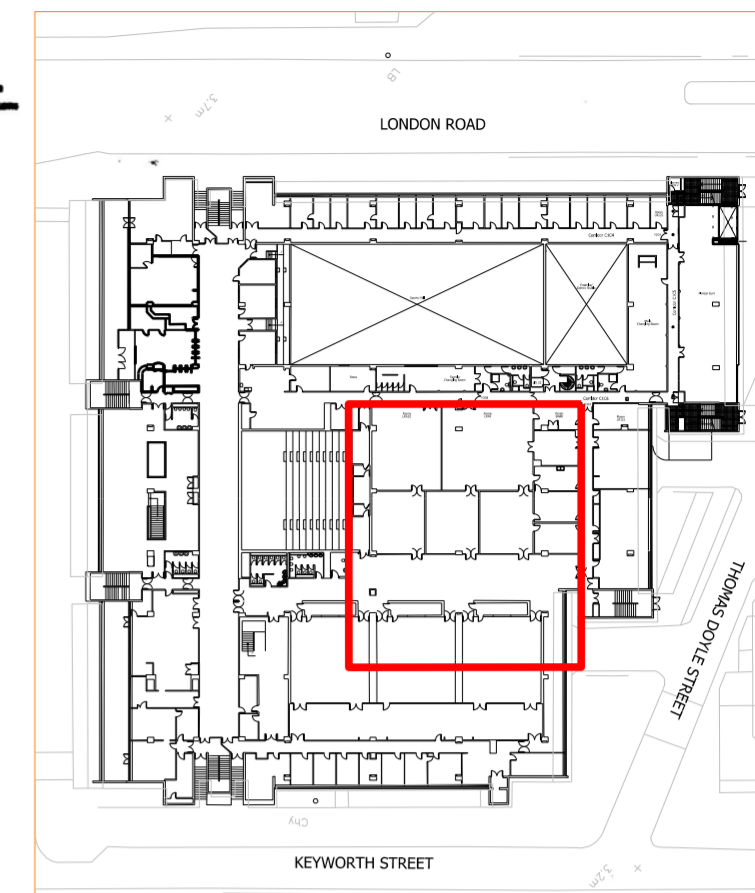
Risk	L'hood (H/M/L)	Impact (H/M/L)	Mitigation	Owner
The proposal is based on Executive and Governors' agreement for the spend.	M	H	Canvassing support of all stakeholders. Effective communication of strong financial business case	Janet Jones
Obtaining Building and Planning consents	H	H	Experience in Estates suggests that a timely and well-conceived request would be effective. Early pre-application advice, generous programme allowance to obtain consent and a generous allowance to discharge the more onerous conditions once on site.	Estates

LSBU Large Project Business Justification

Obtaining affordable work tenders	L	M	Effective project planning and clear tender briefs	Estates and School of ACI
Delay in starting or progression of the project	H	H	Effective project planning and clear tender briefs	Estates and School of ACI
Construction Industry Inflation	M	L	Contingency built-in	Inflation built into NPV
Discovery of unknowns: structure, services, asbestos etc.	M	M	Early comprehensive structural surveys	Estates
Local area Network capacity/speed not able to support use.	M	H	Continued negotiations with IT to determine best network installation programme. Benchmarking with other HE institutions	IT
Central Timetabling won't be able to find the extra capacity to rehome teaching activities displaced	M	M	Estates is hopeful that the new central timetabling process will help to mitigate this risk by uncovering under-utilised space and assigning current space more efficiently. There may be a need to repurpose other spaces to increase capacity.	Estates

Checklist Have you consulted the appropriate departments when drafting this business case:

Department	Requires consultation?	Consulted?	Will consult later in process
Estates and Academic Environment (inc. space considerations)	Yes	Yes	
ICT	Yes	Yes	
Procurement	Yes	Yes on estates	Yes
HR	Yes	No	Yes
Pro-Vice Chancellor (Academic)	Yes	Yes	
Pro Vice Chancellor (External)	Yes	No	Yes



- Notes
1. Do not scale from this drawing
 2. Work to figured dimensions where shown
 3. Confirm dimensions on site before fabrication or construction - report any discrepancies to CA

Rev	Date	Description	By
B	22.10.14	Recording studio and multimedia room names amended Location Plan and title added	ss
A	22.09.14	drawing initiated	hb

Shepherd Epstein Hunter
Architecture Planning Landscape

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tel: 020 7841 7500 fax: 020 7841 7575
email: architecture@seh.co.uk web: www.seh.co.uk

NEWS UK MEDIA CENTRE

Project	AHS Newsroom and Sound Studios
Client	London South Bank University

Drawing Status	Feasibility	Scale	1:100	Size	A2
Drawing	London Road Building First Floor Plan as Proposed Option 04	Job No.	14074	Drawing No.	011
		Rev.			B

London South Bank University

	PAPER NO: PC.06(15)
Paper title:	Confucius Institute development update
Board/Committee	Property Committee
Date of meeting:	28 January 2015
Author:	Mike Simmons, Director of Strategic Stakeholder Engagement
Executive sponsor:	Paul Ivey, Pro Vice Chancellor (Research and External Engagement)
Purpose:	To note the update on developments of the Model Confucius Institute

Matter previously considered by:	Exec	Via email
Further approval required?	Policy and Resources Committee Board of Governors	On: 3 February 2015 12 February 2015

In April 2012, LSBU renewed its ongoing agreement with Hanban to host the Confucius Institute for Traditional Chinese Medicine at LSBU (CITCM). The strategic decision to accept Model Institute status for the CITCM and a related grant of £800,000 was approved by the Board of Governors at its meeting of 19 July 2012. However, following a new Chinese government taking office, Confucius Institute HQ decided not to go ahead. By May 2013, the Executive considered the matter to be closed.

The prospect of a donation arose again in December 2013 and in February 2014 under Executive authority the Vice Chancellor signed an agreement with Hanban to accept Model Institute status for the CITCM and with that the grant of £800,000. The grant was for the express purpose of refurbishing Caxton House as a dedicated facility for the CITCM. An update was provided to the Property Committee meeting of 29 January 2014 (paper PC.02(14) refers), setting out the background to the proposal; initial plans of the work; and a summary of the legal agreement. A further update was provided to the Board in the VC report in July 2014 and October 2014.

The agreement states that in order to improve the range and scale of activities offered by the Confucius Institute (CITCM) we will refurbish Caxton House and

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dedicate the building to use by the CITCM. The main benefits will be additional dedicated facilities for the acupuncture clinics (currently housed in K2), and dedicated facilities for mandarin teaching and other cultural activities including exhibitions and events. This can be measured by the increased and broadened activity of the CI which will enhance the reach and reputation of LSBU.

The total investment for the project is £1,107,400 which is already in place. Of this, a total of £957,400 capital expenditure (the original £800,000 plus further grants) is being provided by Hanban; and £150,000 by LSBU from the agreed Backlog Maintenance allocation from the Income and Expenditure budget. The business case will be considered by the Executive at its meeting of 3 February 2015.

The committee is requested to note this update.

	PAPER NO: PC.07(15)
Paper title:	The Clarence Centre for Enterprise and Innovation – Post Occupancy Evaluation
Board/Committee	Property Committee
Date of meeting:	28 January 2015
Author:	Carol Rose, Director of Estates
Executive/Operations sponsor:	Ian Mehrtens, Chief Operating Officer
Purpose:	To present The Clarence Centre for Enterprise and Innovation Post Occupancy Evaluation Report prepared by AMA Alexi Marmot Associates, LSBU term consultants, for information.

Executive Summary	
Context	Corporate Strategy 2015-2020 ‘Strategically investing in the creation of first class facilities and ensuring that they are underpinned by services which are responsive to academic needs and outcome focused’.
Question	Has the building fulfilled its original outline design brief and is it performing as expected.
Conclusion & Recommendation	The project has brought the LSBU owned derelict heritage buildings back into use, removing them from the Buildings at Risk Register and has contributed to the overall regeneration process in the wider area . The project was well managed, completed on time and delivered a £1.2m saving on the anticipated spend. The range of different spaces such as the atrium, gallery, meeting rooms and café are all fitted out to a high standard and offer clients the atmosphere they desire which is reflected in both the positive feedback received from tenants and users of the building and the 100% occupation rate. Minor snagging issues have been resolved and security improved.

	<p>A sustainable building has been achieved with improvements to insulation and window replacement resulting in a low energy use building in line with the LSBU carbon reduction policies.</p> <p>The project has been widely recognised and has received three award commendations to date.</p> <p>To conclude, the building is a leading example of a university based innovation and incubator centre providing a space where entrepreneurs, many of which are students or former LSBU students, can receive the support they need for their business ideas to flourish.</p> <p>The building has fulfilled its original brief and is performing as expected.</p>
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Matter previously considered by:	Executive	On: 13 January 2015
Further approval required?	No	N/A



London South Bank
University



Images: Simon Kennedy

The Clarence Centre for Enterprise and Innovation

Post Occupancy Evaluation

for

London South Bank
University

November 2014



**London South Bank
University**

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Executive Summary

The Clarence Centre contains a range of spaces to support entrepreneurial activity of different types for small companies as well as current and past student startups. It was occupied in September 2013. It has been widely welcomed, is well liked and is already fully occupied. While, as with all building projects, there are lessons to learn and aspects that could be improved, this has been a successful project for LSBU and for the local area. The pace – two and a half years from selection of the design team to practical completion - and the proactive project control, delivering a saving to the university of £1.23 M over the anticipated cost, are to the credit of all involved.

The project team at LSBU wish to continue to follow best practice in capital projects and have therefore commissioned this Post Occupancy Evaluation (POE) of the completed project. This review considers how it has met its aspirations.

The project aims

The building was intended to support the University's ambition to become London's Enterprising University¹. In addition the full business case, based on preliminary design work, emphasises the importance of finding a use for the existing terraces and the former Duke of Clarence public house building, which were expensive to secure, and a blight on the campus, the University's image and the surrounding neighbourhood. The Clarence Centre has achieved the aims of the project acting as a 'gateway' to the University, whilst welcoming the wider local and business community and outside organisations to engage with LSBU.

Project description

The project has transformed the derelict heritage buildings and brought them back into use, helping the overall regeneration process in the wider area. The Clarence Centre forms a physical link between changes planned and taking place in the Elephant and Castle and those around Blackfriars Road. The decision to create spaces for small and emerging businesses has made it possible to preserve the scale of activity suited to the small terrace houses and retained the integrity of the existing buildings. By using the former public house on the circus as the main entrance and providing a 'gentle refurbishment' to the terraces' all the street frontage buildings have been brought together. They now form an integrated whole with new build horizontal and vertical access to the rear.

Interview comments

The range of types of spaces on offer and the convenience of the location have resulted in a wide range of tenants taking space and

¹ See *Student Success* – the LSBU Corporate Plan 2011-14



many and varied event bookings. Those questioned were positive about the building, 85% saying they rate it overall as excellent or good, with 92% mentioning how much they appreciated the courtyard space. This space is beginning to act as a 'village green' and starting to break down barriers. The retail units and café play their role as a community interface used by people from within the University and outside.

One of the aims of this project was to be sustainable. It has involved careful reuse of a large group of buildings, in itself a highly sustainable approach. Other elements in the design have also been included to promote a sustainable outcome. A building to support small and local businesses fits well into the wider sustainability argument.

The only downside of the positive reports on the space is that both the Tenant Manager and the Events Manager want more of it. Space of this type and quality can always find tenants. Had there been some larger spaces in this building they would have been welcomed as the available larger spaces elsewhere for events on the campus are less attractive.

There are some criticisms of detailed issues, but these were not felt by any respondents to outweigh the good qualities and positive impact of the building. The maintenance team has suggested some tweaks which is usual in any new building. After this first year many of these issues, for example concerning chillers, the BMS controls, lighting, security and roof leaks, have largely been resolved.

The project process and lessons

The process itself contributed to the final quality and success of this project. A logical and robust procurement strategy was set up based on a Traditional construction contract. The inherent risks in dealing with historic buildings and strict planning conditions were successfully managed.

The wording of the OJEU notice through which construction tenderers were selected, and its scoring, were key to successful selection processes. Emphasis during choice of team members was placed on the quality and ability of the tenderers. The contractor was selected on their approach to the work as much as on price.

Extensive exploratory works allowed delivery of a clean site with a comprehensive risk register given to the contractor prior to starting works. Stakeholder consultation was carried out in a timely fashion, openly and transparently, a necessary approach on a historic and sensitive site and resulted in a smoother passage for the planning consents.



London South Bank
University

A key feature in successful projects is a realistic approach to cost and time, well demonstrated here. Good relations were formed across the team from the start and maintained throughout. The project also benefitted from considerable continuity of personnel and input throughout, which can become a problem in a dynamic university and project delivery environment.

The Clarence Centre is a good example of a successful project delivery within time and budget, popular with users. It has gone on to be recognised widely with three award commendations.



Introduction

This document is a Post Occupancy Evaluation report on the London South Bank University (LSBU) Clarence Centre for Enterprise and Innovation, formerly known as the Enterprise Centre. The centre is located within converted Grade II listed Georgian terraces running along both London and Borough Roads, linked by the former Duke of Clarence public house on St George's Circus.

The Clarence Centre building has been widely welcomed, is well liked and is already fully occupied. The Clarence Centre has achieved the aims of the project acting as a 'gateway' to the University, whilst welcoming the wider local and business community and outside organisations to engage with LSBU. While, as with all building projects, there are lessons to learn and aspects that could be improved, this has been a successful project for LSBU and for the local area. The existing Georgian terraces were purchased by LSBU in 1997 in a state of dereliction. Initial proposals to develop the site into a £40m academic and sports facility were dropped when the terraces were listed Grade II in June 2000 and St George's Conservation Area established.

London South Bank University (LSBU) Estate Strategy² of 2010-2013 suggested enhancements to their campus. This strategy envisaged three new 'gateways' to the triangular LSBU site (see Figure 1 below) providing identity for the University. This strategy has been progressed. The Clarence Centre represents Anchor 2. A few months before the Clarence Centre building was finished, the Student Centre at Anchor 1 was opened. Anchor 3 is considered a longer-term opportunity to be developed in the future.

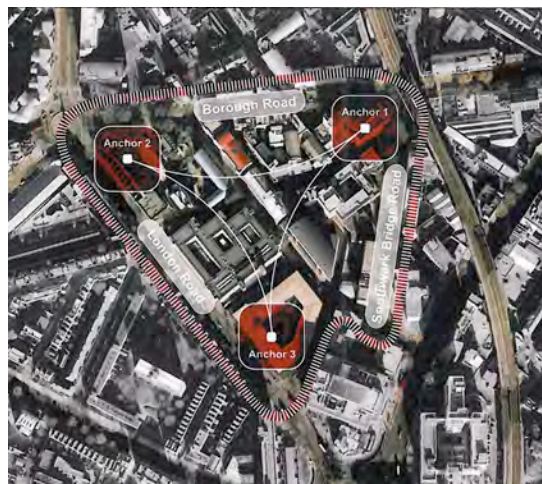


Figure 1 Plan from the LSBU Estate Strategy 2010- 2013 showing the three 'Anchors'

² LSBU Estates & Facilities Directorate, (May 2010), *Estates Vision, London South Bank University*.



London South Bank
University

The Clarence Centre was occupied in September 2013 and now, a year later, this review considers how it has met its aspirations, and how it serves its users and the wider University and the local community.

The project team at LSBU wish to continue to follow best practice in capital projects by ensuring that lessons learnt from any project can be incorporated into future projects and that good ideas are captured. They have therefore commissioned this Post Occupancy Evaluation (POE) of the completed project. It is prepared by AMA Alexi Marmot Associates, who wrote the outline design brief and therefore know some of the early history of the project but have had no involvement with it since that time. This has helped to set the achievements of the Clarence Centre project into the context of the original vision for the building.

The document looks briefly at the process for the procurement of the building but should not be viewed as a detailed project report. The report covers a project summary, a description of the finished building, interview comments, the procurement process and lessons learned.



2. Project summary

The *Outline Design Brief for the Enterprise Centre*, completed in October 2010, suggested that the new facility would have a floor area of circa 2600m² GIA (representing an approximated NUA of 1690m²) with an approximate outline construction and fitting out budget of £7.6M. This being part of an overall budget which in the Full Business Case was set at £13,030,790, to cover all costs including fees, furniture and VAT.³

The Enterprise Centre was intended to fill an important role for the University: to support the University's ambition to become London's Enterprising University through direct enterprise activities and in all that it does thought a pervasive culture of enterprise⁴. In addition the Full Business Case, based on preliminary design work, emphasises the importance of finding a use for the existing terraces and the former Duke of Clarence public house, which prior to conversion, were expensive to secure, and a blight on the campus, the University image and the surrounding neighbourhood.

The following is a quotation from the outline design brief which summarises this vision in the context of the planned site:

*"The Enterprise Centre, or EC, will be a **state of the art facility** for the University. It will be recognised as a leading example of a university based innovation and incubator centre. It will contain a range of flexible incubator suites and support facilities such as meeting rooms. ... It will become a space where entrepreneurs, many of them students or former students of the university, can receive the support they need for their business ideas to flourish...."*

The EC should act as an important 'billboard' and gateway for the university, presenting and advertising a public face of LSBU to the wider academic and business worlds whilst maintaining strong links with the university and its local communities. The EC's quality and ambience should reflect and be commensurate with this aspiration.

The ground floor is to act as a 'shopfront' for the university and the EC promoting both to the business world and surrounding neighbourhood and being a first port of call for external visitors. It will provide 'commercial' space for related uses, for example retailers associated with aspects of LSBU's noted specialities. It will accommodate an exhibition or gallery area with many possible functions: to rent to local enterprises...and to showcase the

³ This represents a reduction from the initial Outline Business Case by £481,810

⁴ See *Student Success* – the LSBU Corporate Plan 2011-14



achievements of the enterprises accommodated in the building ... and students of LSBU. To enhance these functions and to serve the occupants and visitors, access to excellent 'coffee-shop' catering will be provided. ... flexibility for reuse of spaces will be critical."

To meet the vision for this new building type on the campus, a number of different uses, previously in separate locations on the campus were to be brought together as shown in figure 2.

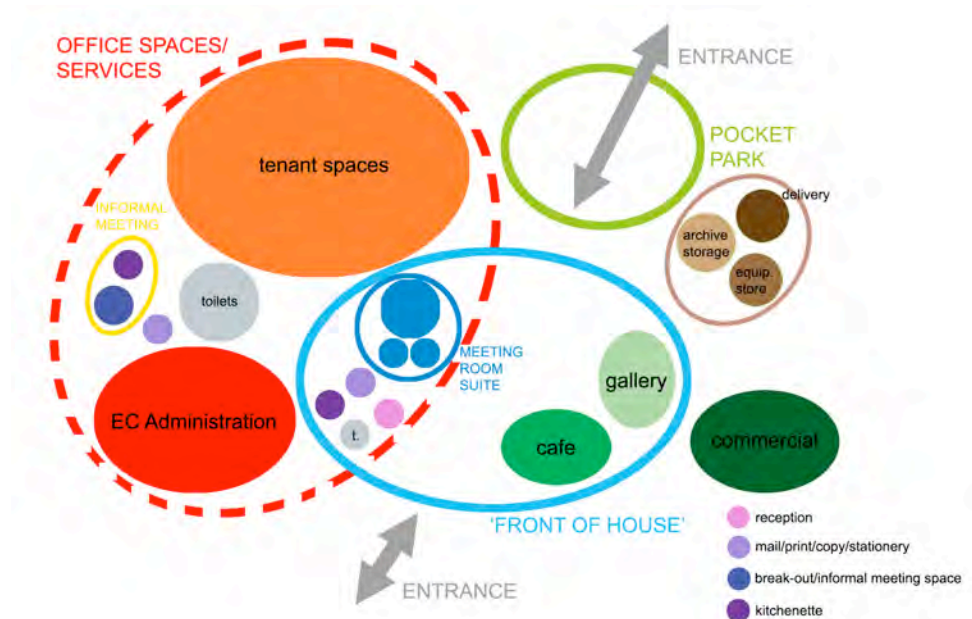


Figure 2 Adjacencies bubble diagram showing functional (not spatial) relationships

Success criteria identified from the start of the project were

- design quality;
- sustainability;
- time and budget including whole life costs and maintainability;
- compatibility with the LSBU's Estates' 'Standard Requirements for Equipment, Fixtures and Finishes' and 'Infrastructure Standards';
- accessibility;
- adaptability.

Key stakeholders were consulted for the outline design brief. They included the Project Sponsor, Research and Business Development, Marketing, Estates, ICT and Procurement.

The process for carrying out this POE has included:

- review of design and background material provided at various stages of the process;
- an 'expert walk through' of the building to see what has been built and how it is being used;
- interviews with service managers, members of the LSBU Estates team, and the Project Sponsor, visits to the building



and questionnaires filled in by 15 stakeholder representatives such as tenants and LSBU staff users;

- brief discussions with a range of users, both based in the Clarence Centre and passing through, in mid- September 2014.

The building contains 156 desks in a range of spaces for entrepreneurial activity of different types for small companies as well as current and former student startups:

- 13 office units approx 322 sqft each
- 2 office units approx 630 sqft each
- 40 single desk units in open areas
- 4 retail units

In addition it has desks for 34 LSBU staff with a range of roles: to support the student entrepreneurs, manage the other tenants, provide central research services for the university and manage the Clarence Centre.

The facts summarised in Table 1 indicate the pace – two and a half years from selection of the design team to practical completion - and the effective budget control, delivering a saving to the university of £1.23 M over the anticipated cost. Table 2 provides the names of the various people and organisations involved in the project.

Table 1: Key dates and figures	
Outline Design Brief	01 October 2010
Selection of design team	07 February 2011
Stage B report	16 March 2011
Stage C sketch design report	31 May 2011
Stage D detailed design report	31 August 2011
Tender period start	17 January 2012
Planning permission	30 March 2012
Tender report – Contractor recommendation	13 April 2012
Final Business Case	13 April 2012
Contract award	25 May 2012
Work on site start	23 July 2012
Contract Completion date	30 July 2013
Practical Completion	22 August 2013
Occupation	2 September 2013
Gross Internal Area	
Gross Internal Area	3094 m ²
Construction cost	£7,467,000
Construction cost per sqm	£2,413
Procurement	Traditional
Overall cost estimate (+fees, FF&E,VAT)	£13,030,790
Out-turn comparable actual cost	£11,800,000



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Table 2: The team	
Architect	Rivington Street Studio
Structural Engineer	Conisbee
Contractor	Neilcott Construction Ltd
Project Manager	Gardiner & Theobald LLP
Quantity Surveyor	Cyril Sweett Ltd
Services Engineer	Max Fordham
CDM Coordinator	Scott White and Hookins Health & Safety Ltd
Acoustic Consultant	Practical Acoustics Ltd
Planning Consultant	DP9
Approved Building Inspector	Dunwoody Building Legislation
LSBU Project Sponsor	Beverly Jullien – Pro Vice Chancellor External
LSBU Project Manager	Roger Tuke, Head of Estates Development



3. The finished building

The building has been in use for just over a year. The project has transformed the derelict heritage buildings, removing them from the Buildings at Risk Register, and brought them back into use. The site is key both to the University and to the neighbourhood and this project has helped the overall regeneration process in the wider area. The buildings themselves have long been the focus of efforts by local residents to see them refurbished and playing a role as part of the local area. This has been successfully accomplished by this project. It forms a physical link between changes planned and taking place in the Elephant and Castle and those around Blackfriars Road.

The nature of the existing buildings was carefully considered before the decision was taken to use them for a home for small and emerging businesses. This use type has made it possible to preserve the scale of activity suited to the small terrace houses while marrying them to the larger university buildings with the new spaces at the rear which provide a connecting link.



The former Duke of Clarence Pub, view from St George's Circus - BEFORE



The Clarence Centre entrance, view from St George's Circus - AFTER



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As stated on the Clarence Centre website, *“The Clarence Centre combines formal retail units with more informal and inspirational working areas including 'huddle' and 'brainstorm' rooms, events space, exhibition space and access to a landscaped garden. It provides a professional and convenient space for businesses to bring clients - just minutes from Waterloo, London Bridge and Borough stations.”* This convenience is reiterated on an occupier’s website which clearly demonstrates the appropriateness of this use for this site.



Image: AMA

London Road terraces - BEFORE



Image: Simon Kennedy

London Road terraces - AFTER



The design has retained the integrity of the existing buildings. By using the former public house on St George's Circus as the main entrance containing an exhibition space, with business lounge above, and providing a 'gentle refurbishment' to the terraces, all the street frontage buildings have been brought together. They now form an integrated whole with a new addition to the rear.

The new build element forms a connecting link, lower in height than, and thus subservient to, the Georgian buildings, with clearly different design and materials. It contains the main horizontal and vertical circulation, lifts and stairs, and the services such as WCs and plant. This approach has made it possible to minimise the number of holes made through historic fabric and allowed the existing floor space to deliver the functional brief. Where internal features such as stairs could be recreated in line with the originals this was sensitively done.



Image: AMA

Internal staircase – BEFORE



Image: Simon Kennedy

Internal staircase - AFTER

The windows were modified using secondary glazing for the road frontages to reduce noise draughts and improve thermal insulation, and all walls have been insulated to ensure a sustainable building with low energy consumption. The external spaces and places to meet casually are all on the inner side of the building well away from any noise, and with benefit from sunlight.

The overgrown area behind the buildings was cleared and turned into a landscaped courtyard, reached though the entrance and reception area or through the café, which opens onto London Road. This gives the Clarence Centre a presence whether approached from the street or from the campus. The courtyard fills up whenever there is sunshine with people having small meetings or relaxing with snacks and hot



drinks. There is cycle parking accessed from the rear of the building at the service entrance off Rotary Street.

Additional space was provided by a separate project after the Clarence Centre project was completed which extended the courtyard. It provides a flexible events space and can be used for a variety of activities for which provision has been made for power and water.



Rear courtyard (before)



Rear courtyard (after)

The range of types of spaces on offer and the convenience of the location have resulted in a wide range of tenants taking space and many and varied event bookings while the quality of the architecture has led to numerous positive comments. Many of the less positive ones relate to minor tweaks now largely resolved. These aspects are discussed in the next section.

In other respects it seems that there is a real wish that the Centre could have been larger. There are inherent constraints of reusing existing structures and a need to respect their historic integrity. In addition the outline design brief has been fully met. The success of the design lies in handling the limiting characteristics so well, yet with the benefit of hindsight, the quality makes people want more.



4.0 Interviewee responses

4.1 Positive responses

Many very positive things have been said about the building. As there are several different aspects of the vision and desired outcomes it is inevitable that the people who gave their views often only had one part of the overall picture. However, since a wide range of people was interviewed the positive picture that emerges indicates that the building has met the vision well.

Those questioned were positive about the building, 85% saying they rate it overall as excellent or good, with 92% mentioning how much they appreciated the courtyard space. This space is beginning to act as a 'village green' and starting to break down barriers. In interviews and questionnaires people also mentioned specific positive aspects of how the building looks and feels and how it can be used.

'Needless to say, given the quality of the facilities and management, that the HUB team loves it here!'

Accommodation for Enterprise

As was hoped, the 156 desks for new start up enterprises allocated to small businesses and to students seeking opportunities to start new enterprises have created a mix of users. The fact that the building has filled very rapidly shows that it is meeting the need for which it was created and the Tenant Manager wishes that there was even more space available as that could, in his view, be very easily filled. The building accommodates 28 desks for student entrepreneurs and 10 for graduates as well as 18 hot desks for undergraduates. There are 15 occupied office units and all the single lettable desks are occupied. The rate at which space has been let has exceeded expectations and endorses the choice of this site and the design.

'A well organised facility for high growth companies and entrepreneurial individuals.'

The retail units play their role as a community interface used by people from within the University and outside and a place to advertise LSBU's activities such as with a student photographic exhibition. There is a Post Office 'design lab' to which Royal Mail bring people to get an insight into how postal services in local areas may develop in future to meet new needs of an increasingly IT enabled public. There is a website design company, and a printer as well as the café opening off both London Road and the courtyard. There are opportunities to strengthen the linking role of the courtyard, with plans to hold a Christmas market there, and other activities such as film shows being considered. A Legal Advice Clinic is due to open in the 4th retail unit shortly.



Design quality

In questionnaires and interviews 95% mentioned how much they liked the high quality of design and finishes, even when they had other, generally minor, criticisms. Careful restoration of the existing Georgian buildings was a prerequisite of the permission and support of English Heritage and the London Borough of Southwark's Conservation Officer. The excellent results in this respect have been welcomed by them and by the users. The modern design aesthetic, successfully married to the old building, was also mentioned.

People who had previously been located in Technopark, saw being relocated to the Clarence Centre as a huge improvement

'The Clarence Centre is better than Technopark in its finishes.'

'The courtyard is a bonus, nice and modern.'

'It's not like Technopark, it's a dramatic improvement, nice functional building, and nicer than London Road.'

'Love the building overall ...'

A University Gateway and Community interaction

The courtyard is identified as something LSBU could do with more of, as a hub for the LSBU community. Many people visit the building on an infrequent basis for meetings and conferences/events - 4500 in the first year from within or outside LSBU in booked meetings - and make positive comments to the Events Manager about the excellent impression it creates for LSBU. Regular users of the building also see this as a benefit.

'It's a good representation to outside world for the university'

'It's a good sign for the future'

'A nice functional building.'

The Events Manager is most enthusiastic about the building. It is able to offer something different from other spaces in the University, and thus attract a different clientele. Because it has a range of different spaces, such as the atrium, gallery, the coffee opportunity as well as the meeting rooms, it has flexibility to offer clients the atmosphere they are looking for. This is helped by having good quality, flexible furniture and somewhere to store it when not needed.

'It is smart, close to Waterloo, small but looks professional, offers good rates and helps raise the university profile'

The Gallery space in the entrance area is providing opportunities for display of work done by businesses in the building or by the LSBU community, such as the Design MA show.



Functionality

People are generally happy with the spaces they have to work in and said they *'really like having own allocated spaces'*. Post contract works of change were requested by the new Director of Enterprise. These were developed, a budget approved and undertaken successfully immediately post contract. This resulted in the space on the first floor above the entrance, originally designated for staff workspaces, being changed to become a small 'business lounge' for informal meetings and get-togethers, with above that a space for student entrepreneurs. This demonstrates an appropriate degree of flexibility in the spaces. The majority of those interviewed classified the new business lounge as "good", and particularly liked the coffee machine facilities, although it is not generally very full and one third of those questioned said it was not a space they used.

Despite being flanked by main roads in central London the design has ensured that noise is not an issue.

'secondary glazing is really good at shutting this (noise) out'

The building has proved to be flexible for use as a commercial conference venue, and the Gallery space has further clear potential to act as a show-case for the University. The Events team are very enthusiastic about the possibilities for expansion of their activities in this building and as one of their busiest times is September to December they are expecting it to offer opportunities to raise revenue for the University from now on. This can conflict with other needs as teaching staff are also keen to use the available spaces but do not provide additional revenue.

The only downside of the positive reports on the space is that both the Tenant Manager and the Events Manager want more of it. Space of this type and quality can always find tenants and it would be a great opportunity if there had been some larger spaces in this building as the available larger spaces for events on the Campus are less attractive than the Clarence Centre.

Sustainability

One of the aims was for the project to be sustainable. It has involved careful reuse of a large group of buildings, in itself a highly sustainable approach. This has eliminated waste of materials and at the same time contributed to the local economy and society by retaining loved and viable street frontages and bringing new economic energy to the area.

Elements in the design have also been included to promote sustainability. The secondary glazing and wall insulation helps to keep out noise but retains the ability to control temperature by natural ventilation using opening windows. Sedum roofs are installed on the



roof of the new build element to promote biodiversity. Heating and hot water are provided by efficient gas fired boilers, and solar PV panels have been incorporated on the high level new build roofs. The building occupancy has gradually increased over the year, so month on month energy use has also increased. It has therefore not yet been possible to review energy consumption in relation to the effectiveness of the systems in creating long-term sustainable energy use. It would be advisable to review this after two full years of occupation.

External endorsements of the success of the design have been achieved in the various commendations it has received. It received a Commendation in the Civic Trust Awards 2014, was Commended in the 2014 New London Awards, was Highly Commended in the AJ Retrofit Awards 2014, as well as making the short list for the RIBA London Awards.

4.2 Criticisms

As is normal where people are asked for their reactions to new spaces, there are generally some criticisms of detailed issues, but these were not felt by any respondents to outweigh the good qualities and positive impact of the building.

Space

Had it been possible to build a larger Centre this would have been welcomed by all. The Events Manager would dearly like to be able to book very large events into this building as it is so much better than the other spaces available on the campus. The Tenant Manager is already running out of space as the building is fully occupied and he naturally seeks potential to capture more space for tenants.

It could be that some spaces may turn out to be less necessary than was expected. The Tenant Manager suggested possibly the two small huddle rooms would be better used as office space although the availability of such space was welcomed by some interviewees. There would be scope to convert these in the future, after consultation with users and a review of occupancy to confirm that a change of use would not disadvantage current occupants. There are some other spaces that were requested during the briefing process but are not really needed in the current pattern of use, such as a post room, and there is longer term potential to change this.

The layout of the café could be improved. Some of the pieces of equipment are too close for convenience. There is a ground floor room that was planned as an office for catering staff as well as a store room, but had there been workspace even closer it would have been appreciated.



Some users find that the main circulation through the centre of the open plan offices in the London Road wing is an annoyance.

Building services

The maintenance team suggested tweaks to various things, which is usual in any new building. After this first year the issues have been largely solved. Basement spaces housing pipes ducts and cables are reached through floor hatches using ladders about which there have been complaints. Clearing high level gutters on the heritage buildings in Borough Road near mature trees is harder to arrange in historic properties, but cherry picker access has been allowed for in the design.

Ventilation/ heating/cooling

During conversations with users a few relatively minor issues with temperature were mentioned. In the reception area the space was reported as too cold in winter. People in one area (DC 20/22) have said that the space was too cold in winter and too hot in summer and a few have mentioned that spaces are stuffy. People in the London Road offices specifically mentioned having to make a choice between being hot or stuffy in the summer, or keeping the windows open for a breeze, which let the noise in from the outside.

Although most of the building is naturally ventilated, some areas such as the meeting rooms and retail units, have mechanical systems installed. The chillers have needed remedial work in the first few months to optimise functionality and some BMS controllers were adjusted. The maintenance team reports that the graphics are good and make it easy to see what is going on '*at a glance*'. Some users mentioned that the AC system in the conference/meeting facilities on the ground floor is quite loud, particularly in DC.G08, and that lighting levels were very high and they felt they got a warm head.

Drainage

There have been some blocked drains from the ground floor WCs during this first year due to misuse. As people become more familiar with the building it is to be hoped that this does not reoccur.

Lighting

Lighting controls are not yet performing as well as they could and sometimes get overridden by users when they do not seem to be working well. In the reception area the light switches are complex, are often manually overridden and do not turn off in strong sunlight as was intended. The ground floor corridors have roof-lights to promote natural daylight but as there are no daylight sensors the lights are often left on unnecessarily. Lights are often left on in meeting rooms.

AV



The building AV system has had some minor issues in meeting rooms. As the AV maintenance is run on a separate contract to the rest of the University it takes longer for repairs than it does elsewhere in the campus and has been a problem in meeting rooms on several occasions. In general Wi-fi is felt to be good, though in London Road spaces it does seem to drop occasionally.

Security

Security had to be improved as some spaces were vulnerable. There were several break-ins and attempted burglaries in the first few months. Additional CCTV has since been fitted and these problems have been resolved.

Roofs

There have been some roof leaks, on the ground floor new build and on the third floor of the former pub. These were due to poor workmanship and were resolved. The problem on the third floor has recently reoccurred and is currently being resolved. Railings around roofs have been requested by the maintenance team, but this would not have been possible for the Listed Buildings and a mansafe anchor system is installed on all new build roofs. The sedum roof, installed in August 2013 was not watered before Practical Completion, and therefore died. It was re-laid as part of the Final Account settlement at no cost in October 2013 and has given no trouble since. The crows have been prevented for pulling up plants with the addition of netting.



5.0 The project process

The project was delivered within budget and within the time frame stipulated. The inherent risks in dealing with historic buildings and strict planning conditions were successfully managed. This is to the credit of all involved, particularly as the building that has resulted is so well received.

Procurement process

A logical and robust procurement strategy was used. This project was managed using a Traditional construction contract. This was a suitable approach for a project of this type, with extensive historic building sensitivities, and a complex construction context dealing with buildings that had been unoccupied and become derelict.

Emphasis during the choice of team members was placed on the quality and ability of the tenderers. The process involved selection of the project manager initially, then the architect, and together these helped to select the structural and MEP engineers to complete the core design team. This helped to get a team that would work well together.

The OJEU notice through which construction tenderers were selected was important in delivering suitable teams. The wording of the OJEU notice, and its scoring, were key to successful selection processes.

The contractor selection was also based as much on their approach to the work as on price. The contractor that won the bid had carefully thought about how to approach this relatively tricky historic site, in particular the former public house, and provided a strategy for the structural requirements of retaining the listed facades that met the needs of the project, did not run the risk of obstructing pavements - which would not have been permitted once the Olympic period was underway in London - and was cost effective. Their phased strategy and the fact that they brought a full team to the interview indicated to the selectors that they were likely to engage with work effectively on the project, which proved to be the case. Their team consisted of a project leader and three site managers, each one to be responsible for one section of the works. The contracting team lived up to the expectations. Their site managers stayed throughout the project and one of them has returned to site to rectify defects.

Risk Management

Once the project and its budget had been agreed, the LSBU project team undertook as much preliminary work as possible, using experts where appropriate. This was aimed at reducing the risks to the project progress removing uncertainties, reducing the burden of planning conditions wherever possible. Extensive exploratory works, site clearance and surveys, including archaeological desk-top research and excavations, were all undertaken to allow the design to proceed



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with minimum unknowns. Asbestos removals, tests on cleaning existing brickwork, trial holes, geotechnical investigations, removal of vegetation and getting a letter of non-objection from London Underground, to ensure there would be no issue with local underground tunnels, were all undertaken. This allowed delivery of a clean site with a comprehensive risk register to be given to the contractor prior to starting the works.

Stakeholder consultation

This was carried out in a timely fashion, openly and transparently, a necessary approach on a historic and sensitive site. Planners and the Conservation Officer from the London Borough of Southwark were approached prior even to a formal pre-application discussion. English Heritage and the Georgian Group were visited and came on site visits. The London Road Traders Association and the St Georges Circus Group were consulted in both the summer and autumn of 2011. A communications consultant was employed to ensure key engagement with stakeholders was properly carried out prior to planning and listed building submissions. This resulted in a smooth passage for the project. A letter of support was received from English Heritage that helped reassure the LBS Conservation Officer. Planning and Listed Building consents were achieved with various conditions (28) of which, however, few were onerous.



6.0 Lessons for the future

The POE process is the basis for learning lessons about how to get the most out of future projects. It is also an effective way to identify any issues needing immediate attention in any current project. It can help to establish good practice by recording both positive and negative experiences. In this project a large number of the lessons, especially to do with the process, have been positive.

Collaborative teamwork

In all projects a 'working together' approach is needed between the future users, the internal project team, and the external team of designers, project manager and all contractors, to get the best outcome. The Soft Landings approach, currently in favour with government, was developed around this concept. Lessons from this approach can be taken for all building projects. This involves ensuring that LSBU is working with people committed to the spirit of cooperation, a more important factor than simple construction costs when value for money is the real goal.

The approach in this case was transparent and entered into in a collaborative spirit, which helped create a good team. A project manager was engaged early in the process as well as an independent quantity surveyor. Once the architect had been selected the project manager and architect were both involved in the selection of the engineering teams for structural and services design. In each selection process the decision matrix focussed on the ability of the team equally as on price.

Good relations were formed across the team from the start and maintained throughout. The benefits of greater interaction for the client with the design as it progresses should be considered for all projects. It works well as long as adequate time is allowed for this to take place.

Procurement

The preferred contract type was agreed as being Traditional for this project. The in-house team were aware that other contract types could introduce greater risks in a project involving such extensive and sensitive existing buildings. This was an appropriate decision.

One aspect of procurement can cause problems in a dynamic and evolving environment such as a university and a dynamic project delivery context – how to maintain continuity of personnel and input throughout a building project. It has already been shown that the contractor performed well in this respect and LSBU has had the benefit of the same in-house project manager acting as an 'intelligent client' throughout this project.



However, wherever possible, continuity of the user representatives must also be overtly built into project right from the beginning. The Director of Enterprise was not on board until six months after the project started and though the Tenant Manager was working in a similar environment in Technopark, he was not continuously involved though he could have had useful input. Changes in in-house personnel created some discontinuities of input in this project. The café operator was appointed very late in the process and all the specifications and layout were agreed early on by the then LSBU Catering Manager. Members of an in-house team, such as the catering providers and the maintenance team should always have a role in the early stages of design to help iron out minor problems before they arise.

Realistic approach to cost and time

A key feature in successful projects is a realistic approach to cost and time. It is important to make sure appropriate time is available to those involved to allow them to focus on the project. Allowing time when it is needed is another key to success. An appropriate time was provided for the contractors' tendering period, which helped give them time to properly assess how they would carry out the work, which they took the opportunity to discuss at the interview. The selected contractor had decided on an approach to the work to existing buildings that might take a bit longer to complete but looked realistically at the risks involved in the need to maintain the existing listed facades.

It is also necessary to be aware of how to apportion the planned budget most effectively, with a clear understanding that it cannot be allowed to grow through unplanned changes. The willingness to spend on preliminary works is one demonstration of a realistic approach to how a budget should be used. This characterises the whole project. With a proactive QS, who was concerned to see money spent in the right places, an elemental cost plan was produced during the design period. When things in one element looked as if they would cost more than anticipated the architect had to find savings in other elements. There was an agreed approach to avoiding unnecessary expenditure. For example the existing walls were cleaned, sealed, and left as bare brickwork. This assisted with design clarity which is important in obtaining Listed Building Consent. The design impact of this decision was also important as it provided a clear visual difference between the new and the old parts of the building. An early decision was not to try to use the existing basements except for pipes, cables and ductwork. Full renovation would have been at high cost for relatively poor space. This meant that money could be concentrated on works to the ground floor and above.



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Sustainability

Taking action in as many ways as possible in which a project has an impact on sustainability is important. By reclaiming existing buildings for reuse there is already a good sustainability record. The type of use, supporting small and local businesses fits well into the wider social sustainability argument, as does the aim to become a community hub. Insulation and secondary glazing were introduced to the old buildings to upgrade them and reduce carbon output in use and sedum roof coverings and planting in the courtyard support biodiversity.

The Clarence Centre is a good example of a successful project delivery within time and budget, popular with users. It has gone on to be recognised widely with three award commendations.

Thanks are due to all who helped providing information for this report.

Photographs: Credit for all photographs is to either Simon Kennedy or Damian Walker

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	PAPER NO: PC.08(15)
Paper title:	General Estates Matters
Board/Committee	Property Committee
Date of meeting:	20 January 2015
Author:	Carol Rose, Director of Estates and Academic Environment
Executive sponsor:	Ian Mehrtens, Chief Operating Officer
Purpose:	To provide an overview of matters affecting the university estate and the local area in general.

Executive Summary	
Context	The report provides an overview of changes, developments, and current and completed projects that have taken place around the estate as well as providing a brief overview of redevelopment and regeneration projects in the local area.
Question	What is the current position/progress of projects being undertaken within the University and what is the latest update on regeneration projects and redevelopment in the local area.
Conclusion & Recommendation	That the committee note the contents of the report.

Matter previously considered by:	Operations	20 January 2015
Further approval required?	N/A	

1. Neighbourhood Development

1.1 Elephant and Castle regeneration

- 1.1.1. The Elephant and Castle Strategic Stakeholder Group (ECSSG) continues to monitor progress of regeneration in the area. LSBU is represented at this Group by the Director of Estates and Academic Environment (EAE) and the Head of Estates Development.
- 1.1.2. Demolition of the Heygate Estates by Lend Lease is almost complete and the development is now known as Elephant Park.
- 1.1.3. Delancey are hoping to submit a planning application in late 2015 for the shopping centre redevelopment scheme. Consultation with TfL regarding the Northern Line Underground Station continues.
- 1.1.4. TfL has recently consulted on proposals for public realm improvements post highway works which are programmed to commence in Spring 2015.
- 1.1.5. The Peabody Trust scheme to develop the triangle site (Newington Causeway/Borough Road Junction) was submitted for planning consent and validated in December 2014.
- 1.1.6. The 360 Newington Butts development which will provide a 50 storey residential tower, commenced on site in September 2014.
- 1.1.7. The 251 (previously Eileen House) development which will provide a 38 storey residential tower commenced on site in November 2014.

1.2. Blackfriars Road regeneration

- 1.2.1. The Head of Estates Development represents LSBU on the Blackfriars Road Landowners Forum.
- 1.2.2. Barratt Homes received planning consent in December 2014 for their proposed development at St. George's Circus and Blackfriars Road. The scheme is now subject to GLA approval.

2. Redevelopment of Keyworth Street

- 2.1 The redevelopment project is now on hold as the project will be included in the Estates Development Strategy and considered as part of the overall campus redevelopment proposals.

3. Caxton House

3.1.1. The project to create a model Confucius Institute has been designed, planning consent obtained and tenders received within budget. Subject to approval, the work is programmed to commence in February 2015. The Confucius Institute has been temporarily relocated elsewhere on campus until the works have been completed.

3.1.2. The Legal Advice Centre has been permanently relocated on the ground floor of the Clarence Centre in shop front premises and is due to open on 27th January 2015.

4. National Bakery School

4.1. The project to provide a new entrance and refurbish the National Bakery School has been delivered on time and within budget. The refurbishment has been well received and the facilities are being fully utilised.

5. K2 Energy Performance

5.1 Following approval of funding, a scheme to modify/improve the current heating system has been prepared and the work is currently being scheduled with staff affected. It is expected that there will be an early resolution of this ongoing problem.

6. School Hubs

6.1 Due to budget priorities, the solutions identified to create individual hubs to provide a focal point for each school have been deferred. As an interim measure, an alternative scheme is being prepared for consideration. This includes, but is not limited to, improved signage, introducing the School colours into wayfinding signage (both wall mounted and on the floor), applying the appropriate colour to doors within current office locations, the identification of areas for exhibitions and the provision of display cases. It is hoped that once there is a clearer understanding of the estate development options, the School entrances/hubs projects can be reviewed.

7. Centralisation of Timetabling

7.1 Preparation for the centralisation continues and EAE are currently liaising with Student Services to identify dedicated staff to undertake this function within the Timetabling Team which will be based in EAE offices in Technopark.

8. Creation of Technical Services Team

8.1 Following a review of the project/maintenance teams within EAE, the two teams have been combined to create a new Technical Services Team which will improve efficiency, communication and effectiveness. The ICT Infrastructure Service will be transferring to EAE in early February and will also be part of the Technical Services Team. The Team will be led by a newly created Technical Services Manager post which is currently titled as the Engineering and Maintenance Manager. There are no cost implications arising from this re-organisation.

9. Student Residences

9.1.1. Over the 2014 summer months, a limited number of flats in the residences received basic redecoration (painting only) to improve the standard of the accommodation for the residents. This work did not, however, address the major issues such as bathroom and kitchen replacements etc. which have been included in the major three year refurbishment scheme which is currently being prepared for consideration for funding.

9.1.2 The creation of social spaces within all residences is seen as essential to contribute positively to the student experience. A new reception area and internal social space has been created at McLaren House which has proved popular and is well used. It is proposed to create further external social space at both McLaren House and David Bomberg House, which can also be used in the colder months and planning consent to carry out the work has been received. The proposals will be included in the refurbishment scheme as mentioned in 9.1.1. above.