16. CATHEDRAL SQUARE REDEVELOPMENT
COST REVIEW REPORT

RR 8341

Officer responsible	Author
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Corporate Plan Output: Corporate Plan, Volume 3, Capital Output 9.5.61	

The purpose of this report is to provide further comment on budget increases for Cathedral Square in response to a request from the Committee Chairman.

Some of these increases are the result of delays in the resource consent process. This was partly the result of planning staff not anticipating the complexity of the resource consent process (especially when legal counsel for submitters became involved). It was compounded by City Design preparing tender documents, tender evaluations and letters of acceptance which did not include a clause making commencement of work subject to obtaining the resource consents. These are clearly matters of performance by Council staff, and not the fault of the committee process.

It is also accepted that a number of the cost increases are the result of poor cost estimation and management by City Design.

Amendment to Chairman's Recommendation Clause 11:

1. That the reasons for the delays and letting of contracts prior to resource consents being obtained be further reviewed with a view to improved Council procedures.

2. That the Major Projects Co-ordinator be asked to review the continued engagement of City Design on the cost control and project management of the Cathedral Square project.

3. That some of the increase professional fees be absorbed by Council units, and that the figure for unforeseen delays ($227,947) be reduced by $40,000 and the figure for increased professional fees ($217,000) also be reduced by $40,000.

4. That the existing recommendation (1) be amended to read:

   "That the existing police kiosk remains until a brief and preliminary design and costing is adopted by Council, and that in the meantime $150,000 remain as a provision sum, with the knowledge that the amount required may be greater."