

Completion of the Usher Hall Refurbishment

The City of Edinburgh Council

18 November 2010

1 Purpose of report

- 1.1 This report updates the Council on the completion of the Usher Hall refurbishment.

2 Summary

- 2.1 On 18 September 2008, Council considered the implications for the Corporate Services revenue budget on the delayed completion of the project as a result of substantial additional work which was required to address the adverse condition of the foundations, sub-structure and fabric of the building. The nature and impact of these works was reported to the Culture and Leisure Committee in June 2008.
- 2.2 The Council noted the management action which had been taken to reduce the impact on the revenue budget and on the capital project and further noted that more details would be provided on the project in early 2009.
- 2.3 This report informs members that the building has been formally opened and the final account has been agreed for Phases II and III. Both Phases are projected to outturn within the current budget allocations. Within Phase II, part of the budget provision has been allocated to fund client fit out works which are presently being procured separately from the main contract in accordance with the original intention. This report, later than originally intended to allow the total cost of both Phase II and Phase III to be presented together, also covers some related operational issues.

3 Main report

- 3.1 The Usher Hall project was carried out in three phases. Phase I, completed in December 2000, comprised mechanical and electrical installations, upgrades to the fabric of the auditorium and internal spaces, a new stage and provision of removable seats to allow for promenade concerts. Phase II, which consisted of a glass-covered extension and substantial improvements to the building infrastructure was completed and handed over in two parts between August 2009 and November 2009. Phase III, which comprised substantial improvements in the public realm surrounding the Hall to create an arts quarter, was completed in time for the 2010 Edinburgh International Festival.

Phase II Project

- 3.2 The refurbishment of the Hall has resulted in major improvements to the building's facilities for performers, hirers and audience members. Access for people with disabilities has been improved; the area around the Hall and its immediate neighbours, the Traverse Theatre and the Royal Lyceum Theatre, as well as local shops, pubs and restaurants, has been upgraded; and the Hall's official opening, to a full house on the night of 10 October 2010, with an excellent programme by the Houston Symphony, was a taste of many more exciting events and concerts to be hosted by the Hall for years to come.
- 3.3 Partial practical completion of the project was issued by the contract administrator in August 2009 in time for the Edinburgh International Festival. This covered the main building on the basis that work on the extension would be restricted during the Festival and the extension would be handed over in mid November 2009. This was achieved and a practical completion certificate has been granted for the extension. The project is currently in the defects liability period within which the contractor rectifies minor defects and snagging items identified during the building occupation.
- 3.4 The capital budget allocated to the project is £24,438,223, comprising:
- £18,301,223 capital funding (The original allocation was increased by £5m in February 2009 because of unanticipated works, time delays and related fees, and a further £90,000 was added in February 2010 when the capital budget was realigned);
 - £184,000 capital funding contribution from City Development towards building fabric improvements;
 - £100,000 capital funding contribution towards adaptations to fulfil Disability Discrimination Act requirements; and
 - £5,853,000 external funding.
- 3.5 The final account has been agreed between the contractor and cost consultant at a figure below that originally sought by the contractor and within the revised budget allocation. As noted above, the revised budget allocation includes the additional funding provided by the Council to cover the essential improvement work to the building foundations, sub-structure and fabric.
- 3.6 Client fit out works are currently being carried out. In the expectation that the costs will be contained within the cost estimates for the remaining fit out items, the final cost of the Phase II project will be contained within the revised budget of £24, 438,223.

Phase III Project

- 3.7 This phase of the refurbishment programme comprised improvements to the public realm surrounding the Hall and its near neighbours, the Traverse and Royal Lyceum Theatres, as well as local shops, restaurants and pubs, to create an arts quarter.
- 3.8 Phase III began on site on 12 October 2009 with a programme completion date of 16 May 2010. Diversion works carried out in the area by a utility company caused a slight delay to the project, but the main contractor, R J McLeod, performed well and managed to regain some of the time lost. The contractor

gained practical completion on 13 August 2010, which allowed the Hall to be fully operational for the Edinburgh International Festival.

- 3.9 A few elements of outstanding work were completed by the contractor before the Hall's official opening Gala Concert on 10 October, featuring Houston Symphony. Apart from some minor snags, and the defects liability period which will run until 13 August 2011, Phase III of the Usher Hall refurbishment project is complete.
- 3.12 The Phase III working total budget is £3,231,153. A final account has been agreed with R J McLeod which is currently slightly under budget. A minor drainage item remains to be resolved. This may marginally increase the final account but is not expected to result in an overspend.

Operational issues

- 3.13 Before the Phase II refurbishment began, some Usher Hall staff were redeployed, leaving a small core team of staff to oversee key business during the refurbishment and plan for the re-opening. The Usher Hall resumed full operational status in August 2010, but has not yet reached its full complement of staff. As part of the Council's drive to find efficiencies, the Culture and Sport Division has undertaken an internal review of its operating procedures within the Hall and three other major venues – the Assembly Rooms, Church Hill Theatre and the Ross Theatre. The Division is in the process of creating a new shared staffing structure between these four venues which should improve customer services and provide greater flexibility. It is expected that some staff currently based at the Assembly Rooms will be redeployed within this structure once the Assembly Rooms closes for its refurbishment.

4 Financial Implications

- 4.1 Total Phase II costs, including the client fit out, are estimated at £24,312,000. Phase III costs are estimated at £3,194,153. All these costs are contained within existing budgets.

5 Environmental Impact

- 5.1 There are positive local impacts arising from this report in the improvement of the environment of the arts quarter and the improved pedestrian experience now possible in the area surrounding the Usher Hall.

6 Conclusions

- 6.1 Apart from snagging items identified during the defects liability period, the Phase II project is now complete. The Phase II budget was increased during the course of the project as a consequence of necessary additional improvement works which have been previously reported. The Phase II costs are estimated to be within the revised budget allocation. Phase III of the project is currently showing a small underspend; the final figure should be established soon.
- 6.2 Performers, hirers and audiences have reacted positively to the improvements to the building and the surrounding area, and the Hall has been very busy since it re-opened in August 2010, with a varied programme of events, concerts, private hires and the official opening concert on 10 October 2010.

7 Recommendations

7.1 It is recommended that the Council notes the contents of the report.



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01/11/10

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Appendices

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Wards affected City wide

Single Outcome Agreement Supports National Outcomes:

- 1 We live in a Scotland that is the most attractive place for doing business in Europe
- 12 We value and enjoy our built and natural environment and protect it and enhance it for future generations

Background Papers

Reports to the:
Council Executive on 14 August 2001
Council Executive on 6 November 2001
Council on 30 May 2002
Council on 16 September 2004
Council Executive on 21 June 2005
Council on 30 June 2005
Council on 26 October 2006
Culture and Leisure Committee on 20 November 2007
Culture and Leisure Committee on 5 February 2008
Culture and Leisure Committee on 24 June 2008
Council on 26 June 2008
Finance and Resources Committee on 9 September 2008
Council on 18 September 2008