

**REPORT OF CABINET MEMBER FOR FINANCE AND PROPERTY AND THE
CABINET MEMBER FOR ADULT SOCIAL CARE AND HEALTH**

**LATEST ESTIMATED COSTS: DAY SERVICES MODERNISATION
PROGRAMME (COUNTYWIDE) AND ALBION CLOSE DAY SERVICE
(WORKSOP)**

Purpose of the Report

1. The purpose of this report is to approve the revised latest estimated costs for the building works for the Day Services Modernisation programme (countywide), and the Albion Close Day Service (Worksop), including a variation to the Capital Programme.
2. This report is a key decision as the costs involved exceed £1 million and was originally published in the forward plan for the first time in the September edition and approved at Cabinet on the 14th September 2011 and 12th October 2011.

Information and Advice

Project details

Day Services Modernisation programme

3. The original proposed works are outlined in the business case approved at Full Council on the 30th June 2011, and detailed in the Latest Estimated Cost report approved at Cabinet on the 12th October 2011.
4. The detailed design undertaken to date for the construction works has seen a reduction of £263,334 in the cost of the work packages defined in the original scope of works. This is because an indicative budget is set when the work is started and this is based on a standard method of measurement and a generic pricing structure. As the detailed work has progressed with contractors the real costs have become clear, and this has resulted in a negotiated cost reduction.
5. Ongoing development and increased knowledge of what is required in a multi-disciplinary day service building has led to additional requests for alterations to ensure the buildings meet future needs. These include additional works and alterations to buildings which were not known at the initial costs stage, such as provision of more robust secure exit and entry routes, additional health and safety requirements and additional works to cloakroom and toilet facilities. All works will be contained within the agreed schedule of

building and will be completed as part of the overall project plan. The funding required to deliver these changes is £176,835.

6. In addition, a request has been made for funding to ensure the refurbished buildings have a good standard of decorative finish. The original scope of the works only allowed for renewal of floor coverings and wall decoration in the specific areas being refurbished. This funding would allow for renewal and redecoration to all areas of the building. The funding required to deliver these changes is £660,017 based on the standard method of measurement referred to earlier. This will be subject to further review and scrutiny and it is hoped that further reductions can be made to this sum as detailed specifications are agreed.
7. The following day centres are included in the programme of works:
 - Balderton
 - Barncroft
 - Broxtowe, Gedling and Rushcliffe (BGR)
 - Ernehale Lea
 - Ley Street
 - Middle Street
 - Moorlands
 - Red Oaks
 - Whitewater
 - Willow Wood.

Albion Close Day Service (Worksop)

8. The original proposed works are detailed in the Latest Estimated Cost report approved at Cabinet on the 14th September 2011.
9. Extensive consultation with carers and service users identified significant changes to the internal layout of the building resulting in extensive alterations being required that were not foreseen.
10. These additional essential alterations will require the full amount of approved funding for the project to complete.
11. To ensure the project delivers the required outcomes an amount of external works are required to provide a safe and secure garden area, improve parking for people with disabilities, and deliver a safer flow of traffic around the site to ensure people and vehicles are separated as far as possible, the funding required to deliver the external works is £179,000.

Capital budget implications

12. These additional works are being funded as follows:

Day Services Modernisation programme

Additional works and alterations to buildings (as detailed in paragraph 5)	£176,835
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Renewal and redecoration to all areas of buildings (as detailed in paragraph 6)	£660,017
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Albion Close Day Service (Worksop)

External works	£179,000
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Total of additional works	£1,015,852
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Reduction in original scope of works	-£263,334
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Total funding now required	£752,518
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13. A contingency of £1,000,000 was agreed by Council on 30th June 2011. It is proposed that part of the contingency is used to fund the budget shortfall identified for the Day Services Modernisation programme and for the external works on the Albion Close Day Service (Worksop) project.

14. The latest estimated costs for the Day Services Modernisation programme are as follows:

	<u>Latest Estimated Cost</u> <u>(Outturn Prices)</u>
Building Works	3,994,158
Professional fees	556,360
Feasibility and Site Investigation	50,000
Furniture and Equipment	100,000
Rental properties dilapidations	150,000
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Total	4,850,518

15. The latest estimated costs for the Albion Close Day Service (Worksop) are as follows:

	<u>Latest Estimated Cost</u> <u>(Outturn Prices)</u> £
Building Works	1,414,210
External works	179,000
Professional Fees	169,705
Feasibility & Site Investigation	46,085
Furniture and Equipment	70,000
Total	1,879,000

Anticipated cash flow

16. Day services modernisation programme:

Capital Payments	2011/12 £	2012/13 £	2013/14 £	Totals £
Building Works	491,593	3,330,345	172,220	3,994,158
Professional Fees	86,752	439,248	30,360	556,360
Feasibility	50,000	0	0	50,000
Furniture & Equipment	0	100,000	0	100,000
Dilapidations	0	60,000	90,000	150,000
Totals	628,345	3,929,593	292,580	4,850,518

17. Albion Close Day Service (Worksop)

Capital Payments	2009/10 £	2010/11 £	2011/12 £	2012/13 £	Totals £
Building Works	-	-	615,600	977,610	1,593,210
Professional Fees	-	-	119,500	50,205	169,705
Feasibility & Site Investigation	13,318	19,069	13,698	-	46,085
Furniture & Equipment	-	-	-	70,000	70,000
Totals	13,318	19,069	748,798	1,097,815	1,879,000

Revenue budget implications

18. The revenue implications are already provided for in existing budgets. Overall maintenance requirements will reduce as a result of the additional works identified.

Other Options Considered

19. No other options were available to be considered.

Reason/s for Recommendation/s

20. The packages of work for the Day Services Modernisation programme identified in the requests will ensure that the opportunity within each building is maximised and prevent the need for any significant maintenance on the buildings for the next 2-3 years.
21. The external works required for the Albion Close Day Service (Worksop) project will ensure the project delivers against the original business case.

Statutory and Policy Implications

22. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial implications

23. These are set out in the report and the previous Council reports and business cases. In regard to mitigating project risk, the project budgets and plans include an appropriate level of contingency for building works of this nature.

Equalities Implications

24. In accordance with the County Council policy, the design of this building incorporates access and facilities for people with disabilities.

Implications for service users

25. The refurbishment and alterations will improve the buildings by creating a more positive experience for service users and so enhancing their quality of life and independence. The buildings will be better equipped to meet current and future needs of service users and staff.

Crime and Disorder implications

26. In line with County Council standards, Secure by Design principles will be applied to this programme of work. This is a crime prevention initiative that focuses on the design, layout and construction stages of building developments.

RECOMMENDATION/S

It is recommended that:

- 1) the variation of the Capital Programme, as set out in the report, be approved
- 2) the revised latest estimated costs for the building works, as set out in the report, be approved.

COUNCILLOR REG ADAIR

Cabinet Member for Finance and Property

COUNCILLOR KEVIN ROSTANCE

Cabinet Member for Adult Social Care and Health

For any enquiries about this report please contact:

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Constitutional Comments (LMc 02/12/2011)

Cabinet has the delegated authority to approve the recommendations in the report under the Scheme of Delegation and in accordance with the Financial Regulations.

Financial Comments (RWK 16/12/2011)

27. The report details changes in works to day services buildings involving reductions in works totalling £263,334 and additional works totalling £1,015,852 resulting in a net additional cost of 752,518. This net additional cost can be met from within the existing Capital Programme allocation for the Day Services Modernisation programme for which a contingency allocation of £1M exists.
28. The approval of this report will require the Capital Programme to be amended. These amendments are set out in the report.

Background Papers

CC/2011/00090 - County Council Report of the Cabinet Member for Adult Social Care and Health, Modernisation of Day Services, 30th June 2011 (previously published).

CAB/2011/00333 Joint Report of the Cabinet Member for Adult Social Care and Health and the Cabinet Member for Finance and Property, Latest Estimated Cost: Albion Close Day Centre, Worksop, 14th September 2011 (previously published).

CAB/2011/00334 - Report of the Cabinet Member for Finance and Property and the Cabinet Member for Adult Social Care and Health, Latest Estimated Cost: Day Services Modernisation Programme, 12th October 2011 (previously published).

Electoral Division(s) and Member(s) Affected

All.

CAB336 - LEC