

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

**LATEST ESTIMATED COST: DAY SERVICES MODERNISATION  
PROGRAMME**

**Purpose of the Report**

1. The purpose of this report is to note that there are no changes to the approved budget for the building works for the day services modernisations programme project.
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.

**Information and Advice**

**Project details**

3. The proposed works consist of adaptations to a number of existing day service buildings to meet the changing needs of the service in line with current Health and Building Regulations standards and legislation, and completing identified planned maintenance works for the next three to five years. The remodelling and refurbishments are required to allow the facilities to be used by all adults with a range of disabilities, as defined by the Day Service Modernisation business case approved by the Full Council on the 30<sup>th</sup> June 2011. The works include:
  - adaptation and upgrading of existing welfare facilities to ensure they are fit for purpose and will include new WC's, shower and changing facilities
  - creating greater flexibility within service user activity spaces by ensuring the right amount and type of rooms are available with adequate storage for equipment
  - improved security for staff and service users, by ensuring access to the main centres are restricted by means of access controlled entrance doors from the lobby / foyer areas
  - completion of the planned maintenance works required over the next three to five years which are described as P1 and P2 items in the condition survey reports for the properties.
4. 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.
5. The project includes associated site works, and services. It is not anticipated that a planning application will be required.
  6. As the existing buildings are currently occupied, it has not been possible to arrange for a full “destructive type” survey of the fabric and services, including services testing, sample stripping out and reinstatement. Therefore, no specific costs have been included in the latest estimated cost for any refurbishment/replacement works which might have been discovered had a full “destructive type” of survey been possible; this is especially relevant to the discovery and treatment of asbestos.
  7. The project will be managed using best practice project management methodology, with project reviews at key milestones which meet the Gateway Review standards.
  8. The design element of the proposed schemes will be developed using a partnering framework established with Faithful + Gould<sup>1</sup>.
  9. The works element of the proposed schemes will be built using the in-house contractor building DIRECT and the partnering framework established with Robert Woodhead Limited. Under these frameworks Faithful + Gould technical staff will undertake detail design work and the construction will be carried out by building DIRECT and Robert Woodhead Limited on a target cost basis. Under this arrangement the actual cost will be compared with the target cost agreed by the Quantity Surveyor, who carries out a cost control function and ensures value for money, with any difference adjusted on a pain/gain share. If the actual cost is in excess of the target cost the additional cost is shared between the client and contractor (pain), or if the actual cost is below the target cost the savings are shared between the client and contractor (gain).
  10. It is anticipated that the building works will start on site in November 2011 and be completed in December 2012.
  11. The latest estimated cost of the building works are set out below in paragraph 15, the professional fees shown are for all professions involved in the project as detailed below in paragraph 12, and any direct costs associated with the works including site surveys and building control fees.

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<sup>1</sup> Faithful+Gould is one of the world's largest consultancies providing project management and cost management services for construction and engineering projects.

12. The professions involved in this project are:

- 4 Building Surveyors
- 2 Mechanical Engineers
- 2 Electrical Engineers
- 2 Quantity Surveyors
- 1 Programme Manager
- 1 Construction and Design Management regulations (CDM) Co-ordinator
- 1 Structural Engineer
- 1 Project Manager.

### **Capital budget implications**

13. This project is being funded as follows:	£
Capital	3,652,000
Capital receipts	625,000
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Total	4,277,000
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14. The latest estimated costs are as follows:

	<u>Latest Estimated Cost</u> <u>(Outturn Prices)</u>
Building Works	3,512,000
Professional fees	465,000
Feasibility and Site Investigation	50,000
Furniture and Equipment	100,000
Rental properties dilapidations	150,000
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Total	4,277,000
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## Anticipated cash flow

15.	<b>Capital Payments</b>	<b>2011/12 £</b>	<b>2012/13 £</b>	<b>2013/14 £</b>	<b>Totals £</b>
	Building Works	1,935,098	1,404,682	172,220	3,512,000
	Professional Fees	261,152	173,488	30,360	465,000
	Feasibility	50,000	0	0	50,000
	Furniture & Equipment	50,000	50,000	0	100,000
	Dilapidations	0	60,000	90,000	150,000
	<b>Totals</b>	<b>2,296,250</b>	<b>1,688,170</b>	<b>292,580</b>	<b>4,277,000</b>

## Revenue budget implications

16. The revenue implications are already provided for in existing budgets. Overall maintenance requirements will reduce.

## Other Options Considered

17. Several options were considered as part of the feasibility exercise undertaken. Different models and levels of alterations / refurbishments were consulted on with elected members, staff, service users and carers. This led to the preferred option being taken forward as detailed in the 'Modernisation of Day Services Report' approved at Full Council meeting on 30<sup>th</sup> June 2011.

## Reason/s for Recommendation/s

18. The alterations are required to meet changing demands of the service and the long-term deteriorating conditions of service users in a more suitable environment. To improve the Health and Safety standards and general condition of the ageing buildings for all concerned. To meet the requirements of present and future service users with complex and diverse needs.

## Statutory and Policy Implications

19. 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**

20. These are set out in the report and the previous Council reports and business case. 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**

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

## **Implications for service users**

22. 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**

23. Nottinghamshire County Council, Secure by Design policies and consultations have been incorporated into the design of the building and components.

## **RECOMMENDATION/S**

- 1) It is recommended that the latest estimated cost for the building works as set out in the report is noted.

### **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 18/08/2011)**

24. The report is for noting only.

### **Financial Comments (JH 23/08/2011)**

25. This report is for both confirmation of an agreed project budget and information. The financial implications and other aspects of this project have been covered in the Council report and associated business cases.

## **Background Papers**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Nottinghamshire County Council Day Care Service Review - Condition Surveys for:

- Ernehale Lea, Arnold
- Ley Street, Netherfield
- Broxtowe, Gedling and Rushcliffe, West Bridgford
- Barncroft, Chilwell
- Red Oaks, Mansfield
- Balderton, Newark
- Whitewater, Newark
- Willow Wood, Sutton in Ashfield
- Middle Street, Beeston
- Moorlands, Bingham.

Business case.

## **Electoral Division(s) and Member(s) Affected**

All.

CAB334