

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	FINANCE AND DEMOCRACY COMMITTEE	24 SEPTEMBER 2018	7
<b>NEW DEPOT BUILDING ASHTON GARDENS</b>			

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

The proposed new depot building within the Nursery site at Ashton gardens forms part of the Council's Accommodation project and rationalisation of the Council's building assets. The proposal is to relocate the operational workforce from the rear of the Public Offices site and relocate these into the Ashton Gardens Nursery site. This will then enable the disposal of the Public Offices site.

Within the approved Capital Programme is a sum of £63,000 in 2018/19 for completion of the Ashton Gardens depot scheme. However, having sought tenders for the works, the total scheme costs are at a revised estimate of £120,000. Consequently for the scheme to be delivered it is necessary to increase the funding for the scheme by the sum of £57,000

At the 6<sup>th</sup> September 2018 meeting of the Tourism and Leisure Committee the letting of the contract for the design and construction of the Ashton Gardens scheme was approved, subject to the approval of the funded budget increase for the scheme in the sum of £57,000 by this committee.

### RECOMMENDATION

The committee is recommended to approve a funded budget increase of £57,000 to the Ashton Gardens depot element of Accommodation Project scheme within the approved capital programme for 2018/19 to be fully funded from the Capital Investment Reserve.

### SUMMARY OF PREVIOUS DECISIONS

#### Cabinet 31<sup>st</sup> August 2010

The resolution of Cabinet to dispose of the Public Offices site.

#### Full Council 3<sup>rd</sup> Dec 2012

Agreed: To approve that a contribution of £85,000 is made to a capital investment reserve once capital receipts from the disposals are received, in order that the requirement that the accommodation needs will be met from the capital receipts on a cash-limited basis is maintained.

#### Development Management Committee 13<sup>th</sup> February 2013

Planning application ref: 12/0733 – Ashton Gardens Depot/Central Nursery - Proposed new storage building and alterations to part of an existing building to form new toilet facilities. Full Planning Permission: - Granted.

#### Full Council 4<sup>th</sup> March 2013

Resolved –The Council approve and adopt the Five year capital programme including the changes proposed by Cabinet as set out in appendix G.

#### Cabinet 24<sup>th</sup> September 2014

Resolved – Approve the appointment of the lowest tenderer to carry out the above works. The works were

currently estimated to cost in the region of £20,000 and are to be funded from the approved capital scheme in 2014/15 for the Ashton Gardens Depot works in the sum of £85,000.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## REPORT

### BACKGROUND

1. The proposed new depot building within the Nursery site at Ashton gardens forms part of the Council's Accommodation project and rationalisation of the Council's building assets.
2. At its meeting of the 31<sup>ST</sup> August 2010 Cabinet resolved to dispose of the Public Offices site together with the garage buildings, chemical store and mess room facilities to the rear of the site.
3. Part of the disposal of the Public Offices site required the relocation of some of the operational functions to Ashton Gardens. To do this it was proposed to invest in the existing depot facilities at Ashton Gardens to accommodate the operational workforce that services the Promenade Gardens, St Anne's Square and the beach, together with pest control. This involves conversion of the old boiler house to accommodate suitable toilet and welfare facilities for the number of staff employed, the construction of a new tractor store and poison storage facilities and associated vehicle parking. These works will create a fit for purpose, health and safety compliant facility for the operational workforce delivering front-line services to residents.
4. Planning permission for the new depot building which is 10.5 lm long and 8.5 lm wide was secured on 13<sup>th</sup> February 2013 and remains extant (ref: 12/0733).
5. In 2014 the old boiler house in the Ashton Gardens nursery site was converted into toilets for the operational teams at a cost of £22,000.

### SCHEME DETAILS

6. To enable the Public Offices site to be disposed of there is a requirement to relocate the operational workforce from the rear of the Public Offices site.
7. Blackpool Council's Capital Projects Team have been engaged to project manage the construction of the new depot building on a design and build basis. The building is of a fairly simple construction with a steel portal frame, concrete floor, metal clad roof and sides with two sealed partitions to the rear of the building which form the chemical storage and mixing areas (See Appendix 1).

### PROCUREMENT

8. A Prequalification Questionnaire incorporating an Invitation to Tender document was posted on the 'Chest' in May 2018. The Council placed these tenders on the Pro Contract North west Portal 'The Chest'
9. Following an advertised Expression of Interest the Council received 22 positive enquiries. The invitation to tender requested a fixed price for the Design & Construction of the Storage Building together with external works and demolition.
10. Two tenders were received by the return date 22nd June 2018 -
  - Roger Eaves Building Ltd
  - Liverpool Mutual Homes Ltd

## Tender Prices

Company	Tender Sum
Roger Eaves Building Ltd	£110,808
Liverpool Mutual Homes Ltd	£139,497

## FINANCIAL IMPLICATIONS

11. Originally in 2012 there was an £85,000 budget for the scheme to create suitable depot facilities at the Ashton Gardens site. Of this £22,000 was spent in 2014 on conversion of the old boiler house into toilet facilities, leaving a balance of £63,000 within the Councils approved 2018/19 Capital Programme for completion of the remaining works.
12. However the tender price is £110,808 plus fees for Blackpool Council to project manage the design and construction of the new depot building, bringing the estimated total scheme costs to £120,000.
13. As the lowest tender returned is significantly higher than budgeted for officers have reviewed the original estimate and examined construction inflation since the original estimate was produced in 2012. This has revealed that construction inflation in the North West from 2012 (3<sup>rd</sup> qtr) to 2018 (2<sup>nd</sup> qtr) has been 75%<sup>1</sup>, which when applied to the remainder of the budget established in 2012 (£63,000) results in a revised estimate of £110,250. As the work has been competitively tendered the lowest quote is considered reasonable when taking into account the above indices since the original budget was established.
14. Consequently for the scheme to be delivered it is necessary to increase the funding for the scheme by the sum of £57,000.
15. The total project cost is estimates as follows –

Description	Budget
Construction	£105,808
Contingency	£5,000
Project Management Fees	£9,192
<b>Total</b>	<b>£120,000</b>

## MAINTENANCE

16. The additional maintenance required to maintain the building can be met from the current approved revenue budgets within the Parks Maintenance and the Technical Services building maintenance teams.

## PROGRAMME

17. The following programme for delivery of the project is proposed :

- Award of Contract 2<sup>nd</sup> October 2018
- Submission of Design to Client 9<sup>th</sup> October 2018
- Design Review by Client 9<sup>th</sup> November 2018
- Submission of revised Design 16<sup>th</sup> November 2018
- Confirmation of Acceptance 7<sup>th</sup> December 2018
- Commence on Site 14<sup>th</sup> December 2018
- Completion 29<sup>th</sup> March 2019

18. A project risk assessment has been completed which is attached at appendix 2.

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<sup>1</sup> Royal Institute of Chartered Surveyors Indices produced by the BCIS Building Cost information service.

## CONCLUSION

19. The construction of the new depot building in Ashton Gardens will enable the operational team's plant, machinery and equipment together with the chemical store to be moved from the Public Offices site and relocated to the Nursery Depot site within Ashton Gardens. These works will create a fit for purpose, health and safety compliant facility for the operational workforce delivering front-line services to residents.
20. At the 6<sup>th</sup> September 2018 meeting of the Tourism and Leisure Committee the letting of the contract for the design and construction of the Ashton Gardens was approved, subject to the approval by this committee of the funded budget increase for the scheme in the sum of £57,000.
21. This committee is therefore requested to approve a funded budget increase of £57,000 to the Accommodation Project (Ashton Gardens Depot) scheme within the approved capital programme for 2018/19 to be fully funded from the Capital Investment Reserve.

IMPLICATIONS	
Finance	The report requests an addition to the cost of the Ashton Gardens depot element of the Accommodation Project within the approved Capital Programme in the sum of £57,000, to be met from the Capital Investment Reserve.
Legal	None
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	The new building provides a fit for purpose, health and safety compliant facility for the operational workforce.

LEAD AUTHOR	CONTACT DETAILS	DATE
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BACKGROUND PAPERS		
Name of document	Date	Where available for inspection

### Attached documents

- Appendix 1      Ashton Gardens Proposed replacement storage building drawing
- Appendix 2      Project risk assessment