

REPORT TO: HOUSING COMMITTEE – 20 FEBRUARY 2006
SOCIAL WORK COMMITTEE – 20 FEBRUARY 2006

REPORT ON: LOCHEE HOUSING AND SOCIAL WORK OFFICE
NEW BUILD PREMISES

REPORT BY: DIRECTOR OF HOUSING, DIRECTOR OF SOCIAL WORK &
CITY ARCHITECTURAL SERVICES OFFICER

REPORT NO: 116-2006

1. PURPOSE OF REPORT

The purpose of this report is to detail the negotiated Agreed Maximum Price (AMP) with Forman Construction Ltd, Dundee and requests a decision on the acceptance thereof.

2. RECOMMENDATIONS

Approval is recommended of (1) the acceptance of the AMP with Forman Construction Ltd, Dundee in the amount of £1,999,948.42 and (2) allowances amounting to £385,625.00, giving a total cost of £2,385,573.42.

3. FINANCIAL IMPLICATIONS

The Depute Chief Executive (Finance) has stated that an allowance will be made in the HRA Capital Estimates for 2006/2007.

The residual cost associated with the lease of the existing office premises at 74 High Street, Lochee are still the subject of negotiation being led by the Economic Development Department.

The annual rental cost of the Social Work Office accommodation and associated facilities in the new premises is estimated at £26,352.00. This figure and the plan of staff accommodation have been agreed with the Director of Social Work.

The project will be funded under the prudential borrowing regime and the annual loan charges can be met from within the existing Housing Revenue Account.

4. LOCAL AGENDA 21 IMPLICATIONS

By dealing with sustainability issues such as energy savings and the use of sustainable materials, it is considered that the key theme of *'resources are used efficiently and waste is minimised'* is being addressed. The theme *'access to facilities, services, goods and people is not achieved at the expense of the environment and accessible to all'* is met as the new design allows full access to disabled people, will be more energy efficient than the existing office.

5. EQUAL OPPORTUNITIES IMPLICATIONS

The development of the new Dundee West Housing Office will have a positive impact in relation to helping to meet the theme of making Dundee more family friendly and barrier free. The design complies with Part 3 of the Disability Discrimination Act.

Special measures are taken to improve participation in civic and community life.

The design of the proposed new premises includes an area designated for community use with its own entrance, kitchen area and toilets.

6. BACKGROUND

6.1. Tender Report

The works comprise construction of a new 2-storey office facility of traditional construction having a total floor area of approximately 1,500m², fully serviced and fitted out, incorporating a contact centre on the first floor.

In recognition of the ethos of Best Value, Forman Construction Ltd Dundee, were invited to enter into a partnership. As the successful contractor for the Dundee East Housing Office, a number of factors benefit Forman Construction as opposed to other contractors; The fact that they are part of an already established project team, reduces the 'learning curve' associated with the project. Similarities of components and materials, between both East and West Housing Offices will allow the contractor to take advantage of economies of scale which exist, which will in turn benefit the client. The timescale to have the building operational before the end of the calendar year is a stipulation that Forman Construction have indicated they can achieve. Therefore, based on the rates submitted for Dundee East, an Agreed Maximum Price (AMP) for the construction of the Dundee West Area Office has been agreed at £1,999,948.42.

The AMP is recommended for acceptance and if agreed to it brings out the following:

Several Works	£1,999,948.42
Allowance For:	
Allowance for Electronic Queuing System	£10,000.00
Allowance for BT telephone lines and equipment	£50,000.00
Allowance for additional civil engineering works	£6,000.00
Allowance for site, environmental and topographical reports	£4,000.00
Allowance for possible tank for sprinkler system	£20,000.00
Allowance for site remedial work	£70,000.00
Building Warrant	£7,130.00
Planning Supervisor	£5,700.00
Professional Services	£193,795.00
Structural and Civil Engineering Services	£19,000.00
	<u>£ 385,625.00</u>
	<u>£2,385,573.42</u>

The following sub-contractors have been listed by the recommended contractor:

Jackson Steel, Dundee	Steelwork
Scan Building Services Ltd, Dundee	Mechanical Services
DH Morris Ltd, Dundee	Electrical
Onsite Flooring, Dundee	Flooring
CSI Security, Bedford	Reception Screen
TN Gilmartin, Cupar	Landscaping
J&M Interiors (Scotland) Ltd, Dundee	Suspended Ceilings
AT Roberts, Dundee	Painter

Forman Construction Ltd Dundee have confirmed that they have both the capacity and resources to undertake and complete this project within the designated timescale.

6.2. **Site Considerations**

A site had been identified at the south of Sinclair Street for the proposed construction of Dundee West Area Housing Office, however site investigations uncovered the presence of a sewer bisecting the proposed site. Indicative costs for re-routing the sewer were substantial and would have delayed completion of the new office. Therefore, discussions between the Directors of Housing and Planning and Transportation have now identified a site north of the original site as suitable for office accommodation. The construction of the new office on this site marks the first stage of the Lochee Masterplan and will help to kick start the regeneration of central Lochee.

7. **CONSULTATIONS**

The Chief Executive, Depute Chief Executive (Finance), Depute Chief Executive (Support Services), Assistant Chief Executive (Community Planning), Director of Economic Development, Director of Planning and Transportation, Head of Communities and local Elected Members.

8. **BACKGROUND PAPERS**

None.

ELAINE ZWIRLEIN
DIRECTOR OF HOUSING

ALAN BAIRD
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