

ANGUS COUNCIL

POLICY AND RESOURCES COMMITTEE ..... 9 SEPTEMBER 1997  
SOCIAL WORK COMMITTEE ..... 7 OCTOBER 1997  
PERSONNEL & PROPERTY SERVICES COMMITTEE..... 21 OCTOBER 1997

JOINT REPORT BY THE DIRECTOR OF SOCIAL WORK AND THE  
DIRECTOR OF PROPERTY SERVICES

“GOWANLEA”, SEATON ROAD, ARBROATH - ALTERATIONS TO  
PROVIDE OFFICE ACCOMMODATION AND A DAY SERVICES FACILITY

**ABSTRACT**

Report of design cost and request to approve the preparation and issue of tender documents.

**1. RECOMMENDATION**

The Committee is recommended to:

- i approve the estimated total cost of £517,000. (at out-turn prices) in respect of alterations to provide office accommodation and a day services facility at “Gowanlea”, Seaton Road, Arbroath.
- ii note it is intended that this project be wholly funded by the transfer of resources from Tayside Health and Angus NHS Trust to Angus Council and this project, which has no financial effect on the Capital Programme has been included in the 1997/98 Capital Estimates and the future years Financial Plan per the Final Revenue and Capital Budgets Volume. However, at this time, Tayside Health and Angus NHS Trust have finally committed to transfer, subject to the approval of their respective boards, only £500,000. In the event that the balance of £17,000 is not forthcoming then a further report will be submitted to committee prior to tender approval detailing how such shortfall will be financed.
- iii note that the additional revenue expenditure arising from this project (first full year 1999/2000) is as follows

Running Costs	£51,000	per annum
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note that the additional revenue expenditure arising from this project is in respect of the additional costs of Gowanlea becoming an operational base as opposed to remaining vacant and that these costs will be allocated to the organisations accommodated in the building according to their usage of the facilities. Angus Council's allocated running costs will be contained within the available Revenue Budget provision.

- iv approve the preparation and issue of tender documents.
- v approve the ring fencing of the capital receipt from Tayside Health and Angus NHS Trust for the purpose of the project.

## 2 BACKGROUND

The project is intended to provide offices for joint health and social work teams providing services to people with mental health problems and a day services centre for the same client group.

## 3 DESCRIPTION OF WORKS

The works comprise the upgrading and modernisation of the former Gowanlea Residential Home for the Elderly currently vacant which extends to some 1220 m<sup>2</sup> gross floor area to provide fully serviced office accommodation and a day services facility complete with all associated services and external works.

## 4 ESTIMATED TOTAL COST

The estimated total cost of this project is as follows:

Works .....	£420,000
Allowance for loose furniture, and equipment and removal costs	£ 20,000
Allowance for professional fees and supervisory and administrative expenses .....	£ <u>61,000</u>
Estimated total cost (at December 1996 price base) .....	£ 501,000
Estimate of increased costs on project (based on proposed timescale with forecast of future price adjustments) .....	£ <u>16,000</u>
Estimated total cost (at out-turn prices) .....	£ <u>517,000</u>

## 5 ALLOWANCE IN ESTIMATES

It is intended that this project be wholly funded by the transfer of resources from Tayside Health and Angus NHS Trust to Angus Council and this project, which has no financial effect on the Capital Programme has been included in the 1997/98 Capital Estimates and the future years Financial Plan per the Final Revenue and Capital Budgets Volume. However, at this time, Tayside Health and Angus NHS Trust have committed to transfer, subject to the approval of their respective boards, only £500,000. In the event that the balance of £17,000 is not forthcoming then a further report will be submitted to committee prior to tender approval detailing how such shortfall will be financed.

The terms of the resource transfer will be addressed in a written agreement between Tayside Health, Angus NHS Trust and Angus Council.

The costs of the project will be monitored and a further report will be brought before Committee if it appears they cannot be contained within current allowances.

The additional revenue expenditure arising from this project amounts to approximately £51,000 per annum, the details of which are as follows:

Running costs ..... £51,000 per annum

The additional revenue expenditure arising from this project is in respect of the additional costs of Gowanlea becoming an operational base as opposed to remaining vacant. These costs will be allocated to the organisations accommodated in the buildings according to their usage of the facilities. Angus Council's allocated running costs will be contained within the available Revenue Budget provision.

## 6 ESTIMATED PHASING OF EXPENDITURE

The following table shows the predicted phasing of the estimated total cost at out-turn prices (assuming a start on site in April 1998) and, for comparison, the phasing of expenditure in the 1997/98 Capital Estimates per the Final Revenue and Capital Budgets Volume:

	Up to 31/3/97 £,000	1997/98 £,000	1998/99 £,000	99/2000 £,000	TOTAL £,000
Cost at out-turn prices	0.0	30.0	473.0	14.0	517.0
Allowance in 1997/98 Capital Estimates at out-turn prices	0.0	430.0	100.0	0.0	530.0

It has been intimated to the Council that Tayside Health and Angus NHS Trust may wish to undertake the transfer of resources in respect of the capital works (£517,000) during the financial year 1997/98. In this event it is proposed that this receipt be ring fenced for the purposes of the project to allow the Director of Finance to manage the receipt in the best interests of the Council.

## 7 CONSULTATION

The Director of Law and Administration and the Director of Finance have been consulted in the preparation of this report.

## 8 CONCLUSION

The Committee is recommended to approve the estimated total cost of £517,000 (at out-turn prices), note the project is intended to be wholly funded by the transfer of resources from Tayside Health and Angus NHS Trust to Angus Council and approve the preparation and issue of tender documents.

W B Robertson  
Director of Social Work

M Lunny  
Director of Property Services

Note: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.