AGENDA ITEM NO 14
REPORT NO 268/11

ANGUS COUNCIL
NEIGHBOURHOOD SERVICES COMMITTEE – 14 APRIL 2011

THE RELOCATION OF THE KIRRIEMUIR ACCESS OFFICE TO THE KIRRIEMUIR POLICE STATION (KPS) – OUTLINE DESIGN AND ESTIMATED COSTS

JOINT REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES AND DIRECTOR OF CORPORATE SERVICES

ABSTRACT: This report informs Committee of the estimated costs and outline design for the relocation of the Kirriemuir Access Office to the Kirriemuir Police Station.

1. RECOMMENDATION
1.1 It is recommended that the Committee:

(i) Approve the overall cost estimates, funding and outline design for the refurbishment of the ground floor of the KPS;

(ii) Note that the Head of Property will procure the refurbishment of the KPS in accordance with Angus Council Financial Regulations on the basis of the funding outlined below.

2. BACKGROUND
2.1 Reference is made to Report No. 820/10 where the Committee approved, in principle, the relocation of the Kirriemuir ACCESS Office to the Kirriemuir Police Station (KPS), and remitted the Director of Neighbourhood Services in consultation with the Heads of Property and Finance to develop detailed proposals for the refurbishment of the ground floor of the Kirriemuir Police Station to accommodate the ACCESS Office, and Tayside Police Museum.

2.2 Enclosed is an overall plan (see Appendix 1) of the proposals for the development of the ground floor of the KPS. This has been developed in partnership with Tayside Police and the Finance Division regarding the trial removal of the Revenues and Benefits staff member from the Kirriemuir ACCESS Office on a pilot basis.

2.3 The works comprise refurbishment of the ground floor only to provide ACCESS/Cash area, shared interview rooms, stores, plant room, accessible toilet, unisex toilet, shared staffroom/kitchen, sub-division of existing electric services and alterations to electric heating installation, automatic entrance doors, external works and an area for the Police Museum. Costs exclude fitting out of the Police Museum which is to be carried out and funded by Tayside Police.

2.4 The estimated project cost is as follows:-

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refurbishment costs</td>
<td>115,500</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>20,000</td>
</tr>
<tr>
<td>IT/BT infrastructure (to be confirmed by client)</td>
<td>3,000</td>
</tr>
<tr>
<td>Transfer costs (to be confirmed by client)</td>
<td>500</td>
</tr>
<tr>
<td>Loose Furniture &amp; Equipment (to be confirmed by client)</td>
<td>500</td>
</tr>
<tr>
<td>Feasibility costs</td>
<td>7,500</td>
</tr>
<tr>
<td>Contingencies</td>
<td>8,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>155,000</strong></td>
</tr>
</tbody>
</table>

2.5 If the project is approved, Members are asked to note that authority to procure the works is delegated to the Head of Property in terms of Financial Regulations.
3. **VACATED ACCESS OFFICE - OPTIONS**

3.1 As noted in the previous report on this project (Report No. 820/10), a key driver of this project is to assist with rationalising the Council’s property assets. In this regard, approval of this project would leave the current ACCESS office in Kirriemuir vacant. The property is leased by Angus Council with the lease term running until 22 July 2020 i.e. it has just over 9 years to run. The current lease is subject to 5 yearly rent reviews. The current lease cost is £24,000 p.a.

3.2 Members are asked to note that the Corporate Asset Management Group will be further reviewing and examining the main property estate in the Kirriemuir and Forfar areas in the very near future. This review will cover a range of properties and will include for example the ACCESS office and Fairlie House. It is intended that the outcome of this review will be reported to Members before the summer recess and will specifically include options for the re-use of the ACCESS office once it becomes vacant.

4. **FINANCIAL IMPLICATIONS**

**Capital Implications**

4.1 It is currently estimated that the refurbishment of the ground floor of Kirriemuir Police Station for the ACCESS office and Tayside Police Museum has a cost to Angus Council of £155,000 as detailed at 2.4 above. Tayside Police would be fully responsible for the cost involved in developing their first floor accommodation and the fitting out of the Police Museum.

4.2 The 2010/11 budget setting process allocated £50k of revenue resources to assist in funding this project and this was included in the Neighbourhood Services 2010/11 revenue budget. As it was known that the project would not be able to start in 2010/11 a request to carry forward these resources in full to 2011/12 was submitted. Report No. 75/11 to the Strategic Policy Committee of 1 February 2011 subsequently approved this carry forward.

4.3 In respect of the funding for the capital spend on this project, the Neighbourhood Services Provisional Capital Budget presented to the special budget setting meetings on 10 February 2011 (Report No. 109/11 refers) contains provision for this project (for 2010/11 onwards) at a gross spend of £150,000-funded from the revenue allocation (£50,000) and Neighbourhood Services’ capital target (£100,000).

4.4 It is clear, therefore, that on the basis of the projected cost of the project as detailed above, a small balance of the estimated cost of £5,000 remains and this will be funded from additional CFCR from existing Neighbourhood Services resources, once actual project costs have been confirmed and if required this would be contained within the Cultural Services revenue budget.

**Revenue Implications**

4.5 Tayside Police would be fully responsible for all costs involved in relocating their operation to the first floor and setting up the Police Museum.

4.6 Recurring property costs for the Police Station would be shared between Tayside Police and Angus Council in proportion to the relative floor areas occupied. At this time, it is estimated that Angus Council’s share (26%) of these costs would be of the order of £8,300 per annum.

4.7 The ACCESS service in Kirriemuir currently incurs £34,900 of property costs per annum at its existing location, £24,000 of which is the annual lease rental. Relocation of the ACCESS Office will, therefore, generate a saving of approximately £26,600 per annum for the ACCESS service, providing a suitable alternative use for the current ACCESS Office can be found once it is vacated. There will also be savings in running costs to Tayside Police as a result of this project and as a constituent Council of the Tayside Joint Police Board, Angus Council would, all other things being equal, enjoy a proportionate benefit of those savings.

4.8 Whilst this project has merits in terms of the shared services/joint working agenda, Members will appreciate that there will remain a sizeable financial risk for the Council around the project until such time as an alternative use for the current ACCESS Office can be confirmed because of the leased nature of the existing ACCESS Office building. On the assumption that an
alternative use for that building can be found, possibly allowing Council property elsewhere to be released or rationalised, the estimated capital investment costs of £155,000 would be offset by estimated ongoing annual revenue savings of £26,600 in around 6 years.

5. HUMAN RIGHTS IMPLICATIONS

5.1 There are no human rights implications arising from this report.

6. EQUALITIES IMPLICATIONS

6.1 The issues dealt with in this report have been the subject of consideration from an equalities perspective (as required by legislation). An equalities impact assessment has been carried out.

7. CONSULTATION

7.1 The Chief Executive, the Head of Finance, the Head of Property and the Head of Law and Administration have been consulted in the preparation of this report.

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DIRECTOR OF NEIGHBOURHOOD SERVICES

COLIN McMAHON
DIRECTOR OF CORPORATE SERVICES

NOTE: The 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 a material extent in preparing the above report are:

- Report No: 820/10

NS/RA/AN