

Committee: Finance and Administration

Agenda Item

Date: 26 June 2008

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Title: Thaxted Day Centre

Author: Martin Stocks, Electrical Surveyor, 01799
510600

Item for
decision

Summary

Attached is a report submitted to Community Committee on 19 June 2008 which if agreed by that Committee identifies a need for an additional £32,000 of capital funding in 2008/09.

Recommendations

An additional sum of £32,000 is allocated to the capital programme, for this project, in 2008/09.

Background Papers

Report to Community Committee dated 19 June 2008

Committee: COMMUNITY **Agenda Item**
Date: June 19, 2008
Title: THE NEW THAXTED DAY CENTRE
Author: Martin Stocks, Electrical Surveyor, 01799 510600 Item for decision

Summary

1. This report is to update on the current financial position for the procurement of the new Thaxted Day Centre.

Recommendations

2. Members note the actions that have so far been taken towards the procurement of the new Thaxted Day Centre; and
3. Community Committee recommends to Finance and Administration Committee that an additional sum of £32,000 is allocated to the capital programme, for this project, in 2008/09.

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author.
 - Report to SMB, 4th June 2008
 - Financial report dated 30th May 2008

Impact

5.

Communication/Consultation	The report sets out what actions and consultation has already taken place with council officers and end users
Community Safety	The existing building has been demolished
Equalities	The same information has been given to all relevant interested parties
Finance	In conjunction with Finance staff the remaining capital programme has been reviewed. It has been established that it is not possible to reduce the remaining projects by the sum of £32,000 therefore the capital programme will need to be

	increased by this sum if the project is to go ahead. The consequences of this are that the time when the council needs to borrow for capital projects will be earlier than that anticipated in the Medium Term Financial Strategy. Also there will be an additional cost to the Council's General Fund Revenue Budget due to the loss of Investment Interest Income of around £1,800 per annum, as the £32,000 will be funded from Capital Receipts.
Human Rights	No specific implications
Legal implications	Contracts for procurement are in place and will need to be cancelled with resultant abortive costs.
Sustainability	Sustainable materials and added insulation to be used wherever possible.
Ward-specific impacts	Approval will facilitate speedy replacement of the Day Centre with increased capacity to serve the community.
Workforce/Workplace	The new Day Centre will have the capacity to deliver an increases service and will be a significant improvement over the old Day Centre.

Situation

6. Approval was given to replace the existing building with a new modern facility at a budget cost of **£325,000.00**.
7. Original tenders received were significantly higher than the approved budget.
8. At the Communities Committee on the 11th January 2008 approval was given to re-tender the project under exemption to standing orders KK12 (Specialised Nature of Works) to specialist design and build contractors.
9. Subsequently tenders received were within the approved budget, however due to the discovery of unusually poor ground conditions and the finding of an underground chamber on the site it became apparent that further ground investigation was necessary and that a standard foundation design would not be suitable.
10. The result of this investigation has indicated two design options for piled foundations and one option for a reinforced raft foundation, the raft being the

cheaper at £27,267.00 additional to standard foundations. Other unforeseen items of expenditure have occurred which have been contained.

Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
If approval to this request is not given then it will not be possible for the project to proceed, involving the Council in abortive cancellation costs.	High	Loss of amenity to the community	The committee is requested to approve the additional expenditure of up to 10% of the original budget.

Thaxted Day Centre Project Costs at 30th May 2008							
	Budget	Contract Sum	Add	Omit	Commitment to date	Surplus	Deficit
Approved Budget	£325,000.00						
Energy Budget (Jake Roos)	£3,700.00						
Asgen Demolition		£5,537.00			£5,537.00		
Elliott Fastrack		£306,163.00	£306,163.00				
Kitchen PC			£21,995.00	£25,000.00			
Site Instructions:							
Additional Roof Insulation			£1,471.00				
Additional Wall Insulation			£1,527.00				
Additional Floor Insulation			£676.00				
Additional Ground Survey			£2,500.00				
Additional Ground Survey 2			£750.00				
Concrete Raft Option			£27,267.00				
Possible Savings (Extra Over)				£9,017.00			
Total			£362,349.00	£34,017.00	£328,332.00		
Other Costs							
Asbestos Survey (Asbestos Budget)			Nil	Nil			
Armoured cable protection			£110.00		£110.00		
Retain safety fencing			£800.00		£800.00		
Hire of digger for trial holes			£700.00		£700.00		
British Telecomm							
Survey/Estimate (427.58 inc VAT)			£352.75		£352.75		
Relocate Pole (4,731.81 inc VAT)			£4,027.07		£4,027.07		
Total	£328,700.00				£339,858.82		£11,158.82