

EAST AYRSHIRE COUNCIL

CABINET – 24 FEBRUARY 2010

**FACILITY IMPROVEMENTS AT GAUCHALLAND
AND UNDERWOOD DEPOTS**

**Report by the Executive Director of Neighbourhood Services and
the Executive Head of Finance and Asset Management**

1. PURPOSE OF REPORT

- 1.1 To seek Cabinet approval for facility improvements at Gauchalland and Underwood Depots.

2. BACKGROUND

Gauchalland Depot, Galston

- 2.1 The Roads and Transportation Best Value Service Review identified that the current depot provision at Gauchalland is reaching the end of its economic useful life and no longer meets the needs of the service. In order to address these concerns, a number of options have been considered which sought to provide appropriate facilities in both the long and short term; delivering on the Councils asset management aspirations to ensure buildings are “fit for purpose” and contribute positively to the process of service improvement.
- 2.2 Over the long term, the option to provide all roads related works from a shared new build facility which would be intended to achieve a more focused and consistent service and deliver economies of scale across a range of council trading operations is being examined. Work is currently on-going to develop an Option Appraisal which seeks to review all current depot facilities with the intention of co-locating synergistic depot operations on a single site, assessing the financial and non-financial impact of this. This work will be completed by the end of April 2010. If viable, such a project is likely to be completed in 2012/13.
- 2.3 In the short term, it is proposed to deliver all road related works from an upgraded Gauchalland Depot, and reduce the usage of Underwood Depot to routine maintenance squads only.

- 2.4 The client and contractor roles for Roads Maintenance have been combined under a Road Maintenance Manager which provides a joined up approach for road maintenance services, thereby improving efficiency and encouraging greater team working. At present, the Roads Maintenance Team is located in three offices, Gauchalland Depot, Greenholm Street and Lugar. However, it is considered best practice to co-locate this team with the workforce based at Gauchalland Depot.

Underwood Depot, Cumnock

- 2.5 The Underwood Depot, Cumnock is currently operated on a shared basis with the Roads Maintenance and Cleansing Services; open on a 24 hour basis to provide out of hour emergency services.
- 2.6 In recent months significant problems have been experienced with the existing external lighting system, resulting in poor illumination in working areas which is affecting overall security and safety within the depot environs for staff and visitors. Temporary lighting has been installed but clearly a permanent solution is required.

3. PROPOSALS

Gauchalland Depot, Galston

- 3.1 The existing facilities at Gauchalland Depot are in a generally poor condition and are not sufficiently sized to allow the rationalization of the current workforce onto the single site location. It is therefore proposed to procure prefabricated buildings for the Gauchalland Depot site. The buildings will be procured through a contract previously awarded by Building & Works in October 2006 which did not proceed to delivery. In order to ensure the Council delivers on its contractual obligations, this contract will be used with minor variations to the originally agreed specification and price (equating to about a 2% increase).
- 3.2 Based on an initial assessment of accommodation needs, a solution to minimise the footprint and improve the overall layout of the depot has been developed to provide both staff welfare facilities which will meet the needs of the incumbent and incoming workforce together with office accommodation and operational management facilities.
- 3.3 It is proposed that the buildings will initially be located at the Gauchalland site with the option for relocation and integration within any proposed new depot facility. This will resolve the short term issues whilst also providing value for money for the Council when considering the overall capital investment required to provide any future new facilities.

- 3.4 During consideration of the development proposals, an issue relating to the existing drainage system within the Gauchalland site being able to cope with the volume of discharge was identified. Following discussions with SEPA, a temporary solution to cover the expected period the units will be located at the Gauchalland site was identified and agreed. This option will require the existing septic tanks to be cleaned and emptied more frequently at an estimated additional cost of £5,000 per annum. However, if the period that the units are located at the site exceeds this temporary arrangement then a more permanent solution will be required. An allowance of £0.050m to cover the cost of a new septic tank and “soak away” has therefore been allowed for within the cost estimates provided; which will be drawn down should the intention be to locate the units for a period longer than the 2-3 years identified.
- 3.5 It is also likely that there will be additional rental charges from BT for the upgrading of phone lines to support increased data requirements. The amount of increased charge cannot yet be accurately quantified but is expected to be relatively modest and the Head of Roads and Transportation has indicated that such an increase can be met from existing budget allocations.
- 3.6 It is estimated that the costs of the buildings, including all ground preparation works and services connections will be approximately £0.500m dependent on the infrastructure upgrade requirements. Due to the short lead time for construction and delivery, it is estimated that the new buildings could be procured and installed by June 2010, subject to appropriate planning approval.

Underwood Depot, Cumnock

- 3.7 It is proposed to provide a fully modern lighting system within the Underwood Depot, Cumnock. An updated system will provide greater site security, reduce the potential operational risks associated with environmental and safety aspects, and increase protection of the Council's assets through greater compatibility with the CCTV system.
- 3.8 It is estimated that the total cost of providing a modern lighting system will be approximately £50,000.

4. FINANCIAL IMPLICATIONS

- 4.1 Cabinet on the 11 February 2009 approved a capital funding allocation of £5.600m in relation to the Depot Improvements programme. It is therefore proposed to allocate £0.550m from this capital budget to meet the costs of the prefabricated buildings and the improvements to lighting.
- 4.2 The revenue costs associated with both the additional cleaning of the septic tanks, and rental charges associated with BT line upgrades will be met from existing roads revenue budget allocations.

5 RISK MANAGEMENT

- 5.1 Existing facilities are considered to fall short of the standard of accommodation the Council would wish to provide for staff welfare. Centralisation of staff within the Gauchalland Depot will also ensure the department delivers on its aims of the Best Value Service Review, in particular, to eliminate duplication, improve efficiency and deliver a seamless service.
- 5.2 Project risks will be managed through the application of effective project management principles as embodied within the Councils Total Project Management (TPM) Framework.

6 RECOMMENDATIONS

- 6.1 It is recommended that Members;
- (i) Approve the purchase of prefabricated buildings to provide new staff welfare and office accommodation at the Gauchalland Depot.
 - (ii) Approve the purchase of a new lighting system for the Underwood Depot.
 - (iii) Approve the allocation of £0.550m from the capital budget for Depot Improvements Programme to cover the costs in relation to the purchase and installation of the prefabricated buildings at Gauchalland Depot, and the installation of the new lighting system at Underwood Depot.
 - (iv) Otherwise note the contents of this report;

Alex McPhee
Executive Head of
Finance & Asset Management

Bill Stafford
Executive Director of Neighbourhood
Services

AMcP/AK
5th February 2010

LIST OF BACKGROUND PAPERS NIL

Members wishing further information should contact John Bryson, Head of Roads & Transportation, Telephone 01563 576310