

ANGUS COUNCIL

SOCIAL WORK AND HEALTH COMMITTEE – 11 NOVEMBER 2014

LOGISTICS HUB

REPORT BY GEORGE BOWIE, HEAD OF ADULT SERVICES

ABSTRACT

This report provides an update to Committee Report 166/14 on the Logistics Hub which gave approval to undertake a new options appraisal for the Logistics Hub replacement.

1. RECOMMENDATIONS

It is recommended that the Social Work and Health Committee:

- (i) notes the contents of this report;
- (ii) approves further work on the option for the Carseview development for Community Meals and Criminal Justice Services described at 5.1 Option 1;
- (iii) requests that a further report be provided to the Social Work and Health Committee in February 2015 to consider further work undertaken on the options available to accommodate the Angus Joint Equipment Loan Scheme (AJELS), and for a progress report on the Carseview option for Community Meals/Criminal Justice Services.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013 - 2016:

- The health of the Angus population is improved;
- A good quality of life is enjoyed by all in Angus;
- Carers are supported to undertake their caring role

3. BACKGROUND

- 3.1 Reference is made to: Committee Report 261/13 Logistics Hub - Procurement Authority Approval Request, which granted authority for the proposed procurement of the Logistics Hub; Report 85/14 Provisional Capital Budgets Volume which contains the capital approval for this project; and Report 166/14 Logistics Hub, which gave approval for an options appraisal for the location of the AJELS store whilst removing the Community Laundry and the Community Alarm Control Room from the joint approach of the Logistics Hub.
- 3.2 The options appraisal will now only examine the provision of suitable accommodation for The Angus Joint Equipment Loan Scheme (AJELS) and the Community Meals Service.

4. CURRENT POSITION

- 4.1 Following a tender exercise where the lowest tender received was substantially in excess of the funds available, it was decided to formally conclude the tender exercise and the tender was cancelled.

- 4.2 It was agreed that a new options appraisal be carried out to look at alternatives to accommodate the Community Meals Service and the Angus Joint Equipment Loan Scheme (AJELS).
- 4.3 The capital allocation for the Logistics Hub of £1.26 million remains available to fund solutions to the accommodation issue facing the Community Meals Service and the AJELS store.
- 4.4 The plans for the meals service within the original Logistics Hub were based on the meals service being accommodated from one depot for the whole of Angus. Changes have been made to staffing rotas and management arrangements based on this model. It is therefore felt that any replacement model would ideally be able to accommodate the community meals provision from one location for the whole of Angus.

5. PROPOSALS

Members are asked to note the options for the community meals accommodation which have been considered by officers and to approve Option 1 as the emerging best option. If approval is so granted, a full business case, including detailed cost estimates will be developed for this option, including the appropriate surveys.

Members are further asked to note the work undertaken to identify accommodation for the AJELS store; further work will be carried out in this regard and a report submitted to February Committee with a recommended course of action.

5.1 Community Meals Only

Option 1

Purchase of the currently leased building at Carseview Road, Forfar for use as a community meals depot. The building can accommodate the whole of the meals service, and has ample space to accommodate the 15 meals vehicles and allow for them to be securely parked and charged overnight. It will also accommodate all of the support staff requirements for the meals service, which are currently provided from two separate offices.

Property services have discussed the possible purchase with the owners and estimate a purchase price of £200,000 for the whole site. This is regarded as a favourable purchase price. There would be upgrading work required to the building and the car parking area that are estimated at an additional £150,000.

Purchasing this site would not only provide accommodation for the Community Meals Service and their support staff but will also allow Criminal Justice Service (CJS) staff to share the accommodation. This building currently houses some Criminal Justice Service staff who moved there from Arbroath when the Arbroath Sheriff Court closed in order to be able to meet the increased demand from Forfar Sheriff Court and to reduce travel costs for service provision in the landward area. The nature of the CJS client group makes it difficult to find partners to share accommodation with because of public safety issues presented by some CJS service users; sharing with the community meals service would present no difficulties as there is no public caller requirement for that service. An external, independent review of Criminal Justice Services has recently recommended the provision of more office accommodation and work space for service users close to the Forfar Sheriff Court and observed that the base at Carseview is ideal for this purpose. (Proximity to the Court is essential to ensure prompt attendance at services after sentencing.) CJS would contribute to the running costs and would close down its office in High Street, Arbroath. A significant benefit of this option would be that it allows two imperatives for Adult Services to be addressed through one development.

Option 2

Move all of the meals provision to Fairlie House, Kirriemuir.

Fairlie House currently accommodates half of the meals service. The move would double the number of meals freezers, staff and vehicles to be accommodated. This option was quickly discounted as the accommodation at Fairlie House is unsuitable in terms of space, road access and parking facilities.

Option 3

Accommodate the meals service in another Angus Council building.

Only one available building was thought suitable, Unit 4 within the old Orchardbank Industrial Park. This building is large enough to accommodate the freezers required to store the meals, but it could not accommodate the requirements for vehicle parking and charging. It was therefore discounted.

Option 4

Move the meals provision currently accommodated at Lunan Park, Friockheim to the rear of Bruce House, which was a temporary base in the past. This option would entail erecting a building to accommodate the freezers and installing power points to enable charging of the oven batteries. This option would not allow for the meals service to be provided from one base but it is a viable option with an estimated cost of £95,000.

5.2 Angus Joint Equipment Loan Service (AJELS) Only

Option 1

Share premises with Dundee/NHST at Claverhouse, Dundee.

Initial discussions have started with Dundee to look at the feasibility of Dundee providing an equipment service for Angus from their Claverhouse premises. It is clear that any agreement on this option will take time to ensure that both parties are clear on the requirements for the service. Consideration will have to be given to specific Angus needs, in particular rural issues, costs and travel time.

Option 2

Provide a dedicated new build facility in Angus, possibly reducing the footprint of the previously planned Logistics Hub. Early indications make a new build facility look unlikely due to prohibitive costs, estimated in excess of £1,000,000.

Option 3

Re use/refurbish an existing Council property.

At present the only suitable existing property that has been identified is the Carseview building which we currently lease. We could purchase the building as in 5.1 Option 1 above but instead of using it for the Community Meals we convert it to accommodate the AJELS Store. The purchase costs would be as above but the conversion costs would be substantially more, estimated at around £525,000, giving a total cost of £725,000. There would be insufficient space to accommodate CJS in this model.

Option 4

Explore the possibility of a leased industrial unit; this has been explored, but to date without success. There are issues around contamination control and vehicle access which can be challenging in conventional industrial units.

6. FINANCIAL IMPLICATIONS

As noted above the 2013/2018 Financial Plan includes an allocation of £1.26m for the logistics hub.

The estimated cost of the proposals outlined above are as follows:

The purchase of office in Carseview Road, Forfar for the provision of a meals depot or the AJELS store OT equipment store would cost in the region of £200,000. Added to this would be the costs of upgrading works dependent on the use chosen for the building i.e. meals or AJELS (See above).

These overall cost estimates will be further developed as part of the work to be undertaken to prepare the business case and will be brought back to committee for approval.

7. OTHER IMPLICATIONS

7.1 Property Implications

There will be property implications depending on the final option agreed by Committee.

7.2 Risks

At present the community meals are being provided from a permanent base at Fairlie House, Kirriemuir, and from a temporary base at Lunan Park, Friockheim. The temporary base is in a property that is earmarked for closure and is not fit for purpose in the medium to longer term. The AJELS store is based in Little Cairnie Hospital, Arbroath and makes use of an unused hospital ward to store equipment, which is unsuitable. This accommodation is also not fit for purpose in the medium to longer term. NHS Tayside wish to close the premises. There is a risk to the continued delivery of these important services if suitable alternative premises are not identified.

7.3 Further action

Further work is required on a number of the options as they relate to the AJELS store. It is recommended that a further report is submitted to February Committee with a preferred option identified for approval.

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- 261/13 Logistics Hub – Orchardbank, Forfar - Procurement Authority Approval Request
- 85/14 Provisional Capital Budgets Volume
- 166/14 Logistics Hub

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List of Appendices: