

DRAFT

HOUSING AND ENVIRONMENT COMMITTEE

25 May, 2010

REFURBISHMENT OF KEPPLHILLS GARAGES – H&E/10/065

Reference was made to article 11 of the minute of meeting of the former Community Services Committee of 15 November, 2005, at which time it was agreed that the demolition of 44 garage units and the refurbishment of the remaining 235 lock up garages could proceed. The Committee had before it on this day, a report by the Director of Housing and Environment which updated members on the progress of these works, and advised of problems encountered in relation to phase 3 of the project.

By way of background, the report advised that phases one and two of the project were complete, with 167 garages having been built, and 25 having been demolished. Tenants had returned to their garages and no problems had been encountered during the first two phases.

Phase 3 of the project, in which it was proposed to demolish 89 garages and rebuild 58, covered garages that had not been built in a traditional manner, but that had been built with precast concrete rather than block concrete. This meant that although the internal dimensions were similar, the overall footprint of the garages was less than those in phases one and two.

The report continued that the first 8 of the phase 3 garages had been handed back to tenants on 23 March, 2010, and on 24 March, 2010, officers had received complaints stating that the garages were smaller than they had previously been, and that tenants could not get their car doors to open far enough to exit their cars when in the garage. On inspection, it was found that the width of the garages had indeed decreased from 2440mm to 2300mm, which was a loss of 140mm (approximately 5.5 inches). The report advised that this was due to (a) the failure of a lead officer to respond to a request from the appointed contract administrator to check the proposed layout of the phase three garages which clearly showed the use of 215mm blockwork to reconstruct the internal and gable walls; (b) the use of 215mm wide blocks to rebuild walls which were originally constructed of precast concrete panels; and (c) the garages being rebuilt on the original concrete bases, which meant that when the wider block work was used to construct the new walls, the internal dimensions of the garages was reduced.

The report continued that work was suspended on the garages with the exception of two sites, the first of which had 17 garages that were nearing completion and it was decided to continue in order to ensure they were protected against the weather; and at the second of which demolition had already commenced, so it was decided that work should be completed for health and safety reasons.

The report then presented three costed options for the way forward, namely (1) do nothing with the 25 garages that had been rebuilt to smaller dimensions and cancel works at the remaining sites; (2) do nothing with the 25 garages that had been built to smaller dimensions but complete work at the remaining sites in phase three; and (3) partially replace the gable and internal walls of the 25 garages that had been completed, and complete the works at the remaining sites in phase three.

The Committee intimated their strong disappointment at this situation; and were also concerned at the length of time it had taken for the project to get to this stage, with the original decision having been taken at the aforementioned meeting of the Community Services Committee in 2005, and instructed that the matter be referred to the Audit and Risk Committee in order for a full investigation to be undertaken. At this point the Convener suggested that there may be a requirement for a policy to the effect that if a Committee decision has not been implemented within a set period of time (for example, one year) then a report must be presented to the Committee with an explanation.

The Committee were advised by the Head of Regeneration and Housing Investment that should the suspension of these works continue, that a charge of £178 per week would be made to the Council by the contractor as part of a penalty clause, but that this could be built into the cost of the overall project.

The report recommended:-

- (a) note the content of this report, and
- (b) approve option 3 as detailed within the report (partially replace the gable and internal walls of the 25 garages that had been completed, and completion of the works at the remaining sites in phase three).

The Committee resolved:-

- (i) to approve recommendation (a);
- (ii) to instruct officers to report back at the next meeting providing more clarity on the options set out within the report;
- (iii) to defer any decision to continue until a further investigation is conducted into cost of each garage in phase 3 and whether this is now best value for the Housing Revenue Account;
- (iv) to refer this matter to the Audit and Risk Committee in order for a full investigation to be undertaken; and
- (v) to request that the Chief Executive report to the Corporate Policy and Performance Committee, proposing a policy that would instruct officers to report back to a Committee with an explanation in the circumstance where a Committee decision has not been implemented within a set period of time.

ABERDEEN CITY COUNCIL

COMMITTEE	Housing and Environment Committee
DATE	25 May 2010
DIRECTOR	Pete Leonard
TITLE OF REPORT	Refurbishment of Kepplehills Garages
REPORT NUMBER:	H&E/10/065

1. PURPOSE OF REPORT

1.1 The purpose of this report is to:

- (a) advise members that we have successfully completed phases 1 & 2 of the Kepplehills Garage renewal programme but have encountered problems with the last phase (three) of the Kepplehills Garage project, which is associated with a failure to take account of the different construction types of garages in the programme; which reduced the garage widths by 140mm, or approximately 5.5 inches making it difficult to open car doors once a car is parked in the garage, and
- (b) provide details of the options identified by officers for overcoming these difficulties in phase 3.

2. RECOMMENDATION(S)

2.1 It is recommended that the committee:

- (a) note the content of this report, and
- (b) approve the proposals contained within option 3 of paragraph 6.14 of the report

3. FINANCIAL IMPLICATIONS

- 3.1 In considering the content of this report members should note that the cost of undertaking the works contained in the recommendation will be in the region of £326,500 whilst the cost to the Council if it withdrew from the contract at this stage would be £70,000.
- 3.2 Currently, within the Housing Capital Expenditure budget approved for 2010/11 there is a sum of £150,000 for improvements to the Kepplehills garages. This sum will not be sufficient to cover the cost of the recommended option and a further £176,000 would require to be found from other headings. It is felt this can be achieved as the full sums under some

budget headings such as the Gas Central Heating Replacement have yet to be fully committed due to lengthy lead in to the EU procurement process.

4. SERVICE & COMMUNITY IMPACT

4.1 Aberdeen's City Vision, to be "a city which is vibrant, dynamic, forward looking - an even better place to live and work, where people can expect high-quality services that meet their needs", and the City Council's Vision that "we will be recognised within the city and more widely, as being a leading Council in Northern Europe by 2010". The content of this report links with the following priorities identified within Vibrant, Dynamic and Forward Looking 2007 to 2011

4.2 The contents of the report contribute to the achievement of National Outcome 10 as outlined in the Single Outcome Agreement 2008 to 2011;

1. We live in well designed, sustainable places where we are able to access the amenities and services we need.

5. OTHER IMPLICATIONS

5.1 If the Committee decides not to continue with the full scope of works remaining for this contract then it is likely that the contractor will make a claim for losses incurred which will be in the region of £70,000.

5.2 In addition such a decision is likely to attract further negative media attention.

6. REPORT

6.1 On 15 November 2005 the Community Services committee approved a proposal to carry out the refurbishment and selective demolition of 279 lock up garages in the Kepplehills area. The number of garages increased to 281 following further inspection of garages in Overhills Walk. The attached appendix A shows the current situation with regard to works on all phases of the project.

6.2 Work commenced on the first phase of the project on 29 September 2008. To date, in phases one and two of the work 167 garages have been refurbished and 25 have been demolished. The tenants of the refurbished garages in these phases have returned to them and there have been no difficulties with regard to the internal dimensions of the refurbished garages.

6.3 Phase three of the project which covered the works to the non traditionally built garages proposed the demolition of all 89 garages with only 58 being rebuilt.

6.4 The construction of these garages differed from those in phases 1 and 2 as they were built using precast concrete panels rather than block. This meant that whilst the internal dimensions were similar, the overall footprint of the garages in phase three was less than those in phase one and two.

- 6.5 The cumulative tendered cost of the three phases of work is £1.26 million
- 6.6 The first 8 refurbished garages in phase three were completed on 23 March 2010 and the keys were handed back to the tenants on that date.
- 6.7 On 24 March reports were received from a tenant stating that the garages were now smaller and that whilst they could get their car in to the garage they could not then get the doors open far enough to exit the car.
- 6.8 WA Fairhurst and Partners, the Council's appointed structural engineers for the housing stock, had been acting as the contract administrator on this project and were asked to measure the internal dimensions of the newly rebuilt garages in phase three. When this was done it was found that the width of the garages had been reduced from 2440mm to 2300mm. A loss of 140mm, or approximately 5.5 inches.
- 6.9 It has since been established that the reason for this reduction is due to:
- a) failure of lead officer to respond to a request from the appointed contract administrator to check the proposed layout of the phase three garages which clearly showed the use of 215mm blockwork to reconstruct the internal and gable walls.
 - b) the use of 215mm wide blocks to rebuild walls which were originally constructed of precast concrete panels
 - c) the garages being rebuilt on the original concrete bases. This meant that when the wider block work was used to construct the new walls the internal dimensions of the garages was reduced as stated above.
- 6.10 It is clear that neither the structural engineer nor the contractor are at fault for the error that occurred. The structural engineers had acted in good faith when issuing the tender documentation stating that the garages in question were to be rebuilt using block work as they were not instructed that any amendment was required to the specification used for phases one and two on asking for comment from the Council on the drawings for phase three. Similarly, the contractor, who had not worked on phases one and two, has carried out the work to the specification given to them.
- 6.11 On establishing these facts work was suspended on the remaining sites on phase three where work had not yet started. There were however two sites where rebuilding work to a further 17 garages was nearing completion. These garages will also only be 2300mm wide internally. It was decided that work in the two sites should be completed to ensure that the new garages were properly protected against the weather. These garages will not be handed back to tenants until the outcome of this report is known.
- 6.12 Similarly demolition work had been started on another site in phase three and it was decided that this should be completed for health and safety reasons before the suspension of any further works took place.

6.13 Following suspension of the work an investigation was undertaken to establish what options were open to the Council to:

- a) Rectify the difficulties with the internal dimensions of the rebuilt garages, and
- b) Continue with the work on the remaining sites on phase three whilst ensuring the dimensions of the new garages met those of the old garages.
- c) Cancel any remaining works

6.14 Officers, with the assistance of WA Fairhurst and Partners, have now carried out an option appraisal of the methods open to the Council to resolve this matter. Of the options considered the following were felt to be the most feasible:

1. Do nothing with 25 garages rebuilt to smaller dimensions and cancel work at remaining sites in phase three

Whilst there is no statutory guidance given for the internal dimensions of lock up garages the “New Metric Handbook” is used extensively by design professionals as a reference for space standards. This publication states that the minimum internal width for a domestic garage should be 2.4m.

It is clear that some; if not all of the tenants of the 25 garages in question will have difficulty with a garage of 2.3 m in width. Not resolving this issue would lead to future difficulties in letting these garages in the future.

Cancelling the rebuilding work of the remaining sites in phase three would still result in a cost to the Council, estimated to be £70,000 for loss of profit to the contractor. Additionally it would also leave the Council with a continuing maintenance problem with the garages which will not be refurbished and the need to resite the two tenants who are currently hold tenancies of garages in the demolished site at Wagley Court.

It is not recommended that this option is pursued.

2. Do nothing with 25 garages rebuilt to smaller dimensions but complete works at remaining sites in phase three

Whilst under this option we would be leaving the 25 rebuilt garages as they are we would continue with works in the remaining sites in phase three.

Appendix A shows that there are four sites where any work is yet to commence and one site where only demolition work has been undertaken. Members will note that in each of these sites at least one garage will not be rebuilt. As the number of garages is being reduced on these sites it is possible for the garages to be rebuilt to the original internal width of 2.44m.

The cost for this option would be the remainder of the value of the contract

which is £287,518 Therefore there is no additional capital cost to the Council

Whilst this option may present an opportunity to ensure that the tenants of the garages in the five sites where work is not yet completed are given garages which match the dimensions of the originals it does still leave a number of the tenants of the completed garages with a facility they cannot use. It is therefore not recommended that this option is pursued.

3. Partial replacement of gable and internal walls of the 25 completed garages and completion of works at remaining sites in phase three

The internal walls of the 25 newly built garages could be partially rebuilt using 100mm concrete block panel for the internal walls and 140 or 150 mm concrete block panels for the gable walls. If carried out this would offer revised internal widths of between 2.415m to 2.432m. At worst this would mean the difference in dimensions between the smallest garage width and the original width being 25mm or 1 inch. It is felt that this would provide sufficient internal space for most family cars to be parked in these garages.

This solution would not work in one gable end garage at Holmhead Place because the gable has been rebuilt in fifestone. This was done as the site is extremely tight and the gable wall is too close to the boundary of the site to allow room for workmen to render the newly built wall. In this case the internal width of this garage can only be increased to approximately 2.36m.

The cost for the remedial work to the 25 previously completed garages would be £38,913.

Works on the four sites yet to be completed would be undertaken as in option 2.

The overall cost of this proposal would be £326,431. However, this includes the cost for the already planned work at the four sites yet to commence.

It is recommended that this proposal is approved by committee as it will ensure, as far as possible that the 25 garages which have been completed in phase three to date are altered to ensure their continued future use. It also allows completion of the remaining sites which will reduce the risk of further adverse publicity to the Council in connection with this project.

- 6.14 The contractor has committed to working with us and our structural engineer to consider all steps that can be taken to reduce the final cost of undertaking the remaining work on this project. This will include reconsidering the materials to be used and reprogramming of works.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

Report on Kepplehills Garages submitted to Community Services committee
on 15 November 2005.