



# **Project Management the ACC Way**

## **Dukesgate Case Study**

## Part 1

Dukesgate Children's Home is one of 5 residential homes in Aberdeen registered with the Care Inspectorate to provide placements for hard to reach young people aged 12 to 18 years.

The property is in urgent need of renovation. The condition of the building is becoming such that it is not providing the young people with a standard of accommodation that Aberdeen City Council would wish for their young people and it's likely that the property will not be deemed fit for purpose by the Care Inspectorate at their next inspection.

The en-suite bathrooms are not fit for purpose and need to be replaced and modernised, the dining room needs decorating, the kitchen is too small, and the utility room requires structural repairs. The property is in general need of major fabric and services refurbishment. The boiler, which is located in the basement of the building, is not sufficient to heat the whole house during colder periods of weather. This has resulted in the staff and young people being very cold.

Although the Home is run by ACC, the property is privately-owned and is leased to ACC on a 20 year agreement. The agreement includes an option to purchase the property during the final 10 years of the lease. We have just entered that period. Estates believe the property to be worth around £400k. There is a risk the owner won't want to sell for that price. So we could look at other sites.

Dukesgate is a terraced house with a medical practice on one side and a private residential home on the other. There are positive relationships between Dukesgate and the local community. The Home has anonymity due to its location and the building being in keeping with the other buildings in the immediate location.

As a result, Dukesgate is seen as a successful home by the children resident there, the staff and ACC management. Given the problems similar facilities have experienced in other city locations, the value of retaining this successful facility cannot be underestimated.

It is important children under the care of the Council are accommodated within the City to help maintain their family and community contacts, and in small-scale homely environments which are integrated into the local community. Currently this is not always possible. In addition to the possible negative effects on the children concerned and their families, it costs the ACC an average of £200k per year for each child accommodated outside the city.

Dukesgate currently accommodates 5 children. The architects have said there is scope to increase the number of bedrooms to 6, providing one extra space.

There is also an ongoing review of the overall children's home provision in the service but there are no timescales for the completion of this report.

## Part 2

### Dukesgate Costs

- Current rent - £33k per annum
- Short-term repairs - £150k - £200k
- Value of property - £400k
- Design costs - £150k
- Refurbishment costs (including extra bedroom) - £1m

### Earls Road - Vacant Council Property

Design costs - £250k, Refurb costs - £1.2m

Currently empty. This was previously an office building and is quite a stark, utilitarian building but four of the rooms are big enough to be created into bedrooms with en-suite. There are private flats looking directly into garden and the back of the building. Residents are very sensitive about what this property is going to be used for.

### Dyce - Vacant Council Land

Build costs – circa £2m

The site is located in a suitable residential area and has a discrete entrance and high trees and foliage around the grounds. Unfortunately there is no on street parking for staff and the site currently has no vehicular access.

### Housing Market

Similar sized houses are available on the market. Prices - £600k - £900k.

Typical refurbishment costs to implement the required layout for a children's home would be between £200k and £500k. All of the options viewed so far are in quiet residential areas, without much privacy and there would be a high risk of complaints from neighbours.

## **Part 3**

### **Dukesgate Project Timescales**

- Business case approval – 3 months
- Design phase – 3 months
- Construction phase – 18 months

### **Property Running Costs**

Current - £56k a month

Anticipated - £41k a month

### **Business Running Costs**

Current - £24k a month

Anticipated - £29k a month

## **Part 4**

### **Budget Breakdown**

Total capital budget - £1.25m

- Year 1 - £0.8m
- Year 2 - £0.45m

Total external grant - £0.3m

- Year 1 - £0.1m
- Year 2 - £0.2m

### **House Purchase**

June - £410k

### **Design Expenditure**

August - £25k

September - £100k (claimed from grant money)

October - £25k

### **Construction Expenditure**

October - £20k

November - £50k

## Part 5

### Progress Reports

The project is now well underway. You have just had a Project Team meeting with the following updates:

#### Architect

Good progress has been made in terms of demolition and removal and progress is to plan at the moment. The south wall had been demolished and the kitchen and lower bathroom have both been dismantled and the debris removed. Unfortunately asbestos has been discovered in the wall behind the cooker. The extent of this will need to be investigated immediately. This investigatory work will take 5 days during which time all construction work will cease, causing a delay of one week. The investigation should not impact the milestones as we were already a week ahead of schedule.

Also the excavation of the rear garden has found what may be a pipe we didn't know about, the costs of getting plumbing work are slightly over our initial estimates, the dining room door is jamming and the bathroom tap is vibrating. Also there are major problems with my other assignment in the city centre in that we've discovered serious structural problems that will take a significant chunk of my time to sort out.

#### Children's Home Team Rep

The decant facility is very comfortable but two of my staff are off sick so we're a bit short-staffed at the moment. The team have now had a chance to review the internal designs for the public rooms and we're not happy with the layout. We need to swap the dining room and living area and add French windows from the living area into the garden.

#### ICT Account Manager

We've arranged the broadband connection as requested but no one told us you needed wifi throughout the building. We don't have anyone to do it in the timescales.

Also the office PCs are very old, do they need to be replaced as part of the project?

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