



**NOTTINGHAMSHIRE**  
**Fire & Rescue Service**  
*Creating Safer Communities*

Nottinghamshire and City of Nottingham  
Fire and Rescue Authority  
Finance and Resources Committee

# HIGHFIELDS PROJECT UPDATE

Report of the Chief Fire Officer

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**Agenda Item No:**

**Date:** 4 April 2008

**Purpose of Report:**

To report to Members regarding progress on the project to build a new fire station at Hassocks Lane in Beeston.

## CONTACT OFFICER

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## **1. BACKGROUND**

At the meeting of the Finance and Resources Committee on 20 September 2007, Members were informed of the latest cost estimates for the project. At the meeting of the Finance and Resources Committee on 12 October 2007, a further update was given on the project and Members requested that an update report be submitted to each Finance and Resources Committee meeting to enable progress to continue to be monitored.

## **2. REPORT**

### **PROJECT PROGRESS**

- 2.1 Progress on groundwork has been generally satisfactory. However, the steelwork did not arrive on site until Monday 10 March 2008 and is approximately 10 days behind schedule.
- 2.2 Broxtowe Borough Council has asked the Service to reconsider the planned route (towards Padge Road ) for the off-site drainage ; negotiations are ongoing.

### **LATEST COST ESTIMATE**

- 2.3 Estimates for the kitchen and pond are not yet available as design work is still in progress.
- 2.4 A serious error has been uncovered by the architect in the Bills of Quantity in respect of tarmac surfacing. Three standards of surface were specified for different areas of the yard and car parks but the volumes for each were incorrectly computed onto the BOQ by the Quantity Surveyors. Consequently, the contractor's tender was under priced by some £75,000 and there is no option but to proceed with the correct specifications at the true cost. Compensation will be sought from the Quantity Surveyors for their error, but this will largely be limited to the difference between pre- and post-tender costing.
- 2.3 The contractor has received a cost projection of c£32,000 for supplying electricity to the site, whereas there is a provisional sum (based on other projects) of £10,000. The electrical engineer is currently seeking a breakdown of costs to ascertain whether the projection is realistic.

## **3. FINANCIAL IMPLICATIONS**

The overall cost estimate for the project has not been revised as there is sufficient contingency built in to the overall estimate to cover these additional costs. The build cost as tendered however, will rise by £97,000 plus the costs of the kitchen and the pond which as yet remain unpriced.

#### **4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS**

There are no human resources or learning and development implications arising from this report.

#### **5. EQUALITY IMPACT ASSESSMENT**

There has been no equality impact assessment prepared for this report as the assessment carried out for the original project remains adequate.

#### **6. CRIME AND DISORDER IMPLICATIONS**

There are no crime and disorder implications arising from this report.

#### **7. RISK MANAGEMENT IMPLICATIONS**

7.1 The primary risk in this project is the risk of overspending the capital budget once construction work begins. This risk is being managed by a combination of measures:

- A dedicated project manager has been appointed to manage the project and is aware of the financial position.
- A contingency sum has been built into the project costs to ensure that contractual extras or unknown events can be covered.
- A contingency sum of around £500k is being held outside of the contract.
- A detailed analysis of the plans and specifications has been undertaken in order to identify non essential but desirable elements which could be withdrawn if necessary.

7.2 If the project does not complete on time there is a risk that Dunkirk Fire Station may need to be vacated before the new station is available. Contingency plans will be made to cover this possibility.

7.3 The contract is let on a fixed price basis thus reducing inflationary risk. There is provision for liquidated damages in the contract.

#### **8. RECOMMENDATIONS**

That Members note the contents of this report.

**9. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)**

None.

Frank Swann  
**CHIEF FIRE OFFICER**