
Report To: Environment & Regeneration Committee **Date:** 31 August 2017

Report By: Chief Financial Officer and Corporate Director Environment, Regeneration and Resources **Report No:** FIN/67/17/AP/CA

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Subject: Environment & Regeneration Capital Programme 2017/18 to 2019/20 - Progress

1.0 PURPOSE

- 1.1 The purpose of the report is to update the Committee in respect of the status of the projects within the Environment & Regeneration Capital Programme and to highlight the overall financial position.

2.0 SUMMARY

- 2.1 This report advises the Committee in respect of the progress and financial status of the projects within the Environment & Regeneration Capital Programme. The Environmental and Regeneration elements of the Committee's Capital Programme are presented in separate Appendices.
- 2.2 It can be seen from 7.2 that the projected spend is £85.362m, which means the total projected spend is on budget.
- 2.3 Expenditure at 30 June is 16.16% of 2017/18 projected spend, there is net advancement of £1.487m (11.35%) being reported. This is mainly as a result of additional spend on the RAMP carriageways, footways and lighting (£1.144m) and Vehicle replacement Programme (£0.8m), offset by slippage of the flooding strategy – future schemes (£0.350m) and King George VI Building refurbishment (£0.4m).

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the current position of the 2017/20 Capital Programme and the progress on the specific projects detailed in Appendices 1 & 2.

Alan Puckrin
Chief Financial Officer

Scott Allan
Corporate Director
Environment, Regeneration
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4.0 BACKGROUND

4.1 On February 16th 2017 the Council approved the 2017/20 Capital Programme. This effectively continued the previously approved 2016/18 Capital Programme to 2017/20, in addition to the core annual allocations funding was approved to continue the RAMP and for the Open Spaces AMP for the period.

5.0 PROGRESS (Environmental & Commercial Services Major Projects)

5.1 **Budget** Based on the latest capital financial review the total allocated budget for Roads (carriageways, footways, lighting and structures) for 2017/18 is £5.380m – this comprises £1.679m from Core Capital funding and £3.701m from the Roads Asset Management Plan. The projected outturn is £6.149m comprising of core £1.327m and RAMP £4.882m.

5.2 **Carriageways:** As at 31 July 2017 8 of 15 resurfacing schemes completed in-house with an estimated spend to date of £578k. Of the 15 schemes only Weir Street traffic calming is by external contract which has been awarded and is due to commence August 2017. 12 large patching schemes programmed to commence August 2017 with an estimated spend of £203k. Preparatory patching is complete and micro-asphalting has commenced. Weather permitting micro-asphalting programme should be complete by end of August with an estimated value of £350k.

5.3 **Footways:** As at 31 July 2017 8 of 34 schemes are complete with an estimated spend of £280k. 11 reserve projects have been brought forward with an estimated value of £247k. All programmed reserve schemes have been awarded through quickquote to external contracts to be completed between September and November 2017.

5.4 **Street Lighting:** For the lantern replacements, Work Packages 2 and 3 (Gourock and Port Glasgow) are around 85% complete with completion by the end of September 2017; work Package 4 (Greenock) lantern supply has been awarded, with procurement of a works contractor to follow - works on site will commence around October 2017. The Column Replacement Contract has been issued to tender with site works anticipated to commence November 2017.

5.5 **Structures:** Scour Protection: the review of external design ongoing. Parapet Strengthening site works are ongoing and completion anticipated September 2017. The design for the access manhole at Westburn Culvert is nearing completion, with construction this financial year. Cardwell Road Bridge waterproofing, inspection and assessment review is progressing.

5.6 **Flood Risk Management (Central Greenock):** The site works at West Station and Inverkip Road are complete. An alternative design is being developed for Crescent Street by Inverclyde Council including consultation with Scottish Water and Network Rail, and is progressing well. The site works for the automatic trash screens are complete. A detailed update on Flood Risk Management is the subject of a separate report to this Committee.

5.7 **Flood Risk Management (Flood Risk Management Plan):** Designs for Gottar Water, Bouverie Burn, and Coves Burn are progressing, with additional works instructed to the Council's Consultant. A detailed update on Flood Risk Management is the subject of a separate report to this Committee.

5.8 **Cycling, Walking & Safer Streets:** Lining Improvements to Eldon Street, Greenock are programmed to be completed in August 2017. Design on the N753 Cycletrack - Inverkip to Wemyss Bay is ongoing. Four portable vehicle actuated signs have been purchased and these will be used to target areas of concern with regard to speeding vehicles.

5.9 **Traffic Safety Measures:** A quotation for external consultant design of improvements to the traffic signals at Patrick Street is being undertaken. Design of traffic calming measures at priority locations has commenced.

- 5.10 **SPT & Sustrans:** Locations are being considered for bus corridor improvements works to be carried out later this financial year. Virgin Media are carrying out utility diversions in advance of carriageway widening works to improve bus access in Branchton. Procurement of an external design consultant for bus access improvements at Glen Avenue is currently underway. An external consultant has been instructed to carry out a feasibility study in respect of the disabled accessibility at Port Glasgow Rail Station.
- 5.11 **Parking:** The proposed Order to remove the parking disks in Kilmacolm still has one sustained objection, and is the subject of a separate report to this Committee. The Greenock residents parking scheme is proposed to be extended; preparation of the draft order is proceeding.
- 5.12 **Vehicle Replacement Programme:** The Vehicle Replacement Programme budget for 2017/18 is £920k. £274k of assets have been delivered with a further £195k committed. Anticipated spend for 2017/18 is £1.7m with £780k budget previously slipped from 2017/18 into 2018/19 being brought forward. While the VRP remains within budget it is coming under increasing pressure due to inflation in fleet purchase costs which will result in the earmarked reserves built into the programme being utilised in forthcoming years.
- 5.13 **Play Areas:** Contracts have been awarded for the installation of new play areas in Gibshill and at the Inverkip Community Hub. The contracts require that the contractor prepares and submits planning applications for the installations. It is anticipated that site start will be November and that works will conclude in December, although it should be noted that the weather could adversely impact the schedule.

6.0 PROGRESS (Regeneration Major Projects)

6.1 Core Regeneration:

Port Glasgow Town Centre Regeneration: contractors are on site on the Roundabout Spur road and making good progress.

Bakers Brae Realignment: Consultants have tendered for the demolition contract and a contract award will be made shortly. Utility Companies have been on site week commencing 31 July to carry out the electrical disconnections to the premises. The Design Team continues to work towards a tender release of the main works contract in August 2017.

The team has been alerted to a significant risk following receipt of the contamination report on test piles taken throughout the site. The report identified the presence of asbestos in a number of the trial pits and, depending on the amount discovered once on site, costs relating to its removal and remediation could be significant and may not be contained within the budget allowance for the project. The consultants recommend and the Corporate Director Environment, Regeneration & Resources is in favour of tendering on the worst possible case, ie treatment of the full cut and fill area from Bakers Brae corner down to Ingleston Street. Firm costs based on tender rates will be brought back to Committee following the tender process.

Regeneration of Town & Village Centres: A separate update report is presented later on the agenda for this Committee.

- 6.2 **Core Property Services:** The programme includes allocations for larger scale works across a number of core operational properties. The Committee is asked to note that further projects will be identified as part of the ongoing review and prioritisation of works based on the property condition surveys.

6.3 Greenock Municipal Buildings

Window Replacement: The project for the Dalrymple Street/Wallace Place elevations replacement has been accepted with site sizing and preparatory investigative work complete and windows now in manufacture. Installation work is anticipated to commence in October. Technical Services are also currently progressing design work on a further phase.

Wallace Place Elevation Roofing & Associated Works: The Contractor commenced on site in mid-October 2016 with an original completion programmed for the end of March. As previously reported, the Contractor has experienced delay due to complications with scaffolding design. The works are now substantially completed with the exception of internal redecoration work which is ongoing. Scaffolding is currently being removed.

District Court Room Restoration: Tenders are anticipated to be issued week commencing 7 August.

6.4 **Greenock Cemetery Complex:**

New Garage Building: The new garage building is now in place and fully operational.

Cemetery Gates: An acceptance has been issued for the works involving shot blasting and restoration of the decorative wrought iron gates and railings to the main entrance. Works are anticipated to start imminently and will be co-ordinated with existing funeral services.

Ivy House: The June Committee was advised that proposals to demolish and replace the Ivy House with more fit for purpose accommodation had been prepared with an outline design and cost prepared. In spite of very poor condition and issues with the size, layout and accommodation over two floors being inefficient and not fit for purpose, Historic Environment Scotland have now insisted that the building be retained. This is contrary to earlier advice obtained through Historic Environment Scotland. The project scope will now require to be revisited to ascertain the feasibility of retention and adaptation of the existing building. Officers will also investigate potential grant funding from Historic Environment Scotland however the currently allocated budget is unlikely to be sufficient. A further update report will be provided when the feasibility study has been progressed.

6.5 **King George VI Building:** Technical Services are progressing the core building fabric refurbishment works design. Numerous surveys have now been undertaken including stone, rot, dilapidation and structural which have confirmed that the building is in very poor condition. It was intended that the budget available be used to bring the building back into use however the proposals require complete removal of the first floor structure which will result in the removal of all toilets and kitchen accommodation in the upper floor. Any proposal would involve replacement of these facilities to provide a usable building. A full cost estimate has yet to be prepared but it is likely that the existing funding allocation will not be sufficient. A further update report will be provided when the Architectural Stage 2 report has been concluded.

6.6 **Waterfront Leisure Complex**

Lifecycle Works: Works in connection with specialist ice rink flooring and dehumidifier replacement have been completed. Lift replacement work has also been substantially completed with the exception of some minor additional ventilation. Priority locker replacement and sand filter works are both due to commence late August.

6.7 **Lady Octavia Recreation Centre/Bridgend Road** – The works involve improvements to the existing on and off street parking arrangements. The works will be taken forward in two phases to address public road/footway areas and on-site parking areas. The available funding is split between Environmental Services and Property Services budget allocations. The detail design work is substantially completed with tender phase imminent.

6.8 **Minor Works:** The minor works allowances cover a range of different asset types including farms, reservoirs and allowances for minor demolitions and small capital works across all asset types. The Committee is requested to note the progress on the following projects under this heading:

Greenock Town Hall Kitchen: The works involving the upgrade of the existing kitchen equipment, renewal of mechanical & electrical services and introduction of mechanical ventilation are now completed.

George Road Pavilion Upgrade: The works involving the upgrade of the existing hot and cold water services including replacement of the existing water tank and showers are now completed. Further work to address water pressure issues is currently ongoing.

Battery Park Pavilion Lifecycle Works: The works involve replacement of water heaters which are now obsolete/defective. Tenders have now been issued.

Gourock Park Stable Block Fire Damage Reinstatement: Tenders have been returned and evaluated with tender report prepared and submitted to the Council's Insurance section for approval to proceed. It should be noted that the works are part funded from the minor works budget to address some minor upgrading/improvements as part of the works.

6.9 **Asset Management Plan – Offices:**

Greenock Municipal Buildings District Court Offices: The works are progressing towards completion and handover mid-August with transfer of Property & Technical Services staff at the end of August. It should be noted that the Contractor and specialist sub-contractors have experienced some technical issues in respect of integration of the new security and access control systems with the existing Municipal Buildings equipment. This has now been resolved however has required the upgrading/replacement of a proportion of the existing hardware and software. As previously reported the project has been delayed on site and the extension of time claim submitted by the Contractor has been assessed and certified. Additional funding will be required in connection with the extended contract period. The costs are currently being finalised and will be reported to the Committee as soon as the revised project outturn position is established.

William Street (former Education HQ) Offices Refurbishment: The Contractor took possession of the site in September 2016 with a contract period of 52 weeks to complete in September 2017. The Contractor is currently reporting slightly behind programme and this will be monitored closely as the project proceeds towards completion however completion is still anticipated by the end of September.

6.10 **Asset Management Plan – Depots:**

Pottery Street Integrated Depot

As previously reported the early phases of the redevelopment of Pottery Street which included the salt barn, the civic amenity site, and the vehicle maintenance facility have now been completed. The Committee is requested to note that a review of the outstanding phasing of the Pottery Street Depot Redevelopment has been carried out involving a modification to the Masterplan in respect of the proposed alterations to the former vehicle maintenance building. The appendix represents the phasing to completion, an update on progress of the current phases in detail design is noted below:

Demolition of Former East Hamilton Street Offices: Tenders returned, being evaluated.

Vehicle Wash Installation: Tender issue August.

Fuel Installation: Tender issue August.

Refuse Collection Vehicle (RCV) Parking: At design stage.

Pottery Street Office & Depot Refurbishment: Works involve partial demolition and refurbishment of existing offices and depot building which are currently at design stage.

Kirn Drive Civic Amenity Site

The Kirn Drive refurbishment will commence on site when the Pottery Street Office & Depot refurbishment noted above is completed.

7.0 FINANCIAL IMPLICATIONS

Finance

- 7.1 The figures below detail the position at 30 June 2017. Expenditure to date is £2.356 (16.16% of the 2016/17 projected spend).
- 7.2 The current budget is £85.362m. The current projection is £85.362m which means total projected spend is on budget.
- 7.3 The approved budget for 2017/18 is £13.096m. The Committee is projecting to spend £14.583m with net advancement of £1.487m mainly due to advancement of spend on the RAMP (£1.12m) and the vehicle replacement fund (£0.8m) offset by slippage of the flooding strategy – future schemes (£0.350m) and King George VI refurbishment (£0.4m).
- 7.4 One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

7.5

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
N/A					

8.0 CONSULTATION

8.1 Legal

There are certain legal issues arising from the additional costs arising from the content of this report. The Head of Legal and Property Services has been consulted.

8.2 Human Resources

There are no direct staffing implications in respect of the report and as such the Head of Organisational Development, HR and Communications has not been consulted.

8.3 Equalities

There are no equalities implications in this report.

8.4 Repopulation

The delivery of the projects identified in this report will assist in making Inverclyde a more attractive place to live and hence contribute to the Council's repopulation agenda.

9.0 LIST OF BACKGROUND PAPERS

- 9.1 None.

COMMITTEE: ENVIRONMENT & REGENERATION

Project Name	1	2	3	4	5	6	7	8
	Est Total Cost	Actual to 31/3/17	Approved Budget 2017/18	Revised Est. 2017/18	Actual to 30/06/17	Est 2018/19	Est 2019/20	Future Years
	£000	£000	£000	£000	£000	£000	£000	£000
Environmental Services - Roads								
<u>Core Programme</u>								
Traffic Measures	485	305	121	121	8	59	0	
Parking Strategy	381	377	4	4	0	0	0	
Cycling, Walking & Safer Streets	197	88	109	109	3	0	0	
SPT	321	92	229	229	24	0	0	
Sustrans	35	35	2	0	0	0	0	
Flooding Strategy - Greenock Central	2,216	1,773	443	443	0	0	0	
Flooding Strategy - Future Schemes	1,726	0	726	376	33	1,350	0	
Additional Flooding Works, Castle Road and Others	24	24	0	0	0	0	0	
Langhouse Road Development	115	79	36	36	0	0	0	
Complete on Site	11	2	9	9	0	0	0	
Roads - Core Total	5,511	2,775	1,679	1,327	68	1,409	0	0
<u>Roads Asset Management Plan</u>								
Carriageways	23,136	15,432	1,655	2,000	223	2,885	2,819	
Footways	3,296	2,158	688	950	232	188	0	
Structures	1,775	778	323	300	70	697	0	
Lighting	4,179	2,138	637	1,174	345	867	0	
Staff Costs	1,894	1,496	398	398	0	0	0	
Roads Asset Management Plan Total	34,280	22,002	3,701	4,822	870	4,637	2,819	0
Environmental Services - Roads Total	39,791	24,777	5,380	6,149	938	6,046	2,819	0
Environmental Services - Non Roads								
Cemetery Development	1,530	30	0	0	0	500	1,000	
Zero Waste Fund	469	212	127	127	1	50	80	
Vehicles Replacement Programme	15,093	10,970	901	1,700	274	981	1,442	
Electric Vehicle Charging Infrastructure	75	75	9	0	0	0	0	
Indoor Sports Facility for Tennis	350	0	0	0	0	350	0	
Sir Michael Street Play Area - Phase 2	261	169	92	92	0	0	0	
Various Other Play Areas	225	135	10	10	31	80	0	
Investment in Play Areas	150	10	140	140	0	0	0	
Play Areas complete on Site	69	61	8	8	0	0	0	
Investment in Park Assets	150	127	23	23	0	0	0	
Park, Cemeteries & Open Spaces AMP	650	0	200	200	0	200	250	
Environmental Services - Non Roads total	19,022	11,789	1,510	2,300	306	2,161	2,772	0
ENVIRONMENT AND PLANNING TOTAL	58,813	36,566	6,890	8,449	1,244	8,207	5,591	0

COMMITTEE: ENVIRONMENT & REGENERATION

Project Name	1	2	3	4	5	6	7	8
	Est Total Cost	Actual to 31/3/17	Approved Budget 2017/18	Revised Est. 2017/18	Actual to 30/6/17	Est 2018/19	Est 2019/20	Future Years
	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Planning								
<u>Core Regeneration:</u>								
Port Glasgow Town Centre Regeneration	1,960	1,303	72	72	2	585	0	
Central Gourrock	150	124	26	26	0	0	0	
Bakers Brae Re-alignment/Broomhill Regeneration	2,160	506	983	983	36	671	0	
Regeneration of Town & Village Centres	2,500	0	0	0	0	2,500	0	
Core Regeneration Total	6,770	1,933	1,081	1,081	38	3,756	0	0
Regeneration Services Total	6,770	1,933	1,081	1,081	38	3,756	0	0
Property Assets								
<u>Core Property Assets</u>								
General Provision	4,022	10	683	0	0	2,012	2,000	
Feasibility Studies	250	20	80	80	13	75	75	
Greenock Municipal Buildings Window Replacement	150	11	79	79	0	60	0	
Greenock Municipal Buildings Basement Storage	65	39	6	26	0	0	0	
Wallace Place Elevation Roofing & Associated Works	700	278	372	372	241	50	0	
District Court Room Restoration	465	19	396	396	0	50	0	
Greenock Cemetery Complex:								
Ivy House replacement	200	0	0	0	4	200	0	
King George VI Refurbishment	1,000	10	490	90	4	890	10	
Waterfront Leisure Centre Lifecycle Works	400	54	226	309	115	37	0	
Lady Octavia Recreation Centre/Bridgend Rd Contribution	140	0	40	40	0	100	0	
<u>Repairs & Renewals Fund Projects</u>								
GMB Lighting Replacement	17	12	5	5	0	0	0	
<u>Minor Works</u>								
Farms	45	33	0	12	0	0	0	
Minor Demolitions	30	9	6	21	9	0	0	
Inverclyde Leisure Properties	350	122	30	228	138	0	0	
General Works	320	226	0	94	0	0	0	
Design & Pre-Contract	150	101	0	49	2	0	0	
Reservoirs	140	89	11	51	0	0	0	
<u>Statutory Duty Works</u>								
Electrical	90	68	0	22	0	0	0	
Lightning Protection	20	12	8	8	0	0	0	
Lifts	10	10	0	0	0	0	0	
Water	150	115	0	35	0	0	0	
Gas	10	0	10	10	0	0	0	
Asbestos	150	97	3	53	19	0	0	
Fire Risk	175	130	0	45	11	0	0	
DDA/Equality	280	163	17	117	1	0	0	
Capital Works on Former Tied Houses	600	27	78	78	0	195	300	
Waterfront Leisure Complex Combined Heat and Power Plant	250	175	75	75	1	0	0	
Complete on Site Allocation	185	67	29	95	9	23	0	
Core Property Assets Total	10,364	1,897	2,644	2,390	567	3,692	2,385	0
<u>Asset Management Plan:</u>								
<u>Offices</u>								
Greenock Municipal Buildings - District Court Offices	2,681	2,258	361	361	271	62	0	
William St (Former Education HQ)	2,100	1,092	950	950	227	58	0	
AMP Office Balance	254	0	0	254	0	0	0	
AMP Offices Complete on site	111	34	46	46	1	31	0	
<u>Depots</u>								
East Hamilton Street Offices Demolition	106	0	100	100	0	6	0	
Vehicle Wash Installation	300	21	264	264	0	15	0	
Fuel Installation	300	21	264	264	3	15	0	
RCV Parking	60	0	55	55	0	5	0	
Pottery Street Offices & Depot Refurbishment	934	0	295	95	0	839	0	
Completion Works (Decommission Fuel Tanks / Weighbridge Portacabin / Road Repairs & Markings)	210	0	0	0	0	210	0	
Building Services Depot Upgrade	149	5	0	0	0	144	0	
Complete on Site (Salt Dome Phase 1, Phase 3 Veh Maint Shed and Enabling)	260	174	86	86	4	0	0	
Kirn Drive Civic Amenity Site	700	67	33	33	0	600	0	
Materials Recycling Facility	1,250	983	27	155	0	112	0	
Asset Management Plan Total	9,415	4,655	2,481	2,663	506	2,097	0	0
Property Assets Total	19,779	6,552	5,125	5,053	1,073	5,789	2,385	0
Regeneration Total	26,549	8,485	6,206	6,134	1,111	9,545	2,385	0