

AGENDA ITEM NO: 8

Report To: Environment & Regeneration Date: 31 August 2023

Committee

Report By: Head of Physical Assets Report No: ENV046/23/EM

Contact Officer: Eddie Montgomery Contact No: 01475 714800

Subject: West Blackhall Street Regeneration – Options Report

1.0 PURPOSE AND SUMMARY

1.1 ⊠For Decision □For Information/Noting

- 1.2 The purpose of this report is to inform Committee of a proposed revised funding profile from Sustrans under Transport Scotland. Whilst the project originally had funding approved for the entire project, Transport Scotland have confirmed that they are unable to extend funding over multiple years.
- 1.3 The report also presents options to deliver the project whilst adhering to the financial constraints of the Council and Transport Scotland.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Committee:
 - notes the funding agreement from Sustrans for 2023/24 and a provisional funding for 2024/25;
 - notes that funding from CWSR was agreed at the Environment and Regeneration Committee on the 9th March 2023;
 - agree with Officers recommendations to proceed with the proposed Option 1 to upgrade all the footways, turn West Blackhall Street one-way and if funding is approved in 24/25 by Sustrans then install the cycleway and resurface the road with new setts;
 - approve delegated authority to the Head of Legal, Democratic, Digital & Customer Services to conclude the award of the contract(s) for West Blackhall Street Civils Works to Balfour Beatty subject to successfully completing all stages of the procured SCAPE gateway process and the agreed project price being within the available budget for the project; and
 - notes that in the event that £2.966 million Sustrans funding is not confirmed for 2024/25 a report will be submitted to Committee examining possible options.

Eddie Montgomery Head of Physical Assets

3.0 BACKGROUND AND CONTEXT

- 3.1 Improving the streetscape of West Blackhall Street was identified as a priority project in the masterplan that emerged from the Greenock town centre charrette held in 2016. The importance of this project was confirmed by the Greenock Town Centre Regeneration Forum at its meeting of 14 June 2017, and thereafter a design team led by landscape architects Ironside Farrar was appointed in February 2018 to prepare a design for public realm improvements to the street. The design process involved two public consultation events, plus reports back to the Town Centre Regeneration Forum and a project steering group. The developed design was reported to the Committee on 25 October 2018, where it was decided that the project be approved as a town centre priority project with implementation funding of £1.5m also approved.
- 3.2 Sustrans became involved in 2018 and a revised scheme was developed, this included the following changes:
 - wider pavements on both sides of the street.
 - 2m wide segregated cycle lane.
 - 36 parking spaces compared to 59 in the 2018 proposal (and 65 currently).
 - road and footways will be fully reconstructed with drainage issues addressed.
 - street trees on single side of road (the 2018 proposal has street trees on both sides).
 - reduction in car dominance provided by parking on only one side of the street.
- 3.3 Funding for the new scheme from Sustrans was approved in January 2022 totalling £4.279m as detailed below:

Budget Allocation	Amount £m
Inverclyde Council	1.500
Cycling Walking Safer Roads	0.259
Roads Asset Management Plan (Surfacing)	0.200
Roads Asset Management Plan (Lighting)	0.200
Smarter Choices Smarter Places	0.020
Sustrans	2.100
Total	4.279

- 3.4 On securing the funding Officers engaged Balfour Beatty through the Scape framework which allows direct contact with professional contractors to accelerate essential projects by starting conversations with the highest calibre supply chain. Officers have been in extensive dialogue with the contractor since March as the first construction cost submitted in May 2022 was significantly higher than the budget.
- 3.5 A report was brought to this Committee in August 2022 with a range of value engineering options, and it was agreed by this Committee to continue value engineering the project to reduce the construction costs and continue discussions with funding partners to increase the available funding.
- 3.6 Discussions with Sustrans regarding the changes were positive and Sustrans had agreed, subject to final panel approval, for the additional funding to deliver the project as detailed below with some value engineering for a total cost of £7.245m.

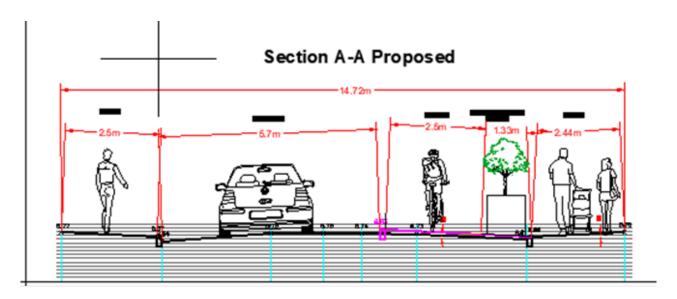
Budget Allocation	Amount £m
Inverclyde Council	1.500
Cycling Walking Safer Roads	0.259
SPT (22/23)	0.400
Smarter Choices Smarter Places	0.020
Sustrans	5.066
Total	7.245

- 3.7 At the end of May 2023 Sustrans informed Officers that Transport Scotland had stopped multiyear funding and as such the West Blackhall Street project contract could not proceed in its current form as the 70 week contract would span multiple years.
- 3.8 Officers have worked on the options outlined in section 4.0 below to enable the project to proceed and be delivered over multiple years, taking into account that the future funding has been provisionally accepted. This will potentially allow the project to proceed with no delays to programme but is dependent on the £2.966 million required from Sustrans in 2024/25 being confirmed.
- 3.9 Sustrans have confirmed with Officers that £2.1m has been allocated for financial year 2023/24. The remaining funding for 2024/25 will not be confirmed until March 2024. An offer letter has been received identifying a multi-year commitment subject to approval of funding in the second year (see Appendix A). Officers have sought confirmation from Sustrans as to whether there will be clawback from the Council if phase 2 money is not available, Sustrans have confirmed that the £2.1 million 2023/24 grant will not be recovered if the full project is not delivered.

4.0 PROPOSALS

- 4.1 Officers have worked on a slightly revised design to enable the project to be split into phases. The differences are listed below:
 - The existing slabs on the footways will be replaced with new setts similar to Kilmacolm;
 - The footways will not be widened;
 - All benches and vegetation boxes will be on the north footway, acting as a buffer zone between pedestrians and cyclists;
 - The footway and the cycleway will be level to create an extended level area that could be utilised during street events;
 - Removal of service diversions;
 - The overall plan layout will remain the same.

The fundamentals of the original schemes have been retained namely, resurface the footway and road with high quality materials, install new street lighting, create space for outdoor events and introduce urban planting. Along with a change of prioritisation towards pedestrians and cyclists rather than vehicles, with the introduction of continuous footways along West Blackhall Street. These changes will allow the scheme to be phased, whilst still delivering a high-quality project (refer to proposed section diagram below and phasing plan for Option 1 included as Appendix B).



Option 1

- 4.2 This scheme would enable all of the footways to be completed and if Sustrans funding is not available in 2024/25 then the project could be left with the footways completed along the entire length of West Blackhall Street and the road opened with the one-way system.
 - Phase 1 October 23 to July 24 £3.2m Resurface all the footways along West Blackhall Street, with the same high-quality material as the recently completed Kilmacolm footways project. Install the new street lighting columns and open up West Blackhall Street one-way from the Oak Mall to Grey Place.
 - Phase 2 July 24 to March 25 (subject to Sustrans funding confirmation) £4.0m Install
 cycleway, create raised table crossing points and resurface West Blackhall Street with new
 setts, street furniture and vegetation boxes.

Option 2

- 4.3 Removal of Sustrans funding and only use Inverclyde Council funding to lift and lay new setts on the footway only, this scheme would not turn West Blackhall Street one-way.
 - October 23 to July 24 £2.159m Resurface footways with new setts similar to Kilmacolm footway project.

Option 3

- 4.4 Do not progress the project.
 - Abortive fees and charges £0.15m Consultant and internal costs to date only.
- 4.5 Officers would recommend Option 1 as this has the potential to deliver the entire project but also delivers an improvement footway and one-way system irrespective of whether the funding is approved for 2024/25.
- 4.6 The overall construction period will not be extended as a consequence of the phasing and, if funding is agreed in March 2024, the construction work will be continuous. The completion of the footways first should also allow uninterrupted access to all the premises.

- 4.7 As the Sustran's grant must be spent by 31st March 2024 there is a significant pressure to deliver the project within the agree timeframe and Officers will be engaging with elected members, traders and residents to explain the construction programme.
- 4.8 In considering the project it is appropriate to take account of potential risks. "If option 1 is not completed within the time frame" it is anticipated that the contractor will resource the project to enable the contract to be completed on time. The contractor is one of the largest Civil Engineering Contractors in Scotland they will have the extra resources if required. "The weather could delay the project" the contractor has adequate resources at his disposal to complete the project on time. "Unforeseen ground conditions or services" the project has been redesigned to avoid any deep excavations that would interfere with services and therefore this risk has been reduced. "Delay in material delivery" the sets have been changed from stone setts to concrete setts that are readily available for delivery.
- 4.9 It should be noted that if the phase 1 section of the project is delayed due to resource, materials or adverse weather risks and the full £2.1m is not expended from Sutsrans then the budget shortfall would need to be drawn forward from Inverclyde's allocated budget for phase 2 to complete the footways as detailed in phase1. For example, if for any reason only 60% of the project is complete before the end of the financial year there may be an under recovery from Sustrans of around £250k, if for any reason 40% is completed the under recovery could be around £500k which would be required to be drawn forward from the phase 2 budget putting the phase 2 project delivery under severe pressure.

5.0 IMPLICATIONS

5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	Х	
Legal/Risk	Х	
Human Resources		Х
Strategic (Partnership Plan/Council Plan)	Х	
Equalities, Fairer Scotland Duty & Children/Young People's Rights	Х	
& Wellbeing		
Environmental & Sustainability	Х	

5.2 Finance

One off Costs - Option 1

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Capital Programme	West Blackhall St	2023/25	738		
Ext Funding	Sustrans	2023/24	2,100		To be spent 31.3.24 To be spent 31.3.24
Ext Funding	SPT	2023/25	400		10 be spent 01.0.24
			3,238		Phase 1 - Construction Oct 23 to July 24

Capital Programme	West Blackhall St	2024/25	762	Balance of £1.5m
Ext Funding	Sustrans	2024/25	2,966	To be confirmed
Ext Funding	CWSR	2024/25	259	
Ext Funding	Smarter Choices Smarter Places	2024/25	18	
	riaces		4,005	Phase 2 - Construction July 24 to March 25

One off Costs – Option 2

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Capital Programme	West Blackhall St	2023/25	1,500		
External Funding	CWSR	2023/25	259		
External Funding	SPT	2023/25	400		
			2,159		

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
Option 1	Vegetatio n Maintenan	2024/25	15		Will be contained within existing budgets
	Pressure washing setts	2024/25	20		
Option 2	Pressure washing setts	2024/25	20		

5.3 Legal/Risk

Subject to approval to proceed there will be a requirement to progress the formal contract arrangements between the Council and SCAPE to progress the construction project.

The completion of the full preferred project scope remains subject to Sustrans funding confirmation in March 2024 to allow progression and completion of phase 2 and the associated risks as outlined in 4.9 above.

5.4 Human Resources

None.

5.5 **Strategic**

The project will improve cycling walking and wheeling and make the street an attractive place visit

5.6 Equalities, Fairer Scotland Duty & Children/Young People

The project will regenerate the town centre, create a vibrant, distinctive, attractive street and has been developed in collaboration with the community. The design is compliant with the Equlity Act –suitable for all. An EqIA has been completed, along with a monitoring and evaluation report once the scheme is completed.

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

Χ

YES – Assessed as relevant and an EqIA is required and will be made available on the Inverclyde Council website:

https://www.inverclyde.gov.uk/council-and-government/equality-impact-assessments

NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqIA is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.

NO – Assessed as not relevant under the Fairer Scotland Duty.

(c) Children and Young People

Χ

Has a Children's Rights and Wellbeing Impact Assessment been carried out?

The project has been designed to facilitate independent walking, cycling and wheeling for everyone, including an unaccompanied 12 year old.

	YES – Assessed as relevant and a CRWIA is required.
Х	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children's rights.

5.7 Environmental/Sustainability

The project will deliver a change of prioritisation towards pedestrians and cyclists rather than vehicles promoting sustainable and active travel.

Has a Strategic Environmental Assessment been carried out?

	YES – assessed as relevant and a Strategic Environmental Assessment is required.
Х	NO – This report does not propose or seek approval for a plan, policy, programme, strategy or document which is like to have significant environmental effects, if implemented.

6.0 CONSULTATION

6.1 The CMT have been consulted on this report and whilst recognising the potential risk, would support option 1.

7.0 BACKGROUND PAPERS

7.1 West Blackhall Street Regeneration – August 2022 Update - Environment and Regeneration Committee 25th August 2022



For the Attention of Gordon Leich Inverclyde Council Municipal Buildings Clyde Square Greenock PA15 1LY

19 July 2023

Dear Gordon

Places for Everyone 2023-24 Funding Application: INV-PFE-2824 Follow on From West Blackhall Street Public Realm Design Project

Thank you very much for your application for funding to the Places for Everyone programme.

Following the Panel assessment, we can confirm that the above application has been awarded funding for the given stages, subject to the below conditions. Feedback from the Panel has also been included where appropriate.

- Full Award Stages 5-7
- Feedback:
 - Consult with an Accessibility group including visual impaired users on the final designs prior to construction.
 - Monitor the use and accessibility of the design post construction.

While we appreciate that infrastructure projects, especially in the construction stage, can span a number of years, funding for projects in future years is subject to the progress of the project and the Scottish Government's annual budget process. As such any funding allocated for this project beyond 2023/24 is subject to annual approval by Sustrans and Transport Scotland, a decision on which will be communicated to you:

Project Ref	23/24 Award	24/25 Award	25/26 Award	Total Award
INV-PfE- 2824	£2,100,000	£2,966,382		£5,066,382

Please review the award breakdown and feedback above and contact us at placesforeveryone@sustrans.org.uk should you have any questions.

Once Sustrans receives an updated programme and completed designs a legal agreement will be processed. Once this has been signed by Sustrans, you will receive a further email notification and this agreement should then be signed by your authorised signatory on Adobe Sign and returned to us within 56 days. As set out in the agreement, failure to do this may result in this funding offer being withdrawn.

As the legal agreement details, all public communications and announcements relating to this project are required to recognise Transport Scotland as the funder and Sustrans Scotland as administrator of the Places for Everyone programme.

Live: 38915650 v 7

In text only materials, we would suggest the following wording:
West Blackhall Street Public Realm Design Project is supported by funding from
Transport Scotland administered through Sustrans Scotland's Places for Everyone
programme"

ÖR

West Blackhall Street Public Realm Design Project has been funded by Transport Scotland through Sustrans Scotland's Places for Everyone programme".

 In all published materials, Transport Scotland, Places for Everyone and Sustrans logos should also be included. Logo files and guidelines for use can be downloaded from https://www.showcase-sustrans.org.uk/places-for-everyone

Sustrans must be contacted to give approval prior to public announcements related to the project and to provide opportunity to arrange Sustrans and/or Transport Scotland comments for inclusion. Please direct press and communications approvals or questions to eve.leeks@sustrans.org.uk.

Thank you again for your submission and we look forward to working with you.

Kind regards,

Emily Gait Grant Manager

