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<b>Report To:</b>	<b>Environment and Regeneration Committee</b>	<b>Date:</b>	<b>1<sup>st</sup> May 2014</b>
<b>Report By:</b>	<b>Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>R329/14/AF</b>
<b>Contact Officer:</b>	<b>Aubrey Fawcett</b>	<b>Contact No:</b>	<b>01475 712762</b>
<b>Subject:</b>	<b>Gourock Pier and Railhead Development – Progress Report</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to update the Committee on the progress regarding the redevelopment of the Gourock Pier and Railhead Development Area and seek approval of the recommendations.

## **2.0 SUMMARY**

- 2.1 The progress of the Gourock Central Development is a key priority for the Council. Members approved the revised development framework (incorporating the one-way system) and delegated authority to the Corporate Director Environment, Regeneration & Resources to engage Riverside Inverclyde (ri) to deliver the Gourock Pier and Railhead Development Area Project in 2011.
- 2.2 ri put the main contract for the works out to tender in January 2014. Four tenders were returned on the 14<sup>th</sup> March 2014 and a checking exercise is currently underway.
- 2.3 ri is also currently progressing the land assembly to enable the contract to be let and negotiations and consultations are being undertaken with a range of parties including Network Rail, CMAL, private owners and Registers of Scotland.
- 2.4 The Council also approved an additional £150,000 for Gourock Town Centre in February 2014. ri is currently exploring the extent of activities/works which could be provided by this additional funding. It is envisaged that this funding could be used to enhance the Kempock Street environs through public realm improvements.
- 2.5 Environmental & Commercial Services estimate that the additional maintenance obligations arising from this development will cost approximately £10,000 per year. Subject to Policy & Resources approval, it is proposed that this be funded from the Revenue implications of the Capital Programme allowance.

## **3.0 RECOMMENDATIONS**

- 3.1 That the Committee delegate authority to the Corporate Director Environment, Regeneration & Resources to:
- a) conclude missives in respect of land transfers and leases as detailed at Appendix 1, as necessary to allow the development to proceed;

- b) take reasonable steps in consultation with the Head of Legal and Property Services and the Head of Finance to ensure Inverclyde Council (IC) is indemnified against any future claim that may arise if the owners of any of the sites marked K, L1, L2, M, N, and O on the attached plan cannot, following reasonable enquiry, be traced;
  - c) incorporate additional road resurfacing works into the Gourock Pier Head Contract, subject to the works being contained within the overall allocated budget of £5.25m;
  - d) procure and construct additional public realm improvements to Kempock Street;
  - e) if considered appropriate, procure and instruct remedial works to be undertaken to the sea wall provided the costs are contained within the overall Property Maintenance budget allocation;
  - f) conclude missives regarding the acquisition or lease of the area of the site coloured green and marked P on the drawing in Appendix 2, on such terms and conditions as are recommended by the Head of Legal and Property Services and the Head of Finance, to facilitate IC's revetment works for the Sea Wall improvements;
  - g) conclude missives regarding the acquisition or lease of the sites coloured green and marked L3 & L4 on the drawing in Appendix 2 to facilitate IC's revetment works for the Sea Wall improvements.
- 3.2 That the Committee note that ri will accept the most economically advantageous tender once all outstanding acquisitions and leases have been resolved.
- 3.3 That the Committee remit the revenue implications outlined in 2.5 to the Policy & Resources Committee for approval.

Aubrey Fawcett  
Corporate Director, Regeneration and Environment

## **4.0 BACKGROUND**

- 4.1 On the 27<sup>th</sup> October 2011 the Regeneration Committee approved the revised development framework for the redevelopment of the Gourrock Pier and Railhead Development Area, including the one-way system to Kempock Street. The Policy and Resources Committee also approved the funding for the project in February 2012.
- 4.2 The Regeneration Committee delegated authority to the Corporate Director Environment Regeneration & Resources on the 7<sup>th</sup> June 2012, to submit a planning application and on receipt of this, proceed with the temporary car park works. These works have all been completed and the Design Team is in the process of discharging the conditions that were attached to the planning consent.
- 4.3 ri have submitted an application for Roads Construction Consent (RCC) which is currently being considered by roads officers. In so far as the development constitutes the construction of a road in terms of the Roads (Scotland) Act 1984, the grant of RCC is a statutory requirement prior to ri commencing work. The intention is that following completion of the development to an adoptable standard, then such parts as are covered by the RCC would be adopted by the Council. The statutory powers and obligations of the Council as Roads Authority would then apply, irrespective of ownership. However, as this will only apply after adoption and as a matter of standard practice when carrying out works on land owned by third parties, it is still necessary to either acquire ownership of all land necessary to undertake the formation of the road in the first instance or alternatively, obtain the owners' consent to carry out the necessary works on their land. Officers will investigate the possibility and suitability of relevant indemnity insurance where such owners cannot be identified or traced

## **5.0 PROPOSALS**

- 5.1 Details of the proposals relating to the land purchase are contained within Appendix 1.
- 5.2 Following an OJEU PQQ procurement exercise, 7 Contractors were selected onto the Invitation to Tender list. The tender documents were released on the 16<sup>th</sup> January 2014 with a return date of the 24<sup>th</sup> February 2014. This was eventually extended to the 14<sup>th</sup> March 2014 to allow the Contractors to price an Addendum Bill for the additional resurfacing works that the Roads Service had asked to be included in the Main Contract. Tenders were returned on the 14<sup>th</sup> March 2014 and are being analysed.
- 5.3 During the tender period the Legal & Property Services team were considering some remedial works to the sea wall as part of the normal maintenance regime. Following a report from a specialist consultant, it would appear that while the ties are in good condition, there does not seem to be any tolerance for future corrosion. Three remedial options have been proposed, and officers are currently costing the options. Depending on the outcome of the cost exercise and the option pursued, it may be prudent to include these works into the Main Pier Head Contract. These works would be funded from the Property Capital Maintenance Budget. Should however the estimated costs of the works exceed the amount permitted to be included in the car park tender process, a separate procurement exercise will be undertaken.

5.4 The tender for the main contract will be placed by ri and it is for ri to resolve to their satisfaction tender acceptance procedures. It would be recommended for Council interests that no major tender acceptance be undertaken without ri's clear satisfaction as to the completion of the title formalities in the land transfers and leases referred to herein. Otherwise the risk is that ri is not in a position to deliver vacant possession of the site for the purposes of the development.

5.5 Members will recall that it was remitted to the Corporate Director Environment, Regeneration & Resources to report back the revenue implications of the proposals prior to the letting of the main contract. In this regard it is envisaged that the cost for maintaining the adopted roads and public realm areas will not exceed £10,000 per annum and it is proposed that this is funded as detailed below.

5.6 Subject to the approval of this paper the indicative project timescales are as follows:-

Finalise acquisitions & leases	May/June 2014
Tender Acceptance	31 July 2014
Site Start	August/Sept 2014
Contract Period	11 months
Contract Completion	Summer 2015

5.7 Members were also advised in the report to Committee dated 7<sup>th</sup> June 2012 to include additional works (detailed below) provided these could be contained within the approved budget of £4.7m, which is supplemented from allocations from the Roads Asset Management Plan and Inverclyde Economic Development and Regeneration Single Operating Plan 2014-17:

- Additional appropriate signage to ensure traffic passing through Gourrock is made aware of the shops and facilities on offer;
- Additional parking is provided where possible on Shore Street.

It is likely that sufficient funds will be available to provide signage. However, the provision of additional parking is being explored and if feasible and funding is available, a further report will be brought forward for Members' consideration in this regard in due course.

5.8 The Council also approved additional funding of £150,000 for Gourrock Town Centre and it is proposed that public realm improvements to Kempock Street be undertaken including landscaping works, public seating and footpath improvements.

## 6.0 IMPLICATIONS

### 6.1 Financial Implications One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Gourock Pier Head Development	Land Acquisition	2014/15	13.5		Purchase of land
	Land Acquisition		TBC		Purchases/leases necessary in assembling the development site.
	Insurance		TBC		Necessary Indemnity insurance costs
	IC Legal Fees (Internal Recharge)		TBC		<u>It should be noted that these costs will be contained within the overall project budget</u>

### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
Grounds & Roads Services	Maintenance	2016/17	10		Funded from the Revenue Implications of the Capital programme allowance.

### 6.2 Legal

Ongoing legal and conveyancing advice regarding the acquisitions continues to be sought.

6.3 Human Resources

There are no human resource issues arising from this report.

6.4 Equalities

Has an Equality Impact Assessment been carried out?

YES (see attached appendix)

NO - This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

6.5 Repopulation

The regeneration works outlined in this report should contribute to retaining and increasing the population within the area.

**7.0 CONSULTATIONS**

7.1 The Head of Legal & Property Services has been consulted on this report.

7.2 The Head of Regeneration & Planning has been consulted on this report.

7.3 The Head of Environmental and Commercial Services has been consulted on this report.

7.4 The Head of Finance has been consulted on this report.

7.5 Riverside Inverclyde has been consulted on this report.