
Report To: Environment & Regeneration Committee **Date:** 02 March 2017

Report By: Chief Financial Officer and Corporate Director Environment, Regeneration and Resources **Report No:** FIN/18/17/AP/CA

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Subject: Environment & Regeneration Capital Programme 2016/17 to 2017/18 - 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 £74.469m, which means the total projected spend is on budget.
- 2.3 Expenditure at 31 December is 68.84% of 2016/17 projected spend, there is net advancement of £0.754m (4.85%) being reported. This is an increase in advancement of £0.015m (0.09%) since last Committee mainly as a result of additional spend on the Flooding Strategy (£0.100m) and RAMP carriageways and footways (£0.500m) offset by slippage of RAMP structures and lighting (£0.383m). There is slippage of £0.151m within the regeneration major projects mainly due to delay in the Wallace Place elevation Roofing project and the Waterfront Leisure Centre Lifecycle works offset by advancement of Phase 3 of the Vehicle maintenance facility.

3.0 RECOMMENDATIONS

- 3.1 That the Committee note the current position of the 2016/18 Capital Programme and the progress on the specific projects detailed in Appendices 1 & 2.

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Chief Financial Officer

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Corporate Director
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4.0 BACKGROUND

- 4.1 In February 2015 the Council approved a new 3 year Capital Programme covering the period 2015/18, effectively extending the previously approved 2013/16 Capital Programme to 2017/18. As part of this process in addition to the recurring annual allocations the Property Assets allocation has been increased from £1m per annum to £2m per annum, RAMP funding of £12m confirmed over 2016/17 & 2017/18 and allocations built in for additional flooding works (£0.95m) and Feasibility studies (£0.25m).
- 4.2 On March 10 2016 the Council approved the 2016/18 Capital Programme. The Capital Programme has not materially adjusted from that approved previously in February 2015.
- 4.3 The 2017/20 Capital Programme has been prepared based on the Scottish Government 2017/18 settlement and was approved on the 16 February 2017.

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 2016/17 is £5.856m – this comprises £1.502m from Core Capital funding and £4.354m from the Roads Asset Management Plan. The latest revised estimate is £6.286m comprising core £1.377m and RAMP £4.909m. Overall increase is due to funds from future years RAMP being accelerated.
- 5.2 **Carriageways:** Good progress has been achieved so far this financial year on carriageway resurfacing projects. Full delivery of the programme has been achieved with the focus now to deliver the projects within the reserve lists. Remaining projects are expected to be complete by the end of March 2017. Lining and drainage projects are continuing as required. Large patching is continuing as required. Proprietary treatment is complete apart from some hand laying which the contractor will return to complete February/March 2017 when weather conditions improve. Surface dressing is complete.
- 5.3 **Footways:** As at 26 January 2017, 19 of 38 projects complete. 8 of the remaining 19 projects will be completed by an external contractor. All remaining projects are programmed and expected to be complete by 31 March 2017.
- 5.4 **Street Lighting:** The external consultant design for LED lantern replacement, and lighting column replacement, is complete; a rolling programme of design review and procurement activities are being undertaken. For the LED replacements, Work Package 1 (Kilmacolm, Inverkip, and Wemyss Bay) has started on site, Work Package 2 (Gourock), and Work Package 3 (Port Glasgow) are anticipated to start on site early March 2017, and be completed in the early part of 2017/18. Lighting column replacement is progressing with Officers continuing to prepare tender documentation.
- 5.5 **Structures:** An external consultant is continuing with the design for access improvements at Westburn Street culvert. Other projects programmed include the investigations for Lynedoch Street slab protection; parapet strengthening at various locations, and scour protection at various locations. Cardwell Road bridge waterproofing will be deferred until next financial year.
- 5.6 **Flood Risk Management (Central Greenock):** Central Greenock Flooding Prevention is progressing with onsite construction of automatic trash screens at present. Alternative design proposals are being developed for the Crescent Street scheme in terms of dealing with peak flows in the Carts Burn. The works at West Station are complete in respect of Phase 1 (Newton Street) and Phase 2 (South Street/Nelson Street); the works at Phase 3 currently on site having commenced 30 January 2017. Further information is available in Flood Risk Management Report update no 9.

- 5.7 **Flood Risk Management (Flood Risk Management Plan):** The external consultant design works are concluding in respect of four schemes at Coves Burn (Gourock), Bouverie Burn (Port Glasgow), Glenmosston Burn (Kilmacolm) and Gotter Water (Quarrier's Village). Further information is available in Flood Risk Management Report update no 9.
- 5.8 **Cycling, Walking & Safer Streets:** The works at the N753 Cycletrack Extension at Inverkip towards Wemyss Bay are complete. Site works to install a number of dropped kerbs are complete.
- 5.9 **Traffic Safety Measures:** Design and installation works for the proposed signalised crossing at Eldon Street/Fox Street are ongoing; construction during late February/early March 2017. The works to prevent footway parking at Gourock Pool are complete. The proposed 20mph limit at Broadfield, Port Glasgow is operational.
- 5.10 **SPT & Sustrans:** The feasibility study into bus route access improvements at Glen Avenue/Lilybank Road is complete; this study is primarily concerned with the potential for the widening of Chapelton Bridge. Procurement of a contractor to construct the proposed R21 cycletrack extension through Coronation Park is complete and site works are to be carried out during March 2017. A feasibility study into the provision of freight transport facilities to assist with freight at Faulds Park is ongoing. Design measures to improve bus infrastructure is ongoing, with site works to be completed this financial year.
- 5.11 **Parking:** The changes to the parking arrangements in Gourock are complete.
- 5.12 **Fleet Replacement Programme:** The budget for 2016/17 is £720k. Full budget spend will be delivered in 2016/17.
- 5.13 **Investment in Parks Assets:** This item relates to six projects to the value of £150k in total:-
- Divert Glen: Landscaping, tree works and paths – Complete.
 - Gourock Park: Footpaths and fences – not yet complete, balance of works will be completed by end of March 2017.
 - Rankin Park: Landscaping and fence - not yet complete; £25k worth of landscaping works remains outstanding due to the current wet ground conditions. Balance of works will be done in 2017/18.
 - Wellpark – Complete.
 - Coronation Park: Footpaths - works due to commence 20 Feb and will be completed by 31 March.
 - Various Parks: Benches, dog waste & litter bins: fully spent i.e. all items have either been delivered or delivery is pending.
- 5.14 **Investment in Play Areas:** This item relates to three projects to the value of £150k in total:-
- Inverkip play areas makes up £130k of this project. Due to the delay in handing over the new community facility, the project will be delivered in 2017/18.
 - Lady Alice: installation is complete.
 - Cove Road: installation is pending, supplier quotations awaited.
- 5.15 **Various Other Play Areas:** New self-closing gates have being installed in various play areas across the district. New play areas are pending in Gibshill and Kelburn Terrace. The Kelburn play area is a joint venture with River Clyde Homes, the contract award is imminent, a site start date will then be confirmed. Design of the Gibshill play area is in progress and procurement of the works will progress thereafter.

6.0 PROGRESS (Regeneration Major Projects)

6.1 Core Regeneration:

Port Glasgow Town Centre regeneration: For Phase 1 a preferred contractor has been selected and the award of contract will be made once Transport Scotland and Inverclyde Council agree and sign the Minute of Agreement. Progress on acquisitions continues as part of the Lower Town Quarter Phase 2 project for the Civic Square at the rear of Town Hall. Site start dates will not be determined until acquisitions are concluded.

Bakers Brae: Currently in for planning, legal are currently finalising three land acquisitions and hope to have two of these concluded by the end of the financial year with the third completing early in 2017/18. Demolition warrant has been applied for and pre contract demolition works are scheduled to take place once vacant possession achieved. Aiming towards a late summer/autumn 2017 Main works site start.

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 on-going review and prioritisation of works based on the property condition surveys.

6.3 Greenock Municipal Buildings

Wallace Place Elevation Roofing & Associated Works – The contractor commenced on site in mid-October with scaffold re-design now complete and all scaffolding in place. Works have commenced at the north chimney. The contractor is reporting a delay in connection with the early scaffolding re-design and a revised programme is currently awaited.

District Court Room Restoration – The June 2016 Committee approved revised funding arrangements to allow the project to proceed. Historic Environment Scotland have recently stated that the grant for the project is conditional upon confirmation that works will be undertaken on the existing roof. A survey has been undertaken through specialist steeplejacks with the final report imminent. Subject to the findings of the survey further discussions may be required with Historic Environment Scotland on the conditioned grant funding. The Committee was advised verbally in January of the structural issues highlighted in the course of the steeplejack survey which required the installation of temporary propping. Further detailed inspection through the consultant Structural Engineer will be undertaken following erection of access scaffolding which is currently being arranged. The foregoing issues have delayed the project and tender issue pending clarification of the scope of the works to the roof and the extent of structural repairs required.

6.4 Port Glasgow Town Hall

All works are now complete with the minor residual funding from the original allowance being expended on redecoration based on a prioritised list of areas agreed in conjunction with the building operators.

6.5 Greenock Cemetery Complex

The garage replacement project is progressing on site with installation of the modular unit planned within the next few weeks. Proposals to demolish and replace the Ivy House with more fit for purpose accommodation are currently at RIBA Design Stage 2 with cost check completed. The proposals will require to be revisited with the Client Service prior to providing a more detailed update to the next Committee due to the remaining funding allocation for the Greenock Cemetery Complex Lifecycle work being insufficient to take forward the current proposals. As previously reported to the Committee the original allocation has been expended on the Crematorium and Offices replacement windows, minor refurbishment of the waiting room and offices and replacement of the garage building.

6.6 **King George VI Building** – Technical Services are progressing the core building fabric refurbishment works design. It is anticipated that, in conjunction with this, the Community group

will develop a Heritage Lottery Fund bid for further internal alterations to suit their requirements.

6.7 Waterfront Leisure Complex

Lifecycle Works – Works in connection with specialist ice rink flooring and dehumidifier replacement are being programmed for summer 2017 incorporating a planned shut-down of ice rink. Tenders have been returned with acceptance imminent. Priority lift and locker replacement is also being progressed with an order issued for the lift replacement and tenders currently being evaluated for the locker replacement.

Combined Heat and Power (CHP) Plant – The main plant/equipment has been installed however the final completion is awaiting the installation of the flue which has been delayed due to issues with resolving an appropriate fixing solution to the existing non-traditional building structure. A fixing solution has been identified with the Contractor aiming to complete the outstanding works shortly.

6.8 Asset Management Plan – Offices:

Greenock Municipal Buildings District Court Offices – The contractor took possession of the site on Monday 7 December 2015 with an original contract completion date in December 2016. As previously reported to the Committee the project has been delayed on site due to the complexity of the structural issues associated with the existing building. The critical structural works have now been resolved with steelwork on site and being installed. As reported to the January 2017 Committee the projected completion date for the project is now May 2017. As also previously reported, subject to the agreement of the current extension of time claim, additional funding will be required in connection with the extended contract period. The costs are currently being assessed and will be reported to Committee as soon as the revised project outturn position is established. It is anticipated that this could be contained within the current AMP office balance.

William Street (former Education HQ) Offices Refurbishment – The contractor took possession of the site in September with a contract period of 52 weeks to complete in September 2017. The internal stripping out/downtakings works including the additional asbestos removal works are now completed. First fix joinery and services works are progressing internally with roofing works and stone repairs progressing externally.

Dalrymple House Demolition – The original demolition works have been completed. The car park project (funded separately in connection with the Council's parking strategy) commenced on site in mid-November and is currently progressing towards completion which is anticipated early February 2017.

6.9 Asset Management Plan – Depots:

Pottery Street Phase 3 Vehicle Maintenance Facility – Works commenced on site in January 2016 to complete in December 2016. Practical completion was achieved in early January 2017 with transfer of staff and resources being undertaken in a phased manner to manage continuity of service delivery.

Pottery Street Future Phases – Design work is currently being undertaken on following:

- Fuel Storage & Distribution
- Vehicle Wash Facility
- Former Vehicle Depot Refurbishment
- Demolition of Former East Hamilton Street Offices

7.0 FINANCIAL IMPLICATIONS

Finance

- 7.1 The figures below detail the position at 31 December 2016. Expenditure to date is £11.151m (68.65% of the 2016/17 projected spend).
- 7.2 The current budget is £74.469m after virement of £0.130m from the parking strategy to fund the 2016/17 power boat event (£0.05m), provide a loan to the Friends of the Queen Mary (£0.03m) and to support the pontoon relocation to East India Harbour (£0.05m). The current projection is £74.469m which means total projected spend is on budget.
- 7.3 The approved budget for 2016/17 is £15.533m. The Committee is projecting to spend £16.287m with net advancement of £0.754m mainly due to advancement of spend on carriageways and footways (£0.500m) and flood strategy (£0.100m), and phase 3 of the vehicle maintenance facility (£0.118m) offset by slippage in structures and lighting (£0.383m), Wallace Place elevation roofing and associated works (£0.100m), Waterfront Leisure Centre lifecycle works (£0.120m), Phase 5 Pottery Street facility (£0.049m), Langhouse Road (£0.036m) and traffic measures (£0.015m).
- 7.4 One off Costs

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

Annually Recurring Costs/ (Savings)

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
	<u>Est Total Cost</u>	<u>Actual to 31/3/16</u>	<u>Approved Budget 2016/17</u>	<u>Revised Est 2016/17</u>	<u>Actual to 28/11/16</u>	<u>Est 2017/18</u>	<u>Est 2018/19</u>	<u>Future Years</u>
	£000	£000	£000	£000	£000	£000	£000	£000
Environmental Services - Roads								
<u>Core Programme</u>								
Traffic Measures	485	251	54	60	14	115	59	
Parking Strategy	381	191	170	170	52	20	0	
Cycling, Walking & Safer Streets	88		88	88	15	0	0	
SPT	175		175	175	11	0	0	
Sustrans	37		37	37	0	0	0	
Flooding Strategy - Greenock Central	2,216	785	931	800	553	631	0	
Flooding Strategy - Future Schemes	1,726	0	0	0	0	726	1,000	
Additional Flooding Works, Castle Road and Others	24	24	0	0	0	0	0	
Langhouse Road Development	115	79	36	0	0	36	0	
Complete on Site	11	0	11	11	0	0	0	
Roads - Core Total	5,258	1,330	1,502	1,341	645	1,528	1,059	0
<u>Roads Asset Management Plan</u>								
Carriageways	17,634	12,287	2,247	2,800	2,550	2,000	547	
Footways	3,296	1,281	515	815	298	750	450	
Structures	1,775	701	267	100	49	300	674	
Lighting	4,179	1,275	904	750	369	750	1,404	
Staff Costs	1,894	1,040	421	444	385	410	0	
Roads Asset Management Plan Total	28,778	16,584	4,354	4,909	3,651	4,210	3,075	0
Environmental Services - Roads Total	34,036	17,914	5,856	6,250	4,296	5,738	4,134	0
Environmental Services - Non Roads								
Cemetery Development	30	21	9	9	8	0	0	
Zero Waste Fund	369	200	29	29	11	110	30	
Vehicles Replacement Programme	13,050	10,151	720	720	342	1,000	1,179	
Electric Vehicle Charging Infrastructure	84	67	17	17	0	0	0	
Sir Michael Street Play Area	261	20	241	241	143	0	0	
Various Other Play Areas	225	100	21	35	84	10	80	
Investment in Play Areas	150		150	10	1	140		
Play Areas complete on Site	69		73	69	0	0	0	
Investment in Park Assets	150		150	150	66			
Environmental Services - Non Roads total	14,388	10,559	1,410	1,280	655	1,260	1,289	0
Planning Services								
Former SNH Grant	64	56	8	8	0	0	0	
PLANNING SERVICES TOTAL	64	56	8	8	0	0	0	0
ENVIRONMENT AND PLANNING TOTAL	48,488	28,529	7,274	7,538	4,951	6,998	5,423	0

COMMITTEE: ENVIRONMENT & REGENERATION

Project Name	1	2	3	4	5	6	7	8
	Est Total Cost	Actual to 31/3/16	Approved Budget 2016/17	Revised Est 2016/17	Actual to Period 9	Est 2017/18	Est 2018/19	Future Years
	£000	£000	£000	£000	£000	£000	£000	£000
Regeneration and Planning								
<u>Core Regeneration:</u>								
Port Glasgow Town Centre Regeneration	1,960	880	195	495	114	0	585	
Central Gourrock	150	120	30	30	2	0	0	
Bakers Brae Re-alignment/Broomhill regeneration	1,860	389	0	100	0	1,000	371	
Core Regeneration Total	3,970	1,389	225	625	116	1,000	956	0
Regeneration Services Total								
	3,970	1,389	225	625	116	1,000	956	0
Property Assets								
<u>Core Property Assets</u>								
General Provision	1,009	4	0	0	10	750	255	
Feasibility Studies	250	0	25	25	0	75	75	75
<u>Greenock Municipal Buildings:</u>								
Window Replacement	150	10	40	30	0	50	60	
Toilet Refurbishment - Grand Corridor/Town Hall	87	26	61	61	59	0	0	
Toilet Refurbishment - Wallace Place Wing	27	0	0	25	0	2	0	
Basement Storage	45	33	12	0	0	12	0	
Wallace Place Elevation Roofing & Associated Works	700	0	69	400	115	250	50	
District Court Room Restoration	465	0	70	35	14	380	50	
Port Glasgow Town Hall - Windows/Roofing	560	227	333	333	359	0	0	
Greenock Cemetery Complex	280	93	187	167	94	20	0	
King George VI Refurbishment	1,000	0	50	50	0	450	490	10
Waterfront Leisure Centre Lifecycle Works	300	0	150	30	26	250	20	
Lady Octavia Recreation Centre / Bridgend Rd Contribution	140	0	0	0	0	40	100	
<u>Repairs & Renewals Fund Projects</u>								
GMB Lighting Replacement	17		17	17	10	0	0	
Trafalgar St Solum	13		13	13	13	0	0	
<u>Minor Works</u>								
Farms	30	8	17	22	6	0	0	
Minor Demolitions	15	0	10	15	9	0	0	
Inverclyde Leisure Properties	206	56	0	100	68	50	0	
General Works	220	118	2	85	83	17	0	
Design & Pre-Contract	100	80	0	20	19	0	0	
Reservoirs	100	53	0	47	4	0	0	
<u>Statutory Duty Works</u>								
Electrical	60	30	7	30	16	0	0	
Lightning Protection	20	12	0	8	0	0	0	
Lifts	10	4	1	6	5	0	0	
Water	102	41	1	61	54	0	0	
Gas	10	0	10	10	0	0	0	
Asbestos	100	57	1	43	32	0	0	
Fire Risk	100	41	1	59	33	0	0	
DDA/Equality	180	62	19	100	47	18	0	
<u>Capital Works on Former Tied Houses</u>								
Complete on Site Allocation	90		(35)	48	11	0	42	300
Waterfront Leisure Complex Combined Heat and Power Plant	250	23	227	227	144	0	0	
Core Property Assets Total	7,236	990	1,306	2,085	1,241	2,439	1,337	385
<u>Asset Management Plan:</u>								
<u>Offices</u>								
Greenock Municipal Buildings - District Court Offices	2,681	619	1,690	1,200	869	800	62	
Gourock Municipal Buildings	390	38	352	352	297	0	0	
William St (Former Education HQ)	2,100	156	786	786	240	1,100	58	
Dalrymple House Demolition and Formation of Car Park	155	126	14	29	18	0	0	
Dalrymple Street Car Park Contribution	50	0	0	50	50	0	0	
AMP Office Balance	204	0	189	0	0	0	204	
AMP Offices Complete on site	116		109	35	2	0	81	
<u>Depots</u>								
Phase 3 - Vehicle Maintenance Shed and Road Infrastructure	5,061	1,260	3,230	3,348	3,348	282	171	
Phase 5 - Pottery Street Facility and Fuel Tanks	1,593	19	99	50	17	1,049	475	
Phase 6 - Building Services Depot Upgrade	149	3	8	8	0	0	138	
Phase 7 - Dewatering & ICT	310	13	40	40	0	7	250	
Complete on Site (Salt Dome Phase 1 and Enabling Works etc)	16		16	16	2	0	0	
Kirn Drive Civic Amenity Site	700	67	0	0	0	33	600	
Materials Recycling Facility	1,250	855	45	125	0	30	240	
Asset Management Plan Total	14,775	3,156	6,578	6,039	4,843	3,301	2,279	0
Property Assets Total								
	22,011	4,146	7,884	8,124	6,084	5,740	3,616	385
Regeneration Total								
	25,981	5,535	8,109	8,749	6,200	6,740	4,572	385