

Report To: Environment and Regeneration Committee **Date:** 15 June 2017

Report By: Corporate Director Environment, Regeneration & Resources **Report No:** ENV/003/17/AF/FM

Contact Officer: Scott Allan **Contact No:** 01475 712762

Subject: Broomhill Regeneration Projects Update

1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee on Riverside Inverclyde's progress relating to the Broomhill Regeneration projects.

2.0 SUMMARY

- 2.1 Progress on the Broomhill Regeneration Projects is presented to this Committee as a separate report for this cycle in view of the scale of the projects and the substantial progress which has been made. All land has now been provisionally secured for the road realignment of Baker Street, tenders are due to be issued in July 2017 with construction programmed to commence in November 2017, subject to refinement of costs estimates following agreement with utility companies on utility diversions. With respect to the Enterprise Hub, funding has been secured from the Scottish Government for 6/7 individual workshops. Consultants are being procured to progress detailed design with a view to commencement of implementation in 2018.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee:
- a. Notes progress to date and the intention to commence work on site in November 2017 subject to satisfactory agreement on public utility diversions; and
 - b. Notes that further progress reports will be brought back to this Committee as the project proceeds.

Scott Allan
Corporate Director, Environment, Regeneration & Resources

4.0 BACKGROUND

Road Realignment Project

- 4.1 In 2014 the Roads Service appointed Aecom to investigate a new alignment for the road that would increase the radius of the bend between Baker Street and Drumfrochar Road by cutting through industrial buildings to the north west of the corner. Inverclyde Council considers Baker Street to be a constraint in the road network and had previously investigated improvement options. The commission asked Aecom to review the 2002 option as developed by Inverclyde Council and make a recommendation based on road standards and value for money.
- 4.2 With the addition of land acquisition and demolition costs, the preliminary estimated costs of the alignment options were estimated at:
- Option 1:- £2,970,000 (Inverclyde Council's original proposed layout)
 - Option 2:- £4,860,000 (Aecom's alternative proposal)
- 4.3 Officers recommended that Option 1 should be progressed following confirmation by Aecom that it continued to represent best value.
- 4.4 Riverside Inverclyde was tasked with the delivery of this project.
- 4.5 Following the approval by Inverclyde Council and Riverside Inverclyde to fund the Baker Street Road Realignment (estimated at £3.110m), ri undertook a procurement exercise and appointed the Design Team from the Consultants Framework to progress the project. Subsequently Strathclyde Partnership for Transport have confirmed a £300,000 contribution towards the project.
- 4.6 Over the last 18 months Inverclyde Council's Legal and Property Services have progressed with the land assembly for the approved scheme. To date two transactions have completed, ownership now being with Inverclyde Council, and a third is due to be completed shortly. One further bargain has been provisionally agreed for the remaining areas and is due to be concluded once the final road design has been agreed and the land take confirmed.
- 4.7 Inverclyde Council has registered the electrical supplies for the vacant units with a view to having the utility disconnections concluded by early/mid-summer to facilitate the demolitions.
- 4.8 The Planning Application was lodged on 15 December 2016 with the Roads Construction Consent submitted on 22 December 2016. Over the last few months the Design Team has refined the road design in conjunction with Inverclyde Council's Roads Service and subject to the final queries being resolved the Statutory Consents will be forthcoming.
- 4.9 The Lead Consultant published the first stage European Single Procurement Document (ESPD) on the Scottish Government's Procurement Portal, Public Contracts Scotland, on 21 December 2016. The ESPD achieved a good response from contractors including the larger Scottish based companies. The consultants are currently undertaking a quality assurance review of the submissions and we anticipate a maximum of 6/7 Contractors will be invited to tender.

Enterprise Hub

- 4.10 In June 2015 the Environment & Regeneration Committee delegated authority to the Corporate Director Environment, Regeneration & Resources to engage ri to submit appropriate funding applications to the Regeneration Capital Grant Fund to enable the development of the new light industrial area on the site acquired for the road realignment contract.
- 4.11 RI identified a sustainable demand for small, quality, clustered light industrial/enterprise and workshop space that supports SME's and Micro-Businesses and offers enterprise entry level space to small businesses seeking a central location.

- 4.12 First and Second stage submissions were made in June 2016 and November 2016 respectively and ri was informed in March 2017 that the application for funding in the amount of £900,000 was being recommended to Scottish Ministers. This will be match funded by the £300,000 of Inverclyde Council funding freed up by the SPT award as well as a £600,000 contribution from RI.
- 4.13 The Enterprise Hub will consist of 6/7 individual workshops measuring approximately 6000sq.ft net and ancillary car park and environmental improvements.
- 4.14 A procurement exercise to select the Design Team is currently underway.

5.0 PROGRAMME

- 5.1 The Road Realignment Team is currently working to the following programme.

Key Stages	Target Programme
Statutory Consents Granted	End of May 2017
Tenders Released	July 2017
Tenders Returned	August 2017
Demolitions	September/October 2017
Site Start	November 2017
Completion	July 2018

6.0 IMPLICATIONS

6.1 Financial Implications

The Design Team is undertaking cost checks and value engineering as road design is finalised and the public utilities quotes are known. Cost estimates will be updated in respect of this and will be reported to a future Committee.

One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Broomhill Regeneration	Ri Budget	£2.0m			
	IC Acquisition Allocation	£0.110			
	IC Free Reserves	£0.7m			
	SPT Contribution	£0.3m			
Enterprise Hub	RI Budget	£0.6m			
	IC Free Reserves	£0.3m			
	Regeneration Capital Grant Fund	£0.9m			

Annually Recurring Costs / Savings

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments

6.2 **Repopulation**

The regeneration works undertaken within Broomhill should contribute to retaining and increasing the population within the area.

6.3 **Human Resources**

There are no human resource issues arising from this report.

6.4 **Equalities**

There are no equalities issues arising from this report.

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 undertaken within Broomhill should contribute to retaining and increasing the population within the area.

7.0 CONSULTATIONS

7.1 The Head of Regeneration and Planning has been consulted on this report.

7.2 The Chief Financial Officer has been consulted on this report.

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

8.0 BACKGROUND PAPERS

8.1 Environment & Regeneration Committee 16 June 2015
Agenda Item 4 – Broomhill Regeneration

8.2 Environment & Regeneration Committee 16 January 2014
Agenda Item 13 - Master Planning Study for Central East Greenock.