

Gloucester City Council

Meeting:	Cabinet	Date:	11 January 16
Subject:	Final phase of public realm works within Gloucester Docks		
Report Of:	Head of Regeneration		
Wards Affected:	Westgate		
Key Decision:	Yes	Budget/Policy Framework:	No
Contact Officer:	Mark Dix, Surveyor and Valuer		
	Email: mark.dix@gloucester.gov.uk	Tel: 396106	
Appendices:	1. Scheme 2. Costings		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The purpose of the report is to recommend approval of the intended spend by the Council on the final outstanding phase of the public realm works within Gloucester Docks to a maximum of £600k.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that the City Council commit a maximum spend of £600k to the completion of the final public realm phase of Gloucester Docks.

3.0 Background and Key Issues

- 3.1 The works consist of the final phase of the public realm works within Gloucester Docks, this phase having been left incomplete and awaiting the redevelopment of Nos 23 to 29 Commercial Road. This is partly because the treatment of the interface between the Commercial Road properties and 'public realm' will have been unclear until firm plans for those properties have been established and also funding reasons.
- 3.2 An Agreement between the South West Regional Development Agency and the City Council on transfer provided for the City Council to complete the public realm works. Further the City Council's agreement with Ladybellgate Estates Limited with regards the sale of the Commercial Road properties also provides for the City Council to complete the public realm areas within a

timeframe linked to Ladybellgate Estates Limited's development (which it directly abuts) and in accordance with certain drawings to ensure consistency. (The sale was the subject of a cabinet decision in September 2015)

- 3.3 Planning consent was granted for the public realm works some years ago. It has been agreed by the Senior Planning Officer and Head of Development Control that the proposed works can be dealt with by a non material amendment to the existing planning permission hence saving project time.
- 3.4 The redevelopment of the Commercial Road buildings and the completion of the public realm to the south is a vital regeneration project which will enhance the quality and character of the Docks area and help to better connect the Docks with the City Centre, via Ladybellgate Street and Commercial Road.
- 3.5 The combination of the new restaurant uses and an enhanced area of public realm will combine to create a new destination which could help to draw focus in the direction of the City Centre and boost the appeal of the Docks area, while also complimenting the new restaurant units within the Merchants Quay development.
- 3.6 The scope of the project is the completion of the public realm. Ladybellgate Estates Limited, the purchasers of the Commercial Road properties have assembled a project team to deliver their development and the same team are working up proposals for the public realm works. Designs have reached a point where clarity as to available budget is required in order to freeze a final design.
- 3.7 A separate contract is to be entered into whereby Ladybellgate Estates Limited deliver the works on behalf of the City Council, a waiver having been agreed from following the usual required procurement arrangements. Collateral warranties will be agreed as part of the contract to give the City Council a direct contractual relationship with Ladybellgate Estate Limited's contractors.
- 3.8 A draft design is shown on the attached layouts at Appendix 1, the project quantity surveyors have prepared costs as attached with the budget cost showing as £670 k. Asset Management and Planning team representatives have liaised closely as part of the Client team with the Quantity Surveyors and have identified savings that will result in a scheme being delivered at some £600k. Further value management may be possible although the impact upon quality and potential impact upon scheme objectives may result.
- 3.9 A project briefing used to inform the project team at initial concept stage is attached for information (Appendix 2)

4.0 Asset Based Community Development (ABCD) Considerations

4.1 This is not appropriate in this case, noting that the project team has already been formed.

5.0 Alternative Options Considered

5.1 The City Council is under a contractual obligation to complete the outstanding public realm works within a timeframe and to a similar standard as the previous phases, this follows the agreement for the sale of 27 and 29 Commercial Road to Ladybellgate Estates Limited. The City Council also agreed to complete the public realm as part of the agreement with the South West Regional Development Agency relating to the transfer of various assets to the City Council.

5.2 It may be possible to pare down the quality and hence spend on the public realm works, however this will impact upon the attractiveness of the location and general area, and will not fulfil the aspirations of the project as a whole.

6.0 Reasons for Recommendations

6.1 The proposal addresses the requirement and the City Council's contractual obligation to complete the public realm works within this sector of the docks.

7.0 Future Work and Conclusions

7.1 The project team will finalise designs for the outstanding public realm and go out to tender for these works in conjunction with the main building works for the Commercial Road properties.

7.2 Officers within the Asset Management team at the City Council and One Legal will finalise the commercial contract between the Council and Ladybellgate Estates Ltd with regards delivery of the public realm.

8.0 Financial Implications

8.1 The sale of the properties on Commercial Road have generated a net capital receipt of £622k. These funds are required to be used on regeneration projects within the City. The proposed public realm works are a suitable use of those funds.

8.2 Any funds remaining after the public realm work may be used for other regeneration projects therefore the costs of these works must be contained within the proposed budget. Any savings against the budget may also be utilised on other schemes.

(Financial Services have been consulted in the preparation this report.)

9.0 Legal Implications

- 9.1 A very early draft development agreement suggested to be used, once fully agreed, as an agreement between the City Council and Ladybellgate Estates Limited has been sent to Ladybellgate Estates Limited with regards the delivery of the works. This will include the maximum level of spend by the City Council.
- 9.2 Associated with the draft development agreement draft co-lateral warranties have been sent to Asset Management to forward to Ladybellgate Estates Limited and their advisors. The entering into these would normally be included as part of Ladybellgate Estates Limited's conditions for their contractors. These will give contractual rights to the City Council to take action under the warranties given.
- 9.3 Negotiations are proceeding with the Ministry of Defence (MOD) for an agreement with regards securing the Ministry's approval to the intended works to the steps adjacent to the Soldiers of Gloucester Museum. (The steps falling within the MOD's ownership)

(One Legal have been consulted in the preparation this report.)

10.0 Risk & Opportunity Management Implications

- 10.1 The commercial contract will provide for a maximum spend of £600k. Ladybellgate working with the project team will manage out risks of overspend, carrying out further value management as required.

11.0 People Impact Assessment (PIA):

- 11.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

12.0 Other Corporate Implications

Community Safety

- 12.1 The project design team will seek to ensure that best practice is adopted to ensure that the final design mitigates any risks to the community. This can be achieved through good lighting schemes, designing out any hidden areas and also taking best advice in providing for the mobility impaired.

Sustainability

- 12.2 The project team will be briefed as to the Council's commitment to sustainability issues.

Staffing & Trade Union

12.3 No issues to consider.

Background Documents: None