

PERTH AND KINROSS COUNCIL**Housing and Health Committee****27 May 2015****Refurbishment of Shops and Flats at 99 – 119 Dunkeld Road, Perth****Report by Executive Director (Housing and Community Care)****PURPOSE OF REPORT**

This report seeks approval for the refurbishment of shops and flats at 99 -119 Dunkeld Road, Perth.

1. BACKGROUND

- 1.1 In August 2014, Housing and Health Committee agreed a report to separate the shops on Dunkeld Road, Perth from the revised Muirton Master Plan and requested a further report on the costs of redeveloping them and flats above. (Report 14/357).
- 1.2 Options for retaining or replacing the existing shops on Dunkeld Road have been explored previously in reviews for the Master Plan for the redevelopment of Muirton. There has continued to be strong support from the local community and elected members for the shops to remain at Dunkeld Road, so these were not included in the Master Plan, but included in a separate environmental improvement scheme to be taken forward by the Council.
- 1.3 Improving the shops and the environment around them is important to the success of the regeneration of the Muirton area. The shops are currently well used by the local community as well as by passing traffic, so the Council wants to ensure these businesses continue to trade.

2. PROPOSAL

- 2.1 There are eight shops and eight flats above owned by the Housing Revenue Account (HRA). While the flats have been upgraded more recently to meet the Scottish Housing Quality Standard (SHQS), the shops have not been included in a capital improvement programme so are now in need of work. As a result, a feasibility study has been prepared for the refurbishment and upgrade of the existing 8 retail units at 99–119 Dunkeld Road, Perth.
- 2.2 The objectives include to:
 - Improve the appearance of the building and enhance its overall visual appeal.
 - Ensure the shop units comply with all statutory requirements relating to fire precautions, electrical/gas safety, welfare and hygiene.
 - Ensure the flats meet the requirements of the Scottish Housing Quality Standard and Energy Efficiency Standard for social housing.

- Enhance the safety and security of the residents living in flats and improve the environment immediately surrounding the property.
- Improve parking and pedestrian safety for those visiting the shops and flats.
- Minimise disruption to existing tenants during the improvement work

2.3 The work to be undertaken will include:-

- Standardised and improved shops' exterior, using toughened glass to avoid the use of roller shutters (see drawings in Appendix 1).
- Improved internal areas of the shops as necessary (clarified following the survey work undertaken)
- Electrical upgrade of all the shops to comply with current regulations
- Increased fire separation between the flats and the retail units to meet current regulations
- Improved accessibility of the shops by removal of the step to provide barrier-free access.
- Possible requirement to replace the mains water supplies (due to lead piping)
- Possible upgrade to gas supplies due to potential corrosion of incoming gas pipe.
- Floors, ceilings and wall finishes replaced, except in one unit where more work has been done
- The flats are considered to be in good order having undergone recent upgrade work and windows will be replaced as part of the current window replacement programme.
- Options for adding small trees or shrubs at the front of the building

2.4 The work will require a specialist shop-fitting contractor with experience of delivering construction projects with restricted access arrangements whilst maintaining the ongoing business operation, so it is recommended that a selection of tenderers are identified from a suitable external framework.

2.5 The proposed Design and Procurement start date is June 2015, and it is estimated that the retail units (subject to tenant consultation) could be ready for occupation on a rolling programme basis from January 2016 onwards, completing in May 2016.

2.6 The cost of the work is estimated at this stage at around £849k, of which the majority of the cost will be to the shops and a smaller amount to improve and secure the area to the rear of the property. The exact costs will not be known until the survey and tender work have been completed.

2.7 Some risks have been identified relating to asbestos and electrical upgrades and are described in 2.8 and 2.9 below. They have the potential to increase costs and prolong the contract period, so need to be confirmed and clarified as soon as possible.

- 2.8 An in-depth survey of the extent of asbestos location and potential removal is only possible once the property has been vacated. This could potentially increase costs and prolong the contract period due to statutory HSE notification process.
- 2.9 In addition, if electrical upgrades '3 phase supplies' (which would potentially make future let of the units more flexible) are implemented, clarification would be sought as to whether the sub-station has capacity for this.

3. CONSULTATION

- 3.1 The tenants of the shops have been consulted about the planned renovation and issued with new tenancy agreements which gives the Council flexibility to enable the improvement work to proceed. They all indicated that they were keen to continue trading from their current premises for the foreseeable future and to secure long term leases for the shop units once the work has been completed.
- 3.2 During consultation, the main issues and concerns raised were:-
- The majority of the shop tenants feel that the existing parking arrangement in front of the shops should be retained as they feel that this is crucial to the success of their business
 - The majority of the shop tenants expressed concern that the work may involve a break in trading. The intention, however, is to keep disruption to a minimum, with work being progressed out-with trading hours and using the current vacant shop for trading where possible.

4. CONCLUSION AND RECOMMENDATIONS

- 4.1 This report updates Committee on proposals to improve and upgrade the shops at Dunkeld Road, Perth and provides an estimate of the cost and work involved. Costs will be confirmed once surveys and tendering (involving specialist shop fitters) is concluded.
- 4.2 Further consideration will be given to the risks identified above as the work progresses and any significant changes to the work to be undertaken or the associated costs will be reported back to Committee as necessary.
- 4.3 Housing and Health Committee is asked to:
- i) Agree to the proposal to upgrade the Dunkeld Road shops and area at the rear of the shops
 - ii) Agree that this will be paid through the Housing Revenue Account (HRA) with estimated costs at this stage of £849k
 - iii) Require the Executive Director to update Committee in November 2015.

Author

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Approved

Name	Designation	Date
John Walker	Executive Director (Housing and Community Care)	17 May 2015

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	Yes
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	None

1. Strategic Implications

- 1.1 The Perth and Kinross Community Plan 2013-2023 and the Perth and Kinross Corporate Plan 2013-18 have five concurrent outcomes which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. The following are relevant to this report:

- Promoting a prosperous, inclusive and sustainable economy
- Supporting people to lead independent, healthy and active lives
- Creating a safe and sustainable place for future generations

2. Resource Implications

- 2.1 The cost of this project is estimated at £849,000 and will be contained within the HRA capital budget for this project which was approved by Housing & Health Committee on 28th January 2015.

3. Assessments

3.1 Equality Impact Assessment

Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) Assessed as **not relevant** for the purposes of EqIA

3.2 Strategic Environmental Assessment

The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. However, no action is required as the Act does not apply to the matter presented in this report. The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

3.3 Sustainability

These proposals meet the following sustainability criteria:

- Where possible, using materials from sustainable sources
- Energy conservation through improved insulation measures
- More efficient heating systems
- More efficient lighting systems

3.4 Legal and Governance

The Head of Legal Services has been consulted and there are no direct legal implications of this report.

3.5 Risk

The project team has prepared a risk profile which will be monitored at their monthly meetings. In addition, the Housing and Community Care Senior Management Team reviews the service's capital monitoring reports which highlight individual project progress and risks. This project will also be reported through the Strategic Investment Group.

4. **Consultation**

4.1 Internal

The Heads of Finance and Legal Services have been consulted on this report.

External

- 4.2 Some consultation has been undertaken with the tenants of the shops. Further consultation will be undertaken with them once the nature and detail of the renovation is confirmed.

5. BACKGROUND PAPERS

- 5.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied upon to any material extent in preparing the above report. .

6. APPENDICES

Appendix 1: Estimated costs

Appendix 2: External improvements: shop fronts and rear and side.

Appendix 1: Overview of estimated costs

Estimate

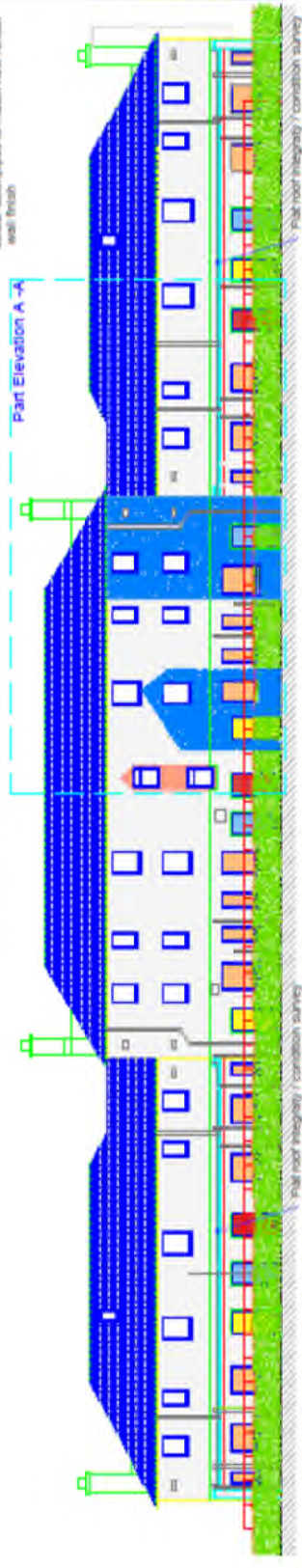
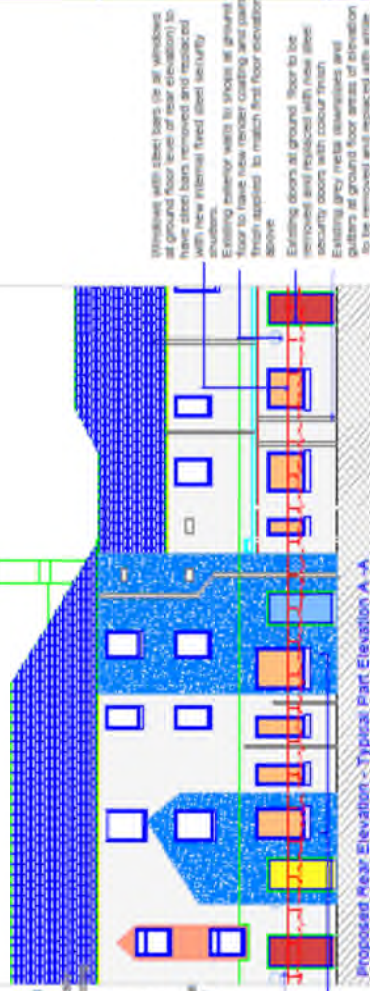
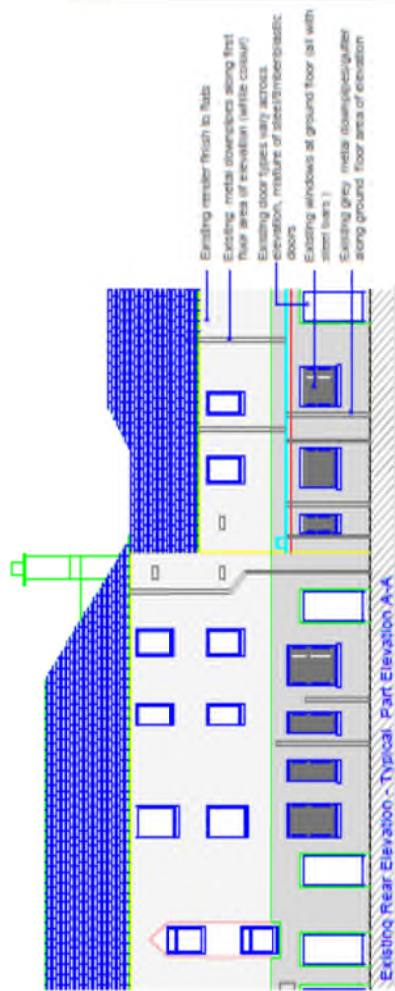
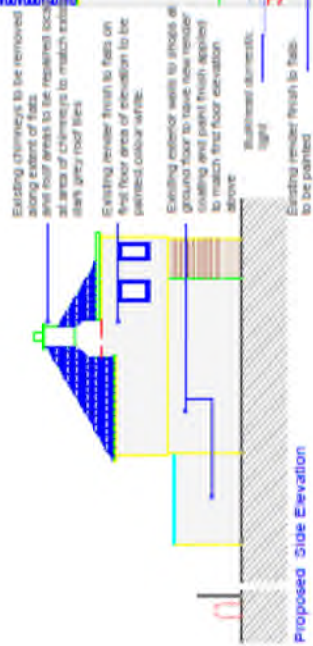
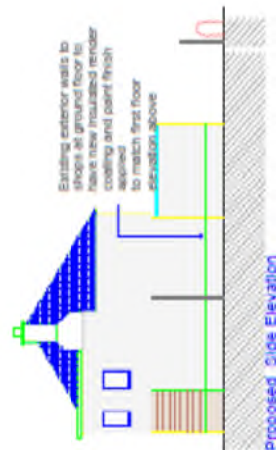
The costs below are high level and estimated based on basic information, which will require development as further information becomes available during the design process.

Element	Estimate Cost
Base Construction Cost & Externals/Utilities	£522,000
Preliminaries @ 30%	£156,000
<i>Sub-Total</i>	<i>£678,000</i>
Contingency @ 10%	£67,000
<i>Sub-Total</i>	<i>£746,000</i>
Statutory Fees (Sum)	£5,000
<i>Sub-Total</i>	<i>£751,000</i>
Professional Fees @ 11%	£82,000
Asbestos survey and/or removal	£2,000/Unit = £16,000
TOTAL	£849,000

Appendix 2

[illegible]

This drawing is a sketch.
The computer and any sub-contraction shall verify ALL dimensions in site
prior to making any change or commencing construction.



REVISIONS:



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PROJECT

Facade Improvements to
Shopsfronts
99-119 Dunkeld Road Perth

DRAWING:

Rear and Side Elevation
Proposals

SCALE: 1:200 DATE: November 2011

DRAWN BY: LC APPROVED BY:

E-MAIL: sue@pkc.gov.uk

Drawing Status:
FEASIBILITY

Job No.
11-0180-00

Drawing No.
(SK)002

Rev.