

PERTH AND KINROSS COUNCIL**Housing and Health Committee – 4 November 2015****REFURBISHMENT OF SHOPS AT 99 – 119 DUNKELD ROAD, PERTH****Report by Director (Housing and Community Care)****PURPOSE OF REPORT**

This report provides an update on the progress made in refurbishing the shops at 99-119 Dunkeld Road, Perth as part of the wider regeneration of Muirton.

1. BACKGROUND

- 1.1 In May 2015, Housing and Health Committee approved proposals to carry out a programme of refurbishment and upgrading to 8 existing retail units at 99-119 Dunkeld Road, Perth (Report 15/222). The proposals included a variety of measures aimed at improving fire precautions, electrical / gas safety, welfare and hygiene facilities, as well as the appearance of the building. The cost of this work was estimated at £860,000.
- 1.2 An indicative programme for delivering the proposed improvement work was included and the Executive Director (Housing and Community Care) was remitted to update Committee in November 2015 on progress.
- 1.3 The upgrading of the shops and the environment around them is key to the success of the overall regeneration of the Muirton area. The redesign of the shops will compliment the properties that will be built on the adjacent site. This investment will support our aim of having attractive, well managed neighbourhoods supporting strong communities and economic growth.

2. PROGRESS UPDATE

- 2.1 The regeneration of the Muirton area is progressing well and a further 25 houses for social rent with Fairfield Housing Cooperative are due to be completed by June 2016. Phase 6 of the development is scheduled to start on site in Spring of 2016.
- 2.2 The timetable for beginning the work on site in January 2016 is unchanged and all key areas of work are on target. A summary is included in the appendix.
- 2.3 Further engagement and dialogue with the tenants of each of the shop units has resulted in detailed plans for the refurbishment work. All of the existing shop tenants have confirmed that they wish to continue trading at the site following completion of the upgrading works, likely to be in June 2016. Work is also underway to ensure the vacant shop unit is occupied following the completion of work.

2.4 The main areas of progress include:-

2.4.1 Approvals and Consents

- Detailed surveys of the shop units have been undertaken and drawings and specifications prepared. Applications for Building Warrant Approval have been submitted to the Council's Building Standards Team.
- It has been confirmed that Planning Approval is not required, however, Advertisement Consent will be required for new external signage and proposals are being submitted based on consultations with the shop tenants.

2.4.2 Lease Agreements

- Interim short-term leases have been drawn up for shop tenants to safeguard their tenancies while the work is in progress.
- Following discussions with tenants, new 10 year lease agreements are being drafted by Legal Services. The new leases are expected to be complete by the end of October at which time meetings will be arranged to go over these with each of the tenants.

2.4.3 Procurement / Tendering

- A procurement strategy for the renovation work was agreed with the Council's Procurement Manager and information seeking expressions of interest from contractors published on the Public Contracts Scotland portal in July 2015.
- Tender documents are now being prepared and will be issued to participating contractors in early October 2015. The tenders are due to be returned in early November 2015.
- A pre-tender cost check has been completed and this indicates that the cost of the proposed works should still be contained within the previously reported estimate of £860,000.

2.4.4 Continuity Planning for Traders

- A strategy has been prepared which will allow shop tenants to continue trading while the work is underway. This includes a variety of measures: making use of the one empty shop unit and making permanent relocations from one unit to another.
- It will be necessary to use temporary cabins for two shops to allow trading to continue.
- Work will be programmed to facilitate the refurbishment of only two units at any one time during the 5 month duration of the project.

2.4.5 Programming / Project Delivery

- Officers are working on a detailed programme to deliver this project on time and on budget. Work is scheduled to begin on a phased basis from

January 2016 with overall completion in May 2016. This timetable is similar to the one noted in the May committee report.

- Officers are anticipating that the tendering process will result in a contract acceptance being issued to the successful contractor in December 2015.

2.4.6 Work to Neighbouring Flats

- Work to improve the 8 flats above the shops is being planned separately and includes installing new triple glazed windows during December 2015. Other internal upgrading work to bathrooms and electrical installations will follow between January and March 2016.
- It is proposed that some of the flats will transfer from temporary to mainstream accommodation and this will be phased in during 2016.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 This is an important improvement project for the local community. Good progress has been achieved in consulting and liaising with the shop tenants and local people and all have been supportive and enthusiastic about the proposals.
- 3.2 Plans to offer long term (10 year) leases have proved popular and these will enable the shop tenants to consider and develop their own investment plans for their businesses.
- 3.3 Progress with the design and tendering work has gone well and the indicative dates outlined in the previous report on 27 May 2015 have been maintained. The project is still on target to commence work on site in January 2016 with completion in early June 2016.
- 3.4 The Housing and Health Committee is asked to:
- (i) Note the significant planning progress achieved to date.
 - (ii) Instruct the Director to report back to the Housing and Health Committee on completion of the project.

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Approved

Name	Designation	Date
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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	None
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 costs of this project are estimated at around £860,000 which will be paid by the Housing Revenue Account (HRA) and income then raised through tenant rent.

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.

Risk

The project team has prepared a risk profile which is 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 is also reported to the Council's Strategic Investment Group.

4. **Consultation**

4.1 Internal

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

External

- 4.2 The tenants of the shops have been consulted on these proposals

- 4.3 The Tenant Committee Report Panel was consulted on this report and noted that it was commendable.

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. APPENDIX

Table of Project Delivery Timescales.

APPENDIX 1

Activity	Start	Finish	Duration
Tender Issue	09/10/2015	09/10/2015	1 Day
Tender Pricing Period	09/10/2015	06/11/2015	4 Weeks
Tender Return	06/11/2015	06/11/2015	1 Day
Tender Analysis / Reporting	09/11/2015	27/11/2015	3 Weeks
Contract Approval	30/11/2015	30/11/2015	1 Day
Issue Contract Acceptance	30/11/2015	30/11/2015	1 Day
Contractor Mobilisation	30/11/2015	18/12/2015	3 Weeks
Site Set Up	07/12/2015	18/12/2015	2 Weeks
Start on Site	11/01/2016	11/01/2016	1 Day
Shops - 99/103 Refurbishment	12/01/2016	15/02/2016	5 Weeks
Shops - 113/111 Refurbishment	15/02/2016	18/03/2016	5 Weeks
Shops - 115/119 Refurbishment	21/03/2016	26/04/2016	5 Weeks
Shops - 105/107 Refurbishment	03/05/2016	07/06/2016	5 Weeks
Completion	10/06/2016	10/06/2016	1 Day

