

**Public Realm and associated Asset Management Programme****SUMMARY**

- 1.1 The Council has set aside a sum of £17m in 2007/08 to be spent on public realm and related asset management issues. This represents a significant new programme of work which will not only see the Council's existing building stock improved but which will see major improvements to the public spaces in the City Centre to complement the private sector investment which is currently taking place and otherwise committed.
- 1.2 Following approval of the Public Realm strategy at the last Cabinet meeting, a priority list of public space improvements is proposed to take advantage of the first tranche of funding which has been allocated in 2007/08. Proposals for funding for Council office accommodation, Asset Management and Neighbourhood Priorities are also put forward.
- 1.3 Subject to any comments which arise at the meeting, I support the following recommendations.

RECOMMENDATION

- 2.1 To approve the allocation of £17m towards Public Realm improvements (£8m) Council office accommodation (£5m) Asset Management (£3m) and Neighbourhood priorities (£1m).
- 2.2 To approve the priority list of Public Realm projects as identified in paragraph 1.6 of the supporting report.
- 2.3 To ask the Director of Regeneration & Community to bring forward detailed staffing proposals for programme and project management, consultation and other professional support for approval by the Public Realm Programme Board.
- 2.4 To require detailed proposals for each Public Realm project to be reported to the Public Realm Programme Board for approval under PRINCE 2 project management procedures.
- 2.5 To approve scheme commencement of the proposed Public Realm projects Nos 1 to 9 in paragraph 1.6 providing that the detailed proposals agreed by the Public Realm Board are within the budget outlined.

- 2.6 To approve commencement of design and feasibility of projects Nos 10 to 14 in Section 1.6 subject to the approval of Project Initiation Documents (PIDs) by the Public Realm Board and subject to not exceeding the budget allocated. Further reports will be made to Cabinet seeking approval to physical scheme commencement following the design/feasibility stage.
- 2.7 To approve under Contract Procedure Rule 6 a waiver of the requirement under Contract Procedure Rule 15, to obtain competitive tenders for the Theatre Walk Scheme.
- 2.8 To seek supporting funding from Cityscape partners for the Public Realm programme and to use every opportunity to further extend the programme through other external funding opportunities and the use of S106 where appropriate.
- 2.9 To approve the principle of the allocation and approval process for Asset Management projects detailed in the officer's report at paragraphs 1.8 and 1.12 respectively.
- 2.10 To approve the amended capital programme detailed in Appendix 2.

REASON FOR RECOMMENDATION

- 3.1 In order to enable progress to be made towards much needed improvement of City Centre public spaces and Council assets.
- 3.2 In order to create the necessary capacity to deliver the programme and ensure that implementation is managed effectively.
- 3.3 A waiver of contract standing orders for Theatre Walk will allow the work to be completed to meet the opening of the new centre and will enable economies of scale by using their existing contractor and avoid mobilisation costs of a new contractor. We will seek from Westfield a guaranteed maximum price and operate an open book approach to demonstrate that the Council is achieving value for money.
- 3.4 In order to maximise Council funding and generate sufficient resources to undertake as much of the Public Realm Strategy as possible.



Public Realm and associated Asset Management Programme

SUPPORTING INFORMATION

- 1.1 In the approved budget for 2007/08 the Council has set aside a sum of £17m to be spent on public realm and related asset management issues. Consideration has been given to the various calls on this funding and this paper puts forward proposals for the allocation of the £17m to four broad groups of activity and the individual schemes within them.
- 1.2 At this early stage of programme preparation, detailed cost estimates for all individual projects are not available. We also anticipate that some projects will be part-funded from external sources in addition to this “Public Realm” fund but negotiations are not complete in all those respects. The proposals which follow therefore form a draft programme for approval which will be updated and brought back to the Public Realm Board and/or Cabinet for approval as appropriate.
- 1.3 It is proposed to allocate the £17m within 4 blocks as follows:
- Public Realm Improvement Programme £8m (plus external funding)
 - Council Office Accommodation £5m
 - Asset Management £3m
 - Neighbourhood Priorities £1m

1.4 More detailed proposals within these 4 blocks are as follows:

Public Realm Improvement Programme (£8m plus external funding)

1.5 On 20 March, Council Cabinet approved the final Public Realm Strategy prepared by Derby Cityscape in conjunction with the Council. The Public Realm Strategy focuses on the improvement potential for five Public Spaces, six City Pathways and associated highway works so we need to consider priorities within that broad context.

Public Spaces

1. Market Place
2. Orangery
3. Osnabruck Square
4. Cathedral Green

5. The Spot

City Pathways & Highways Work

1. Heritage Walk (St Mary’s – The Spot)
2. Hidden River (Victoria, Albert, Riverside)
3. East Street
4. Friar Gate Link (Friar Gate, Sadler Gate, Market Place, Exeter Bridge)
5. Riverside Promenade
6. Cathedral Link (Iron Gate – Cathedral Green)
7. Full Street, Corporation Street, Morledge

- 1.6 The proposed programme for 2007/08 comprises both full scheme commencements and preparatory design and consultation projects as follows.

Public Realm Full Scheme Commencements

	Public Realm Funding £000's	Other Council Funding £000's	External Funding £000's	Total £000's
<u>Approved schemes</u>				
1. East Street	1,800		50	1,850
2. Cathedral Green			3,600	3,600
<u>Proposed schemes</u>				
3. Improvements to Eagle Centre Market (East Street entrance)	800		300	1,100
4. Cathedral Green/Full Street crossing	800			800
5. Theatre Walk	1,500		300	1,800
6. Underwrite St Alkmunds Footbridge contract	819			819
7. Contribution to St Alkmunds Footbridge and associated public realm works	106	75	500	681
8. Shop front improvement scheme	300		300	600
9. Programme and Project Management and minor miscellaneous environmental improvements	1,000			1,000
	7,125	75	5,050	12,250

Public Realm Design and Consultation Commencement (all schemes)

	Public Realm Funding £000's	Other Council Funding £000's	External Funding £000's	Total £000's
10. Full Street – Corporation Street – Morledge & associated development sites + public spaces	Split across all four schemes			
11. Heritage Walk (Chapel Street to City Centre)				
12. Wardwick – Friar Gate – Cheapside streetscape				
13. Castleward Boulevard				
14. The Spot, Feasibility Study				
	875	0	0	875

1.7 Notes on Public Realm Programme

- East Street. The total funding estimate is £2.1m of which £250k from DDEP relates to 2006/7

- Cathedral Green. The total funding estimate is £3.7m of which £100k from DDEP relates to 2006/7
- Theatre Walk. In order to ensure completion before the opening of Westfield Shopping Centre, it is proposed to waive the requirement, under Contract Procedure Rules to obtain competitive tenders for this work but instead to incorporate construction into Westfield's current contract subject to open book scrutiny. A provisional estimate for the works, which include major improvements to floorscape, roofscape and walls, has been provided at £1.25m. The balance will be used to make additional improvements to the area.
- St Alkmunds Footbridge. The £500k external funding is split £300k to footbridge and £200k other public realm works to be approved by the Public Realm Board. St Alkmunds Footbridge is the subject of another report to this Cabinet
- Programme and Project Management and Minor Miscellaneous Improvements. Management issues are covered in para 1.11 to 1.13. Minor miscellaneous improvements include proposals emerging through the Westfield Task Force, including, for example, grant aid for minor improvements to targeted city centre properties, to ensure we make every effort to improve the visitor experience to the whole City Centre on the opening of Westfield Shopping Centre

1.8 Council Office Accommodation (£5m)

Specific recommendations on this block will be brought back to a future Cabinet as part of the Accommodation Strategy update but will include:

- Phase 1 of Council House refurbishment including window replacement and roof and gutter repair
- Feasibility and Design of Phase 2 – internal refurbishment to improve customer access and meet modern office standards
- Addition to funding reserve for new accommodation/refurbishment of existing

1.9 Asset Management (£3m)

Expenditure will be targeted at maintaining buildings in a safe and operational condition, removing buildings from the Buildings at Risk register and improving those buildings in the worst condition to an acceptable standard in accordance with the Maintenance Strategy. In determining priorities, opportunities to rationalise the building stock will be considered through option appraisal, including challenging the need to continue to hold the property.

1.10 Neighbourhood Priorities (£1m)

- A contribution of £700,500 towards the Community Libraries Lottery Bid for libraries at Allenton, Chellaston and Mackworth, as approved by Cabinet on 20 March
- A contribution of £116,000 towards the rebuilding of Sunnyhill Community Centre as identified in the separate report to this Cabinet in contract and financial procedures
- The balance to contribute to other neighbourhood projects to be agreed

Programme and Project Management

- 1.11 £17m represents a very significant increase in programme funding towards public realm improvement and asset management and this cannot be accommodated within existing staffing resources.
- 1.12 It is proposed to manage the public realm programme within the Regeneration Division of the Regeneration & Community Department. The Assistant Director is currently preparing a restructuring of the Division following staff consultation. Detailed proposals for managing the public realm programme within this Division will now be incorporated into this structure. We will also identify the requirements of the public realm programme in other Divisions – particularly in Highways & Transport. These staffing costs will create a call on the Public Realm fund and detailed proposals will be reported through to the Public Realm Board.
- 1.13 Asset management priorities will be determined by the Corporate Asset Management Group (AMG) to ensure schemes are identified and targeted at service needs from a corporate perspective. A scheme approval process is proposed as follows:
- Schemes up to £20,000 in value – approval by AMG
 - Individual schemes over £20,000 and up to £100,000 in value – approval by the AMG in consultation with the Cabinet Member for Personnel, Performance Management and Economic Development
 - Individual schemes with a value of over £100,000 – will require a Scheme Commencement Report and Cabinet approval in accordance with the Financial Procedure Rules.

OTHER OPTIONS CONSIDERED

2. Alternative projects within the Public Realm Strategy have been considered but the proposals outlined above are considered the highest priority at this time to complement the private sector investment and improvement projects which are currently taking place or known to be imminent.

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Background papers:	None
List of appendices:	Appendix 1 - Implications

IMPLICATIONS

Financial

- 1.1 The proposed allocation of the Public Realm and Asset Management Programme is detailed within the report and summarised below. Appendix 2 shows the adjusted 2007/08 programme

	Public Realm Funding £000's	Other Council Funding £000's	External Funding £000's	Total £000's
Public Realm				
- approved schemes	1,800		3,650	5,450
- proposed schemes	5,325	75	1,400	6,800
- proposed design and consultation	875			875
Sub total	8,000	75	5,050	13,125
Office Accommodation	5,000			5,000
Asset Management	3,000			3,000
Neighbourhood Priorities	1,000			1,000
TOTAL	17,000	75	5,050	22,125

- 1.2 The Public Realm programme has been uplifted by £1.275m, from £20.850m to £22.125m, since the February Cabinet report. This relates to:
- a reflection of the £75,000 contribution within the Regeneration & Community programme towards St Alkmunds Footbridge
 - £1.4m additional external funding linked to the proposed schemes
 - £50,000 rescheduling of Cathedral Green external funding to 2007/08
 - less, the rescheduling of £250,000 East Street external funding relating to 2006/07
- 1.3 In approving this programme the Council is making a massive commitment to the implementation of the Cityscape Public Realm Strategy. We believe that this commitment will be matched by other key Cityscape stakeholders and approaches will be made to partners to commit financial contributions towards those projects which meet their objectives in order to accelerate and reinforce the implementation of the programme.
- 1.4 The asset management element of the programme will allow a start to be made in tackling the significant maintenance backlog in Council buildings.

Legal

2. None at this stage.

Personnel

- 3.1 Additional staffing resources will be required in order to implement this programme. Detailed proposals will be brought to the Public Realm Board for approval.
- 3.2 Working conditions at Council House will be improved as a result of the planned work.

Equalities impact

- 4 Access for disabled people in all public realm improvements will be considered a priority. The Council's Access Officer will be involved in the design of individual schemes.

Corporate Priorities

5. These proposals support the Council's priority for Creating a 21st Century City Centre.