

Cabinet

Meeting to be held on 9 June 2016

Report of the Director of Development and Corporate Services

Electoral Divisions affected: All

Preston Bus Station – project update

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Executive Summary

This report describes detailed proposals, the combined outcomes of which will result in the regeneration of Preston Bus Station and Multi Storey Car Park as a public services hub focussing on transformed bus and coach facilities, a new build Youth Zone for the young people of Preston and South Ribble, improved pedestrian safety, highway improvements and car parking along with the creation of accessible open space in the heart of Preston city centre.

The objective is to deliver a modern and vibrant public service hub which compliments the Grade Two listed property and promotes the regeneration and development of Preston city centre.

This is deemed to be a Key Decision and the provisions of Standing Order No 25 have been complied with.

Recommendation

Cabinet is recommended:

- (i) To approve the proposals set out in this report which will repair and refurbish Preston Bus Station and Multi Storey Car Park, primarily as a public service facility focusing on, bus and coach transportation, a Youth Zone for the young people of Preston and South Ribble, pedestrian safety, highway improvements, car parking and the creation of accessible and useable public open space within the heart of Preston City Centre;
- (ii) To fund the additional contribution of £925,000 for the Preston Youth Zone from the existing allocation for the delivery of Youth Zones across the county;
- (iii) To authorise the County Council to enter into a Lease Agreement with its delivery partner in respect the occupation and operation of the Youth Zone on terms to be agreed by the Head of Service for Estates and the Director of Legal and Democratic Services.

- (iv) To authorise officers to submit Planning Applications and listed Building Consents in respect of the concrete repairs and car park refurbishment, Bus Station façade replacement, Bus Station internal refurbishment and Youth Zone and public realm.

Background and Advice

1. Introduction

At the Executive Scrutiny Committee on 7th June 2016 John Puttick will make a presentation on the revised design for the Bus Station, Concourse and Youth Zone. As part of the presentation there will be a number of visual images.

On the 5th December 2013, Cabinet agreed that the County Council should take ownership of Preston Bus Station and Multi Storey Car Park ("Bus Station and MSCP") from Preston City Council on the principal terms set out in the report considered by Cabinet on that date. Cabinet authorised the Leader, in consultation with the then Interim Chief Executive, the County Secretary and Solicitor, and County Treasurer, to agree and conclude the final terms of the transfer, which was completed on the 31st March, 2014.

The report considered by Cabinet on 5th December 2013, explained the significant impact that the Grade II listing (designation in September 2013), had on the future direction of the Bus Station and MSCP, in particular the major obstacles this presented in the context of seeking approval to demolish the existing facilities, which was a pre-requisite to the building of a new bus station and car park.

The report concluded that the designation of the Bus Station and MSCP as a Grade II Listed Building made the potential option of demolishing the Bus Station and MSCP and building a new bus station and car park extremely challenging. Alternative proposals have therefore been developed to refurbish and enhance this facility.

The Bus Station and MSCP is one of the key gateways to Preston city centre. A modern refurbished and well maintained facility is an essential component in enabling the wider regeneration and development of Preston city centre and will have a pivotal role in supporting the Preston, South Ribble and Lancashire City Deal. The development of the Bus Station and MSCP has been included within the City Deal Infrastructure Delivery Plan and the full value of the programme of works has been recognised.

The Preston, South Ribble and Lancashire City Deal agreed with government, builds on the strong economic performance of the area over the last ten years and will help to ensure that the City Deal area continues to grow by addressing strategic transport infrastructure and development challenges to deliver new jobs and housing across the City Deal area.

On 6th November 2014, Cabinet considered a report which outlined proposals for the regeneration of the Bus Station and MSCP focussing on the bus station concourse, the MSCP and public realm, together with the relocation of the proposed Youth Zone

from the Nutter Road/Ringway site to the Western Apron. These elements form the consolidated development proposal and are individually addressed in the body of this report.

On 5th March 2015, Cabinet received an update report on the undertaking of an international design competition for:

- the ground floor of the existing Bus Station, but excluding the central spine of accommodation within the property; and
- all of the western apron along with that part of Tithebarn Street between Old Vicarage and Lord Street, extending to Lord Street itself.

The winning design practice, John Puttick Associates, of New York, were appointed in October 2015.

2. Construction Programme Development

The complex nature of this scheme with its confined city centre site, its interfaces with other highway works and the sensitivities in dealing with a high number of adjacent businesses whose operations would all be affected by the construction of the youth zone and refurbishment of the bus station requires contractors who are sympathetic to the project requirements and with a track record of excellent customer and public relations.

It was also essential that the contractors were also able to provide the earliest possible engagement with the design team and client prior to starting on site to gain a full understanding of the complexities involved, to bring their construction expertise to assist in the resolution of these complexities and to build these issues into the programme and working methods.

It was evident, therefore, that selection of framework partner's would be the best solution to ensure satisfactory delivery of the project.

Within this framework category the County Council has engaged the following partners:

- Conlon Construction Ltd of Bamber Bridge
(concrete repairs/car park refurbishment, internal elements of the concourse refurbishment, including the glazing and coach station)
- Keepmoat Construction of Salford.
(Youth Zone and public realm, external elements of the coach station, on and off site highway works)

The nature of the scheme was such that both framework partners are capable of delivering the scheme successfully with neither of them giving any cause for concern regarding performance or their ability to deliver excellent public relations.

Conlon and Keepmoat have a good track record of public realm work and have carried out similar town centre schemes. On that basis, the decision was taken to partner with them for this project.

3. Youth Zone

The current Bus Station operates out of 80 bus bays running along the whole of the east and west side of the building. The proposal outlined at Section Five of this report is to deliver a 36 bay bus station utilising the whole of the east side of the current facility with a four bay coach park being located on the existing taxi rank. This configuration will completely remove buses and coaches from the west side of the current facilities, creating the opportunity to develop this area.

The 6th November 2014 report to Cabinet explained the background to the location of the Youth Zone on the former nursery site at Nutter Road/Ringway and in doing so recognised that taking ownership of the Bus Station and MSCP provided the opportunity to consider this as an alternative location for the Preston Youth Zone.

Since the conclusion of the international design competition extensive work has been undertaken by John Puttick Associates, the technical design team, the construction partners and On-side to develop a fully deliverable programme of works. This has included the revision of the original Youth Zone design.

The revised Youth Zone design is significantly different from the proposed design which emerged from the design competition. The changes have arisen as a consequence of significant feedback received from Historic England and the Twentieth Century Society and their concerns regarding the design and specifically the proximity of the Youth Zone to the bus station building itself.

Design modifications were considered to alleviate these concerns and lessen the planning risk associated with them. However, these modifications resulted in a significant increase in the construction costs of the original design, giving estimates above the capital budget outlined in the November 2014 report.

Historic England and the Twentieth Century Society have consistently raised concerns regarding the close proximity of the proposed development to the listed building, especially as the original proposal was to physically connect the two structures.

The revised design overcomes these issues and by moving the Youth Zone away from the Bus Station to sit at the furthest point available within the boundary of the western apron means that a listed building consent is no longer a requirement. This will mitigate planning risk and is expected to reduce the time needed to gain planning permission.

Externally the Youth Zone is designed as a freestanding building that complements the Bus Station, while being contemporary in design. Its steel structure and metallic facade create a pavilion-like appearance that contrasts with the heavy concrete of the Bus Station. The horizontal lines and stepping of the new building respond to the horizontal emphasis of the original structure. Along the east side of the Youth Zone, a new parade of steel columns relates to the large concrete columns of the Bus Station.

The Design Team has worked closely with On-Side and have made detailed changes that will improve the operational efficiency of the building, making it crucially more efficient and cost-effective to run. The expertise and experience of On-Side in

the running similar youth zones elsewhere in the country has been invaluable to the development of this building.

Having established a design and configuration for the freestanding building, several key considerations have had to be taken into account:

- The building should be sufficiently distant from the Bus Station to allow a pleasant and active public space between the two.
- The new building should be a confident design but should not attempt to compete with the Bus Station.
- The new building should have a simple form.
- The new building should be visually lighter in than the Bus Station in material to complement the existing building.
- The freestanding building should not seek to replicate the Bus Station design.

The Youth Zone will now be positioned as far to the north-west of the site as possible to maximise both the new public realm and the separation from the Bus Station.

The new structure is envisaged as a visually light pavilion, complementing the strength and weight of the existing concrete Bus Station. The building is split into three levels echoing the horizontal emphasis of the listed structure.

The building steps down towards both the new public space and the Bus Station, to respond to the shape of the listed building and preserve views. At ground level, the south and east sides of the building have large areas of glazing that highlight the entrance and give glimpses of the many activities taking place inside.

The Youth Zone will be an exciting new venue for the young people of Preston and South Ribble and is arranged around a central activity space which connects all the facilities on offer. Enlivened by games and recreational areas, from here users of the building can see the sports, arts and crafts and enterprise activities taking place and be encouraged to get involved. The large Sports Hall has been placed upstairs, to reduce the size of the building facing the public space and the Bus Station.

The double-height main entrance of the Youth Zone will offer views of the climbing wall and up to the Sports Hall. The majority of facilities have been located at ground level, including a fitness suite, a performing arts and dance studio, a music room, a boxing and martial arts gym and a variety of arts and workshop rooms.

An external kick-pitch and viewing areas will be provided at roof level. Placing the kick-pitch on top of the building maximises the available public space at ground level and creates an exciting venue, with impressive views across the Bus Station, the new public space and beyond.

The terms of the lease arrangement and the governance of the Preston Youth Zone will be finalised by the Head of Service for Estates and the Director Legal and Democratic Services. The lease will contain a restrictive covenant restricting the use of the facility to a Youth Zone and provisions enabling the lease to be terminated for breach of covenant and insolvency. The final terms will be reported to the Leader and Deputy Leader of the Council.

The November 2014 report also established a revised reduced County Council revenue contribution of £150k pa, this had been agreed previously at £400k pa. It was also clarified that the County Council would no longer be required to underwrite the remaining public sector contribution, or any shortfall in the private sector contribution.

Pre-planning Public Consultation

A pre-planning consultation took place between 17th and 25th May 2016.

As part of this consultation there was an on-site exhibition located at Stand 3 on the Bus Station Concourse, running from Thursday 19th May through to Saturday 21st May.

This exhibition showed the latest designs for the Bus Station and the Youth Zone, and how these had been developed by the design competition winner, architect John Puttick Associates, over the last few months. The exhibition was open to the public from 8.30am to 5.30pm Thursday and Friday, and from 8.30am to 12.30pm on Saturday.

All of the information was available via the county council website for the entire duration of the consultation for anyone who was not able to attend the event in person. See attached link: lancashire.gov.uk/preston-bus-station.

Staff were on hand from Lancashire County Council, John Puttick Associates (the architect), Cassidy & Ashton (the planning consultants), and On-side (who will support the Preston Youth Zone in the running of the Youth Zone) throughout the event to answer questions from members of the public. Attendees were encouraged to share their thoughts about the new designs via postcards provided at the event along with a post box to collect them in, or via the 'Have your Say' facility on our web-site.

63 hard copy responses were returned at the event, of which 27 (43%) were positive, and 13 (21%) were negative. The remaining 23 responses (37%) were categorised as mixed or neutral in that while they liked some aspects of the scheme they had concerns about others. This probably reflects the multi-dimensional aspect of the plans.

Positive responses mainly focused on the improved physical appearance of the area and the visual impact of the design proposals.

Negative responses also featured design in some cases, but also tended to mention issues around whether the scheme was the most appropriate use of public funds in the context of cuts elsewhere.

Mixed or neutral responses included people who approved of the Bus Station improvements but were against the concept of the youth zone and vice versa, comments around highways, some suggestions around specific design details, and scepticism around the plans being made reality.

4. Multi Storey Car Park

Studies were undertaken in 2014 led by Jacobs to assess the condition of the structure at the Bus Station and Multi Storey Car Park. These included a concrete

condition survey by a specialist survey company Ian Farmer Associates. This was limited to localised test areas within the structure. The results of the investigations indicated that embedded chlorides were present throughout the structure and that different elements of the structure were at differing risk of ongoing corrosion. Areas of high risk included the vehicular circulation routes and some of the parapets exposed to wetting.

It was also noted within the report that a further survey of the car park to properly identify which areas were at differing corrosion risks should be undertaken, to enable more detailed quantification of the required remedial solutions. Conlon's have been working with the County Council to advance the concrete repairs and car park refurbishment. Following a competitive tender exercise undertaken by Conlons, Makers Construction Limited, a specialist contractor, has been appointed to undertake the concrete repair and corrosion protection works.

The County Council's requirements, includes, all the necessary repairs and installation of corrosion protection measures to the structure to ensure an additional 25-years of life with minimal maintenance. Additionally, improvements are required to the decoration and to provide deck coatings throughout to improve the user experience.

In comparison with the Jacobs cost study the following efficiencies have been identified through the process:-

- Additional surveys have identified the specific areas where impressed current cathodic protection is needed; this has ensured that this relatively expensive technique is only used where it is required.
- The market assessment of concrete repair costs is less than that previously assumed.
- High quality deck coatings can be applied throughout, and the specialist contractors concluded that the existing asphaltic material on decks 1, 2, 8 and 9 would not require removal prior to deck coating which offers a saving. The application of these deck coating systems will improve future durability thus reducing the requirement for other protection measures in some locations; and
- Suitable coating products are available that can be installed over the existing coatings on the soffits. Removal of the existing coatings is not required, this provides a significant cost saving.

The improvements to the Multi Storey Car Park will improve all aspects of the facility, particularly for car park customers and the county council as the owner/operator of the property.

In broad terms, the Brief for the works will deliver a refurbished car park which will become the facility of choice for motorist's visiting Preston.

The Brief has been prepared to deliver the type and quality of facility which may be found in major cities throughout Europe.

The improvements can be broadly grouped under two headings.

1. Works to the concrete surfaces

As part of the concrete repairs, all the access/egress ramps will have new barrier restraints installed which will increased the width for cars entering and leaving the car park.

All deck floors will be treated with coloured waterproof coatings. All parking bay markings will be formed in the topcoat in a contrasting colour. On completion of the deck coatings all directional markings will be applied.

All ceiling surfaces will be treated with a light coloured coating to give a superior surface that will reflect the internal lighting.

2. Mechanical and electrical

The mechanical and electrical package has been designed to work in conjunction with the coatings referred to above. The objective being to deliver a facility which is welcoming, light and secure.

The lighting will be controlled by adjustable passive infra-red sensors with 256 closed circuit television cameras located throughout the property.

Additional security will be installed in the form of face recognition cameras to all stairwells and ANPR equipment on all ramps.

New ticket machines will also be installed along with new lifts as part of the stairwell refurbishment works.

The work will also see the installation of electric charging points for battery powered/hybrid vehicles.

During the operation of the Bus Station it has become increasingly apparent that action is required to provide suicide prevention measures within the refurbishment of the MSCP. This was not included within the initial programme of works proposed within the November 2014 Cabinet Report, and no funding was allocated. Through efficiencies in the overall design solution for the Bus Station savings of £900,000 have been identified. A design solution is currently being developed and this currently unallocated sum of £900,000 will be set aside as a provisional sum for suicide prevention measures to be installed on all 9 floors. Any underspend of this amount will be added to the overall project contingencies.

5. Concourse (Bus Station external glazing and Internal refurbishment)

The county council's overall proposals will include the delivery of a refurbished and reconfigured Bus Station and Coach Park utilising the full length of the east side of the building. This approach will completely remove bus traffic from the west apron. The remainder of west apron will be integrated into an area of high quality public realm space providing better pedestrian connectivity into the city centre and towards the Railway Station.

The existing configuration of the Bus Station involves bus movements along both the east and west aprons. One of the implications of this is that passengers accessing

the Bus Station from the city centre, across Tithebarn Street are currently choosing to negotiate manoeuvring buses on the west apron.

In the interests of public safety and passenger convenience, the design of a redeveloped Bus Station enables the separation of the bus movements from those of pedestrians in the most efficient manner.

The East side of the building will be refurbished to provide a new 36 bay bus station along with a four bay coach park to be located on the site of the former taxi rank and include new glazing with new automatic doors out on to a new fully DDA compliant bus concourse.

The ground floor and mezzanine within the building will be refurbished to enhance the lighting, surface finishes and other existing features. This will provide an internal public space which can support the main uses together with initiatives from the private, public and voluntary sector.

Pedestrian access to the Bus Station and MSCP is currently via a high level footbridge link from the MSCP to first floor of the Guild Hall Arcade, and at ground level across the west apron or via three subways:

- One at the north east corner from the Ringway side of Carlisle Street;
- One from Tithebarn Street, adjacent to St. Johns Centre; and
- One from the ground floor of the Guild Hall Arcade.

It is proposed that the subway from Tithebarn Street, adjacent to St. Johns Centre; and the subway from the ground floor of the Guild Hall Arcade be permanently closed with the subway to the north east corner being retained in the interests of pedestrian safety.

The proposals set out above deliver the objective to make it easier and safer for people to access the Bus Station at ground floor level across the west apron. This would not only consolidate pedestrian access points but also mitigate those elements of anti-social behaviour that the existing subways encourage. These principles have been discussed with the owners of St. Johns Centre and the Guild Hall. With regard to the high level footbridge to the Guild Hall Arcade, the owners of the Guild Hall have indicated a desire to retain and improve this facility, at their cost. This will be further explored with them in due course.

The original design of the Bus Station interiors were clean and simple. The scale of the space being emphasised by a simple horizontal theme with white tiles at the lower levels of the central spine with dark-grey timber and glass above, the external glazing with central horizontal band, the clean concrete soffit above and black rubber-tiled floor below. The original design also benefitted from an absence of clutter on the interior surfaces.

Since its opening in 1969, the major elements of the Bus Station have remained largely intact. The scale of the space remains evident, and many of the original materials have suffered from only surface damage. However, the Bus Station does not have the appearance that meets the original intentions. A significant number of minor additions clutter the space, and lighting, signage and advertising have been added in a piecemeal fashion detracting from the concept of 'integrated design'. The

colour of the upper part of the central spine has been changed, and the current artificial lighting scheme creates both unwanted surface fixtures and a dreary atmosphere.

The strategy to refurbish the Concourse has involved identifying the most significant elements and seeking to retain and enhance them, while sensitively introducing specific new interventions that will improve functionality. The original design featured fully integrated lighting and signage and the strategy reinstates this concept.

The entrances on the west side will be consolidated – three for the Bus Station and one for the new Coach Station facility. Towards the south end of the building a new 'entrance hall' is created in the part of the Bus Station with the greatest lateral space and views - this will become the main entrance, information point and ticketing area. The central route through the middle of the station will be widened. Concrete pavers will extend into the interior from the external landscape to form nonslip mats at the entrances and provide a durable, hard-wearing surface. Elsewhere the existing black rubber floor will be retained and refurbished.

Along the central spine, the original white tiling will be maintained at the lower levels and repaired and replaced where needed. The upper surfaces will be restored, returning the colour of the frames and panels to the original dark grey. Shopfronts will be restored where possible and replaced where necessary with a design similar to the original.

The clutter of existing signage will be removed and a new strategy implemented that allows integration into the surfaces as far as possible. Signage will primarily take the form of large wall-based graphics, using the Helvetica typeface in keeping with the style of the 1960s building. In order to avoid the current clutter of advertising, zones have been identified for grouped signage and advertising.

The existing ribbed concrete soffit will be cleaned. Linear lighting along the upper section of the horizontal facade 'band' will be reinstated and supplemented with lighting along the top of the spine. The intention is for all lighting to be achieved indirectly towards the concrete soffit, with the current ceiling lights removed.

The existing WCs are to be refurbished and reconfigured to make them more welcoming and to improve the space at the central point connecting the east and west sides of the station.

At the south end, a new dedicated Coach Station is created that is also separated by a screen of glazing. This is a stand-alone facility with new WCs that is able to operate independently from the main station.

The glazing is to be replaced with a system that replicates the existing as far as possible while achieving contemporary requirements in terms of wind loading and safety glass. Glazing at ground level follows the modules of the heritage building but is modified along the west side to consolidate the door positions. At high level the existing glazing will be replaced with safety glass using aluminium mullions as close as possible to the originals. The mid-height 'band' incorporating signage and lighting will be rebuilt to restore the intentions of the original.

6. Public realm

The proposal is to provide a significant landscaped area in the heart of Preston City Centre with landscaping designed to clarify the key routes across the western area and provide zones with varying character supported by seating and planting. Whilst it is intended that this will be an attractive area to dwell, it will also clearly establish routes through from the Bus Station and Youth Zone in to the wider city centre and vice versa.

It is proposed that the final design be a simple, clean pattern that relates the space and reflects the structural design of the Bus Station, which complements the continuation of the county councils shared space agenda. Leaving an uncluttered space also retains uninterrupted views of the listed building. The landscaping will be designed to clarify the key routes across the site and provide zones with varying character.

The detailed design for the public realm is to be undertaken during June/July and will be included within the planning application for the Youth Zone and Public Realm.

7. Highway works

Tithebarn Street currently has a high traffic flow with many drivers using this route to avoid the Ringway junction. It is proposed to divert this through traffic along Carlisle Street, which will continue to provide service access to the area, but due to the longer route may also encourage drivers to stay on Ringway as the principal route.

The proposed new bus routing is for all buses to enter the Bus Station at two entrance points at the eastern apron. Bus exit routes will use Tithebarn Street then either Old Vicarage Road or Lords Street. On Tithebarn Street just south of Old Vicarage Road there will be the need to restrict this movement to buses, taxis, cyclists and authorised service vehicles only.

This will minimise the traffic flow on the southern end of Tithebarn Street and improve pedestrian connectivity to the Bus Station across the new public realm space on the western apron.

Associated with these changes is the proposed left turn only from Earl Street to Lancaster Road. This effectively provides a traffic free area between the market canopy redevelopment and the St John's centre, furthermore it removes rat running traffic originating from Cheapside in Preston's civic core, whilst still catering for service vehicles.

8. Planning Strategy

The planning strategy for the overall repair and refurbishment programme is the product of reconciling the requirements of the listed status of the property with the optimum development programme.

In this respect, Planning Applications will be submitted as follows:

- i. Concrete Repairs and Car Park Refurbishment

The survey and scope of works for the concrete repairs and car park refurbishment has been undertaken by Makers and was issued during late May. These proposals

will be drawn up architecturally in order to support a planning and listed building consent application which will be prepared by Cassidy and Ashton (planning advisors). The application will be accompanied by a Planning Statement, Design and Access Statement and Heritage Statement.

Prior to submission, further discussions will take place with Historic England and the Twentieth Century Society in order to agree the techniques for the concrete repairs, the method of ensuring that a twenty five year guarantee can be applied to the concrete works, and the scope of the car park refurbishment.

The target date for submission is 27th June 2016. If there are no objections the application could be determined under delegated powers. If there are objections the target Planning Committee is the 7th September 2016. If successful it is anticipated that works would start on site in September/October subject to there being no pre-commencement conditions needing to be discharged.

ii. External Concourse Glazing, Doors and Bus Gates

A detailed scheme for the replacement of the existing wooden doors with automatic anodised aluminium doors has been discussed in detail with Historic England and the Twentieth Century Society. The works to the glazing and general proposals have already been agreed in principle. Further heritage and technical justification is currently being evaluated by both organisations.

The application including the Planning Statement, Design and Access Statement and Heritage Statement are being prepared by Cassidy and Ashton whilst the architectural drawings have been prepared by John Puttick Associates.

The design of the new bus gates are being finalised taking into account lessons learnt from Accrington Bus Station and will also require discussions with the heritage groups.

The target date for submission is 27th June 2016. If there are no objections the applications could be determined under delegated powers. If there are objections the target Planning Committee on 7th September 2016, approval through this committee will facilitate a start on site later in the year subject to there being no pre-commencement conditions needing to be discharged.

iii. Internal Concourse Refurbishment and Alterations

A general scheme for the internal concourse refurbishment and alterations has been designed by John Puttick Associates. Final discussions are taking place with the tenants and further design work is required in respect to the mezzanine office concourse and the fine detail of the alterations. There is general support from the heritage groups for the proposals but final discussions are likely to be required in respect to any changes to the retail units.

The target date for submission is 25th July 2016. As set out previously, were there to be no objections the application could be determined under delegated powers. If there are objections the target Planning Committee is on the 19th October 2016 which, if successful would facilitate a start on site later in the year/early 2017 subject to there being no pre-commencement conditions needing to be discharged.

iv. Preston Youth Zone and public real/public space

The architectural design work for the Youth Zone is very advanced and is almost complete. The detailed design for the public realm is to be undertaken during June/July. The application will be prepared by Cassidy and Ashton and John Puttick Associates who will collate the relevant documentation with support from the technical design team.

The target date for submission is 22nd August 2016 with a target Planning Committee of 7th December 2016. If planning permission is granted this would facilitate a start on site in February/March 2017 as there will be pre-commencement conditions to be discharged.

9. Development programme

ACTIVITY	DATES
Report to Cabinet	June, 2016
Ongoing consultation with Statutory Consultees	June – October, 2016
Submit planning application for concrete repairs	June, 2016
Submit planning application for concourse externals	June, 2016
Submit planning application for concourse internals	July, 2016
Submit planning application for Youth Zone and public realm	August, 2016
Application for concrete repairs determined	September, 2016
Application for concourse externals determined	September, 2106
Application for concourse internals determined	September, 2016
Start on Site (concrete repairs)	October, 2016
Application for Youth Zone/public realm determined	December, 2016
On-site – Youth Zone construction	February/March 2017
Practical completion of Youth Zone	April/May 2018

10. Capital costs and funding proposals

The original cost estimates for the proposed development set out in the November 2014 Cabinet report established an overall estimate for the delivery of all works, other than Youth Zone and Public Realm as £15.34m. The information presented below demonstrates that the sum of the Bus Station, MSCP, Suicide Prevention Measures, and Highway works can be managed within this same cost envelope of £15.31m. This achieves a marginal reduction in cost whilst accounting for a provisional sum for the additional works required for suicide prevention.

Revised Capital Cost Estimates

Description	Estimated Capital Cost – final £m
Bus Station and Multi Story Car Park	11.783
Suicide Prevention measures (provisional sum)	0.900
Youth Zone	6.925
Public Realm	2.000
Highway Works (on and off site)	2.659
Total	24.267

Capital Contributions

Funding Source	Amount £m
Contribution from Children and Young people Capital programme	5.000
Contribution from Countywide Capital allocation for Youth Zones	0.925
Contribution from On-side	1.000
Original contribution to the construction of a new bus station	8.300
Contribution from £6m of Government funding in LEPs Growth Deal, announced in 2014 for the extension and completion of the Fishergate Central Gateway Scheme	2.000
Contribution from city deal IDF – funded by an LCC reserves commitment.	7.042
Total	24.267

As can be seen from the above tables the increase in capital costs of £925k is attributable to the Youth Zone. The baseline capital cost of the Youth Zone was set at £6 Million in July 2011 (Report to the cabinet member for Young People 26th July 2011), at which point in time the Youth Zone location was to be on an area of land on the County Hall complex. Whilst over the intervening years changes to the County Council and On-side contributions to this amount (and revenue commitments for the Youth Zone) have changed, the £6M was not revised.

The design process to date has been rigorous and the advice from KeepMoat and the Design Team is that the Youth Zone cannot be delivered for less than £6.925m without the need for substantial changes to the footprint size, configuration and layout leading to a compromised design that would not deliver the outcomes envisaged.

Furthermore over the five year period from July 2011 to date, if we were to apply construction cost inflation, the baseline estimated cost of £6m would have increased by c. £1.5m to £7.5M.

11. Revenue – financial performance

When the ownership of the Bus Station and MSCP was transferred to the county council in 2014 the facility was incurring a deficit on direct costs (i.e. before corporate overheads etc) of £0.187m per year. Examination of the budget identified a number of potential areas of cost where the different approaches to service would allow costs to be reduced by the County Council. However it was appreciated that this deficit was also sensitive to a range of external factors, including the general economic climate which would have an impact on the core income streams.

Since that time a considerable amount of work has been undertaken to ensure that measures have been put in place for both the car parking and bus station elements to ensure as far as possible that the facilities will not operate at a deficit.

The on-going revenue implications related to the delivery of parking and bus services out of Preston Bus Station have been modelled to take account of these efficiency savings and increased revenue income.

In summary for financial years 2016/17 and 2017/18, during which the programme of works will be delivered, the revenue modelling has anticipated that the combined facilities of the bus station and car park will break even. In 2018/19, the first full year of new operations the model anticipates a surplus, principally generated through car park income. Further detail is provided below.

Bus Operations

Bus Station operating costs are incurred predominantly through staffing costs, security costs, electricity and water charges, business rates, building cleaning and general expenditure. Preston Bus Station is managed in-house within the Public & Integrated Transport Service and the estimated running cost for 2016/17 is £669,000. Rising to £709,000 following the completion of the refurbishment and concrete works. There is an estimated £40,000 pa maintenance cost associated with the new concrete protection works required to maintain the 25 year warranty.

The current charging arrangement for bus operators is through rents, each operator pays a rent of £5,194 pa for each bay they use. In 2015/16 this generated an income of £250,554. The Budget Option agreed for the management of bus stations across Lancashire is developing the introduction of departure charges rather than rents. Indicative modelling, based on a 20% reduction in departure levels has established a departure charge of £1.32 would provide sufficient income to cover the operating costs of Preston Bus Station. It should be noted that this level of departure charge can be challenged by bus operators through the Traffic Commissioner and that there is no obligation on bus operators to use the bus station facility. However the bus operators will be actively encouraged to continue to provide services from the bus station. The level of departure charge will remain under review.

It is appreciated that Preston Bus Station will face significant disruption over the coming months as redevelopment takes shape. It may be therefore be considered inappropriate to introduce substantial additional charges at Preston until improvements are completed. A charging model has been developed which shows an annual increase in departure charges through to 2018/19 at which point the full recovery charge of £1.32 would be achieved.

In addition to the income generated through departure charges the lease of facilities within the concourse and mezzanine floors currently secures an income of £102,000. There are some opportunities to increase this following the development of the facilities on site as the lease space available will be increased and it is anticipated that income will increase to £157,000 when all works are complete from 2018/19. As has been discussed elsewhere in this report discussions are on-going with current lease holders and there are strong indications that they will continue to trade from this site.

Car Park Operations

Operating costs for the car park facilities are estimated at £261,500 for 2016/17, 17/18 and 18/19. This includes all operating costs such as staffing, rates, electricity, security and maintenance of parking meters.

Income is generated through daily pay and display parking fees, Penalty Charge Notices and company parking arrangements through licence and leases. Modelling work has been done to take account of the new parking arrangements on the 9 floors of the car park. This will see the number of parking bays reduced from 1,183 to 983 to take account of manoeuvrability around the facility and improving Health and safety arrangements.

Although the revised site plan will mean 200 less spaces, the current value of £267,000 for Pay and Display parking (included within the modelling) is based on current income generated from only 6 of the floors being utilised, therefore the two factors are likely to counter act each other.

	2018/19
Bus Station expenditure	709,000
Bus Station income	709,000
Balance	Nil

Car Park expenditure	261,500
Car park income	454,000
Balance	192,500 (surplus)

Implications:

This item has the following implications, as indicated:

Risk management

The risk management implications of not following the proposals approved on 06th November 2014 and set out in this report remain consistent and are summarised below:

1. The overall regeneration of Preston City Centre and the surrounding area will be adversely affected by the provision of substandard public transport facilities;
2. Pedestrian safety will continue be at risk until vehicular movements across the current bus station site and pedestrian movements are separated;
3. The external consultants strongly recommend that doing nothing to address the issues surrounding the structure of the bus station and MSCP is not an option. Due to the listed status of the building, delaying the repairs and refurbishment could increase the inevitable costs of repair in the future. The rate of corrosion and spalling of reinforced concrete often follows an exponential curve where delaying repair over the medium term can significantly increase the costs of remediating.

A more important risk of 'doing nothing' is the health and safety of users. In the short to medium term there would be minor risks associated with falling concrete onto pedestrians, albeit with a low probability of this actually happening. A more serious, long-term impact of taking no action would be the steady decline of the structural integrity of the building due to corrosion and loss of section of reinforcement bars.

Consultations

Pre-planning application consultation has taken place and is reported within the body of the report. Further consultation will take place as part of the formal planning process.

Financial

These are discussed within the body of the report

Legal and Property

Terms of the lease agreement will be determined by the Head of Service for Estates and the Director and Legal and Democratic Services. This report concentrates on the delivery of the construction elements of the bus station and MSCP and Youth Zone. In terms of the operation of the Youth Zone it is proposed that the County Council appoint a delivery partner to be the tenant under the proposed lease. As part of these arrangements work will be undertaken by the Director of Legal and Democratic

Services together with the Head of Procurement Services to ensure that the proposals are consistent with the procurement and State Aid requirements.

List of Background Papers

Paper	Date	Contact/Tel
Preston Youth Zone	26 th July 2011	Rob Norton (CYP)
Preston City Centre	5 th December 2013	Eddie Sutton/01772 535171
Preston Bus Station and Multi Storey Car Park	6 th November 2014	Eddie Sutton
Preston Bus Station and Multi Storey Car Park	5 th March 2015	Eddie Sutton
Preston Bus Station and Multi Storey Car Park	11 th June 2015	Sue Procter/01772 538848