



CITY DEAL

Preston, South Ribble & Lancashire

CITY DEAL EXECUTIVE AND STEWARDSHIP BOARD

Private and Confidential: No

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Infrastructure Delivery - Fishergate Central Gateway (Phases 1, 2 & 3) - Re-profile of Funding and Project Update

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Executive Summary

This report provides the Executive and Stewardship Board (E&SB) with an overview of the delivery of the Fishergate Central Gateway Project, Phases 1,2 and 3; and the current funding gap position.

It outlines a funding gap of £44,000 across a £10.736M project (original funding secured £10.692M) and recommends an additional sum of £44,000 is transferred in to the project from the Transport Corridor line.

Recommendation

- (i) The City Deal Executive and Stewardship Board are asked to note the report.
- (ii) The City Deal Executive is requested to approve for the transfer of £44,000 from the unallocated element of the Transport Corridor line into the Fishergate Central Gateway project.

Background and Advice

The Fishergate Central Gateway project includes three separate delivery phases and has been funded from a variety of sources as detailed in the table below:



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Scheme	Funding Source	Amount £
Fishergate Phase 1	Third party contributions (Local Transport Plan, Local Sustainable Transport Fund, on street parking surplus, s.106 contributions, Virgin)	1.893m
	ERDF	1.799m
	LCC	1.500m
Sub total	Sub total	5.192m
Fishergate 2 and 3 (note 2)	Growth Deal	4.500m
	LCC Contribution	1.00m
Total	Total	10.692

The total allocation for the combined Fishergate schemes within City Deal model is £10.692m.

Phases 1 and 2 are now complete and have delivered outturn costs of:

Phase 1 - £4.086m

Phase 2 - £4.25m

The allocation within the £10.692 for Fishergate 3 is £2.4m

Informed by the outturn costs for Phases 1 and 2, and a robust re-appraisal of the design and construction costs it is now estimated that the final cost of the combined projects is £10.736m, creating a funding gap of £44k. It is proposed that this funding gap be met from the unallocated element of the Transport Corridor line within the City Deal model. (This will not require alterations to any schemes that have already been approved).

Additional Information:

Fishergate Phase 1

Additional funding allocations were made available through the Phase 1 delivery from third parties and ERDF, delivering the scheme with a budget surplus. This surplus of £1.106m is retained within the City Deal Fishergate Central Gateway programme.

Fishergate Phase 2

Phase 2 exceeded the profiled budget of £3.1m by £1.15m due to a combination of factors, including:

- Additional area delivered compared to estimate representing a 10% increase in the scheme – an extra 1,113m² (c £375k);
- Unforeseen works which arose during construction e.g. accommodate unidentified services and utilities (c £450k),



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The remaining additional costs are attributed to a number of smaller issues including:

- Adjustment to the work programme due to constraints on site including issues with permissions to remove existing street furniture and maintaining access to businesses throughout delivery;
- Adjustments to work programmes to address constraints on site related to the requirement to maintain operational bus lanes throughout operations;
- Refinement of original scope of works e.g. street lighting, bus shelters, re-design of frontage to Boots following customer and partner feedback.

Fishergate Phase 3

The programme for Phase 3 is now under review and the programmed January 2017 start on site is likely to be delayed. This is due to a number of factors, including the need to undertake a 'lessons learnt' review of the design to ensure delivery within the £2.4m allocation and provide reassurance to the City Deal E&SB and Growth Deal Management Board of the deliverability of the combined scheme.

Highways Design & Construction and CD Highways colleagues have revisited the design of phase 3 in order to ensure that the scheme is deliverable within the original agreed budget of £2.4m and is complementary to the design of Phases 1 and 2 and the wider public realm in Preston City Centre.

Specifications have been developed by the Highways Design & Construction Service working in conjunction with the LCC CD Highways Team to effectively balance the demands of affordability while still delivering a quality public realm scheme which complements work already done in earlier phases and delivers the agreed and contracted outputs. These will be presented to the Infrastructure Delivery Steering Group (IDSG) in compliance with the scheme approval process.

As part of the lessons learnt from Phase 2 we intend to restrict vehicle use of Lancaster Road during the construction phase. This will enable the delivery team to work on a larger area without interruption, improving efficiency and reducing construction time and cost. This addresses issues of site constraints encountered in Phase 2.

In addition, progress on a number of other projects across Preston city centre, as well as the emergence of new ones, has had implications for the implementation of Phase 3 Fishergate works:

- Detailed work has still to be done on how the Re-imagining the Harris will interact with public realm on Lancaster Road. Further discussions have established that the timescale for the Harris project is too far in the future for detailed interface to be planned and built into the Fishergate project. On that basis the scheme will be designed around existing entrances and exits, (which will be contained within the £2.4m) and any special requirements will have to be introduced by the Harris project as and when it proceeds.



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- The Guildhall has plans to remove the off-centre concrete steps outside its building and replace with two symmetrical staircases framing the entrance. This will alter the square meterage which requires refurbishment on Lancaster Road. Any increase in cost would need to be funded outside the £2.4m and we are currently in dialogue with the landowner to address this.
- A proposed health-led development on the 'grassy knoll' site at the corner of Tithebarn Street and Lord Street will have frontages on both streets and may also have specific needs in terms of access and public realm design. We are working on the basis that this will not come to fruition in the timescale of the delivery of Phase 3, and therefore any additional requirements beyond Phase 3 would need to be met from the new development.

Added to the above there is also the need to ensure that the Phase 3 works are aligned with the Preston Bus Station redevelopment programme in order to allow effective management of traffic in the area while the planned youth zone and associated public realm are constructed from September 2017 onwards, and to minimise the need for construction traffic to pass over newly laid highway.

It should be noted that early highway works are required on Lord Street to facilitate the movement of buses and Coaches following the implementation of new arrangements for exiting Preston Bus Station from the beginning of April 2018. This will necessitate the delivery of works on Lord Street in February/March 2018. The delivery of the Phase 3 works through the LCC City Deal Highways team ensures that this work has been programmed for delivery to satisfy this requirement, taking full account of the design and value engineering review of the full Phase 3 works. This would not be possible through an external procurement route.

It will be necessary to amend the Infrastructure Delivery Plan to take account of any revised programme. A revised high level delivery programme has been produced and will be further refined during the detailed design phase:

Completion of detailed design – Phase 3 - March 2018
(Delivery of Lord Street Works – Feb/March 2018)
Instruct works – Phase 3 - April 2018
Start on site – Phase 3 - June 2018
Practical completion – June 2019