
Report of The Director Of City Development

To Executive Board

Date: 04 July 2007

Subject: Design & Cost Report

Scheme Title: Neville Street Environmental Improvements
Capital Scheme Number: 13951

Electoral Wards Affected:

City & Hunslet
Beeston & Holbeck

Specific Implications For:

Equality and Diversity
Community Cohesion
Narrowing the Gap

Eligible for Call In

Not Eligible for Call In
(Details contained in the report)

Executive Summary

The report informs members of the Executive Board of progress to date on Neville Street Environmental Improvements and describes how this project is the most strategic in its impact on Holbeck Urban Village and also the City Centre. The design proposal is unique and innovative, combining light and sound art with technical solutions to enhance the current harsh environment, for example by reducing traffic noise. It responds to the ambition expressed by the Holbeck Urban Village Partnership Board to provide a high quality solution. The report seeks authority to rescind all previous approvals (Capital Scheme No. 01195), for an injection of £4,604,400 in to Capital Scheme No. 13951 for the development of Neville Street Environmental Improvements and authority to incur expenditure of £4,604,400, of which £2,604,400 is funded from third party sources.

If funding provision is approved this would allow the project to be tendered and construction works to begin on site in January 2008.

1.0 Purpose of this Report

1.1 The purpose of this report is to seek:

- a) Approval to the scheme design proposals and 'freeze' the brief.
- b) Approval to the scheme estimates and cash flows.
- c) Authority to rescind all previous approvals (Scheme No. 01195).
- d) Authority for an injection of £4,604,400 into Capital Scheme No. 13951.
- e) Authority to incur expenditure of £4,604,400.

2.0 Background Information

- 2.1 The Holbeck Urban Village (HUV) vision is to create a mixed use sustainable living and working community with improved connections to the city centre and surrounding communities of Beeston Hill, Holbeck, and West Leeds; the establishment of a new Digital/Creative Quarter and the preservation of the area's unique character whilst creating a sense of place on the edge of the city centre. This area, therefore, represents a strategic opportunity for Leeds to not only create a new and unique quarter of the city but to strengthen investment in, and links to the adjacent communities in Holbeck and West Leeds.
- 2.2 Re-establishing strong positive linkages and improving perceptions of the area are vital if the private sector is to be persuaded to invest in the area. Consequently, there is a key role for the public sector to intervene by the reconnection of the city centre, HUV and local communities through public realm and infrastructure improvements. In order to achieve this, a number of improvement scheme 'priorities' have been identified by the HUV Planning Framework (which has undergone significant public consultation).
- 2.3 The projects listed below are the 'priorities' for implementation as set out within the HUV Planning Framework and endorsed by the Renaissance strategy. The schemes have all undergone feasibility work and were fully funded by Yorkshire Forward in the 05/06/07 Sub Regional Investment Plan (£3,000,000), up to the point of detailed design and planning permission / approvals. It is estimated that the total cost of the priority public realm works outlined below will be in the region of £31,500,000:
- Neville Street Environmental Improvements – to improve the pedestrian route to South Leeds and HUV and strengthen the investment 'offer' of these locations.
 - Dark Neville Street Environmental Improvements - to improve the pedestrian route into HUV and similarly to attract further private sector investment and jobs.
 - Re-open Sweet Street Bridge – as part of a traffic diversion strategy
 - Street Works highway improvements – to strengthen HUV as a 'place' for further Investment.
 - Hol Beck Watercourse – a green walkway which increases connectivity.
 - Viaduct walkway - reuse of the arches for business accommodation and the viaduct as a potential connector and greenspace.
 - Canal bridge crossing – to connect the south with western communities.
 - Multi-storey car park feasibility – to assess the potential site accommodation for a car park.
- 2.4 Neville Street Environmental Improvements is the most advanced of the prioritized schemes. Neville Street forms one of the key pedestrian and vehicle gateways into and out of Leeds and is the main gateway into the city from the M62 and M1. As development to the south of the river continues the pedestrian footfall through Neville Street will also increase. However, the current condition of the space is unattractive and creates a negative perception of the area and entrance to the city.
- 2.5 Key investors in Leeds have flagged up the need for environmental improvements as being essential to sustaining and promoting the rate of investment to the south of the city centre. There is consequently a need for environmental improvements to this area, which reflect its importance as a major gateway into Leeds and also as a means of increasing investor confidence in the area.
- 2.6 Neville Street acts as a key connector for the city centre, Holbeck Urban Village and the Beeston Hill and Holbeck renewal area and therefore strengthens links between these areas. Consequently, improvements to this area are required as a matter of priority in order to both support the economic growth of the city and also support the regeneration initiatives of HUV and Beeston Hill and Holbeck.

- 2.7 As a result of identifying the need for improvements to this area, detailed proposals, up to and including RIBA Stage D, have now been prepared, resulting in the following approvals being achieved to date:
- Highways Board approval in principle on 06 March 2006.
 - Partnership Board on 09 March 2006, in recognition of the strategic importance of this project, authorised the scheme be progressed to RIBA Stages E, F and G (detail design and production drawings).
 - Planning approval on 15 November 2006.
- 2.8 The first stage of an economic appraisal has just been completed in which 20 interviews were conducted with commercial occupiers and local residents. The next stage will include local developers. The purpose of the exercise was to gauge the importance of the public realm proposals to businesses and residents. This included ranking the projects in order of importance and also a 'willingness to pay' principle. In summary, the main disadvantages of being based in HUV included a fear / perception of crime, the area feeling run down, lack of lighting and the poor state of the roads. Both the commercial occupiers and residents rated the quality of the pedestrian route into the city centre and a high level of public realm maintenance to be the most important public realm features. Consequently, the top two schemes identified are those of Neville Street and Dark Neville Street. The business occupiers in particular also indicated a higher level of treatment to be applied to the area, suggesting that the enhancement of this route was important to improving both the Village's appeal, and indeed, the whole area to the south of the station as a business location.
- 2.9 On 25 February 2004 the Project Justification Form, Scheme No. 01195 for Neville Street / Dark Arches was approved and £2,750,000 included within the Capital Plan. The project has changed significantly since this time. Importantly, the scheme now only includes Neville Street. Dark Neville Street (Dark Arches) has been put on hold due to budgetary pressures.
- 2.10 Subsequently, an Outline Business Case for Neville Street Environmental Improvements has been prepared and approved in principle by the Director of Resources and a new Scheme No. has now been set up for Neville Street Environmental Improvements (13951) for all costs beyond detailed proposals (RIBA Stage D). Scheme No. 01195 retains all existing costs in association with detailed proposals, up to and including RIBA Stage D.
- 2.11 An application to Yorkshire Forward for SRIP monies for the scheme to be progressed to the next RIBA Stages E, F and G (detail design and production drawings) has been approved (£336,000).
- 2.12 £646,000 has also been secured from the Northern Way Growth Fund (Arts Council England and Yorkshire Forward) for the art elements of the scheme (design and implementation).

3.0 Main Issues

Design Proposals / Scheme Description

3.1 The project aims and objectives are:

- To implement environmental improvements to Neville Street with the aim of enhancing the pedestrian experience and footfall of this route into Holbeck, from the city centre and the railway station.
- To improve the environmental attractiveness of this gateway into the Holbeck area and to therefore help sustain the existing businesses, both within the Granary Wharf and ultimately the Holbeck Urban Village.
- To capitalise on and improve the assets which contribute towards Holbeck's unique character and ultimately its potential as an urban village.
- To provide security for the existing business and future businesses and their customers and to increase the safety for all those using this pedestrian route.
- To improve the appearance of Neville Street and the railway bridge in the context of creating a gateway into the City Centre.
- To create a safe and secure environment.

3.2 The design proposals comprise improvements to the appearance, lighting and acoustics of the space. They have been developed in close consultation with Highways, City Services and Network Rail to ensure that the technical constraints are fully met. The improvements comprise:

- New linings and canopy to both walls in the form of perforated anodised aluminium panels (bronze finished) attached to a steel frame, incorporating sound insulation and light art installations. The panels will be fully hinged to allow maintenance access. The west wall will create a moiré effect. Acrylic rods will be placed at regular intervals into the perforation holes of the east wall to create a simple dotted pattern. Ten percent of these acrylic rods will be equipped with white LEDs that are programmable to allow varying patterns of horizontal and vertical lines of LED light. Every early morning, at a time of least traffic, the pattern will change – chosen by a random generator – and one will never see the same pattern twice
- Sonic Art installation. In addition to the reduction of the sound level being proposed by the design team, the sonic art installation will add sounds to the ambient environment in a way that reduces the aggressiveness of the existing traffic and train noise. A specific composition of sounds will be written for Neville Street where the sound will move along the street creating a smoother acoustic experience for the pedestrian.
- Increasing the width of the west footpath and narrowing of 3 traffic lanes. New kerbing and paving to the footpaths.
- New highway lighting.

3.3 The design proposal is unique and combines artistic merits with technical solutions .It responds to the ambition expressed by the Holbeck Urban Village Partnership Board to provide a high quality solution.

3.4 Drawings and images of the proposed scheme will be displayed at the Executive Board meeting.

Consultations

- 3.5 Numerous consultations have taken place to date, which include the Holbeck Urban Village Partnership Board, Yorkshire Forward, the development sector, key stakeholders, the local communities, the general public and Leeds' Civic Trust. All are supportive of the proposals. In particular, the local communities and general public were consulted as part of the 'What Kind of Place' event in April 2006. The event included an exhibition of the project for two weeks in the Round Foundry and in Dark Neville Street.
- 3.6 Highways Board approval for the detailed design is required prior to tender.

Programme

- 3.7 Subject to funding provision being confirmed, the strategic programme of works is currently as follows:

Final Proposals (RIBA Work Stage E)	To 20 May 2007
Production Information (RIBA Work Stage F)	To 26 August 2007
Tender Documentation (RIBA Work Stage G)	To 23 September 2007
Tenders Out (RIBA Work Stage H):	24 September 2007
Tenders In (RIBA Work Stage H):	07 November 2007
Start on Site (RIBA Work Stage K) :	07 January 2008
Practical Completion (RIBA Work Stage L):	03 August 2008

- 3.8 The Northern Way funding must be spent by 31 March 2008. This can only be achieved if the project starts on site in January 2008.

4.0 Implications for Council Policy and Governance

Compliance with Council Policies

- 4.1 The project forms the first phase of public realm work that is essential to the delivery of HUV. Yorkshire Forward and Leeds City Council share a vision for a new urban village within the area to form a central part of the continuing renaissance of Leeds as a city region. The Vision comprises:
- Improved connectivity with the city centre and surrounding communities of Beeston Hill and Holbeck, creating new opportunities for employment, for living and for leisure.
 - A new creative quarter focussed on new media and digital technologies that will significantly add to and strengthen the city's offer as the major regional business centre.
 - A development which will preserve the area's unique character, combining the rich architectural legacy of the industrial age with high quality contemporary design.
 - A mixed use, sustainable community with a distinctive sense of place.
- 4.2 The Renaissance Leeds framework provides the city-wide strategic context for the Neville Street Gateway as a key project for Holbeck Urban Village. The Renaissance Strategy specifically identifies that Holbeck Urban Village needs to ensure that; 'Every opportunity should be taken to establish new connections and strengthen existing connections (especially pedestrian connections) to all adjacent conditions.'
- 4.3 This strategic direction is further supported by the strategy set out within the Supplementary Planning Guidance for Holbeck Urban Village which identifies the need 'to promote high quality infrastructure and public realm facilities which encourage inward investment, improve both physical and non-car based access to job opportunities and promote the renewal objectives for the adjoining Beeston Hill and Holbeck area.'

- 4.4 The Neville Street scheme contributes to all three aims of The Vision for Leeds (Going up a league as a city; Narrow the gap between the most disadvantaged people and communities and the rest of the city; Develop Leeds' role as the regional capital).
- 4.5 This will be achieved by contribution to the following strategic objectives in the Corporate Plan:
- all neighbourhoods are safe, clean, green and well maintained;
 - all communities are thriving and harmonious places where people are happy to live;
 - Leeds is a highly competitive, international city.

Council Constitution

- 4.6 This report is not exempt from the Call-In of Key and / or Major Decisions.

Community Safety

- 4.7 The proposals contained in the report do have implications under Section 17 of the Crime and Disorder Act 1998 and these are as follows:
- By enhancing the environment, community safety will be improved through better lighting and wider footpaths.
 - By improving the environment pedestrian movement will be encouraged and activity increased in the area and therefore will be less likely to attract anti-social behavior.
- 4.8 A Stage 1 / 2 Safety Audit will be undertaken once designs are fully detailed. Any issues raised in the Safety Audit will be addressed.

5.0 Legal and Resource Implications

Scheme Design Estimate

- 5.1 Estimated costs are as follows:

Construction Costs	3,800,000
Professional Fees (RIBA Stage E to G)	310,600
Professional Fees (RIBA Stage H to L)	164,700
Legal and Building Control Fees	15,000
Artists Fees	105,000
Artist Liaison Consultant Fees	34,800
Project Reserve	110,300
Associated Programme - Internships, Schools, Workshop (Ways of Hearing), Public Events, Publications)	38,000
PR and Marketing	26,000
TOTAL	4,604,400

- 5.2 Exclusions and qualifications are as follows:
- VAT
 - Costs are estimated using approximate quantities and are based upon a start on site of January 2008. Increased costs incurred by any delay have not been included for.
 - Feasibility fees, professional fees up to and including RIBA Stage D and planning fees have been separately funded.
 - Building control and listed building approvals are not required.
 - Land acquisition and site development costs are not required.

- The project will be tendered using the OJEU process; OJEU notice, Pre Qualification Questionnaire (PQQ) evaluated to create a shortlist of 6 contractors, tender, tenders evaluated using price and quality criteria, Contract award.
- An HUV management and maintenance strategy is currently being prepared. However, it is unlikely that the strategy will be implemented within the next 2 or 3 years and furthermore, Neville Street is not within the Holbeck Urban Village boundary. Therefore, it is proposed that a commuted sum is invested for the maintenance of the Neville Street Environmental Improvements. The commuted sum is not included within the estimated capital costs above, but will be injected into Revenue.

Capital Funding and Cash Flow

Previous total Authority to Spend on this scheme	TOTAL £000's	TO MARCH 2007 £000's	FORECAST				
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010/11 £000's	2011 on £000's
LAND (1)	0.0	0.0					
CONSTRUCTION (3)	0.0	0.0					
FURN & EQPT (5)	0.0	0.0					
DESIGN FEES (6)	0.0	0.0					
OTHER COSTS (7)	0.0	0.0					
TOTALS	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Authority to Spend required for this Approval	TOTAL £000's	TO MARCH 2007 £000's	FORECAST				
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010/11 £000's	2011 on £000's
LAND (1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CONSTRUCTION (3)	3910.3	0.0	1759.6	2092.0	58.7	0.0	0.0
FURN & EQPT (5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DESIGN FEES (6)	630.1	116.9	314.7	188.6	9.9	0.0	0.0
OTHER COSTS (7)	64.0	0.0	40.0	24.0	0.0	0.0	0.0
TOTALS	4604.4	116.9	2114.3	2304.6	68.6	0.0	0.0

Total overall Funding (As per latest Capital Programme)	TOTAL £000's	TO MARCH 2007 £000's	FORECAST				
			2007/08 £000's	2008/09 £000's	2009/10 £000's	2010/11 £000's	2011 on £000's
LCC Funding	2000.0	0.0	0.0	1931.4	68.6	0.0	0.0
Yorkshire Forward SRIP	336.0	0.0	336.0	0.0	0.0	0.0	0.0
Northern Way Growth Fund	646.0	116.9	529.1	0.0	0.0	0.0	0.0
Yorkshire Forward	1622.4	0.0	1249.2	373.2	0.0	0.0	0.0
Total Funding	4604.4	116.9	2114.3	2304.6	68.6	0.0	0.0
Balance / Shortfall =	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Parent Scheme Number: 01195

Title: Neville Street Environmental Improvements

5.3 It is proposed to rescind all previous approvals included in Existing Scheme No. 01195 (£2,750,000). Funding approved in Existing Scheme No. 01195 was:

- £2,600,000 of Yorkshire Forward funding.
- £150,000 of Network Rail / Spacia funding.

5.4 The proposed funding for the project is:

- Yorkshire Forward has now approved SRIP funding for the continuation of the design work (£336,000).
- £646,000 has been secured from the Northern Way Growth Fund (Arts Council England and Yorkshire Forward) for the art elements of the scheme. The funding must be spent by 31 March 2008.
- £2,000,000 Leeds City Council funding, from savings in the Capital Plan on 2 major highways schemes.

- £1,622,400 of Yorkshire Forward funding. Yorkshire Forward is currently preparing their Full Business Plan Pro-forma for Yorkshire Forward Single Pot & European Structural Funds. The Yorkshire Forward approval process is a 3 stage process. The expected timescales are estimated as Stage 2 – late June 07, Stage 3 – late July 07, Stage 4 – early August 07.

5.5 Other funding that is being explored is:

- Integrated transport capital programme (Local Transport Plan) - maximum £100,000.
- Funding in kind for the associated programme. For example, match funding from Arup with regards the proposed 2sonic art event (maximum £18,000)

Revenue Effects

5.6 City Development is currently responsible for maintaining the highway and highway lighting in Neville Street. Network Rail is responsible for maintaining the bridge structure. Therefore, there are no additional revenue costs with regards these elements.

5.7 However, the new linings and canopy to both walls, incorporating the sound insulation, light art installations and the sonic art installation will require a Revenue budget for maintenance. A commuted sum is to be received to fund the future maintenance of these elements.

Risk Assessments

5.8 The key risks that have been identified for the scheme are as follows:

- Failure to deliver a high quality and innovative scheme. As the project is complex there have been many design issues. However, a project manager, a full design team, an artist and an artist liaison consultant have been carefully selected and commissioned. This project team has fully considered all design issues and presented realistic solutions.
- Failure to maintain a high quality and innovative scheme. A commuted sum has been included in the capital costs for the project to ensure that maintenance is undertaken.
- Northern Way spend not met due to delay to the project. Start on site has been programmed for January 2008, which allows sufficient time for design, tendering and contractor lead in times.
- Cost of works exceed expectations. The design is being scrutinized throughout the design process. A cost plan has been prepared. This will be fully updated once detailed designs are finalised (July 2007). If tenders exceed the budget a value engineering exercise will be undertaken.
- Failure to secure further funding. An Outline Business Case for Neville Street Environmental Improvements has been prepared and approved in principle by the Director of Resources. In parallel with the submission of the Design & Cost Report and Outline Business Case to Executive Board, Yorkshire Forward are preparing their Full Business Plan Pro-forma for Yorkshire Forward Single Pot & European Structural Funds.
- Failure to secure Network Rail permission. Regular liaison is taking place with Network Rail at a technical and strategic level. Support has been expressed from the strategic level. Technical approvals are ongoing.

6.0 Conclusions

- 6.1 The Neville Street Environmental Improvements project has been identified as a key scheme for Holbeck Urban Village and also as of strategic importance to the city. Key investors in Leeds have flagged up the need for environmental improvements as being key to sustaining and promoting the rate of investment to the south of the city centre. The area is also serving to strengthen links between the Beeston Hill and Holbeck renewal area. Consequently, improvements to this area are required as a matter of priority in order to both support the economic growth of the city and to also support the regeneration initiatives of HUV and Beeston Hill and Holbeck.
- 6.2 The project is fully supported by the HUV Partnership Board, Yorkshire Forward, Northern Way, local businesses and the local communities.

7.0 Recommendations

- 7.1 The Executive Board is requested to:
- a) Approve the scheme design proposals and brief as presented.
 - b) Authorise the rescinding of all previous approvals (Scheme No. 01195).
 - c) Approve the funding plan as presented, and authorise an injection of £4,604,400 into Capital Scheme No. 13951.
 - d) Authorise scheme expenditure of £4,604,400.