

Rothesay Pavilion Progress Report.

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to provide members with an update on progress with the Rothesay Pavilion Adaptive Restoration and Extension Works project following completion of the funding package in September 2017 and the award of the construction contract to Messrs CBC Ltd (CBC) in November 2017.
- 1.2 In September 2017 the final approvals were received for additional funding from the Heritage Lottery Fund, European Regional Development Fund and Historic Environment Scotland to allow the project to proceed. Total anticipated final cost is £13,991,536
- 1.3 Messrs CBC were awarded the construction contract and started work on site on 29th November 2017. The contract value is £10,688,023. The forecast completion date is 31st July 2019.

2.0 RECOMMENDATIONS

Bute and Cowal Area Committee is asked to consider and note:

- 2.1 The progress update provided in this report.
- 2.2 The new Project Manager, Jonathan Miles, took up post on 23 July 2018.

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3.0 INTRODUCTION

- 3.1 The project comprises the comprehensive refurbishment of the grade A listed Rothesay Pavilion which is a key component of the Council's ambitious and forward looking programme to assist regeneration and economic development in five of its waterfront towns; Campbeltown, Helensburgh, Oban, Rothesay and Dunoon.
- 3.2 The project will bring Rothesay Pavilion back into viable economic use by allowing a mix of new commercial, cultural and community activities to be provided within it. This will bring new life to this iconic building as well as stimulating wider regeneration and local economic activity.
- 3.3 On completion the building will be managed by Rothesay Pavilion Charity (RPC) who will lease the building from the Council for a term of 25 years. The charity's board comprises a mix of people who live on the island or who have links to it. However, they have the necessary skills and experience to successfully manage and programme the Pavilion and to ensure it has a sustainable future.
- 3.4 Full funding for the project was achieved in September 2017 and a construction contract was awarded to Messrs CBC on 29th November 2017 with a projected completion date of 31st July 2019.

4.0 RECOMMENDATIONS

Bute and Cowal Area Committee is asked to consider and note:

- 4.1 The progress update provided in this report.
- 4.2 The new Project Manager, Jonathan Miles, has been appointed and joined the Council on 23rd July 2018.

5.0 DETAIL

- 5.1 As previously reported the main contractor CBC have been on site since 29th November 2017 and at the time of writing are reporting the works remain on programme. However, it should be noted the value of work certified to date is 16% (£1,684,678) of the construction cost of £10,688,023 compared to the Contractors cash flow forecast of 24% (£2,594,201). In monetary terms this equates to £909,523 below forecast.
- 5.2 The cash flow forecast when compared to actual spend indicates the programme is behind schedule with 32% (28 weeks) of the 87 week contract duration expired. This would indicate that actual works on site have not progressed either at the same speed or in the same sequence as was originally planned. In questioning this with the Contractor and Design Team they have advised that the complexity of the building, necessitating additional structural propping, and inability to use mechanical excavation equipment in the undercroft, due to restricted access, has had a consequential impact on progress compared to plan.
- 5.3 At the time of reporting and despite the adverse variation with cash flow CBC are reporting they are on programme to meet the contract completion date of 31st July 2019. The programme and cost plan are subject to ongoing in depth reviews to ensure the position is recovered and action taken to ensure no delay to the practical completion date.
- 5.4 The contract contingency and provisional sums are also being closely monitored as part of the project financial control measures.
- 5.5 Funding is now being actively drawn down from our four major external funding partners Heritage Lottery Fund (HLF), Historic Environment Scotland (HES), Highlands & Islands Enterprise (HIE) and European Regional Development Fund (ERDF) with over £1M being received since the contract started. Funding applications are being submitted on an ongoing basis.
- 5.6 The 3rd HLF application has been submitted for the period April – June 18 in the sum of £224,156 with the total amount including the latest application equating to £1,102,646. HES have contributed £375,000 to date and HIE have made a payment of £90,407 towards the overall funding envelope.
- 5.7 In addition to the funding secured by the Council, Rothesay Pavilion Charity had a fundraising target of £400,000 to achieve. The Council agreed to underwrite this amount pending successful funding applications by the charity. Thus far the charity has been successful in securing £132,546 of this target made up as follows:
- Argyll Youth Arts - £789 (additional money in relation to a previous award);
 - Awards for All - £5,000 (towards heritage activities);
 - Investing in Ideas - £9,000 (towards heritage activities);
 - West Coast Foundation - £116,957 (towards the multi-media studio on the first floor. This is one of the Marquis of Bute's foundations).

A further application for £100,000 was made to the Bank of Scotland Foundation earlier in the year but, a decision is still awaited. It is planned to make an application to the Garfield Weston Anniversary Fund in Sept 18 (in the region of £100,000 to £150,000). Additional applications are being considered over the next reporting period.

5.8 The recruitment of a replacement Project Manager has been completed and Jonathan Miles took up appointment on 23rd July 2018.

5.9 Progress continues on site, as follows:

- Main Roof – roof covering to the East and West perimeters is being progressed;
- Upper Ground Floor – New brickwork walls to the back of stage toilets / changing areas in progress;
- New opening & walls to the New Café have been installed;
- Lower Ground Floor: New walls and beams for the New Exhibition space substantially completed and temporary propping removal now completed;
- Lower Ground Floor: New Club / Venue areas – New brick and lintel repositioned existing doorway to New Bar Store including new door opening to the north end now completed;
- Auditorium Undercroft – reducing the existing ground level to accommodate the new lift and toilet areas, including provision of new foundations continues;
- Auditorium Undercroft – hard core subbase for the new ground bearing slabs has commenced;
- Caretakers House: new roof covering completed. The wall between the existing corridor and kitchen has been removed for creation of the new shared meeting room;
- Design of structural steel connections, roof lights, Crittall windows, curtain walling, Mechanical & Electrical items are all progressing.

5.10 Planned progress over the next reporting period:

- Progression of structural alterations;
- Progression of groundworks;
- Progression of roofing works;
- Production of cast stone;
- Progression of steelwork to roof level;
- Continue caretakers house fit out;
- Progression of Mechanical and Electrical.

5.11 As part of CBC's commitment to providing community benefit for the duration of the contract they have employed both a cleaner and bricklayer from the local market.

5.12 In addition discussions are ongoing between CBC and local schools who may benefit from curriculum support activities. These include:

- Career Days: talking to pupils about possible careers in construction;
- Talks and presentations on specific elements of construction to support class projects or elements of the curriculum;
- Site visits and organised guided tours for groups of 12 pupils/students to explain the project and monitor progress during the contract period.

6.0 PROGRESS PHOTOGRAPHS

External: existing roofs

6.1 Canopy Roof



Existing roof finishes previously removed



Removal of the overhang in progress.

6.2 Main Roof



East & West Elevations – temporary protection in place over the new roof membrane.

6.3 Roof Caretakers House



New roof covering installed.

External Elevations

6.4 General Photographs of the external elevations



South and East Elevations



West Elevation



North Elevation



East Elevation



East Elevation – Pavillion sign elevation (sign previously removed)



Southern Terrace wall.

Internal:

6.5 Areas where non load bearing walls removed



Upper Ground Floor – Back Stage Area.



Upper Ground Floor - Existing ladies and Gents WCs next to main stair.



Upper GF - Toilets at Main Stair Half Landing



Lower GF – Looking South from existing Gents & Ladies WCs

6.6 Excavations, Foundations and Floor Slabs



Lower Ground Floor – Reinstatement of floor removed to the existing Store and Office area next to main entrance Foyer / Circulation area in progress.



Lower Ground Floor – Main entrance Foyer / Circulation area – steel beam installation through the wall and into Undercroft area for works to strengthen the existing west wall.



Auditorium Undercroft – Hard core subbase for new ground bearing slabs in progress.

6.7 General Internal Protection to retained features



Front Entrance Steps – Protection Maintained.



Upper Ground Floor – Protection maintained to the feature columns to the Main Hall.



Upper GF – Protection maintained to the floor of the Main Hall



Lower GF – Section of Protection to the Reception Desk has come away, no works ongoing at this area at present

7.0 CONCLUSION

- 7.1 The Rothesay Pavilion Adaptive Restoration and Extension Works contract commenced on site on 29th November 2017 and will proceed until the forecast completion date of 31st July 2019. The total cost of the project is fully funded and applications for the drawdown of funds are being made on a monthly/quarterly basis to the various funders involved in the project.
- 7.2 No change to the overall project cost of £13,991,536 is forecast despite an adverse variance in the main contractor's cash flow, as explained in Section 5.
- 7.3 Project risks are being monitored and mitigating actions managed. The Project Manager Vacancy risk for both likelihood and severity has been downgraded to low.
- 7.4 In addition RPC will continue to make funding applications to reduce the Council's underwriting commitment which currently stands at £267,000. An updated RPC cash flow shows that a positive position can be maintained through to completion subject to unsecured funding being obtained over the July 18 to March 19 period. The deficit is however underwritten by A&BC and this should resolve any temporary difficulty encountered if enough time is given to make arrangements.
- 7.5 Partnerships funding matches the revised project cost as reported at permission to start.

8.0 IMPLICATIONS

8.1 Policy	This project forms part of the approved CHORD programme that supports outcomes 1, 2 and 3 of the Single Outcome Agreement. Once completed and during the construction phase the Pavilion will help boost the local economy, create a key piece of modernised infrastructure that can be made use of by the local community and create employment and skills opportunities for the people of Bute.
8.2 Financial	The project is now fully funded however fund raising continues with the Trust to reduce the underwriting by the Council.
8.3 Legal	None.
8.4 HR	None.
8.5 Equalities/Fairer Scotland Duty	On completion the building will be fully accessible to facilitate disabled people's participation and use under the Equalities Act 2010 (formerly Disability Discrimination Act 1995).
8.6 Risk	Exceeding budget and programme. This will be closely monitored during the contract period.
8.7 Customer Service	None.

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