

**Rothesay Pavilion Progress Report.**

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**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.
- 1.3 Messrs CBC were awarded the construction contract and started work on site on 29<sup>th</sup> November 2017. The contract forecast completion date is 31<sup>st</sup> July 2019.

**2.0 RECOMMENDATIONS**

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

- 2.1 The in depth review and reconciliation of the financial and non-financial performance of the project following the new Project Manager, Jonathan Miles's appointment on 23<sup>rd</sup> July 2018, as set out in Appendix 1 to this Report.
- 2.2 The progress update provided in this report.

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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. In September 18 a new Executive and Artistic Director joined the RPC who will be responsible for managing 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 29<sup>th</sup> November 2017 with a projected completion date of 31<sup>st</sup> July 2019.

**4.0 RECOMMENDATION**

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

- 4.1 The in depth review and reconciliation of the financial and non-financial performance of the project following the new Project Manager, Jonathan Miles's appointment on 23<sup>rd</sup> July 2018, as set out in Appendix 1 to this Report.
- 4.2 The progress update provided in this report.

## 5.0 DETAIL

### Programme Delivery

5.1 As previously reported the main contractor CBC have been on site since 29th November 2017 and at the time of writing the percentage of programme passed on the original contract duration of 87 weeks is 49% (43 weeks).

5.2 The overall percentage of work completed equates to 31% at week 43. Key Work Package completion rates, are as follows:

- Early Enabling Works: 100%;
- Contractors Design Portion (CDP) – Product Design Approval/Manufacture: 76%;
- Roof Works: 39%;
- New Office Extension 1st Floor: 67%;
- Toilet/Shop Extension: 77%;
- Utilities: 0%;
- External Envelope Works: 26%;
- Internal Fit Out: 2%
- Caretakers House: 22%.

5.3 As reported above, 49% of the contract duration has expired, 27% of the contract sum has been expended which is 25% below the forecast for this stage of the project's delivery. With only 31% of the work completed to date and actual spend not having met forecast, it is reasonable to draw the conclusion the Main Contractor is behind programme and works have not progressed either at the same speed or in the same sequence as was originally planned. The main areas of delay in terms of spend, are as follows:

- Undercroft / substructure works have progressed at a much slower rate than anticipated and unexpected site conditions have also led to changes in the lift pit design/works in the immediate vicinity;
- An initial delay in the provision of temporary protection to the roof (NB: due to the difficulty in securing a system that was technically compliant within the confines of the existing building structure and within affordability limits. NB: achieving compliance has had a knock on impact to follow on works; concrete repairs, replacement roof finish, roof lights, parapet works and cast stone copings;
- Cast stone replacement to facades; although noted in the programme as a 6 month activity commencing in April 2018, stone replacement works only commenced on site in late September 2018. This was a consequence of detailed stone surveys not happening in line with programme.

- Mechanical & Electrical Plant: the sub-contractor was appointed later than anticipated and given the value of the large pieces of MEP equipment this has had a significant knock on effect on cash flow.

## **Budget / Cost**

- 5.4 The Projects' Anticipated Final Cost (AFC) remains within the approved budget, further detail on this is provided at Appendix 1 to this report.
- 5.5 There are cost pressures to keep contract provisional sums below estimated values, but these are being monitored and actively managed to minimise the overall risk to the Council.

## **Progress Monitoring and Reporting**

- 5.6 Monthly Performance reviews are in place with the Design Team and Main Contractor to:
- Review actual expenditure against forecasts including adverse variances;
  - Review, update and re-sequence the Main Contractor programme (currently revision E) including revisions to cash flow forecasts (currently Cost Plan 8b) to determine realistic and robust stage forecast completion dates and financial outturns;
  - Revise provisional sum forecasts in line with the programme schedule so they are representative of contract variations, anticipated programme work package timescales and completion;
  - Review the performance of the Design Team and Main Contractor in responding to requests for information and changes timeously and with day one quality.
- 5.7 Key Events over the reporting period:
- Main Roof: roof coverings to the Main and Fly Tower roofs are being progressed. Supply and installation of Air Handling Units to roof;
  - First Floor: new Office accommodation: structural steelwork installed, roof framing completed and roof covering progressing;
  - Upper Ground Floor: new brickwork walls to the back of stage toilets / changing areas largely completed;
  - Upper Ground Floor: Tender of kitchen & bar provisional sum (para 5.9 refers). New opening & walls to the New Café have been installed;
  - Lower Ground Floor (new Exhibition Space): new walls and beams completed and new window installation commenced;
  - Lower Ground Floor (Undercroft): reducing existing ground level to accommodate new lift and Gents/Ladies WC's and Staff room area: work in progress – rebuild to undercroft walls, new floor slabs and installation of drainage completed;

- Lower Ground Floor (Shop): demolition of existing external wall to create larger footprint work in progress;
- Interior (General): Installation started of Building Engineering Services (BES), with insertion of pipe hangers and cable trays to the soffits as part of first fix. Structural alterations have progressed throughout the building. Commenced ceilings & partition installation. Injected Damp Proof works to main building completed;
- Exterior Building Fabric: stone removal ongoing and new stonework replacement works commenced;
- Caretakers House: new windows installed. Interior strip out progressing and interior fit out works commenced;
- Main Contractor Design submissions of Crittall Windows, Cast Stone, Icon Fabrications and Heritage roof light is well advanced;
- Design of structural steel connections, roof lights, Crittall windows, curtain walling, Mechanical & Electrical items are all progressing.

5.8 Photographs are provided in Section 6.0 to substantiate progress reported.

5.9 Agreement has been reached with CBC regarding the treatment of the site hoardings, main sign board and visualisation image of the main staircase during the period under review. Progress is outlined below:

- Main Site Team & Funders signboard: installed;
- Visualisation netting banner of the main staircase around the proposed café area attached to the scaffold in mid-August;
- Agreement reached with CBC to provide 5 areas of Hoarding for the Charities use;
- Monthly site visits have been arranged in advance with the Heritage Officer on site in the accompaniment of the Project Manager/Architect;
- CBC have also made available two additional Hoarding panels for local schools to display Art work. Rothesay Community Campus Deputy Head engaged – work in progress.

5.10 Key Events over the next reporting period:

- Progression and completion (subject to weather) of Main roof and Fly Tower roof coverings. Auditorium and Fly Tower roof light enabling works including installation of new roof lights;
- Progression of steelwork at roof level to support vent plant;
- Lower Ground Floor: Shop - structural alterations completed to create new enlarged floor area;
- Lower Ground Floor: progression of ground works to main entrance and Lift Pit areas;
- Building Engineering Services: progression of works;
- Production and further deliveries of cast stone including ongoing replacement works;
- Caretakers House: continue with internal fit out.

5.11 A strong partnership approach has been forged between the Pavilion’s Project Manager, Jonathan Miles and the Charity’s Artistic Director (AD)/Chief Executive Officer (CEO) role shared by Jackie Shearer and Julie L Tait, who took up the post on 3<sup>rd</sup> September 2018.

5.12 With a background in arts and commercial management, community and business development, they been working closely with the Project Manager to ensure effective communications, reporting and decision making. They are reaching out to representatives and stakeholders across local and national cultural, tourism, economic development sector building relationships and connections to inform programming, future building operations and strategic communications.

5.13 Key priorities short term are to deliver and report progress on the HLF heritage activity plan, re-engage with the community and potential user groups to ensure the development of a cultural programme is collaborative and responsive to the needs of the local community and visitors. A new marketing strategy will include:

- a refreshed website;
- regular social media content and information on Pavilion hoardings to communicate progress towards opening;
- building wider interest in the Pavilion, i.e. encouraging greater engagement, and supporting fundraising activity essential for the Pavilion’s long-term sustainability.

5.14 The Rothesay Pavilion Charity have a capital fundraising target of £400,000 to achieve. The Council agreed to underwrite this amount pending successful funding applications by the charity. Good progress is being made by the charity who have been successful in securing £326,547 of this target. This is made up as follows:

Foyle Foundation	£40,000
Garfield Weston	£50,000
Wolfson	£25,000
Barcapel Foundation	£5,000
Robertson Trust	£100,000
West Coast Foundation (Multi-Media Studio 1 <sup>st</sup> floor)	£106,547

5.15 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.

5.16 Agreement has been reached with the Rothesay Community Campus, CBC and Project Manager regarding the following curriculum support activities:

- Work Placement(s): (Nov 18) site visits for students showing interest in construction profession and trade placements;
- Career Day: (Feb 19) talking to pupils about possible careers in construction. To include CHORD Programme & Project Manager, Elder & Cannon, Project Architects;
- In Service Day: (Nov 18) Talks and presentations on specific elements of construction to support class projects or elements of the curriculum including shadowing trades on site;
- Site visit (Nov 18) organised guided tours for groups of 12 pupils/students to explain the project and monitor progress during the contract period.

## 6.0 PROGRESS PHOTOGRAPHS

### 1.0 EXTERNAL: Existing Roof Areas:



Looking East (facing Argyle St): Canopy Roof over new First Floor Exhibition/Function Area.



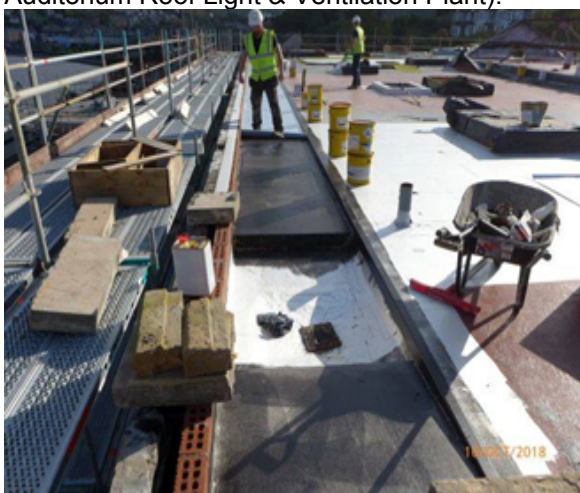
Looking East (facing Argyle St): Roof over Fly Tower/Stage Area (NB: Temporary waterproof protection).



Looking South: Roof Over Auditorium/Main Hall General View (NB: Exposed Roof Trusses to Auditorium Roof Light & Ventilation Plant).



Looking South: Roof Over Auditorium/Main Hall along the West Gutter - General view (NB: Ventilation Plant insitu).



Looking South along the East Gutter (Argyle St.): Work in Progress – Laying of Roof/gutter membrane and Insulation including rebuilding of parapet wall.





## 1.0 Existing Roof Areas (Continued):



Looking West: new Roof over First Floor Offices & RPM Studio.



Looking South: New Roof over First Floor Offices & RPM Studio (NB: Work in Progress - roof framing at the West end remains to be completed).



Looking North: Caretakers House Roof (NB: Fly Tower south elevation visible in background).



Looking South: General View of Caretakers House Roof (NB: gutters yet to be replaced).

## 2.0 Building Fabric Elevations:



East Elevation (Argyle St.) – Front Elevation  
(NB: Visualisation Banner insitu).



West Elevation – Rear Elevation of Building.



North Elevation (Mackinlay St.).



North & West Elevations – Caretakers House  
(NB: new windows in situ).



East Elevation (Argyle St.) – (NB: Work in Progress: defective cast stonework removal in progress).



East Elevation (Argyle St.) – NB: Work in Progress: defective cast stonework replacement with new stone).



North Elevation (Mackinlay St.): Temporary window boarding removed for examination of cast stonework and backing wall.

### 3.0 INTERNAL: First Floor



New Offices: General view looking East



New Offices: General view looking West



Lift Circulation Area: General view



New Exhibition/Function Space: Looking East (Argyle St.)

#### 4.0 Upper Ground Floor



Auditorium/Main Hall: General View of Scaffold and rainwater protection.



Auditorium/Main Hall: (NB: additional rainwater protection in situ below main roof light) – lack of over roof is proving challenging due to adverse weather conditions.



Spill Out/Circulation Area: General Views (NB: Work in Progress – service pipework and trunking).



Back Stage: Changing/WC Area: General View (NB: Work in Progress: new dividing walls visible including installation of service pipework).



Stage Area: General View of Scaffold (Crash Deck) below existing roof light.

## 5.0 Lower Ground Floor



Shop Area (NB: Work in Progress: temporary property in preparation for demolition of existing external wall – new structural steel beam visible at ground level).



Shop Area: Work in Progress to create new extension to increase Shop floor area.



Exhibition Space: General View (NB: Work in Progress: new openings formed to increase foot print & installation of service pipework).



Exhibition Space (East Elevation – Argyle St.): Removal of existing external windows and installation of new Crittall windows.

## 5.0 Lower Ground Floor (continued):



Exhibition Space (East Elevation – Argyle St.): Removal of existing external windows and installation of new Crittall windows.



Stage loading bay Area (Adj. Stage Area) (West/Rear elevation): enlarged opening to improve access.



Auditorium Undercroft Area: (NB: Work in Progress: new concrete floor slab insitu for creation of new Staff/Utility/stair area).



Green & Communication Rooms: (NB: Work in Progress - bottom track installation for creation of new partition walls).

## 6.0 Caretakers House



First Floor: General View.



Ground Floor: General View.

## 6.0 Caretakers House (continued):



South Elevation: new window to first floor office area now installed.



West elevation: new window to stair now installed.

## 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 refurbishment works are completed by the 31<sup>st</sup> July 2019 or shortly thereafter. 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 funding partners involved in the project.
- 7.2 That said the project is not without its' challenges and a number of issues are the subject of ongoing consideration. E.g. Kitchen/Bars/Café specification and costs. Nevertheless it can be confidently stated that the Councils' investment in the Pavilion will help to address the material state of the Town Centre waterfront; improve the local infrastructure; ensure that the immediate area "works" as the marine gateway into the Island of Bute. It will also provide an "anchor point", for visitors and the local community alike, taking a building that was no longer fit for purpose and transforming it into a venue and facility fit for the 21st century.
- 7.2 No change to the anticipated final cost of the project is forecast despite an adverse variance in the main contractor's cash flow, including the noted risk of not meeting the contract completion date, as explained in Section 5.
- 7.3 The risk log has been updated and the project risks are being monitored and mitigating actions managed. Time and cost risks are being noted and actively managed to reduce the overall risk to the Council.
- 7.4 In addition RPC will continue to make funding applications to reduce the Council's underwriting commitment.
- 7.5 Partnerships funding matches the revised project cost as reported at permission to start.

7.6 The Charity are continuing to look at further bids for funding with a view to closing the funding gap of £73k against their contribution target of £400k.

## 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 RPC to reduce the underwriting by the Council. Although it is noted good progress has been made to reduce the Council's liability.
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.

**Executive Director of Development & Infrastructure Services: Pippa Milne**  
**Policy Lead: Cllr G Mulvaney**

15<sup>th</sup> November 2018

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