

09 June 2022

## Contents

1. Background
2. Project Engagement Strategy
3. Procurement Strategy
4. Cost Plans
5. Funding Options
6. Streamlining Consenting Process
7. Programme
8. Risks

### 1. Background

The city centre plays a major role in the commercial, economic, social, civic and cultural life of Aberdeen and the wider North East. It is an important regional centre providing a focus for employment and business interaction, it offers access to a wide range of goods and services, and it is a place where many people meet socially and choose to live and visit. It is vital for the future prosperity of Aberdeen that the city centre is enhanced and promoted as a resilient, safe, attractive, accessible, and well-connected place which contributes to an improved quality of life.

In response to issues raised during the “The Future of Aberdeen City Centre and the Beach” public engagement exercise in June-July 2021, a high-level façade inspection of properties on Union Street was instructed and completed. This survey includes recommendations for improvement measures, including costs, constraints, methodologies and an implementation programme. At Full Council on 28 February 2022 Officers were instructed to prepare a plan for the implementation of improvement works to buildings on Union Street, to prioritise the area between Market Street to Bridge Street and to report progress to Full Council in June 2022.

Following on from the full Union Street survey report issued in February 2022 a pilot project has been selected to complement the proposed works to Union Street streetscape, Union Terrace Gardens and the forthcoming new Aberdeen Market building. This will set the tone for the remainder of the street and give a clear indication to the occupiers, landlords and tenants of the properties on Union Street how improvements may be simplified, made more cost effective and set out what support Aberdeen City Council could offer to assist in the process.

09 June 2022

Image of Pilot Project:



Computer Image of Pilot Project (once improvements carried out):



09 June 2022

|  |
|--|
| <p><b>Project Details</b></p> <ul style="list-style-type: none"> <li>Public engagement has identified improvements to Union Street as a priority.</li> <li>A visual building condition survey was undertaken of the facades all properties on Union St.</li> <li>A number of improvements have been recommended such as shop front renewal, rainwater goods repairs and stone cleaning.</li> <li>Recommendations include simplifying/streamlining statutory processes for building owner to obtain permissions and access grant funding where available.</li> <li>Initially ACC have identified a pilot project to focus on 107-131 Union Street.</li> </ul>   |
| <p><b>City Centre Masterplan Engagement Strategy</b></p> <p>An overarching City Centre Masterplan engagement strategy ensures the undernoted steps be taken when preparing engagement plans for projects.:</p> <ol style="list-style-type: none"> <li>1. Programme confirmed</li> <li>2. Engagement Objectives/Scope/Messaging/Q&amp;A agreed</li> <li>3. Technical input re any transportation issues</li> <li>4. Ensure design team has undertaken and statutory/technical engagement timeously</li> <li>5. Prepare engagement materials /agree wider PR with ACC comms</li> <li>6. Briefing to Stakeholder Delivery Group/onboarding key stakeholders as required</li> <li>7. Deliver engagement (methodology will vary)</li> <li>8. Update SDG/Stakeholders</li> <li>9. Wider Feedback</li> <li>10. Engagement Report &amp; Summary</li> </ol> |

|  |
|--|
| <p><b>2. Project Engagement Strategy</b></p> <p><b>Establish Owner and Occupiers</b></p> <ul style="list-style-type: none"> <li>Legal support (title searches to include commercial and residential occupiers) to undertake initial contact with owners and occupiers and provide advice on any common repair liabilities where ownership cannot be established).</li> <li>Media campaign inviting owners and occupiers to come forward.</li> </ul> <p><b>Engagement Objectives</b></p> <ul style="list-style-type: none"> <li>Awareness raising of the initiative to maximise take up.</li> <li>To encourage building owners to progress with building repairs.</li> <li>To document case studies.</li> <li>To demonstrate to citizens that the city centre is improving.</li> <li>To demonstrate economic impact.</li> <li>Identify cost/time/procurement/consenting efficiencies.</li> </ul> <p><b>Engagement scope</b></p> |
|--|

09 June 2022

- Technical – engagement required with specific officers and organisations needed to process applications, implement works and publicise/advise clients on project.
- Building owners – seek input of a sample to help refine implementation plan
- Audience – building owners, professional services companies, local supply chain to make it easier for work to be done.
- Citizens/Investors – to promote civic pride and that Union St/Aberdeen is changing.

**Messaging**

**Overarching City Centre and Beach Masterplan Messages:**

|   |   |  |   |
|---|---|--|---|
| <p><b>ECONOMY</b>-To increase footfall and dwell time to the city centre &amp; beach supporting vibrancy economic recovery for all.</p> | <p><b>INCLUSION</b> -Creating inclusive and accessible spaces</p> | <p><b>NET ZERO</b> - Prioritising people and active travel and futureproofing our city for our young people. Using local indigenous materials where possible, introducing urban greenery</p> | <p><b>QUALITY</b>– Ensuring designs reflect our world class aspirations whilst respecting Aberdeen’s characteristics.</p> |
|---|---|--|---|

**Union St Building Repairs specific messaging (to be developed)**

|  |   |   |   |
|--|---|---|---|
| <p>Attractive frontages improve chances of attracting tenants. This will be monitored on an ongoing basis through Savills Retail team.</p> | <p>Replaced shop fronts improve access for all.</p> | <p>Local supply Chain<br/>Building preservation</p> | <p>Repairing the fabric of our heritage. Generate civic pride in the urban environment.</p> |
|--|---|---|---|

**Transportation Issues** – we do not anticipate this will be an issue as we anticipate works can be undertaken with minimal impact to existing travel arrangements. Coordination of street occupation licences/ permits/ etc. to be planned in advance of works to minimise disruption (e.g. delivery of scaffolding, MEWPS)?

**Statutory/Technical Engagement** – Hub North Scotland to deliver implementation plan

**Engagement Materials** – Once implementation plan is finalised the following materials will be required:

- Customer journey map prepared (I’m a building owner, I want to implement changes – what do I need to do?)
- Online processes mapped (e.g. make an enquiry, make an application/seek permissions, seek a contractor)
- Owner and occupier workshops

09 June 2022

|  |
|--|
| <ul style="list-style-type: none"> <li>• Owner &amp; stakeholder database prepared</li> <li>• Q&amp;A prepared (providing evidence of where this has worked elsewhere &amp; impact)</li> <li>• Visuals sourced: before &amp; after pics/images?</li> <li>• Printed and e version of leaflet explaining “how to”</li> <li>• Direct contact with owners via letter/email, follow up with phone</li> <li>• “How to” guide on new City Centre/Beach Masterplan Portal</li> <li>• Press releases prepared /issued by ACC at key milestones</li> </ul>   |
| <p>Stakeholder Briefings for:</p> <ul style="list-style-type: none"> <li>• Elected members</li> <li>• Relevant Aberdeen City Council clusters</li> <li>• Stakeholder Delivery Group</li> <li>• Aberdeen Inspired</li> <li>• Community Council</li> <li>• Interest groups such as Aberdeen Civic Society, Aberdeen History Society, Property Industry Group</li> </ul>  |
| <p>Deliver Engagement:</p> <ul style="list-style-type: none"> <li>• Issue letter/email to all relevant owners</li> <li>• Invite owners/ occupiers to workshops</li> <li>• Engagement team member to follow up</li> <li>• Engagement Team member and planning authority to support application</li> <li>• Engagement hands over to delivery team, (who?)</li> </ul>   |
| <p>Updates/Wider Feedback/Report</p> <ul style="list-style-type: none"> <li>• Update to stakeholders, building owners and Council as required</li> <li>• Wider feedback/publicity to be agreed with ACC at the time</li> <li>• Engagement report produced</li> <li>• Economic Impact report produced?</li> </ul>   |
| <p>Outcomes</p> <ul style="list-style-type: none"> <li>• Achieve buy-in/ consent from owner and occupiers to carry out improvement works by incentivising works by partial payment, etc.</li> <li>• Written agreement in principle (note: no financial commitment at this stage and residential owners, who may have difficulty funding works may have additional support mechanisms)</li> <li>• Following completion of procurement strategy, funding exercise and streamlining of consenting process present the final proposal to the owners in writing, including draft agreement/draft grant contract and ask them to confirm if they are willing to participate prior to reporting back to Council.</li> <li>• If all owners in the pilot scheme area are agreeable to signing up to the proposed works put agreement in place/ make offers of grant (depending on the final approach).</li> </ul> |

09 June 2022

- Following completion of the pilot exercise this engagement exercise can be repeated in other areas of Union Street.

### 3. Procurement Strategy

#### Contractor Engagement

- Exercise to be carried out by lead consultant to identify contractors from local supply chain believed to be suitable for the project. The exercise will explore contractors who have a strong track record in traditional masonry repairs & maintenance and general external works.
- Conduct media campaign to invite expressions of interest from local contractors to be involved in project.
- Offer support to local contractors who are not yet on Public Contracts Scotland to ensure opportunity is provided to all competent local contractors.
- Formal invitation to tender to all suitable contractors
- Undertake two-stage tendering exercise to determine pool of four (TBC) contractors to engage with at detailed tendering stage. Scoring matrix for first stage to cover indicative costs, indicative methodology, locality and previous experience.
  - Note: In a market where contractor demand exceeds supply it is essential that the tendering process is simple and does not dissuade contractors from a desire to be involved in the project.
- At this point in the project, we will be able to evaluate various methods for cleaning of the facades. Our initial focus has been to utilise a doff cleaning method like that used at Union Terrace Gardens, however we propose that contractors are given the opportunity to present new and innovative methods. Costs for any new methods are to be budgeted for comparison and reported to Committee.
- Second stage of tendering to be based on detailed specification of works for the pilot area prepared by the design team.
  - Initial proposal to carry out project in two phases. Stone cleaning works and essential repairs only in phase one, from raised access platform to enable ‘quick-win’.
  - Follow-up project to complete repair works (e.g., roofs, windows, external decoration, etc.). We anticipate part of the first phase of works will be to carry out an in-depth façade inspection to enable development of a phase two specification
  - If there is a suitable level of appetite from the owners/ occupiers we propose initial clean-up works could be funded by Aberdeen City Council to act as an incentive for owners/ occupiers to carry out the other repair works. “Clawback” in any written agreement stating that if owners/ occupiers do not carry out repairs works within “X” years Aberdeen City Council is entitled to recover cost of the works. Clawback clause to be transferrable to new owners/ occupiers for a period of “X” years.

#### Design Team Engagement

09 June 2022

- Lead consultant to develop simple two-stage tender document with specification in agreement with local authority.
  - Proposal to utilise doff cleaning methodology to ensure consistency with other city centre projects, however would consider other suitable methods.
  - Further repairs and maintenance work to be completed under guidance of CARS Scheme, Aberdeen City Heritage Trust and local authority guidance
- Engagement with local conservation accredited architect to provide required listed building consent/ planning reports and review of proposed methodology prior to issue of tender documentation.
- Lead consultant to identify priority shopfront projects based on content of Savills 2022 façade report and in agreement with Aberdeen City Council.

Local Authority Engagement

- CARS Board and ACHT Board to be involved in all discussions relating to design and specification of works.
- Aberdeen City Council Planning and Building Control Department to be formally requested to provide pre-application advice for listed, building, planning and advert approval.

**4. Cost Plan**

HUB North Scotland and lead consultant to develop full business case with report to cover the following elements:

- Consultancy Costs:
  - Design and contract administration
  - Heritage consultant
  - Legal costs (to incorporate title deed searches)
  - Cost associated with owner/ occupier engagement
- Contractor Costs
  - Phase one works (stone cleaning and essential repairs)
    - Budget cost for pilot area (107-131 Union Street): £100,000 + VAT inclusive of provisional sum for essential repairs.
  - Phase two works (repair works, decoration, etc.)
    - Budget costs for pilot area (107-131 Union Street): £350,000 + VAT inclusive of professional fees based on Savills' February 22 report.
- Statutory Consents
  - Listed building consent
  - Planning permission
  - Building warrant (generally where shopfronts are being replaced)
- Aberdeen City Council Costs

09 June 2022

- o Additional staffing required to resource project with a project management background, preferably with experience of historic buildings.

**Cost Benefit Analysis**

Following completion of the initial pilot exercise undertake a cost benefit to identify the most cost-efficient manner to complete the remaining properties with a) initially Union Street central and b) remaining areas of Union Street.

We expect economies of scale to offer a cost benefit so therefore recommend undertaking works in blocks of multiple properties rather than a piecemeal approach.

**5. Funding Options**

In parallel to the occupier engagement strategy, we recommend that the Council explores the option to fund the façade cleaning works as an incentive for owners and occupiers to complete the maintenance works (e.g., decoration, roof repairs, shop front replacements). This potential funding will take cognisance of the Subsidy Control Act 2022.

To ensure that the repairs works are undertaken we propose that all owners/ occupiers enter a contract whereby if repairs works are not undertaken to a satisfactory standard within an agreed period Aberdeen City Council is entitled to be reimbursed for the cost. Cleaning facades is a high-impact/ quick-win solution but if other repair items are not attended to in the short-medium term (e.g. rainwater goods) the benefit of the cleaning works will be short-lived. This is why owners/ occupiers need to buy-in to the whole project and not just the cleaning.

Budget repair costs have been prepared for all properties on Union Street, including the pilot scheme area. This is based on a ground level and drone inspection. The council may wish to consider undertaking more detailed survey work before cleaning works are carried out to provide a comprehensive repair specification. This will be a time-consuming process but will enable all parties involved to know in advance what they are signing up to (albeit with budget costs and not fixed contract costs)

We propose that engagement is primarily with the building owners who (assuming buy-in) can delegate repairing responsibility to leaseholders depending on the repairing clauses of individual leases.

A critical part of the engagement strategy is to ensure an understanding of all available grant funding schemes (e.g., CARS) are made available to building owners. In addition, we propose that a guidance note is 'drawn-up' to provide owners with a step-by-step instruction manual on how to secure grant funding from all potential sources, procure and undertake the works.

09 June 2022

## 6. Streamlining Consenting Processes

Listed building consent, planning permission, advertisement consent and, for some of the works (e.g., shopfront replacements), building warrants will likely be required.

Aberdeen City Council will assist property owners with the statutory consent process where required. The process can be streamlined by reducing the number of applications to the minimum required (e.g. one application for listed building consent and one application for planning permission for entire blocks of properties).

To ensure that there are no unnecessary hold-ups in the consenting process we propose clear and open dialogue with the consenting authorities ahead of applications being submitted.

We anticipate an early requirement for engagement with consenting authorities following the first stage tender return. This is particularly important if there is a requirement to assess new methodologies.

A guidance note specifically relating to the consent process will be produced to assist owners, occupiers and consultants.

## 7. Outline Programme for Pilot Scheme

Occupier engagement, procurement methodology, cost plan, funding options and streamlining of consenting processes will run concurrently for the pilot project. This will form the baseline for other areas of Union Street following.

Key milestones to be prioritised are as follows:

1. Present business case to secure funding strategy for façade works.
  - To include detailed cost plan for pilot project and remaining areas of Union Street to ensure that quantum of local authority funding is determined at the outset
2. Engage in early dialogue with owner/ occupiers and general public to gather momentum for the project.
3. Engage in early dialogue with local contractors to gauge interest in the project(s) and identify early-on any new methodologies on the market.
4. Engage in early dialogue with consenting bodies and existing grant funding schemes to help determine scope and streamline application processes

Once these milestones have been achieved, focus can then be shifted to procurement and the construction phase of the pilot project.

09 June 2022

Initially we propose a target date of year end 2022 to have items 1-4 completed and follow up by end of April 2023 to have the first phase of construction works (façade cleaning) to be completed.

## 8. Key Risks

We have identified three key risks in the pilot project

- Lack of “buy-in” from owners and occupiers
  - The pilot project area is a relatively small area and to be successful it is imperative that all owners and occupiers “buy in” to the project. Therefore, we have proposed a front-end funding strategy.
  - We propose adopting a media campaign that demonstrates to the public Aberdeen City Councils ambition for the city centre and willingness to contribute, regardless of if it is a council owned property or not.
- Funding of works
  - We believe incentivising repair works by cleaning the facades is the best way to get owners and occupiers to cooperate with other repair and maintenance works to their facades. A succinct business case demonstrating the benefits of this should be presented to the committee.
- Owners/ occupiers have building façades cleaned but do not follow-up with repair works
  - Immediately following on from the phase one works a clear outline of required works to individual properties should be submitted to owners and occupiers for them to follow up with action. It would be reasonable to allow owners and occupiers to complete works within a year but propose a maximum of two years to complete. Failing this a clawback clause will apply where costs for phase one works are returned to Aberdeen City Council.