

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee: 6 January 2010

Subject: Clydebank Civic Quarter

1. Purpose

- 1.1** This report provides the Committee with a further update on the proposed development of the Civic Quarter of Clydebank (the Civic Heart) following its decision at the previous meeting on 4 November 2009. In particular the report provides information on the business plan for the revenue costs of delivering services from the new complex, the implications of retaining the facade of the baths complex in situ, and the governance arrangements for progressing the project to the development phase.

2. Background

- 2.1** At its meeting on 4 November 2009, the Housing Environment and Economic Development Committee agreed in principle to the Civic Heart project being progressed to the development stage. Council officials have been working with Clydebank Rebuilt to make the necessary preparations.
- 2.2** Two conditions of the decision require the further approval of Committee at this time before the project can progress to the next phase; firstly, agreement on the business plan, and secondly, whether it is structurally possible and financially viable to retain the facade of the baths complex.
- 2.3** Clydebank Rebuilt commissioned an outline business case to be prepared by Frontline economic consultants. They also instructed Page\Park design architects, to examine the implications of retaining the baths complex facade.

3. Main Issues

Business Case

- 3.1** The conclusion of the business case (copy attached as appendix 1) is that the net annual revenue costs to the Council for running the enhanced complex should be no greater than present. There is a recognition that running costs will go up by approximately £90,000, but included in this is provision for a dedicated staff and marketing resource, which the consultants have recommended, to maximise income generation opportunities, and to satisfy funders that the facility will attract additional events and people to the area and contribute to sustained economic growth.

- 3.2** This staffing and marketing cost could potentially be found from within existing revenue efficiencies however as part of the contribution to the capital works, it may be possible for the funders to assist with the early management and promotion of the refurbished building to encourage greater usage. This would be for a period of 18 months to two years and would bridge the gap between the opening of the facility and the time when the income reaches a level which ensures the sustainable operation of the Town Hall.
- 3.3** Marketing of the Complex as an events and conference venue, restructuring of subsidy levels and opportunities to promote wedding packages, are estimated to increase income by £92,000.
- 3.4** It is considered therefore that the project is likely to deliver net revenue savings to the Council in future and indeed these savings have the potential to be greater than the estimate presented, as the consultants have stated that they have used conservative income projections.

Facade Retention

- 3.5** If the facade of the baths complex is to be retained, it will require to be supported by a galvanised steel structure from behind, which will encroach into the space of the proposed garden. Additionally, the stonework would be exposed from behind and would not present a particularly attractive face to the garden area, over which it would also cast a shadow. All of this would seriously detract from the amenity of the garden, which is intended to add to the attractiveness of the Halls complex as a venue (examples of typical facade retention are provided at appendix 2).
- 3.6** The Committee will be aware that a request was made by a third party to Historic Scotland, asking them to consider adding the Pool Hall and baths to the List of Buildings of Architectural or Historic Interest to provide them with the statutory protection which "Listing" provides. Officials from Historic Scotland have considered the request, and following a visit to the buildings, they have advised the Council that they will be commencing consultation over the potential Listing of the pool hall but not the Baths. It should be noted that the baths were constructed at a later date than the Town Hall and Pool Hall, and designed by in house architects.
- 3.7** The cost of retaining the facade has been estimated at £85,000, including professional fees, bringing the total project cost to an estimated £3,255,000. While this could potentially be accommodated within the identified funding for the project of £3,300,000 it would leave little margin for any increase in costs or for contingencies. If it is determined to proceed on the basis of the facade retention, then budget provision would need to be identified by the Council for any additional cost incurred over and above the current project budget provision.

- 3.8** It is considered that in light of the limited architectural value of the facade, the impact on the proposed garden, and the cost implications, the facade should not be retained in situ. However, the garden will require some form of low level secure boundary treatment and an opportunity exists to retain some of the stone from the facade as a plinth, or to form a gateway feature.

Governance

- 3.9** As the project moves from design to the development stage, implementation will become the responsibility of the Executive Director of Corporate Services through the Head of Legal, Administrative and Regulatory Services, who has responsibility for operational buildings.
- 3.10** It is intended to engage Clydebank Rebuilt to represent the Council through the development stage of the project and the Head of Legal, Administrative and Regulatory Services is currently negotiating the terms and conditions of the engagement. The original appointment of Page\Park provided for their continuation to the development stage although the rest of the design team would require to be selected under competitive tendering to comply with Council financial regulations, and it is intended to proceed on that basis.
- 3.11** It should be noted that in agreeing to the funding and the principle of development, Committee is not being asked to make a decision on the detail of the scheme, which will be a matter to be considered by the Planning Committee when it considers the application.

4. Personnel Issues

- 4.1** The new Halls Complex will require a review of the management arrangements, although it is not considered that this will impact detrimentally on existing staff. There may however be a requirement to create a new post to promote the venue.

5. Financial Implications

- 5.1** The outline business case referred to at paragraphs. 3.1 - 3.4 above indicates that the revenue costs for running the new complex should be cost neutral. However the additional capital cost of £85,000 for the facade retention has not previously been included in the costs and may have to be provided for by the Council if the project proceeds on that basis. Such costs would require to be considered as part of the 2010/2011 capital budget process and against the background of other priorities.

6. Risk Analysis

- 6.1** If the project does not progress at this time there is a reputational risk to the Council in a failure to secure significant external funding to invest in the Town Hall complex, which will not be available in future years. The funders will also require to be convinced of the Council's commitment to the future management and promotion of the venue. There is also a risk that if the decision is made to retain the Baths facade, then there may be insufficient project funding to cover any increase in costs and contingencies.

7. Conclusions & Officers' Recommendations

- 7.1** The outline business case in relation to the costs of delivering services from the new Halls complex indicates that the Council could expect to generate a small net revenue saving in the future.
- 7.2** The cost of retaining the facade of the baths complex might not be achievable within the existing funds available should costs or contingencies rise. Additionally, the Government Agency responsible for built heritage does not consider the baths building to be worthy of statutory protection. The retention of the facade would significantly detract from the amenity of the proposed garden and the attractiveness of the complex as a venue for events, conferences and ceremonies.
- 7.3** The appointment of Clydebank Rebuilt and Page\Park to oversee the completion of the project will ensure continuity in the transition from design to development implementation.
- 7.4** It is therefore recommended that Committee:
- 1) agree that the project can progress to the development phase on the basis of the outline business case presented;
 - 2) agree that the development should now proceed without the facade retention of the baths complex; and
 - 3) agree to the appointment of Clydebank Rebuilt and Page\Park to oversee the completion of the project.



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Date: 14 December 2009

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Appendices: Appendix 1: Outline Business Case
Appendix 2: Typical Facade Retentions

Background Papers: Report entitled "Civic Quarter Development, Clydebank",
presented to Housing, Environment and Economic
Development Committee on 4 November 2009.

Wards Affected: 6