

## PERTH AND KINROSS COUNCIL

28 February 2018

**TRANSFORMING THE CULTURAL OFFER OF PERTH AND KINROSS:  
UPDATE ON CITY HALL****Report by the Depute Chief Executive and Chief Operating Officer****PURPOSE OF REPORT**

This report updates Council on progress with the City Hall project following Council's decision in August 2017 to approve the appointment of Mecanoo by HubCo East Scotland as project architects.

**1. BACKGROUND / MAIN ISSUES**

- 1.1 [Report 17/261](#) updated Council on the process to select an architect for City Hall, the largest project in the Cultural Transformation Programme approved by Council in June 2016 within the wider capital programme. The other two projects in the Cultural Transformation Programme are the refurbishment of Perth Museum and Art Gallery (PMAG) and a new museums collections store. The total budget for all three projects is £30M, with £20M committed by the Council. The total budget for City Hall is £20M, with £10M of the Council's overall £20M investment allocated to the project and the remaining £10M sought from the Tay Cities Deal and the Heritage Lottery Fund.
- 1.2 [Report 16/278](#) to Council set out the rationale for this level of investment in culture, summarising the current under-performance of Perth as a cultural tourism destination in relation to other comparable parts of Eastern Scotland; and setting out the findings of detailed visitor market appraisal and total potential visitor market size for Perth if the quality of its cultural attractions was significantly improved.
- 1.3 City Hall will be a major new museum attraction in Perth, operating in tandem with PMAG and with the two venues providing complementary but contrasting visitor experiences. Visitor market appraisal established that no single attraction was capable of addressing the market opportunity which the visitor market appraisal had identified.
- 1.4 City Hall will showcase the story of Perth's Ancient Roots and its role in the birth of the Scottish nation. The Stone of Destiny, for which the Council has submitted a formal loan request, is viewed as central to the Ancient Roots story. City Hall will complement the focus at V&A Dundee on the story of Scotland as a design nation. It will also provide space for large scale touring exhibitions of UK and international significance. PMAG will showcase the story of Perth's Modern Scots and their role in shaping 20<sup>th</sup> and 21<sup>st</sup> century Scotland including figures like John Duncan Fergusson, Patrick Geddes, David Douglas, John Buchan and others.

- 1.5 Further analysis to develop the business case for City Hall as a Tay Cities Deal strategic project, and to support the UK City of Culture 2021 bid for Perth, set out expected impacts from this level of cultural investment including overall visitor number growth; increased Gross Value Add to the local economy; and more training and job opportunities for local young people from stimulating the local creative economy.
- 1.6 The creative economy remains the fastest growing UK sector with growth of just under 10% in the decade prior to 2015; accounting for over 5% of UK jobs and generating £171B in GVA for the UK economy.
- 1.7 Report 17/261 recommended that Council approve the appointment of Mecanoo by HubCo East Scotland as project architects following an international design competition for the project. A Programme Board, chaired by the Leader of the Council, is overseeing delivery of the Cultural Transformation Programme. Culture Perth and Kinross, the Council's key delivery partner, is represented on the Programme Board and is fully engaged with all aspects of programme development and delivery.
- 1.8 As part of the HubCo process a separate procurement exercise (within the £20M budget) to appoint exhibition designers for the internal displays at City Hall and PMAG was also carried out. Metaphor were appointed to design the internal displays, reported to the Programme Board in December 2017. Previous projects include gallery designs for National Museums of Scotland, V&A London and the new St Kilda Visitor Centre proposed for Lewis.
- 1.9 The remainder of this report summarises progress on City Hall, PMAG and the new collections store.

## 2. PROPOSALS

- 2.1 The delivery programme for City Hall is on track. Detailed design workshops are underway to develop the architectural design for City Hall and the exhibition designs. The designs were developed to RIBA Stage 1<sup>1</sup> (outline concept design) by December 2017 and submitted to the Programme Board. The next design milestone is May 2018 when the designs must be developed to HubCo Stage 1. This work is also on track.
- 2.2 The key project milestones for City Hall are summarised below:

Key Milestone	Estimated date
HLF Round 1 Submission	7 December 2017
Hubco Stage 1 approved – outline design	16 May 2018
HLF Round 2 submission	31 August 2018
HLF grant award	December 2018
Hubco Stage 2 approved – final design	13 February 2019
HLF Permission to Start	28 February 2019
Financial Close – construction contract	1 March 2019

<sup>1</sup> Royal Institution of British Architects

signed	
Construction Start	April 2019
Completion	January 2021
Building open	Summer 2021

- 2.3 An HLF Stage 1 application for £4.9M towards City Hall was submitted on 7 December 2017. The Council and Culture Perth and Kinross are joint applicants for the grant. This is now being assessed and we will be notified on Stage 1 in March 2018. A Stage 2 application will be required by 31 August 2018. Work is underway on this.
- 2.4 City Hall has remained a Tay Cities Deal strategic project since January 2017. Officers have continued to refine the Strategic Business Case and provide further information/clarification on expected project benefits to UK and Scottish Government over the past 12 months. The outcome of City Deal negotiations is expected later in 2018.
- 2.5 Dialogue continues via Scottish Government Protocol and Honours Unit on the Council's formal request for the Stone of Destiny to come to Perth. Scottish Government officials visited Perth in January 2018 to this end to view the City Hall site and the emerging designs. Further information will be provided to Scottish Government in mid-March 2018.
- 2.6 The total City Hall project budget is £21.18M, which includes £2.18M already allocated and approved for the wider programme of public realm improvements. The detailed cost plan is under development with HubCo and will include all fees, risk, overheads and HubCo fees.
- 2.7 Public engagement on the developing designs for the City Hall building, interior and surrounding public realm is being planned and will be , aligned with the wider planning consent process.
- 2.8 Alongside City Hall, work continues to develop the PMAG refurbishment project. The creation of a new museum collections store is the first priority because, once complete, this will enable decant of collections currently stored at PMAG enabling the building to close for refurbishment. Options appraisal on the design, specification and location of the store has been prepared and will be submitted to the Programme Board on 16 March 2018. The total budget for both projects remains £10M.

### **3. CONCLUSION AND RECOMMENDATION**

- 3.1 It is recommended that the Council:
- (i) Notes progress with the City Hall project since the last update to Council in August 2017.
  - (ii) Notes the governance role of the Programme Board in overseeing project delivery

**Author(s)**

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**Approved**

<b>Name</b>	<b>Designation</b>	<b>Date</b>
Jim Valentine	Depute Chief Executive, Chief Operating Officer	20 January 2018

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>No</b>
Workforce	<b>No</b>
Asset Management (land, property, IST)	<b>No</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>N/A</b>
Strategic Environmental Assessment	<b>N/A</b>
Sustainability (community, economic, environmental)	<b>N/A</b>
Legal and Governance	<b>No</b>
Risk	<b>No</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>Yes</b>
<b>Communication</b>	
Communications Plan	<b>No</b>

### 1. Strategic Implications

#### Community Plan / Single Outcome Agreement

1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement in terms of the following priorities:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

1.2 This report relates to Objective No (ii) .

#### Corporate Plan

1.3 The Perth and Kinross Community Plan 2013-2023 and Perth and Kinross Council Corporate Plan 2013/2018 set out five strategic objectives:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

- 1.4 This report relates to Objective No (ii)
- 1.5 The report also links to the Education & Children's Services Policy Framework in respect of the following key policy area: Learning: Developing Communities.

## **2. Resource Implications**

### Financial

- 2.1 There are no direct financial implications to this report.

### Workforce

- 2.2 None.

### Asset Management (land, property, IT)

- 2.3 None.

## **3. Assessments**

### Equality Impact Assessment

- 3.1 Assessed as **not relevant** for the purposes of EqIA

### Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. However, no action is required as the Act does not apply to the matters presented in this report. This is because the Committee are requested to note the contents of the report only and the Committee are not being requested to approve, adopt or agree to an action or to set the framework for future decisions.

### Legal and Governance

- 3.3 None.

### Risk

- 3.4 None.

## **4. Consultation**

- 4.1 The following have been consulted in the preparation of this report:

### Internal

- Head of Property Services

## External

- Scottish Government, Protocol and Honours Unit

## **2. BACKGROUND PAPERS**

None.

## **3. APPENDICES**

None.