

## **FC18. Council HQ and Arts Centre**

Council considered a report by the Acting Director of Development Services which provided an update on work on the Council's civic headquarters and arts centre project. It set out options to progress the project and recommended a way forward.

Council agreed at its meeting on 26 February 2020 that:-

- the additional £8.7m for the project (taking the project to £53.75m) was not the best use of resources at the time;
- the project approved at Executive in January 20 (at a cost of £53.75m) would not proceed; and
- the Director of Development Services brings a report to Council on options for delivery of a project within the £45m cost envelope, adopting a spend to save approach and including options to decouple the HQ & Arts Centre and information on any additional funding.

The Council's office needs had been reassessed to address the effects of Covid-19 by assessing short, medium and longer term requirements as the effects of the pandemic ease over time.

A business case had been prepared with Falkirk Community Trust for replacement of Falkirk Town Hall. This identified that the scale of cultural demand in the area suggested a need for a new 550 seat auditorium and ancillary space, shared with the HQ facility. The business case highlighted that the facility would make a major contribution to the area's tourism sector and would assist in regenerating Falkirk town centre. The opportunity to relocate Falkirk library to the facility was also noted.

Council was asked to consider a requirement for the following elements:-

- office accommodation 650 workstations (plus touchdown) at 0.5 ratio deskpace/FTE with a blend of home working and office based social distancing
- an arts centre facility(c550 seats – subject to an updated business case)
- civic accommodation (acknowledging the potential for short term sharing with schools and other facilities during construction)
- training provision (acknowledging the potential for sharing at schools, the Forth Valley College, Falkirk campus, Falkirk Stadium and other facilities)
- meeting spaces for Council, community and other purposes.
- data centre and digital support measures
- partners' requirements

An opportunity had arisen with the return to the Council of a commercial property at Block 4, Larbert, occupied previously by Thomas Cook. This was a modern office building with ancillary accommodation and offered potential, in the short to medium term to accommodate up to 270 workstations, with provision for collaborative working, staff welfare, training, data centre and other out of hours facilities. Occupying these premises would avoid incurring a non-domestic rates vacant buildings liability of £120K per annum.

The following options addressed the decision of the Council in February 2020 and included:-

the original proposal – with a 500 workstation office, 550 seat theatre, library, advice hub and ancillary shared spaces at a cost of £53.73m;

Option A – a ‘micro’ HQ with 130 workstations, arts centre, library and hub, with refurbishment of Block 4, Larbert and Falkirk Stadium at a cost of c£43.5m;

Option B – decoupling of the office and arts centre into 2 standalone buildings, to progress separately (including, potentially, on different sites):-

Option B1 - delivers the office elements only (650 workstations), at a cost of £33.4m, and

Option B2 - delivers the arts centre facility alongside the office building with library and hub at an added cost of c£28m. If combined, this option would cost £61.4m. If the Council decided to proceed with these schemes separately, added costs would be incurred as the capacity for shared space would be limited.

The options had been appraised and it was considered that an early transition to prepare the Block 4 and Falkirk Stadium premises while proceeding with the commitment to Option A – the ‘micro’ HQ and arts centre facility presented best value to the Council.

It was therefore recommended that the Council should proceed with the delivery of the HQ & arts centre project in the town centre as suggested in Option A and that, as an interim step, the premises at Block 4, Central Park, Larbert and at the Falkirk Stadium should be refurbished to meet the Council’s office requirements.

Councillor Meiklejohn, seconded by Councillor Bouse, moved that Council:-

- (1) notes the attached report on the update to the strategic business case for the Council’s office headquarters and arts centre project;
- (2) agrees to proceed with Option A identified in the report as the Council’s preferred approach to delivery of the project;
- (3) agrees to proceed with the works to prepare the property at Block 4, Central Park Larbert for provision of an interim office and resilience/out of hours hub at a cost of £919k, this work to proceed immediately for completion by mid 2021;
- (4) agrees to progress with delivery of the refurbishment and fit-out of vacant office accommodation at the Falkirk Stadium at a cost of £1.5m;
- (5) if agreeing to the above, agrees to proceed with the phased rundown and closure of the Municipal Buildings, Falkirk and other operational office properties listed in Appendix 5 of the attached report;
- (6) agrees to deliver the HQ & Arts Centre (Option A) project in Falkirk town centre and that a further report confirming the detailed specification and approach to procurement of the facility be presented to a future meeting of the Council, and

- (7) agrees that a workshop be convened involving representatives of the Council and developer/landowning interests in Falkirk town centre to consider current concerns and opportunities to progress the project.

As an amendment, in substitution for the motion, Councillor Goldie, seconded by Councillor Bissett, moved that:-

Council agrees that:-

- (1) the new Headquarters building consisting of the Councils principal office and civic accommodation be built on the present site and that a report be presented on the options to pursue this to the next meeting of Council including costs and indicative timetable;
- (2) costs for any spending on offices, civic headquarters, a performance and arts venue are based on the £45 million previously agreed and that this figure to be used in the procurement process for the entire projects cost, temporary and permanent but this will not apply to any external funding that may become available;
- (3) to prepare the property at Larbert only for provision of an interim, temporary office and resilience/out of hours but only until the HQ accommodation is available for occupation;
- (4) a further report be prepared on the requirement post Covid on the type of multipurpose community facility for entertainment/performance/exhibition space in the town centre for consideration, and
- (5) that a further report be prepared on the support and enhancement of all the town centres in the Falkirk Council area.

Council adjourned at 3.30pm to allow members to consider the terms of the motion and the amendment and reconvened at 4.00pm with all members present as per the sederunt.

Councillor Kerr gave notice of a further amendment. He advised that this comprised an amended wording of clause (5) of the amendment as follows:-

- (1) that a further report be prepared on the support and enhancement of all the town centres in the Falkirk Council area and that in particular consideration be given to siting of front face services including Central Hub, Library, Licensing, business gateway, ETU in Falkirk High Street.

Council adjourned at 4.15pm and reconvened at 4.25pm with all members present as per the sederunt.

Councillor Goldie, with the consent of the Provost and Councillor Bissett, as his seconder, accepted the terms of the further amendment to adjust clause (5) of the amendment.

In terms of Standing order 22.1, the vote was taken by roll call, there being 30 members present with voting as undernoted:-

For the motion (16) – Depute Provost Ritchie; and Councillors Alexander, Balfour, Binnie, Black, Bouse, Coleman, Collie, Coombes, Garner, Hughes, McCue, Meiklejohn, Murtagh, Reid and Spears.

For the amendment (13) – Provost Buchanan; and Councillors Bissett, Blackwood, Flynn, Goldie, Grant, Harris, Kerr, McLuckie, Munro, Nicol, Nimmo and Patrick.

Abstentions (1) – Councillor Aitchison.

## **Decision**

### **Council:-**

- (1) noted the attached report on the update to the strategic business case for the Council's office headquarters and arts centre project;**
- (2) agreed to proceed with Option A identified in the report as the Council's preferred approach to delivery of the project;**
- (3) agreed to proceed with the works to prepare the property at Block 4, Central Park Larbert for provision of an interim office and resilience/out of hours hub at a cost of £919k, this work to proceed immediately for completion by mid 2021;**
- (4) agreed to progress with delivery of the refurbishment and fit-out of vacant office accommodation at the Falkirk Stadium at a cost of £1.5m;**
- (5) agreed to proceed with the phased rundown and closure of the Municipal Buildings, Falkirk and other operational office properties listed in Appendix 5 of the attached report;**
- (6) agreed to deliver the HQ & Arts Centre (Option A) project in Falkirk town centre and that a further report confirming the detailed specification and approach to procurement of the facility be presented to a future meeting of the Council, and**
- (7) agreed that a workshop be convened involving representatives of the Council and developer/landowning interests in Falkirk town centre to consider current concerns and opportunities to progress the project.**