

<b>Report To:</b>	<b>Education &amp; Communities Committee</b>	<b>Date:</b>	<b>03 November 2015</b>
<b>Report By:</b>	<b>Head of Inclusive Education, Culture &amp; Corporate Policy</b>	<b>Report No:</b>	<b>EDUCOM/83/15/AE</b>
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<b>Subject:</b>	<b>Watt Complex Refurbishment – Project Development</b>		

### 1.0 PURPOSE

- 1.1 The purpose of this report is to inform members of the progress that has been made to date on the work of consultants on considering future options with regard to the Watt Complex.

### 2.0 SUMMARY

- 2.1 At its meeting of 5 May 2015, the Council agreed to proceed and fund an Options Appraisal for the refurbishment of the McLean Museum and Watt Library (Watt Complex).
- 2.2 This follows an unsuccessful HLF bid submitted in November 2013. Indication from HLF feedback was a future revised and more robust bid should be considered. Recognition was given to the fact that competition in the UK arena for larger bids is extremely fierce with many unsuccessful bids as a result.
- 2.3 Over a number of years, the Grade A listed Watt Complex has experienced problems relating to the maintenance and repair of its buildings. Although ongoing maintenance and repairs have been carried out, there are continuing issues relating to the fabric of the building and non-compliance with Equalities legislation.
- 2.4 Through a tender process, Collective Architecture was appointed to undertake the Appraisal. This paper reports back on their findings.
- 2.5 The report recommends that members agree a two-phased approach i.e. Option 3. This Option will also allow early attention to addressing repairs on the external fabric and thereafter the strategic development of integrated heritage and cultural opportunities in tandem with the physical remodelling of the complex itself, a key recommendation from HLF.

### 3.0 RECOMMENDATIONS

- 3.1 That the Committee approve:  
 (a) progressing the project in line with a two phased approach i.e. Option 3;  
 (b) the early implementation work to repair the external fabric and the delegation of authority to the Head of Legal and Property Services to appoint external consultants to develop, design and oversee the implementation of the essential works; and,  
 (c) the development and submission of a revised Heritage Lottery fund bid in line with Option 3; and
- 3.2 That any decision made be referred for noting to the Council as Trustees of the Watt Institution.

**Angela Edwards, Head of Inclusive Education, Culture & Corporate Policy**

<b>4.0</b>	<b>BACKGROUND</b>	
4.1	Over a number of years, the Grade A listed Watt Complex has experienced problems relating to the maintenance and repair of its buildings. Although major roof repairs have been carried out, there are continuing issues relating to the fabric of the building and non-compliance with Equalities legislation. Although the McLean Museum and Art Gallery was refurbished in 1990, the Watt Library has never had any refurbishment. Furthermore, a bid was submitted in 2013 to seek funding for a major refurbishment was unsuccessful.	
4.2	An Architectural Consultant, Collective Architecture, was commissioned to undertake an Options Appraisal; looking at 3 options: <ol style="list-style-type: none"> <li>1. Option 1 – External Fabric Refurbishment</li> <li>2. Option 2 – Scheme based on reworking the earlier HLF bid</li> <li>3. Option 3 – Reduced scheme incorporating two phases.</li> </ol> <p>Details are available on the attached link <a href="#">Watt Complex appendix 1 - V1.pdf</a>. This report will be issued separately to members.</p>	
4.3	The options being considered are detailed in the supporting document ‘Feasibility and Options Appraisal for the Watt Complex for Inverclyde Council’.	
<b>5.0</b>	<b>PROPOSAL</b>	
5.1	On review of the above options the preferred option is option appraisal 3 which allows the minimal work to proceed, as phase 1, whilst allowing a smaller HLF bid to be submitted as phase 2. Details of the projected timeline are included as Appendix 2.	
5.2	Members should be aware that there are risks in relation to the projects as follows: <ol style="list-style-type: none"> <li>1. The timelines identified in Appendix 2 are indicative and are dependent on approval processes.</li> <li>2. The costs of work to the external fabric are indicative and could vary as building elements are opened up for repair.</li> <li>3. Further essential repairs/refurbishment will be required should the HLF bid be unsuccessful.</li> </ol>	
5.3	Collective Architecture has developed proposals for a project which both refurbishes the complex and adds significantly to the regeneration of the area through activities including learning, employment, volunteer and training opportunities, an improved tourism offer, and improved social capital. <p>The proposed spaces include:</p> <ul style="list-style-type: none"> <li>• An overall attractive refurbishment project which will stand alone or be part of a bigger development</li> <li>• A more open and fluid space, improving access</li> <li>• Café</li> <li>• Museum</li> <li>• Exhibition Gallery</li> <li>• Watt Hall large event space</li> <li>• Archives research room</li> <li>• The Watt Learning Laboratory</li> <li>• Collections storage</li> </ul> <p>The improvements to the building fabric will be complemented by an internal fit-out which meets standards in respect of environmental and other controls, and will ensure</p>	

the proper conservation of Inverclyde’s heritage assets in the long term.

5.4 It is important to note that the Phase 1 refurbishment project can stand alone or be part of a bigger development project. In the second phase the relevant HLF funding programme to which the Council would be applying is Heritage Grants. This programme funds projects seeking over £100,000.

5.5 Applications with a combined development and delivery request of £2million or more are decided on by the HLF Board of Trustees. These applications compete against other applications from across the UK. As bids over £2million fall into that category, the £3million bid for The Watt Complex project would enter into that competitive arena. Another possibility would be to bid in 2 separate tranches: initial £2 million bid followed by a further £1 million bid if necessary. This keeps the funding bid within the Scottish criteria.

5.6 The next submission date for this process is 10 December 2015 with the informed outcome in March 2016. The application process is in two rounds. A successful first round application would require Inverclyde to have HLF to support further development of the bid itself and the Heritage Development Programme. The process is structured in two rounds to allow projects which are successful at Round 1 sufficient time to develop their proposals and seek further partnership funding.

5.7 Costs

<b>Indicative outline costs ( from Collective Architecture)</b>	
<b>Phase 1 works cost</b>	
<ul style="list-style-type: none"> <li>£824,000 – external fabric refurbishment (from previous Inverclyde Council Feasibility Study) plus fees</li> </ul>	
<b>Phase 2 works cost (further assessment required at Round 2 stage of HLF bid)</b>	
<ul style="list-style-type: none"> <li>£3 million – temporary storage costs and upgrade of exhibition displays (From previous Inverclyde Council Feasibility Study) plus fees</li> <li>£2 million – internal remodelling, upgrade works and external landscaping (from current Feasibility Study by Collective Architecture) plus fees</li> </ul>	
<b>Total Work Cost (including fees)</b>	
£6.7 million	

5.8 Members should be aware that if the HLF bid is unsuccessful, the residue of existing £2,771k would be required to fund outstanding internal/refurbishment essential works.

**6.0 IMPLICATIONS**

6.1 Financial Implications - One off Costs

Working with a range of providers involves the need for several detailed meetings to ensure accuracy of financial detail. This work is underway meeting external providers when possible. Dialogue with internal colleagues is also underway where appropriate. There will be an ongoing need to refine costs and associate with specific timelines and milestones.

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Capital Programme	Watt Complex Refurbishment	From 2016	£3.721 million		Assumes £3.0million HLF Funding

## Financial Implications - Annually Recurring Costs

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
Education, Communities and ODHR	Museums		Revenue costs potential increase by £7,500. This reflects 20% Increase in NDR and potential 10% increase in utilities.		Costs to be contained within the Directorate Budget

### 6.2 Human Resources

There are no additional staffing requirements in Phase 1 or during the Round 1 bid. However extensive guidance and support for existing staff will be required to prepare a competent and robust bid. The Round 2 application will seek funding for the creation of new posts during the development of the Phase 2 bid and activity programme which will be the subject of further reports to the Committee in due course.

### 6.3 Legal

The Head of Legal and Property Services comments that, as the Watt Institution is held and administered by the Council as Trustees, any recommendation of this Committee will require to be referred to the Trustees of the Watt Institution for noting.

### 6.4 Equalities

The refurbishment of the current building will address the current lack of compliance with the Equality Act 2010. Full cognisance has been taken of equality and diversity processes and procedures during the development of this project.

### 6.5 Repopulation

The project offers a unique opportunity to invest significantly into one of Inverclyde's best regarded heritage assets, to create learning, tourism, employment, volunteer and training opportunities, and to boost the local economy. As such, it would be a key addition to the suite of measures Inverclyde Council is taking to regenerate, and repopulate, the local area.

## 7.0 CONCLUSIONS

7.1 Members are asked to note the commissioned Options Appraisal (Appraisal 1) and approve the Consultant's recommendations, selecting Option 3 alongside Option 1. This would result in a 2 phase refurbishment.

## 8.0 BACKGROUND PAPERS

8.1 Feasibility and Options Appraisal for the Watt Complex for Inverclyde Council by Collective Architecture.

