

Report To:	Education and Communities Committee	Date:	8 March 2016
Report By:	Wilma Bain Corporate Director Education, Communities and Organisational Development	Report No:	EDUCOM/28/16/WB
Contact Officer:		Contact No:	01475 712761
Subject:	Watt Complex Refurbishment – Proposed Amendment		

1.0 PURPOSE

- 1.1 The purpose of this report is to inform members of the Education and Communities Committee of a proposed amendment to the Watt Complex Refurbishment Project which was approved by the Education and Communities Committee on 03 November 2015. On 22 February 2016, the Members Budget Working Group agreed that this proposed amendment be presented to the Education and Communities Committee for approval as part of the overall 2016/18 Budget Proposals.

2.0 SUMMARY

- 2.1 At its meeting of 05 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 On 03 November 2015, the Education and Communities Committee agreed to progress the Watt Complex Project in line with a two phased approach involving addressing necessary repairs to the external fabric of the McLean Museum and Watt Library, and the development and submission of a revised Heritage Lottery Fund bid which would allow a physical remodelling of the Watt Complex.
- 2.3 In order to address the unexpectedly wide funding gap faced by the Council as a result of the poorer than expected Scottish Government Grant settlement for 2016/17, which was confirmed on 16 December 2015, the Corporate Management Team proposed that an amendment be made to the Watt Complex Project. The proposed amendment involves diverting £2m from Council funds committed to the Watt Complex Project to Reserves and using the remaining £1.8m (Council funds) to address the immediate repairs that are required to make the McLean Museum and Watt Library safer and water-tight. This proposed amendment would also mean putting the planned revised HLF bid on hold until such times that the financial position of the Council is stronger.
- 2.4 At a meeting of the Members Budget Working Group on 22 February 2016, a report on the proposed amendment to the Watt Complex Project was presented resulting in the Budget Working Group members agreeing that the proposed amendment be presented to the Education and Communities Committee for approval.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Standing Orders be suspended to allow the Committee to approve the proposed amendment to the Watt Complex Project which will in turn free up funds to help address the Council's funding gap for 2017/18.

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Corporate Director, Education, Communities and Organisational Development**

4.0	BACKGROUND	
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 submitted in 2013 to seek funding for a major refurbishment was unsuccessful.	
4.2	Architectural Consultant, Collective Architecture, was commissioned to undertake an Options Appraisal; looking at 3 options: <ol style="list-style-type: none"> 1. Option 1 – External Fabric Refurbishment 2. Option 2 – Scheme based on reworking the earlier HLF bid 3. Option 3 – Reduced scheme incorporating two phases. 	
4.3	Collective Architecture developed proposals for a project which both refurbished the complex and added significantly to the regeneration of the area through activities including learning, employment, volunteer and training opportunities, an improved tourism offer, and improved social capital.	
4.4	The proposed spaces included: <ul style="list-style-type: none"> • An overall attractive refurbishment project which will stand alone or be part of a bigger development • A more open and fluid space, improving access • Café • Museum • Exhibition Gallery • Watt Hall large event space • Archives research room • The Watt Learning Laboratory • Collections storage 	
4.5	The above options were presented to the Education and Communities Committee on 03 November 2015 with a recommendation that approval is given to progressing Option 3. This recommendation was subsequently approved by the Education and Communities Committee.	
5.0	PROPOSAL	
5.1	The Scottish Government Grant settlement confirmed on 16 December 2015 was unexpectedly poor and resulted in a year on year reduction in grant for the Council of £6.5 million for budget period 2016/17. Following discussions by the Corporate Management Team on proposals to address this funding gap, it was proposed that the Watt Complex Project be amended as a result of the current financial climate and that the planned HLF bid be put on hold with essential repairs being carried out to the McLean Museum and Watt Library as a matter of urgency in order to keep the building safe and water-tight. This proposal would allow £2m of funding, set aside for the Watt Complex Project, to be directed to Reserves to assist with addressing the funding gap for 2017/18 leaving £1.8m in the pot for essential repairs to the Watt Complex to be carried out.	
5.2	This proposal was presented to the Members Budget Working Group on 01 February 2016 during discussions about addressing the Council's funding gap following confirmation of the Scottish Government Grant Settlement for 2016/17. Consequently,	

the Members Budget Working Group requested a detailed report on this proposal and this was presented to the Group at their meeting on 22 February 2016. As a result, the Members Budget Working Group agreed that this proposed amendment be presented to the Education and Communities Committee for approval.

5.3 The Technical Services Manager (Property Services) was approached and asked to discuss the proposed amendment with the Watt Complex Design Team and outline what works could be undertaken with the reduced budget of £1.8m.

5.4 Following a site walk-round and discussions by the Watt Complex Design Team on 10 February 2016, the following works were identified as being possible within the reduced budget of £1.8m although exact costs have yet to be confirmed pending further surveys. The full scope of the works and relative costs have not been determined but the following is the proposed order of priority:

- External roof and wall repairs to ensure the building is wind and water-tight. This would include reroofing the Library building, structural repairs to the parapets, repairs or replacement of windows, and pointing of stonework joints.
- Internal repairs and upgrades which would include electrical upgrade of all electrical installations, alarms, lighting etc; repair to areas affected by wet rot; repair to damaged internal floors and partitions; upgrade of heating system; and decoration of all affected areas.
- Limited DDA works to improve lighting and decoration to take account of visually impaired visitors. Improved wheelchair access but such access to the upper floors of the Library will not be provided from the new scope of the project.

5.5 The Design Team is currently assessing existing information on the building and will provide a list of outstanding information which will require additional surveys. Once the surveys are undertaken the Design Team will be able to confirm which works can be undertaken within the £1.8m budget.

6.0 IMPLICATIONS

6.1 Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Capital Programme	Watt Complex Refurbishment	From 2016	£1.8 million		This frees up £2million to be transferred to reserves

Financial Implications - Annually Recurring Costs – N/A

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments
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6.2 Human Resources
N/A

6.3 Legal
N/A

6.4	<p><u>Equalities</u></p> <p>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.</p>	
6.5	<p><u>Repopulation</u></p> <p>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.</p>	
7.1	<p>7.0 CONCLUSIONS</p> <p>Members of the Education and Communities Committee are asked to note that this proposal would result in a 2 phase refurbishment of the Watt Complex. Phase one would involve essential repairs to the McLean Museum and Watt Library with the limited DDA works described. The planned strategic development of the Watt Complex which would help regenerate the local area and support our repopulation efforts would be enhanced through a successful HLF bid (Phase two) which would be submitted at a later date than originally planned when the financial position of the Council is stronger.</p>	
8.1	<p>8.0 BACKGROUND PAPERS</p> <p>Feasibility and Options Appraisal for the Watt Complex for Inverclyde Council by Collective Architecture.</p>	