

Report

Report to:	Executive Committee
Date of Meeting:	26 June 2019
Report by:	Executive Director (Community and Enterprise Resources) Executive Director (Housing and Technical Resources) Executive Director (Finance and Corporate Resources) Executive Director (Education Resources)

Subject:	East Kilbride Town Centre/Civic Centre - Masterplan
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ seek approval to prepare a masterplan for the Civic Centre site in East Kilbride
- ◆ seek approval to the lease of accommodation within East Kilbride Town Centre for a new nursery.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the Executive Directors (Community and Enterprise) and (Housing and Technical) Resources be authorised to prepare a masterplan for the Civic Centre site in East Kilbride and in doing so assess the options within the Town Centre that may be suitable to accommodate public sector uses, in conjunction with the town centre owner.
- (2) that the Executive Director (Housing and Technical Resources), in consultation with the Executive Director (Education) and Executive Director (Finance and Corporate) be authorised to negotiate the provision of a nursery within East Kilbride Town Centre provided that the proposal:-
 - ◆ is deliverable within the existing capital budget associated with adapting the Civic Centre for that use
 - ◆ is deliverable by August 2020
- (3) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, if appropriate, be authorised to conclude all matters in respect of the grant of lease and to enter into the necessary legal agreements on terms which are in the best interests of the Council.

3. Background

- 3.1. The nature of town centres across the UK is in a transitional stage. The range of issues involved in the challenges town centres are facing are broad and complex. Factors such as the economic downturn, internet shopping, the growth of out of town shopping malls, changes in retailer's business models and consumer expectations have resulted in a decline in town centre footfall.
- 3.2. Some of the issues are local and specific to individual towns, however, many are issues seen across the country influenced by wider economic patterns, consumer behaviour and corporate decisions. Supporting town centres remains a Council priority and officers continue to work closely with groups and organisations in each town through a partnership approach to achieve our common goals.
- 3.3. One of the key areas the Council works on with all partners in our town centres is how to bring a variety of other uses to the town centre thereby creating a greater diversity of use and less reliance on a solely retail focused offer for users.
- 3.4. This objective closely follows guidance from the Scottish Government that public bodies should follow the principles of the Town Centre Action Plan - published by Scottish Government in 2013 in response to the National Town Centre Review and the Town Centre First Principle. This encourages collaboration and expects local government to work with the wider public sector, businesses and communities to deliver positive local outcomes in towns. A vital part of that approach is developing a place-based plan following consultation and engagement with these wider groups and the public as a whole.
- 3.5. Following on from the above, and as noted in the Community and Enterprise Committee Report of 4 June 2019 regarding the allocation of Town Centre Funding, officers have been in discussion with the East Kilbride Town Centre owner for a period of time on how the Council may develop initiatives based on the town centre first principle and the scope for public sector to contribute to these initiatives. In exploring these options consideration should be given to uses in and around the Civic Centre and scope for masterplanning and redevelopment.

4. Previous Development Proposals

- 4.1. The Council has worked closely with the various owners of East Kilbride Town Centre over some 15 years bringing forward development proposals in support of the town centre. In 2004 the two principal owners, British Land and Land Securities, formed a joint vehicle to bring their ownerships together and work under a single approach rather than the competitive approach prior to that. The partnership created a more stable relationship for the Council to work with the owners for the benefit of the whole town centre.
- 4.2. Around the same time it was recognised that the public sector uses in the Civic Centre complex, South Lanarkshire Council, Strathclyde Police, Strathclyde Fire and NHS Lanarkshire, were operating from premises that were ageing and in need of significant investment or replacement.
- 4.3. The Council, along with our public sector partners, and the town centre owners entered into a period of project development and negotiation over a period of some 3 years during which time proposals to relocate the facilities listed below to a new purpose built joint public service facility in the town centre was discussed and presented to the appropriate Committees and Boards:-

- ◆ Civic Centre
- ◆ Ballerup Hall
- ◆ Village Theatre
- ◆ Hunter Health Centre
- ◆ Police Station
- ◆ Fire Station
- ◆ Sheriff Court

4.4 In relation to the Council's elements of the proposals, in general terms, they were to be financed through a combination of the sale of assets, including the Civic Centre site, along with a long lease over the new facility from the town centre owners who would in return provide capital investment.

4.5. Ultimately these proposals were not delivered for a number of reasons including:

- ◆ the financial crash in 2007 changed the ability of both the public and private sector to fund these types of projects
- ◆ the sale of assets did not occur as the demand for sites from retail/foodstore operators declined
- ◆ pressures over service delivery required public sector partners to progress with other options

4.6. Notwithstanding the above, the Council has continued to work with town centre owners to explore opportunities and deliver projects, this activity has included:

- ◆ Delivery of the new Hub facility with the refurbished ice rink at its core representing a £1.2m investment by the Council as part of the £14m refurbishment project
- ◆ Investing in the creation of the Training and Skills Hub at South Mall
- ◆ Supporting NHS Lanarkshire develop the new Hunter Health Centre
- ◆ Undertaking environmental improvement works at Righead Gate and Brouster Gate

4.7. Throughout this time strong working relationships have been established and maintained with the current town centre owner. This provides a solid basis to consider the potential to deliver projects in the interest of the Council and the town centre owner.

5. Masterplanning – Town Centre/Civic Centre

5.1. There are a number of drivers, that when taken together, means that the time is now right to consider the scope for the Council and town centre owner to work together to re-assess wider plans for both the town centre and the Civic Centre:

- ◆ there is extensive vacant floorspace within the town centre that could be reconfigured/ redeveloped to accommodate public sector uses and thereby increase footfall
- ◆ to consider the impact of re-location of HMRC offices and how this may be mitigated by alternative uses being located in the town centre
- ◆ at a strategic level by considering public and private assets in partnership this would support the Government's Town Centre First Principle,
- ◆ the condition of the Civic Centre is such that it will require ongoing investment to maintain the building fabric and therefore an assessment is required to determine whether this represents best value going forward.

- ◆ aligned to the above, is an assessment of the uses in the Civic Centre, the utilisation of the space and whether these could be located in the town centre or elsewhere
- ◆ assessment of the development potential of the Civic Centre site and the economic development contribution its redevelopment would deliver
- ◆ there is a short term need to develop an early years nursery by August 2020
- ◆ through the review of South Lanarkshire Leisure consideration can be given to the location of cultural assets

5.2. In order to address and assess these issues, it is proposed that a masterplanning exercise be undertaken for the Civic Centre site as shown on the plan at Appendix 1. This master planning exercise would explore the following matters:-

- ◆ An assessment of the uses in and around the Civic Centre, the utilisation of the space and whether these and other public sector uses, could be located in the town centre or elsewhere
- ◆ Building fabric and economic life of the Civic Centre
- ◆ Financial viability/ model for relocation of uses
- ◆ Redevelopment potential of the Civic Centre site, economic benefits and financial return
- ◆ Timescales
- ◆ Phasing

5.3. It is important to highlight that at this stage that authority is being sought for the preparation of a masterplan and the assessment of the suitability, feasibility and acceptability of options that would be developed through the preparation of a masterplan. Once this work is complete it would then be reported to Committee for members' consideration.

5.4. There is, however, a project currently programmed for the provision of an early years nursery within the Civic Centre upon which a view would be required in the short term. Consideration to the implications is given in section 6 below.

6. Early Years Nursery

6.1. To meet the additional accommodation requirements of the Scottish Government's programme for the provision of 1140 hours Early Learning and Childcare places by August 2020, a new nursery provision in the Civic Centre was approved by the Executive Committee on 15 August 2018. Designs for this new facility are at an advanced stage.

6.2. In light of the potential masterplanning exercise, a high level feasibility study has been undertaken to consider the implications of relocating the nursery project instead in to East Kilbride Town Centre, taking into account the restricted timescales for delivery of the nursery as well as the capital and revenue costs.

6.3. The outcome of this feasibility exercise is that the nursery requirements can be accommodated within the Town Centre, see plan at appendix 1, and that the project can be delivered:-

- ◆ by August 2020
- ◆ within the approved capital budget of £2.6 million

6.4. The relocation of the nursery to the town centre site is consistent with the town centre first principle referred to previously, in that it will bring public sector investment to the town centre, increase footfall and vitality to this area of the centre which would

otherwise remain vacant. In terms of users of the nursery, it is considered that there is improved access to car parking and public transport, and access to the town centre that would support joint trips in support of the centre.

7. Summary and Next Steps

7.1. In summary, by taking a holistic approach to addressing the challenges and opportunities facing both East Kilbride Town Centre and the Council through a masterplanning exercise for the Civic Centre, this should ensure that potential options for change are supportive and complementary rather than decisions being taken in isolation. By taking such a collaborative approach this is consistent with the Scottish Government's town centre first principle that expects local government to work with the wider public sector, businesses and communities to deliver positive local outcomes in towns. To progress this, two matters require to be taken forward:

- ◆ In the short term, the Committee agrees to the principle of re-locating the early years nursery from the Civic Centre to the Town Centre subject to the proposal being delivered within existing timescales and budgets
- ◆ The Committee agrees to the preparation of a masterplan for the Civic Centre site in East Kilbride and in doing so assess options within the town centre that may be suitable to accommodate public sector uses, in conjunction with the town centre owner

8. Employee Implications

8.1. An officer corporate working group would be established involving officers from all Resources to take forward the preparation of the masterplan plan.

9. Financial Implications

9.1. It is expected that the capital costs associated with establishing the nursery within the Town Centre would be in line with the budgeted costs associated with adapting the Civic Centre. Capital funds are in place for this work.

9.2. Ongoing revenue costs of running the nursery within the Town Centre are generally expected to be in line with the costs that would have been incurred at the Civic Centre site with the exception of an annual service fee of around £0.025 million. These additional costs will be accommodated within the education budget for ELC provision.

9.3. The financial implications of the wider masterplan will be considered and reported to Committee with outcome of the master planning exercise.

10. Other Implications

10.1. The risk of not proceeding with the recommendations is that the Council will not delivery on early years' nursery in the short term and not take a long term assessment of the Council's assets.

11. Equality impact assessment and consultation arrangements

11.1 This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.

11.2. Consultations on the masterplan would be undertaken after the options have been presented to members.

Michael McGlynn
Executive Director (Community and Enterprise Resources)

12 June 2019

Link(s) to Council Values/Ambitions/Objectives

- ◆ Improve the quality of the physical environment
- ◆ Support the local economy by providing the right conditions for growth, improving skills and employability
- ◆ Improve health and increase physical activity
- ◆ Partnership working, community leadership and engagement

Previous References

- ◆ Community and Enterprise Resources Committee, 4 June 2019 – Town Centre Capital Grant Fund
- ◆ Executive Committee 15 August 2018 , Early Learning and Childcare 1140 Hours Update

List of Background Papers

- ◆ None

Contact for Further Information

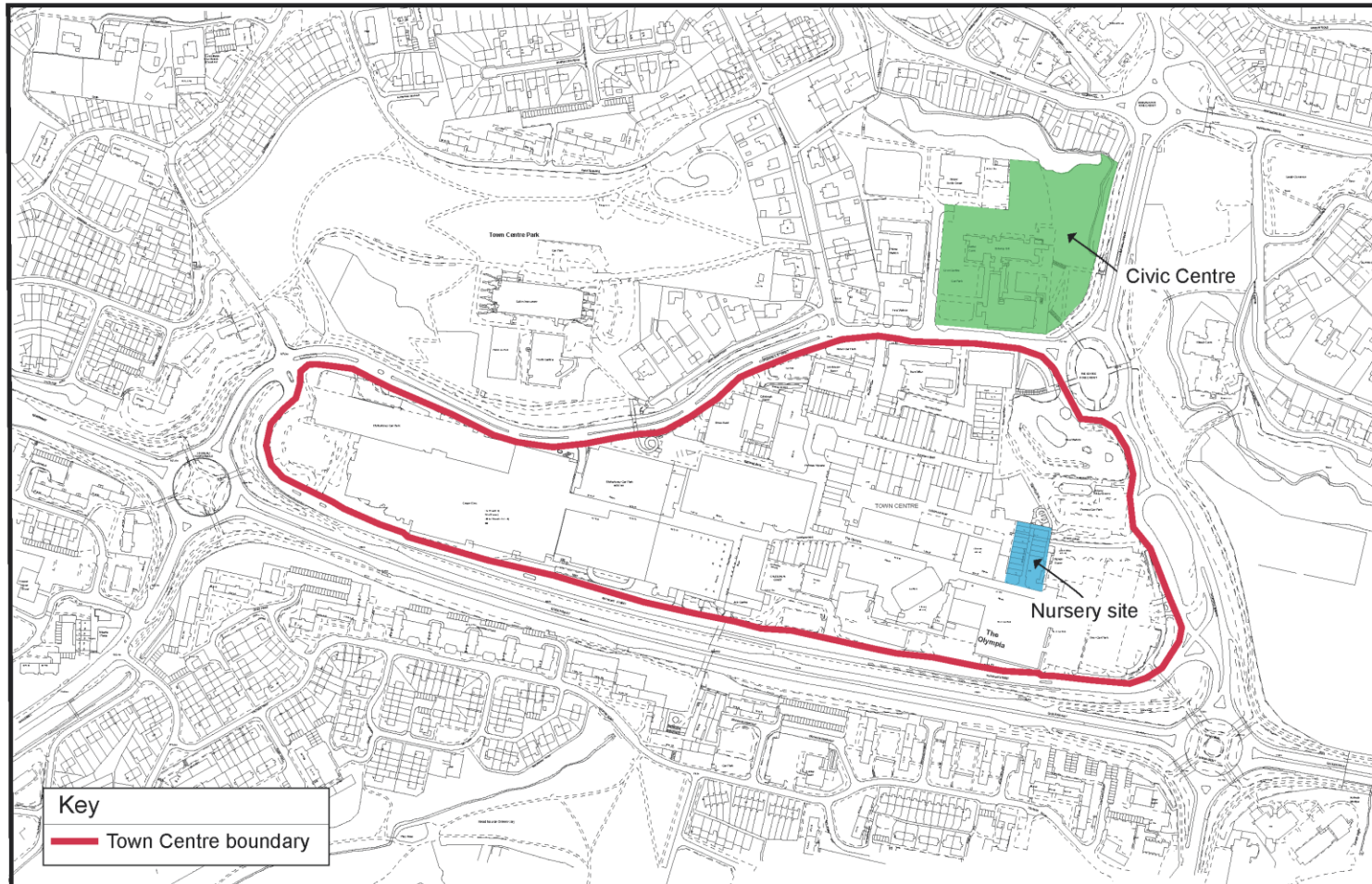
If you would like to inspect the background papers or want further information, please contact: - Iain Ross, Project Manager, Planning and Economic Development

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Appendix 1

East Kilbride Town Centre



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