

ABERDEEN CITY COUNCIL

COMMITTEE	Finance Policy and Resources
DATE	20 September 2016
DIRECTOR	Pete Leonard
TITLE OF REPORT	Station House Community Centre Update
REPORT NUMBER	CHI/16/197
CHECKLIST COMPLETED	Yes/No

1. PURPOSE OF REPORT

This Report provides the Committee with an update in relation to the regeneration grant project at Station House Community Centre occupied by Station House Media Unit (shmu). In addition it seeks authority for additional land to be included in the development.

2. RECOMMENDATIONS

This report recommends that the Committee:-

- 1) Approves the inclusion of additional land totalling 0.081 hectares for the development as shown in the attached plan (appendix A).
- 2) Notes the progress of the regeneration grant project.

3. FINANCIAL IMPLICATIONS

A Scottish Government Regeneration Grant Fund offer of £1,041,667 was accepted in May 2016. The project is now in the capital programme and managed in accordance with existing Council procedures. The budget will not be exceeded.

State Aid implications were considered prior to acceptance of the grant. It was noted that the SHMU business model relies currently on a level of support from the Council. At present this forms certain low value grants and premises occupied on a peppercorn rent. At present this support is not considered to be sufficient to reach the state aid threshold although there is potential for this to qualify for state aid. The aggregate contribution will be monitored and managed by the council appropriately.

As part of the grant application shmu identified that funding will be sought for the fit out of the extension. In addition they are also seeking funding to carry out works to the existing building to provide a

comprehensive redevelopment. On successfully securing these funds they can either be added to the existing project budget or dealt with through a separate contract. The financial implications such as VAT and procurement would need to be considered fully with both options.

4. OTHER IMPLICATIONS

The additional land as shown on the plan would require the removal of a small section of Deer Road Park. In addition some small items of play equipment would have to be moved to another part of the park. This would need to be done in consultation with appropriate community representatives and Public, Infrastructure & Environment Officers.

Subject to approval the additional land will form part of the eventual lease or asset transfer to shmu. The original site extends to 0.159 hectares approx. with the additional land extending to 0.081 hectares. Providing a combined site of 0.24 hectares approx.

Planning permission is required for the extension and early discussions have taken place with officers in Planning & Sustainable Development. It has been advised that the additional land is identified as Green Space Network and that developing the land would contravene associated policies. However, the planning application will provide supporting information that will help justify the inclusion of the land in the development. The planning application will be submitted in early September 2016 in line with key project milestones.

5. BACKGROUND/MAIN ISSUES

At the Finance Policy & Resources Committee of 19 April 2016 the following recommendations were approved:-

- (a) Accept the offer of the grant in principal and the inclusion of the project in the capital programme.
- (b) Approve the estimated expenditure of £1,041,667 and instruct officers to enter into a competitive tendering process.

The offer of grant was formally accepted on 27 May 2016 and the project is now included within the capital programme. A joint project team has been set up and the full design team has been appointed. Significant progress has been made and a design appropriate for planning permission has been produced. Planning permission submission is scheduled for early September and a contractor is scheduled to be appointed in March 2017 with the construction likely to take twelve months. This is in line with the conditions of the grant. Following submission of the planning application the detailed design will be developed.

The preferred option has the extension joining the east elevation and is shown in the attached plan (Appendix A). This sees the extension extending into the Deer Road Park. The plan shows the existing

footprint of the building along with the extension. Also shown in the plan is the extent of the site originally to be included in the lease/transfer to shmu with an additional area shown that would need to be included if approval is given. It should be noted that the floor and parking layouts shown on the plan are provisional at this time.

The reasons for this being the preferred option are:-

- It avoids building on the sloping part of the site to the North. Building on this would be more expensive due to the build complexity and tanking works. This would reduce the floor area of the building and the resultant opportunities for enhancing the service shmu provides.
- The extension being built on a sloping site would create greater challenges in ensuring the building is fully accessible to all users. Other options may make certain areas inaccessible to all users or create additional constructions costs. This would reduce the floor area of the building and the resultant opportunities for enhancing the service shmu provides.
- The majority mature trees to the North would remain. Other options would see the removal of the majority or all of these trees.
- An extension to the East will be visible from Auchmill Road, which is desirable in terms of promoting shmu and creating architectural interest. Other options would see it more hidden away. It will also integrate the service offered by shmu with the public open space nearby.

A title check has been carried out by Legal & Democratic Services. This has revealed that the ground was acquired in 1937 by the Town Council of Aberdeen from the London & North Eastern Railway Company under the Public Parks Account. There is a burden that the ground is to be used as a children's playground or for such other purpose as the Town Council may decide. In the event of buildings being erected, plans are to be submitted to the successors of the London and North Eastern Railway Company for approval which such consent may not be unreasonably withheld. This request will be submitted in due course.

If the proposal to include additional ground is approved then some small scale park equipment will need to be repositioned elsewhere in the park. This will be done in consultation with relevant officers and community representatives.

The ward members were included in the consultation process with Councillor Copland noting "I would support the plans as I believe this has the potential to become a very important local amenity. The enhanced skills and employability opportunities available to local youth once all the facilities are in place can only be a positive for the community".

Informal consultation with the Woodside Network was carried out through the Communities Team on the 1st August with no objections raised.

The wider issues in relation to the transfer of ownership to shmu either by lease or transfer are still under consideration. The best long term solutions will require considering the effects of the community empowerment act, grant requirements, car parking and access as well as the best solutions for shmu and the community.

6. IMPACT

Improving Customer Experience –

Extending into the park will maximise the floor area created. This will improve shmu's capacity and thus the experience received by shmu's customers.

Improving Staff Experience –

The extension of the building requires close partnership working between shmu and officers within Communities, Housing & Infrastructure. This is a learning opportunity and a chance to diversify skills.

Improving our use of Resources –

The proposal gives the best building design solution in terms of cost and how the building will operate going forward.

Corporate -

The work of shmu helps achieve outcomes within Smarter Living and Smarter People. It further supports many of the Thematic Groups within the Single Outcome Agreement. A maximised extension will help shmu increase their impact in these areas. This continues to be a joint project between shmu and the Council.

Public –

Shmu is a widely recognised name which may create interest in this report. Furthermore the approval of the recommendations would see the loss of a small part of the Deer Road Park, which would be of interest to users of the park.

7. MANAGEMENT OF RISK

Shmu have been operating from the property for a number of years and are now a well established community body. The proposals are likely to be supported but the use of some of the park could be perceived negatively. This will be mitigated through consultation and providing improved car parking.

Construction and other projects risks are managed through a full project risk register, shared with shmu.

8. BACKGROUND PAPERS

Station House Community Centre Update report to Finance Policy & Resources of 19 April 2016.

Note: This is a confidential report which can be made available on request.

9. REPORT AUTHOR DETAILS

Alastair Reid

Team Leader - Asset Management

 alareid@aberdeencity.gov.uk

 01224 52(2627)