

PERTH AND KINROSS COUNCIL

Minute of Special Meeting of Perth and Kinross Council held in the Council Chambers, Fourth Floor, Council Building, 2 High Street, Perth on Wednesday 2 September 2009 at 2.00pm.

Present: Provost Hulbert, Councillors K Baird, B Band, M Barnacle, P Barrett, I Campbell, J Coburn, A Cowan, R Ellis, J Flynn, A Grant, E Grant, G Hayton, J Hulbert, A Jack, J Kellas, M Lyle, E Maclachlan, A MacLellan, H McDonald, D Melloy, I Miller, S Miller, P Mulheron, M Roberts, W Robertson, D Scott, L Simpson, A Stewart, H Stewart, B Vaughan, W Wilson and A Younger.

In Attendance: B Malone, Chief Executive; J Irons, Depute Chief Executive; G Taylor and M Kay (Chief Executive's Service); J Fyffe, Executive Director (Education and Children's Services); M Walker and H Jack (Education and Children's Services); G Fogg, T Hart (Corporate Services); D Burke, Executive Director (Housing and Community Care); J McCrone and D Menzies (The Environment Service).

Apologies: Councillors L Caddell and J Law.

Provost Hulbert, Presiding.

446. THIRD BATTALION ROYAL REGIMENT OF SCOTLAND THE BLACK WATCH

Provost Hulbert noted with sorrow the deaths of two Scottish soldiers from the Third Battalion Royal Regiment of Scotland The Black Watch.

447. DECLARATIONS OF INTEREST

Councillor Band declared a non-financial interest in Article 449 and left the Chambers.

448. PERTH CITY HALL DEVELOPMENT

There was submitted a report by the Depute Chief Executive (09/412) relating to the revised proposals submitted by Wharfside Regeneration (Perth) Limited for the redevelopment of Perth City Hall.

The Depute Chief Executive further reported:-

- (i) Wharfside had been selected at the end of 2005 following a public exhibition of the shortlisted proposals;
- (ii) At that time the conclusion was that Wharfside proposals for the conversion of the building to small retail units with a central mall, running between open glass ends, had best addressed the Council's original brief to improve the setting of St John's Kirk and would make a valuable contribution to the vitality to the heart of the city;
- (iii) The second extension to the long stop date for committing to the development had expired on 31 May 2009.

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- (iv) Wharfside state that there is no longer a market for their original proposal.
- (v) The revised proposals set out in Section 3 of Report 09/412 had been the subject of extensive correspondence between Council Officers and Wharfside in an effort to fully understand and make an assessment of the revised proposals and advice had also been taken from Colliers CRE, International Property Consultants. The assessment has focussed on two specific questions, (1) is there firm evidence of funding for the revised proposal and sufficient information to provide confidence that it provides a sustainable future use for the building, and (2) are the revised proposals sufficiently consistent with the current agreement and the basis on which the Wharfside proposals were originally selected in preference to others. The conclusion was that the answer to both of these questions was negative.

The Depute Chief Executive recognised that Wharfside had made substantial financial commitment to try to bring their plans to fruition, and the timing of their efforts to progress the development had coincided with the economic downturn. The original proposal could no longer be delivered and therefore the recommendation was to formally terminate the agreement with Wharfside.

Members requested information on:-

the ongoing cost of care and maintenance of the building; timescales for future public consultation; financial or legal consequences in terminating the agreement; and asked that all options including demolition be considered for the future of the building.

Resolved

- (i) Discussions with Wharfside Regeneration (Perth) Limited in respect of their current proposals for the development of the Perth City Hall be terminated.
- (ii) The Head of Legal Services be instructed to formally bring to an end the agreement with Wharfside.
- (iii) Proposals for the future of Perth City Hall, including arrangements for public consultation, be brought forward as soon as possible.

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