

PERTH AND KINROSS COUNCIL**Council Meeting – 27 June 2012****PERTH CITY HALL****Report by Depute Chief Executive**

This report advises that Historic Scotland, on behalf of Scottish Ministers, have **refused** listed building consent for the demolition of Perth City Hall.

As a result, the Council cannot therefore proceed at present with its plans to demolish the building and create a new Civic Square on the site.

The report seeks authority to work with Historic Scotland and market the availability of the building to ascertain the nature of any unexplored options for re-use.

1. RECOMMENDATIONS

1.1 The Council is asked to;

- i) note that Listed Building Consent for the demolition of Perth City Hall has been refused by Historic Scotland on behalf of Scottish Ministers.
- ii) note their principal conclusion that “there remain some options which the Council has not yet explored which could allow for the re-use of the building or the preservation of elements of its special interest”.
- iii) agree to investigate what other unexplored options exist through marketing the availability of the building for a period of 3 months with a further period of 9 months to allow prospective developers to demonstrate the viability and wider economic benefits of any proposals together with details of funding.
- iv) welcome and accept the offer by Historic Scotland to work with Council officers and to give advice on the buildability, viability and sustainability of any proposals that come forward.
- v) instruct officers to report progress to the Property Sub Committee at appropriate points in the process.

2. BACKGROUND

- 2.1 Perth City Hall was opened in January 1912 and was listed as a Category B Listed Building in 1977.
- 2.2 It is situated partly on the site of a former city hall (built in 1844 and demolished to allow construction of the present building) and partly on the site

of a large public open space formerly used for markets – a use not dissimilar to the Council’s current proposals.

- 2.3 At the time of the construction of the City Hall, the St Johns Kirk, (now listed as a Category A Listed Building) enjoyed no statutory protection and it is fair to say that any proposal to construct a building of the scale of the City Hall in such an important setting today would be controversial and would be subject to intense scrutiny.
- 2.4 In January 1996, following a public consultation exercise for a proposal to demolish the City Hall and to construct a replacement at Horse Cross, the former District Council agreed to;
- “make application for financial assistance to the Millennium Commission for the creation of a new City Square and the erection of a new City Hall at Horse Cross”.
- 2.5 In addition, the adopted Perth Central Area Local Plan 1997 indicated that consideration would be given to;
- “the creation of a major new civic space through the removal and relocation of the City Halls...”
- 2.6 The new Perth Concert Hall at Horse Cross was subsequently opened in 2005, but the planned removal of the City Hall and the creation of a public space did not proceed at that time.
- 2.7 In February 2004, the Strategic Policy and Resources Committee agreed to;
- “advertise the availability of the Perth City Hall site as a development opportunity”.
- 2.8 In November 2005 – after a period of further public consultation – Wharfside Regeneration (Perth) Ltd was selected as the preferred developer.
- 2.9 Unfortunately, Wharfside was unable to bring its proposed development to fruition and, following a report to Council on 2 September 2009, it was agreed to terminate the agreement with Wharfside and bring forward options for the building.
- 2.10 At its meeting on 16 December 2009 the Council agreed to undertake consultation with the public and key stakeholders on all previously identified options for the Perth City Hall and how these might assist in delivering its vision for a vibrant and viable town centre with a high quality environment and diverse range of land uses. The approved options for consultation were:
- Do nothing/do minimum
 - Re-use of the building
 - Partial demolition

- Full demolition of the City Hall and creation of a civic square/public space
 - Full demolition and redevelopment on part of the site
- 2.11 The results of that consultation were reported to the Council at its meeting on 16 June 2010 together with the results of a cost and benefit analysis based on the Treasury's Guide to Appraisal and Evaluation (usually referred to as the "Green Book").
- 2.12 The report also provided planning advice in relation to the various options – principally in relation to the Scottish Historic Environment Policy (SHEP) tests that would be used by Historic Scotland to assess any proposal to demolish all or part of the listed building.
- 2.13 Having considered all of the information presented in the report, the Council agreed to give further consideration to the complete demolition of the City Hall and the creation of a civic square/public space, on the basis that it would deliver significant benefits to economic growth and the wider community.
- 2.14 Officers were instructed to develop detailed proposals for the public space following further consultation with directly affected parties and key stakeholders.
- 2.15 Instructions were also given to submit applications for planning and listed building consents in due course.
- 2.16 At its meeting on 16 November 2011, the Development Control Committee agreed to recommend to Scottish Ministers that listed building consent be granted for the demolition of Perth City Hall.
- 2.17 At that same meeting, the Development Control Committee also agreed to grant planning consent for the creation of a new public square
- 2.18 At its meeting on 30 November 2011, the Strategic Policy and Resources Committee instructed officers to make arrangements for the demolition of Perth City Hall and for the creation of a new civic square once all relevant consents had been obtained.
- 2.19 As the listed building is in Council ownership, Scottish Ministers must determine the application for demolition, and it was referred to Historic Scotland on 24 November 2011.

3. CURRENT SITUATION

- 3.1 On 9 May 2012, Historic Scotland wrote to the Council advising that, on behalf of Scottish Ministers, they had **refused** listed building consent for the demolition of Perth City Hall. Their decision is final and not open to appeal except for failure to follow due process.

3.2 Their Decision Notice and Report of Handling are available on the Council's website.

3.3 Their assessment concludes that

- that there remain some options which the Council has not yet explored which could allow for the re-use of the building or the preservation of elements of special interest
- and that not enough evidence has been provided to prove that the demolition of Perth City Hall is essential to deliver the significant benefits predicted.

4. PROPOSALS

4.1 Council officers have met with Historic Scotland to discuss the next steps.

4.2 It is clear that that their principal concern is that there may be options for re-use of the building that have not yet been fully explored and that might provide the economic regeneration benefits that the Council seeks for the City Centre.

4.3 They are concerned that the Council's assessment that alternative uses will be unviable without significant public subsidy, is based on assumptions made by the Council's consultants rather than by a direct approach to the market.

4.4 Following consultation with Historic Scotland, it is therefore proposed that the building be marketed for a period of 3 months to allow prospective developers to come forward with outline proposals and thereafter allow a period of 9 months to demonstrate the viability and sustainability of any proposals through a robust and funded business case.

4.5 Historic Scotland have offered to work with Council officers to prepare marketing material and to advise on the buildability and viability of any proposals. It is recommended that this offer be accepted.

5. RESOURCE IMPLICATIONS

5.1 The Composite Capital Budget 2011-2015 currently identifies a budget of £3.282 million for the demolition of the Perth City Hall and the creation of the new Civic Square.

6. EQUALITIES ASSESSMENT

6.1 The Council's Corporate Equalities Assessment Framework requires an assessment of functions, policies, procedures or strategies in relation to race, gender and disability and other relevant equality categories. This supports the Council's legal requirement to comply with the duty to assess and consult on relevant new policies to ensure there is no adverse impact on any community group or employees.

- 6.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Assessment Framework and the determination was made that the items summarised in this report do not require further assessment as they do not have an impact on people's wellbeing.

7. STRATEGIC ENVIRONMENTAL ASSESSMENT

- 7.1 Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS).
- 7.2 The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

8. CONSULTATIONS

- 8.1 The Chief Executive, Head of Democratic Services, Acting Head of Finance, Head of Legal Services and Head of Planning and Regeneration have all been consulted in the preparation of this report.

9. CONCLUSION

- 9.1 Historic Scotland have refused permission to demolish the Perth City Hall and their principal conclusion is that there remain some options which the Council has not yet explored which could allow for the re-use of the building or the preservation of elements of special interest.
- 9.2 The Council cannot therefore proceed at present with its plans to demolish the building and create a new Civic Square on the site.
- 9.3 It is proposed that the Council should work with Historic Scotland and market the availability of the building for a period of 3 months and thereafter allow a further period of 9 months for prospective developers to produce a viable and sustainable proposal and to demonstrate how that would provide the economic regeneration benefits that the Council seeks for the City Centre.

**JIM IRONS
DEPUTE CHIEF EXECUTIVE**

NOTE

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above Report:

- (i) Perth & Kinross Council, Perth City Hall, 16 June 2010 (10/340)
- (ii) Development Control Committee, 16 November 2011 ((11/01082/FLL);
- (iii) Development Control Committee, 16 November 2011 (11/ 01083/LBC)
- (iv) Historic Scotland letter of 9 May 2012 and Report of Handling

Contact Officer: Jim Irons (Tel 475003; JFIrons@pkc.gov.uk)

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Alma Murray, Equalities Assistant
on
01738 476558 or TESEqualities@pkc.gov.uk



Council Text Phone Number 01738 442573