

**OUR MODERN WORKSPACE (OMW) – PLACE DEMONSTRATOR FUNDING FOR  
ROTHESAY**

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**1.0 EXECUTIVE SUMMARY**

- 1.1. The Scottish Government have sought applications from Local Authorities that have undertaken Place Based Reviews (PBR) and are in a position this financial year to implement the outcomes of the review.
- 1.2. A Place Based Review of Rothesay and Dunoon was undertaken in 2021 jointly funded by the Council, HSCP and NHS Highland and the outcomes and actions from that review have been used and act as a foundation for changes we are implementing through Our Modern Workspace (OMW).
- 1.3. A bid to this competitive fund was made by the OMW team in August 2022 and the Scottish Government have now confirmed Argyll and Bute Council's application to implement the redesign proposals in Rothesay has been recommended for a grant award. This includes both the Victoria St Office and the Union St Office. The verbal confirmation is for the total capital costs for Rothesay to be funded as noted in **Appendix 1** It is recognised Argyll and Bute are one of only a few authorities to have both completed a PBR and progressed far enough with staff engagement, permissions and strategy to implement actions this financial year.
- 1.4. This level of funding would allow the OMW Project team to accelerate the Rothesay redesign which was originally part of Phase 2 and subsequently divert capital resources into other priorities or remove pressures in available budget.
- 1.5. The Scottish Government have requested that Argyll and Bute Council make a public commitment to:
  - ensure the funds awarded are spent solely on this project
  - demonstrate the place context, in discussion with other key partners
  - note the additionality this funding can provide – what this funding can unlock in the context of the wider Place Narrative.
  - Confirm the project and Council commitment by 31 March 2023

## OUR MODERN WORKSPACE (OMW) – PLACE DEMONSTRATOR FUNDING FOR ROTHESAY

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### 2.0 INTRODUCTION

- 2.1. The Scottish Government have sought applications from Local Authorities that have undertaken Place Based Reviews (PBR) and are in a position this financial year to implement the outcomes of the review.
- 2.2. A Place Based Review of Rothesay and Dunoon was undertaken in 2021 jointly funded by the Council, HSCP and NHS Highland and the outcomes and actions from that review have been used and act as a foundation for changes we are implementing through Our Modern Workspace (OMW).
- 2.3. A bid to this competitive fund was made by the OMW team in August 2022 and the Scottish Government have now verbally confirmed Argyll and Bute Council's application to implement the redesign proposals in Rothesay has been recommended for a grant award. This includes both the Victoria St Office and the Union St Office. The verbal confirmation is for the total capital costs for Rothesay to be funded as noted in **Appendix 1** It is recognised Argyll and Bute are one of only a few authorities to have both completed a PBR and progressed far enough with staff engagement, permissions and strategy to implement actions this financial year.
- 2.4. This level of funding would allow the OMW Project team to accelerate the Rothesay redesign which was originally part of Phase 2 and subsequently divert own capital resources into other priorities or remove pressures in available budget.
- 2.5. The Scottish Government have requested that Argyll and Bute Council make a public commitment to:
  - ensure the funds awarded are spent solely on this project
  - demonstrate the place context, in discussion with other key partners
  - note the additionality this funding can provide – what this funding can unlock in the context of the wider Place Narrative.
  - Confirm the project and Council commitment by 31 March 2023

### 3.0 RECOMMENDATIONS

Committee are asked to:-

- 3.1 Note this opportunity to access substantial Scottish Government capital funding as noted in **Appendix 1**;
- 3.2 Agree that the Place Demonstrator Funding will only be used to complete Our Modern Workspace programme in Rothesay to demonstrate the context of Place as a direct outcome of the Place Based Review
- 3.3 Agree that the Council should accept the opportunity to work with the Scottish Government and Scottish Futures Trust to accelerate the Rothesay Phase of the Our Modern Workspace through the Place demonstrator Funding by committing to their requests:-
  - demonstrate the place context, in discussion with other key partners
  - note the additionality this funding can provide – what this funding can unlock in the context of the wider Place Narrative, and
  - Confirm the project and Council commitment by 31 March 2023

### 4.0 DETAIL

- 4.1. The Place Demonstrator Fund has been established by the Scottish Government and is part of the Place Based Investment Programme. The process for applications was as follows:
  - A group has been convened by SG across COSLA, Government, HIE, SOSE, SFT, STP and DTAS
  - A set of criteria for investment and learning have been developed
  - The group is identifying a long list of possibilities
  - This list then works through conversations with the places to understand fit and deliverability
  - A short list is brought to the group for consideration and agreement
  - The recommendations are agreed by the Minister
  - Allocation is for the financial year 2022/23
- 4.2. Given the Place Based Review undertaken for Dunoon and Rothesay by HubNorth Scotland in 2021, it was suggested by them that Argyll and Bute project are considered appropriate to make a submission to the Place Demonstrator Fund to accelerate the implementation of the redesign of offices in Rothesay as this met the criteria for the funding.
- 4.3. In order to accurately reflect the costs for this part of the project. A review of the initial cost plan was undertaken to ensure the costs accurately reflected the current market costs given recent significant inflation increases. These costs are noted in **Appendix 1**: NB – Note given that the budget / financial information contained within this appendix relates to commercially sensitive information as part of an imminent tender the Appendix is considered as publically restricted.

- 4.4. If the panel do commend the Rothesay project and this funding is made available it will only be able to be used for the delivery of the redesign of both Union St and Victoria St offices in Rothesay due to nature and objectives of the fund. Copies of the proposed floor plans are attached at **Appendix 2**.
- 4.5. This is an opportunity for Argyll and Bute Council to work with the Scottish Futures Trust and HubNorth Scotland to assist other Local Authorities that are at the very start of their office rationalisation and co-location programmes to understand the Place narrative around how they look to better utilise their assets.
- 4.6. The Scottish Government have requested that Argyll and Bute Council make a public commitment to:
- ensure the funds awarded are spent solely on this project
  - demonstrate the place context, in discussion with other key partners
  - note the additionality this funding can provide – what this funding can unlock in the context of the wider Place Narrative.
  - Confirm the project and Council commitment by 31 March 2023
- 4.7. There were a number of outcomes identified in the Place Based Review of Rothesay and Our Modern Workspace is the first of those to be implemented. It is hoped that this funding and subsequent acceleration of these outcomes will provide a catalyst to the other partners involved in the Place Based Review to look at implementation of further outcomes identified.
- 4.8. The Place Based Review has allowed the review of spaces with other key partners, one of those are the Scottish Courts Services – who currently have some occupation of Eaglesham House, Rothesay which will become largely surplus to requirements following the remodelling exercise as proposed.
- 4.9. The remodelling of both Union Street and Victoria Street offices will free up Eaglesham House for further development opportunities, the OMW team will work with other Council Services and wider key partners to utilise the building to best meet the needs of the Island.
- 4.10. Further opportunities to utilise the spaces within these buildings to support the communities on the island are welcome and fundamental to the OMW project.

## **5.0 CONCLUSION**

- 5.1 This paper provides an overview of the funding application submitted to the Scottish Governments Place Demonstrator Fund.

## **6.0 IMPLICATIONS**

- 6.1 Policy : SG funding requirement to have a public commitment to the project in the terms noted within the paper
- 6.2 Financial : This funding will provide significant investment in Rothesay
- 6.3 Legal : None

- 6.4 HR : Funding will support the implementation of the Hybrid and Flexible Working Policy
- 6.5 Fairer Scotland Duty:
  - 6.5.1 Equalities - protected characteristics
  - 6.5.2 Socio-economic Duty
  - 6.5.3 Islands
- 6.6 Climate Change : the works undertaken will take cognisance of net zero best practice
- 6.7 Risk: without this funding the implementation of the OMW programme in Rothesay would not be delivered until available budget was identified in the Capital Plan
- 6.8 Customer Service : the completion of the works in Victoria St will provide easier access to Public Services within a High Street location

**Douglas Hendry**

**Executive Director with responsibility for Commercial Services**

**Policy Lead Cllr Gary Mulvaney**

08 December 2022

**For further information contact:**

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## **APPENDICES**

**Appendix 1** – Financial Summary – Publically restricted due to commercial / contractual nature

**Appendix 2** – Proposed Floor Plans for Union St and Victoria St Offices