NORTH AYRSHIRE COUNCIL

26 January 2021

	Cabinet
Title:	Land at Dalry Road, Kilwinning
Purpose:	To seek approval for the disposal of undeveloped land at Dalry Road, Kilwinning to Ayrshire College.
Recommendation:	That Cabinet approves the disposal of the undeveloped land at Dalry Road, Kilwinning (detailed within Appendix 1) to Ayrshire College for a nominal consideration of £1 to support the development of the Ayrshire College Future Skills Hub.

1. Executive Summary

- 1.1 Ayrshire College has an ambitious vision to create a sector leading North Ayrshire Future Skills Hub ("the Hub") to deliver an innovative curriculum in Engineering, Construction and SMART Technologies. This will be a new facility which will support educational outcomes and economic regeneration in North Ayrshire.
- 1.2 The College has secured funding of £1,500,000 for the project from a range of partners, including North Ayrshire Council.
- 1.3 The College's preferred option for the Hub requires the transfer of some undeveloped land owned by North Ayrshire Council to the College. The request made is for a transfer of ownership for land at a nominal consideration of £1 to facilitate the delivery of the project and is reflective of the wider economic and education outcomes which will be achieved.

2. Background

- 2.1 Ayrshire College currently has a STEM teaching facility within North Ayrshire at the Nethermains industrial estate, Kilwinning, approximately one mile from the main Kilwinning campus. Ayrshire College inherited the lease on that unit from James Watt College as part of the merger of the colleges network.
- 2.2 The replacement of the Nethermains facility has been a strategic objective for the College since merger, as the facility, cannot offer the range of curriculum opportunities in Science, Technology, Engineering and Mathematics (STEM) that the College wishes.
- 2.3 The College has engaged with key partners including North Ayrshire Council to consider future options for the delivery of the STEM curriculum. The College has identified a

preferred scheme to develop a new purpose-built facility adjacent to the main campus within the town centre.

<u>Vision</u>

- 2.4 For the communities of North Ayrshire to benefit from inclusive growth, the available workforce must be able to access jobs available in the region.
- 2.5 The vision for the new purpose built facility is to create a sector leading North Ayrshire Future Skills Hub ("the Hub") to deliver an innovative curriculum in Engineering, Construction and SMART Technologies (using new technology in education), which will be one of the cornerstones for economic regeneration in North Ayrshire.
- 2.6 Currently North Ayrshire residents are having to leave the Council area to study the types of courses that will be delivered through The Hub. Of the 297 North Ayrshire residents on an apprenticeship in 2020-2021, 212 (71%) are doing an apprenticeship in engineering or construction.
- 2.7 The Hub will also provide upskilling and re-skilling opportunities for North Ayrshire's current workforce. As technology changes, the Hub will provide the workforce with the opportunity to increase or change their skillsets and benefit from the new opportunities the development will create.
- 2.8 By providing a range of skills provision from employability through to higher level skills, the College will create the opportunity for North Ayrshire communities to access entry level jobs and to progress to higher level occupations in sectors which are higher value to the economy and workforce. This will help create a virtuous cycle of increasing productivity and prosperity in the area.
- 2.9 The facility will provide a dynamic open learning space which can be adapted to suit the activities that are scheduled. This adaptability will ensure the facility is future proofed for ongoing curriculum demands and innovations.

Economic Regeneration

- 2.10 The College is a signatory to the Community Wealth Building Anchor Charter, and the ambitious new facility has the potential to identify opportunities to provide education and training with links to North Ayrshire Council's strategic plans including the Community Wealth Building Strategy. The facility will:
 - help identify and provide training to meet local employers and employee needs;
 - help employers to recruit locally and from priority groups, where appropriate;
 - be adaptable to local strategies to embed environmental benefits through, for example, active travel and sustainable energy generation; and,
 - provide training in renewable and future energy technologies.
- 2.11 The Hub will also provide learning opportunities to develop the future skills pipeline to support Ayrshire Growth Deal investments across Ayrshire. It will provide skills training in support of several high-profile projects.

Design Development

- 2.12 The College's original proposal was for The Hub to be built completely within the existing boundaries of its campus; however this would have seen the loss of around 36 car parking spaces.
- 2.13 To the west of the College's campus there is undeveloped land, owned by North Ayrshire Council. Securing this additional land as part of an extended College campus would significantly improve the design of the facility, by providing increased capacity for the development including parking, allowing the Hub to sit back from the main campus road and enable a generous public realm with outdoor seating and a drop off zone to the building's front. A plan of the proposals is attached at Appendix 1. The proposed location of the Hub will also provide space for secure, external yard for storage and deliveries to the west of the facility, and allow the College to achieve a net increase in car parking spaces.
- 2.14 The College's proposed development would only require part of the Council's land in this area, approx. 0.16 ha (0.4 acres). The proposed design gives consideration to the development potential of the retained Council land, and privately owned land at Howgate, should this be required in the future. The proposal will therefore support the development potential of a retained Council asset.
- 2.15 A valuation of the land was carried out in 2020. The valuation indicated that the proposed transfer site at Dalry Road had a market value of approximately £0.030m. Before Ayrshire College can progress their proposal, statutory approvals require to be obtained. Planning and Building Warrant applications are currently being developed.

3. Proposals

- 3.1 The proposal to transfer the undeveloped land at nominal consideration of £1 considers the education benefits of the proposal, and the significant capital investment by the College. The development will use land that is currently vacant and the proposals will see improved access to land retained by the Council should that be developed in the future.
- 3.2 It is recommended that Cabinet approves the disposal of undeveloped land at Dalry Road, Kilwinning (detailed in Appendix 1) to Ayrshire College for a nominal consideration of £1 to support the development of the Ayrshire College Future Skills Hub.

4. Implications/Socio-economic Duty

Financial

4.1 The Council will forego a potential capital receipt for the land at Dalry Road, Kilwinning. The market value of this land is £0.030m.

The College has secured funding of £1,500,000 for the project from a range of partners, including North Ayrshire Council. The funding organisations and their level of financial support is summarised below:

£300,000

£1,500,000

- Magnox Socio Economic Panel £499,999
- Ayrshire College

- £500,000
- North Ayrshire Council subject of this report)

£200,000 (excluding the value of the land

- Ayrshire College Foundation
- Total Funding Package

Human Resources

4.2 None.

<u>Legal</u>

4.3 The Local Government (Scotland) Act 1973 places a statutory obligation on the Council to obtain the best price or the best rent when it disposes of any asset by sale or lease, subject to exceptions which are set out in the Disposal of Land by Local Authorities (Scotland) Regulations 2010. These regulations permit a disposal at less than the best price achievable where either (a) the property is valued at less than £10,000, or (b) the Council has compared the financial cost of transfer against the community benefits and determined that the transfer is reasonable and promotes either economic development or regeneration, health, social well-being or environmental well-being.

Officers have considered the costs and benefits of the proposal and are satisfied that the circumstances set out in the Disposal of Land by Local Authorities (Scotland) Regulations 2010 (criteria (b) above) are satisfied and that a disposal for less than best consideration may take place. Subject to Cabinet approval, Legal Services will be instructed to progress the disposal of the land at Dalry Road, Kilwinning.

Equality/Socio-economic

4.4 The proposal is a significant capital investment for Kilwinning, with positive socioeconomic impacts for the town. Access to improved local training and learning facilities within North Ayrshire will improve positive outcomes for young people.

Environmental and Sustainability

4.5 Any environmental implications of the project will be addressed as part of the relevant regulatory processes.

Key Priorities

- 4.6 The proposed transaction will contribute to the following Council Plan priorities:
 - Children and young people experience the best start in life
 - Inclusive, growing and enterprising local economy.

Community Wealth Building

4.7 The proposed transaction will support economic and education activity, led by an anchor institution, Ayrshire College who is a signatory to the Community Wealth Building Anchor Charter.

Procurement

The proposed transaction will create construction activity and opportunities for local procurement.

Employment

By providing a range of skills provision from employability skills through to higher level skills, the College will create the opportunity for North Ayrshire communities to access entry level jobs and to progress to higher level occupations in sectors which are higher value to the economy and workforce.

Land and Assets

The proposed transaction will support the transformation of undeveloped land to support the activities of an anchor institution who will deliver an enhanced educational offer.

Financial Power

The proposed transaction will support the retention and development of an enhanced educational offer within North Ayrshire with long-term economic benefits.

5. Consultation

5.1 Ayrshire College delivered a presentation to North Ayrshire Council representatives and local ward members on the development of the project to date on 25th November 2020. This presentation was supported by the architect on behalf of the Project Design Team.

RUSSELL McCUTCHEON Executive Director (Place)

For further information please contact Alex Mackenzie, Development Manager, on 01294 324788.

Background Papers

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Appendix 1

