NORTH AYRSHIRE COUNCIL

13 December 2023

North Ayrshire Council

Title:	Irvine Town Centre Working Group Update
Purpose:	To update Council on the progress made by the short life working group to evaluate options to bring the former Forum building, former Ruby Tuesdays building and subsequent surrounding buildings that have fallen into disrepair back into a usable state and to provide information on the recently announced £20m Long-Term Plan for Towns Levelling Up Fund award for Irvine town centre.
Recommendation:	 That the Council: a) Notes the progress made by the short life working group; and b) Notes the award of £20m Long-Term Plan for Towns Levelling Up Fund award for Irvine town centre; and c) Agrees that the short life working group be disbanded with any further action being progressed under the Long-Term Plan for Towns arrangements.

1. Executive Summary

- 1.1 A short life working group of Elected Members and officers was established regarding Irvine town centre in accordance with a motion passed by Council on 17 May 2023. The purpose of the working group was to discuss and evaluate options outlining the ownership position and options for bringing the former Forum building, former Ruby Tuesdays building and subsequent surrounding buildings that have fallen into disrepair back into a usable state.
- 1.2 Council received a progress update at its meeting on 13 September 2023 which outlined the identification of short-term improvements and the development of a feasibility study for the properties and agreed to receive a further progress update by the end of 2023.
- 1.3 On 30 September the UK Government announced Irvine as one of 55 towns across the UK to benefit from £20 million of investment. This will provide endowment style funding over a 10-year period under the Levelling Up Fund and Long-Term Plan for Towns.

1.4 This report provides an update on the progress made by the working group since September 2023 and seeks approval to the disbandment of the short-like member officer working group noting that further action in relation to these properties will be considered through the evolving arrangements being established to deliver the £20m investment in Irvine town centre.

2. Background

- 2.1 An initial update on the progress made by the working group was provided to Council on 13 September 2023. This outlined the composition of the working group and the identification and progress of three initial actions to:
 - Engage with landowners to understand their plans for the properties and increase awareness of opportunities through the Repurposing Property Grant Fund.
 - Identify and implement short term improvements to improve the aesthetics of properties and surrounding area, subject to securing the necessary consents and permissions.
 - Develop a high-level feasibility study to consider potential opportunities to repurpose the properties and surrounding area.
- 2.2 Four meetings of the working group have now been held on 30 June, 23 August, 25 October and 29 November 2023. The initial actions have been progressed by Services in the intervening period. The ownership of the properties has been confirmed, with all being within private ownership. Contact has been made with three of the four owners. Officers continue to try and engage with the remaining owners and to obtain approval for the short-term aesthetic improvements. Significant effort has been made during the life of the working group and notably over the last 15 years to engage with the remaining landowner however they remain unresponsive.
- 2.3 Officers have continued to pursue a series of short term improvements to improve the aesthetic of the area. These include pressure washing, weeding, soft-washing and graffiti removal. Disclaimer waivers are being sought from landowners prior to implementing any short-term improvements alongside a contribution to the works where possible. Advice is being sought from Legal Services on the implications of implementing the improvements should such agreement not be forthcoming.
- 2.4 Consultancy support was procured via the Council's Professional Services Framework to prepare the high-level feasibility study. Graham and Sibbald presented and discussed the findings to the working group on 25 October 2023. The study has confirmed the complex landownership position and four current landowners. The intentions and aspirations of two of the four landowners for their properties have also been established.
- 2.5 The study considered a range of potential alternative uses for the properties based on acceptable uses for a town centre. This identified that:
 - Retail, hotel, business, public buildings or green/public space uses were not considered viable uses.
 - Private sector residential development was not considered viable. It noted that
 affordable Housing may be viable, depending on social housing developer and
 grant funding available.

- Community and cultural uses would be viable as short-term/pop-up uses to stimulate activity.
- Food and drink and leisure uses were also considered as viable options.
- 2.6 The study provided high level indicative estimates for refurbishment, redevelopment and demolition. Potential development costs could not be estimated at this stage as development proposals have not been identified. The Study could also not provide accurate values for the existing buildings as it was not possible to inspect and measure the properties internally. Existing lease agreements were also unavailable.
- 2.7 The estimated costs are based on an approximate gross area of the existing buildings of 9,000 sqm. This was informed by the limited information available on the properties. The estimated costs were calculated using average cost rates provided via the current Building Cost Information Service (BCIS):
 - Indicative refurbishment costs ranged from £14,000,000 to £25,000,000 depending on proposed end use.
 - Indicative redevelopment costs ranged from £19,000,000 to £32,000,000 depending on proposed end use.
 - Indicative demolition costs were estimated at £1,000,000.
- 2.8 The indicative estimates exclude a range of factors including: Professional fees, VAT, abnormal costs, developer contribution requirement, significant statutory services infrastructure upgrades associated with drainage, power and gas supplies, costs associated with potential existing services re-routing and acquisition costs. Detailed survey inspections by suitably qualified demolition contractors would be needed to enable more accurate cost assessments to be made.
- 2.9 A meeting was held with Scotland's Towns Partnership (STP) on 26 September 2023. The advice received was to consider creating a framework for the future of Irvine Town Centre as a whole. STP advised that comparable documents prepared for other towns have provided a catalyst for regeneration and encouraged private investment. STP has offered to provide ongoing support to North Ayrshire Council for such work.
- 2.10 This approach aligns with the requirements of the recent £20m award for Irvine under the Levelling Up Fund and Long-Term Plan for Towns. The award aims to support the development of a Long-Term Plan to invest in and regenerate the town, based on the priorities of local people and put to local people for consultation.
- 2.11 On 5 December 2023 Cabinet approved the interim governance structure and early commencement of work to develop a framework for the £20m investment in Irvine town centre. The arrangements are based on existing structures and the current Long-Term Plan for Towns prospectus requirements, noting that a full toolkit and guidance will be forthcoming for Scotland informed by engagement with the Scottish Government.
- 2.12 It is proposed that the short life working group be disbanded and that further action in relation to these properties be considered through the evolving arrangements being established to deliver the £20m investment in Irvine town centre. The work to date and findings of the working group will be incorporated into considerations through this process to inform action and the framework for investment.

3. Proposals

- 3.1 That Council:
 - a) Notes the progress made by the short life working group; and
 - b) Notes the award of £20m Long-Term Plan for Towns Levelling Up Fund award for Irvine town centre; and
 - c) Agrees that the short life working group be disbanded noting that the work to date and findings of the working group will be incorporated into considerations through the Long-Term Plan for Towns process to inform action and the proposed framework for investment.

4. Implications/Socio-economic Duty

Financial

4.1 The actions progressed to date have been funded using existing Regeneration budgets and resources.

Human Resources

4.2 The actions progressed to date have been delivered through existing cross Service resources.

<u>Legal</u>

4.3 Disclaimer waivers will be sought from landowners prior to implementing any shortterm improvements to the properties. The feasibility study outlines the high level legal implications of the options considered.

Equality/Socio-economic

4.4 The actions progressed to date assist in meeting our socio-economic duty as set out in the Fairer Scotland Duty. They seek to tackle the identified long-term vacant and derelict land and buildings within Irvine town centre thereby reducing their levels and impact on communities. They also aim to build community wealth and tackle local deprivation through the regeneration of our communities by maximising the potential of underutilised land and assets.

Climate Change and Carbon

4.5 The potential for sustainability and low carbon related improvements has been considered through the actions progressed to date and as part of the feasibility study.

Key Priorities

4.6 The actions progressed to date align with and contribute to the following Council Priorities:

- Wellbeing: To transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people and to ensure our places and spaces where we live, work and visit are well maintained and accessible.
- Communities and Local Democracy: That our places encourage strong inclusive communities and respect the local environment and cultural heritage.

Community Wealth Building

4.7 The actions progressed to date contribute to our aims to build community wealth and tackle local deprivation through the regeneration of our communities by maximising the potential of land and assets. The potential for wider community wealth building opportunities and benefits will be investigated through the feasibility study.

5. Consultation

5.1 The working group is comprised of Elected Members and Officers from across Services, who are proactively engaged in the development of this work. The feasibility study process engaged with landowners and neighbouring landowners and Scotland's Town Partnership to learn from experience across Scotland.

RUSSELL McCUTCHEON Executive Director (Place)

For further information please contact Claire Fitzsimmons, Interim Senior Manager – Regeneration, on 01294 315305.

Background Papers

Regeneration Delivery Plan, 2021 Regeneration Delivery Plan Update, 2023

Council Report: Irvine Town Centre Working Group Update, September 2023

Cabinet Report: Irvine Town Centre: Long-Term Plan for Towns Levelling Up Fund Award,

December 2023