
NORTH AYRSHIRE COUNCIL

15 June 2021

Cabinet

Title: Vacant and Derelict Land Funding 2021/22

Purpose: To seek approval for the expenditure of funds allocated by the Scottish Government through the Vacant and Derelict Land Fund in 2021/22.

Recommendation: It is recommended that Cabinet:

- i) Note the Vacant and Derelict Land Fund award of £1.320M for 2021/22;
- ii) Agree to the submission of a local delivery plan to the Scottish Government for the expenditure of funds in 2021/22, as set out in this report;
- iii) Note the intended future refresh of the Council's Vacant and Derelict Land Strategy;
- iv) Notes the submission of an application to the Vacant and Derelict Land Investment Programme to further develop a pilot project for town centre living; and
- v) Provides delegated authority to the Executive Director (Place) to agree amendments to the Local Delivery Plan in consultation with the Portfolio Lead as required.

1. Executive Summary

- 1.1 North Ayrshire contains a significant legacy of vacant and derelict land due to the closure of former industries within the area. The Vacant and Derelict Land Fund administered by the Scottish Government aims to tackle long term vacant and derelict land, by providing funding to authorities where the issue and its impact on communities is greatest.
- 1.2 North Ayrshire has benefitted from access to the fund since 2016/17, following a review of the Fund's criteria. An allocation of £1.320M has recently been confirmed for the financial year 2021/22. This paper advises on intentions for the expenditure of the funding through the submission of a Local Delivery Plan. An update is also provided on how funding has been used to date and the submission of an application to the Scottish Government's Vacant and Derelict Land Investment Programme.

2. Background

- 2.1 Vacant land is defined by the Scottish Government as, “Vacant land within a settlement that has been previously developed, without physical constraint, and which the planning authority has indicated is available for redevelopment”. Derelict land is defined as land “damaged by development, so that it is incapable of development for beneficial use without some remedial works”. Both are sometimes referred to as ‘brownfield’ sites.
- 2.2 The Scottish Vacant and Derelict Land Survey (SVDLS) provides a national data source for vacant and derelict land. In 2019, there were 10,962 hectares of vacant and derelict land in Scotland. North Ayrshire contains the fourth highest level of vacant and derelict land in Scotland with 1,187 ha of land, 12% of the Scottish total, across 210 sites. The figure includes large sites such as at Ardeer (407ha), Riverside at Irvine Enterprise Area (111ha), Hunterston (67ha) and Lochshore (40ha).
- 2.3 The Scottish Government's Vacant and Derelict Land Fund (VDLF) aims to tackle the presence of long-term vacant, for 15 years or longer, and derelict land in Scotland. In doing so, it aims to stimulate economic growth, job creation, an improved environment and quality of life. From its inception in 2007, access to the Fund was restricted to 5 local authorities to focus the available financial resource and prioritise authorities most impacted by both the extent of vacant and derelict land and levels of deprivation. A review in 2015, resulted in North Ayrshire Council benefitting from access to the Fund from the financial year 2016/17. The other four authorities which currently benefit are South Lanarkshire, North Lanarkshire, Fife and Glasgow City Councils.
- 2.4 The Council has received a total of £8.352M between 2016/17 and 2020/21. Allocations have been informed by the Council's Vacant and Derelict Land Strategy (2014) and by Cabinet agreement in May 2017 to prioritise investment in four sites: Irvine Enterprise Area, Ardrossan North Shore, Lochshore and Irvine Harbourside. Funding is limited to sites that have been vacant for at least 15 years and are between 0.1ha and 99ha in size, with a preference of Council ownership or a landowner agreement in place. It cannot be used on housing or infrastructure projects such as transport or flooding. The main sites which have benefitted from the VDLF investment to date include:
- £1.790M to Ardrossan North Shore to support site investigations, remediation and design work;
 - £1.170M to Lochshore to support the physical and economic regeneration of the derelict Glengarnock steelworks site including site investigation and design work;
 - £0.850M to i3 Enterprise Area to support access improvements and development work and to facilitate the Ayrshire Growth Deal investment;
 - £2.100M to Quarry Road, Irvine to facilitate the development of a business and sports development, with VDLF assisting in the early stages of land purchase, remediation and preparation and to secure significant levels of external funding for the project;
 - £1.440M to Kyle Road, Irvine Industrial estate to support the development of a 700m² industrial unit. Lease arrangements with a prospective tenant are being finalised with occupation expected in Spring 2021; and
 - £0.470M at Moorpark Road West in Stevenston to formalise the core path, install an outdoor gym and play equipment and regenerate 2,580m² of ground for use by Auchenhavie Golf Course.

2.5 The Fund has helped to inform our knowledge of the condition of the sites, develop proposals and lever in other sources of funding to deliver physical improvements. The Vacant and Derelict Land Strategy has informed expenditure of the fund to date. This now requires to be refreshed to align with current priorities as set out in the Community Wealth Building strategy, the recently approved Regeneration Delivery Plan and our Economic Recovery and Renewal Approach that sets out a better, fairer and greener economy. This would then inform priorities including expenditure of the VDLF.

2.6 A Local Delivery Plan requires to be submitted to the Scottish Government to allow Ministerial approval of the expenditure of the funding in 2021/22. In developing the proposals for this, several factors have been considered, including the:

- Scottish Government funding criteria;
- Economic development focus of the funding;
- Priority sites identified by the Council and their stage of development;
- Alignment with the North Ayrshire Regeneration Delivery Plan (2021) and Vacant and Derelict Land Strategy (2014);
- Deliverability of projects within the funding timescales;
- Need to balance feasibility and site preparation work, with interventions that see physical space and employment created.
- Need to secure a spread of interventions in terms of type and geography; and
- Scottish Government's aspiration for circa 25% to be spent on greening projects.

2.7 The following projects are proposed for inclusion in the local delivery plan:

Site	Proposal	Indicative Cost (£)
Ardrossan North Shore	Additional funding to support remediation works	£0.350M
Lochshore	Additional funding to support site infrastructure, hub building, woodland creation, circular walk and consultancy services.	£0.500M
I3 Enterprise Area	Additional funding to further support site investigation and ground works to facilitate development opportunities.	£0.100M
Development work - various sites	To facilitate minor investigation works and design studies to identify the potential of privately-owned sites, to inform long-term strategies.	£0.120M
Harbour Master's Office, Irvine	Initial works to protect the integrity of the existing Council owned listed building, making it wind and watertight with service connections to support future development	£0.100M
VDL Strategy	Refresh of the Vacant and Derelict Land Strategy	£0.050M
Minor Improvements Fund	Funding to support minor greening or site improvements to sites within a 20-minute town boundary	£0.050M
Tree Planting	Development and delivery of works to support the recently approved tree planting strategy	£0.050M
Total		£1.320M

- 2.8 Any major changes to the above allocations or expenditure being diverted to substitute projects because of project constraints emerging will be agreed by the Executive Director (Place) in consultation with the Portfolio Lead as required and Scottish Government Officers. A review of progress will be undertaken in Quarter 3 of 2021/22 to establish the likelihood of any potential underspend and to enable redirection of funds as appropriate.
- 2.9 Assuming a continued allocation beyond 2021/22, future allocations will be informed by an assessment of project deliverability, the recently approved Regeneration Delivery Plan actions and the refreshed Vacant and Derelict Land Strategy once approved.
- 2.10 The Scottish Government recently announced a new £50M competitive Vacant and Derelict Land Investment Programme (VDLIP) over the next 5 years that is open for all local authorities to apply for. Potential projects were identified based on the funding criteria, level of project development and delivery timescales with Council Services. An application was submitted for £80,000 of development funding to further develop a pilot project on town centre living in Irvine, identified by the Regeneration Delivery Plan. The outcome of this will be known in August. Further applications will be considered to support the delivery of the Strategy in future financial years.

3. Proposals

3.1 It is recommended that Cabinet:

- i) Note the Vacant and Derelict Land Fund award of £1.320M for 2021/22;
- ii) Agree to the submission of a local delivery plan to the Scottish Government for the expenditure of funds in 2021/22, as set out in this report;
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4. Implications/Socio-economic Duty

Financial

4.1 £1.320M has been allocated by the Scottish Government in the financial year 2021/22 for expenditure on relevant projects. The established process will involve the final detail of projects and expenditure being agreed with Scottish Government and North Ayrshire Council's Finance Team. Projects will be subject to assessment by Scottish Government officers and approval by Ministers is envisaged by June 2021.

Human Resources

4.2 The Local Delivery Plan will be delivered through existing Council resources.

Legal

4.3 The Harbour Master's Office building is owned by the Council however Legal Services are currently establishing the extent and nature of any agreements required from NPL as Harbour Master in relation to the building. Negotiations are in their final stages with Scottish Enterprise regarding the purchase of land at Lochshore.

Equality/Socio-economic

4.4 The proposals will assist in meeting our socio-economic duty as set out in the Fairer Scotland Duty. They will tackle long-term vacant and derelict land thereby reducing its levels and impact on communities. This will assist in reducing economic, social and physical decline and reduce socio-economic disadvantage in the identified areas.

Environmental and Sustainability

4.5 The proposals align with the proposed Environmental Sustainability and Climate Change Strategy and will deliver environmental and sustainability benefits through the positive improvement or reuse of several vacant and derelict sites.

Key Priorities

- 4.6 This proposal will contribute to achieving the Council Plan priority outcomes and will contribute to the ambitions for: an inclusive, growing and enterprising economy; North Ayrshire to be well-connected with effective infrastructure; and for a sustainable, vibrant, welcoming and attractive environment.

Community Wealth Building

- 4.7 The proposals will contribute to the delivery of the Land and Assets pillar, objectives and associated actions of the Community Wealth Building Strategy. They will support equitable land development and the development of underutilised assets for community use. They will also contribute to the Procurement pillar through the inclusion of appropriate community benefit or local supplier clauses within projects in line with the Council's community benefit policy.

5. Consultation

- 5.1 The draft project proposals have been informed by North Ayrshire's Vacant and Derelict Land Survey and Regeneration Delivery Plan. Engagement has also taken place with a range of Council Services and officers of the Scottish Government to identify priorities, establish deliverability within the timescales and confirm the suitability of the proposals for the Fund.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Louise Kirk, Senior Manager (Regeneration)** , on **01294 3244766**.

Background Papers

North Ayrshire Vacant and Derelict Land Strategy (2014)