



Cunninghame House,
Irvine.

6 May 2016

Cabinet

You are requested to attend a Special Meeting of the Cabinet of North Ayrshire Council to be held in the Council Chambers, Ground Floor, Cunninghame House, Irvine on **TUESDAY 10 MAY 2016** at **2.30 p.m.** to consider the undernoted business.

Yours faithfully

Elma Murray

Chief Executive

1. Declarations of Interest

Members are requested to give notice of any declaration of interest in respect of items of business on the agenda.

GENERAL BUSINESS FOR DECISION

Reports by the Executive Director (Place)

2. Largs Campus DBFM Contract (Page 5)

Submit report by the Executive Director (Place) to finalise and execute the Design, Build, Finance and Maintain ("DBFM") contract required to progress the Largs campus development (copy enclosed).

Reports by the Executive Director (Economy and Communities)

3. North Ayrshire Social Enterprise Strategy 2016 – 19 (Page 13)

Submit report by the Executive Director (Economy and Communities) on the newly developed 3 year social enterprise strategy for North Ayrshire and proposals to utilise £242,000 of BRIS funding to support the implementation of the strategy (copy enclosed).

4. Scottish Open Golf 2017 (Page 35)

Submit report by the Executive Director (Economy and Communities) on the Scottish Open 2017 (copy enclosed).

5. Business Support (Page 39)

Submit report by the Executive Director (Economy and Communities) on the impact and outcomes being achieved through the Council's business support activities (copy enclosed).

6. Quarry Road - Outcome of RCGF Bid and Proposed Development (Page 53)

Submit report by the Executive Director (Economy and Communities) on the award of funding from the Scottish Government towards the Quarry Road development, and to seek agreement to the next steps in the implementation of the first phase of the project (copy enclosed).

EXEMPT INFORMATION

7. Exclusion of the Public

Resolve in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following items of business on the grounds indicated in terms of Paragraph 9 of Part 1 of Schedule 7A of the Act.

Non Disclosure of Information

In terms of Standing Order 17 (Disclosure of Information) the information contained within the following reports is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

7.1 Purchase of Red Cross House, Irvine

Submit report by the Director (Health and Social Care Partnership) (copy to follow).

Cabinet

Sederunt: **Elected Members**

Willie Gibson (Chair)
Alan Hill (Vice-Chair)
John Bruce
Marie Burns
Anthea Dickson
Tony Gurney
Ruth Maguire

Chair:

Attending:

Apologies:

Meeting Ended:

NORTH AYRSHIRE COUNCIL

Agenda Item 2

10 May 2016

Special Cabinet

Title: **Largs Campus DBFM Contract**

Purpose: To seek Cabinet approval to finalise and execute the Design, Build, Finance and Maintain ("DBFM") contract required to progress the Largs campus development (the "Development").

Recommendation: That Cabinet, subject to an acceptable offer being received from Hub South West Scotland Limited ("HubSW"/"hubco") which meets the Council's and the SFT's requirements of cost, programme and quality, agrees:

- i. to enter into the DBFM contract required to progress the Development;
 - ii. to agree to the documents required to progress that contract (the "Project Documents" as defined in Appendix 1) and to perform the contractual obligations in terms of the finalised Project Documents;
 - iii. to delegate authority to the Head of Physical Environment to complete the financial close process, negotiate and finalise the terms of the Project Documents and commit the Council to the execution of the Project Documents for the Development;
 - iv. to delegate authority to the Head of Democratic Services or any other Proper Officer duly appointed by the Council, to execute the Project Documents; and
 - v. to note that the DBFM agreement and the Funder's Direct Agreement are certified contracts within the meaning of Section 2 of the Local Government (Contracts) Act 1997 (the "1997 Act") and shall meet the certification requirements within section 3 of the 1997 Act and authorise a Proper Officer to execute and issue the certificate in terms of the 1997 Act.
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1. Executive Summary

- 1.1 Since 2014 North Ayrshire Council has been developing proposals for an educational campus to be located adjacent to the Inverclyde National Sports Centre operated by Sportscotland in Largs.
- 1.2 The statutory education consultation process was completed in June 2015. The planning process was completed on 18th March 2016, when approval was granted by the Scottish Government.
- 1.3 The land acquisition process was completed on 15 April 2016. A partnership agreement with Sportscotland is also in place to permit the use of their facilities for outdoor physical education.
- 1.4 The project is being part funded by the Scottish Futures Trust (SFT) to the value of £44.265m. The Cap has been increased by the Scottish Government. This has been offered by the Government in recognition of the efficient scheme being delivered by the Council. There are funding conditions which commit the Council to programme dates and quality indicators. The Project will be delivered via Hub South West under a Design Build Finance and Maintain (DBFM) procurement route.
- 1.5 The next stage of the process is to achieve financial close. Officers require delegated authority to complete this stage and commit the Council to a 27 year DBFM contract.

2. Background

- 2.1 In September 2014 the preferred location for the new campus was agreed as the parcel of land comprising part of the Inverclyde National Sports Centre in Largs. The acquisition of the site is now complete, and a linked agreement with Sportscotland for the use of their facilities to deliver outdoor Physical Education lessons is in place.
- 2.2 Following the completion of the statutory public consultation process in June 2015 it was confirmed that the scope of the project would be to replace Largs Academy, Kelburn Primary, St Mary's Primary and Brisbane Primary and that these would be co-located in a new educational campus.

- 2.3 A pre-planning consultation period commenced in August 2015 with a full planning application being made in October 2015. Following this the planning decision was self-referred to the Scottish Government. Scottish Government approval was granted on 18th March 2016. As is standard, the planning permission was granted with conditions; the Project Team is currently progressing the cleansing of these conditions.
- 2.4 The project attracts partial funding via the Scottish Futures Trust (SFT) Schools for the Future Programme. The value of the SFT contribution toward the project is £44.265m based on a "like-for-like" replacement of the secondary school plus funding for the new primary Schools within a new Largs campus. This will be received in the form of annual revenue contributions, rather than a one-off capital payment.
- 2.5 The SFT have confirmed that the grant conditions require the campus to be fully operational by 31st March 2018.
- 2.6 The Key Stage Review 2 of the project by SFT has been successfully completed.
- 2.7 Education and Youth Employment have commenced planning the occupation and operation of the campus. This has included an assessment of the impact upon pupils and possible interruption to important exam preparation depending on the timing of the commencement of operations within the facility.
- 2.8 In order to minimise the impact on pupils within the new campus the Project team have developed a programme which should see the facility complete, allowing teaching and learning to commence in spring 2018.
- 2.9 The Project will be delivered via Hub South West (HubSW) under a Design Build Finance and Maintain (DBFM) procurement route, subject to the contractors' proposals being deemed appropriate and affordable through assessment by the Technical, Financial and Legal Advisors, the Council Project Team and other cross-service stakeholders, and the contract reaching financial close.
- 2.10 The operation and maintenance of the campus will be progressed via a separate company ("DBFM Co") as outlined in the Cabinet report approved on 29th March 2016 (Agenda item 11). This company will wholly own DBFM Co, which will be responsible for the delivery of the Largs Campus. The Council will be a 10% equity stakeholder in the DBFM Holdco.

- 2.11 The DBFM agreement the Council will enter into is the standard version of contract provided by the SFT which has been modified to incorporate project specific changes and an agreed set of derogations required by the funders. The responsibilities and liabilities under the contract are set-out in the DBFM Agreement document which is developed in conjunction with the Council's Project Team, HubSW and both parties' technical, legal and financial advisors as well as the SFT.
- 2.12 Financial close is currently anticipated to take place week commencing 16 May 2016.
- 2.13 The campus construction programme comprises 88 weeks.
- 2.14 At the end of the term of the contract of 27 years, the school will revert to Council ownership. The DBFM Co is under an obligation to maintain the buildings in good condition during the term of the contract which means that the Council will receive a fully operational asset at that time.

3. Proposals

- 3.1 The Cabinet is asked to:

Agree that, subject to an acceptable offer being received from Hub South West Scotland Limited ("HubSW"/"hubco") which meets the Council's and the SFT's requirements of cost, programme and quality,:

- i. to enter into the DBFM contract required to progress the Development;
- ii. to enter into the Project Documents and to perform the contractual obligations in terms of the finalised Project Documents;
- iii. to delegate authority to the Head of Physical Environment to complete the financial close process, negotiate and finalise the terms of the Project Documents and commit the Council to the execution of the Project Documents for the Development;
- iv. to delegate authority to the Head of Democratic Services or any other Proper Officer duly appointed by the Council, to execute the Project Documents; and

- v. to note that the DBFM agreement and the Funder's Direct Agreement are certified contracts within the meaning of Section 2 of the Local Government (Contracts) Act 1997 (the "1997 Act") and shall meet the certification requirements within section 3 of the 1997 Act and authorise a Proper Officer to execute and issue the certificate in terms of the 1997 Act.

4. Implications

Financial:	Approval to proceed with completion of a financial close process which will commit the Council to a DBFM contract will commit the Council to an agreement with DBFM Co with a duration of up to 27 years, require payment of an annual unitary charge, and allow the Council to access the funding support offered by the SFT.
Human Resources:	There are no direct Human Resource issues as a result of this report.
Legal:	Upon financial close the Council will be committed to a 27 year DBFM contract for the operation and management (as defined in the Project Agreement). The Council will also be committed to meeting the funding conditions set out by the SFT.
Equality:	There are no equality issues as a result of this report.
Environmental & Sustainability:	The DBFM contract will compel hubco to achieve a BREEAM rating of Very Good and an EPC rating of B+ (before renewables).
Key Priorities:	Upon completion the new Campus will, in particular, contribute to the Council's key priority 3, Ensuring People have the right skills for learning, life and work.
Community Benefits:	The Territory Partnering Agreement with Hub SW requires the contractor to provide community benefits and achieve Key Performance Indicators, in accordance with the relevant sections of the Territory Partnering Agreement. This was entered into previously by hubco and the Council.

5. Consultation

- 5.1 The Largs campus project has been developed in close consultation with our schools communities, local residents, Sportscotland and various internal Council services. Education and Youth Employment, Legal and Finance and Property Management and Investment, have been closely involved in preparation for the financial close process.

A handwritten signature in black ink, appearing to be 'CH', written over a horizontal line.

CRAIG HATTON
Executive Director (Place)

Reference : YB/YH/LB

For further information please contact Laurence Cree, Senior Manager
(Property Management & Investment) on 01294 225083

Background Papers

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- a. A DBFM entered into between (1) North Ayrshire Council and (2) hub SW Largs DBFM Co Limited (“DBFM Co”) for the design, build, finance and maintenance of the Largs 2-18 Campus;
 - b. A Funder’s Direct Agreement to be entered into among (1) North Ayrshire Council; (2) Norddeutsche Landesbanke Girozentrale (in their capacity as “the Security Trustee”); and (3) DBFM Co;
 - c. A Building Contractor Collateral Agreement entered into among (1) North Ayrshire Council; (2) Galliford Try Building Limited t/a Morrison Construction Scotland (the “Contractor”); (3) DBFM Co and (4) the Security Trustee;
 - d. An Architect Collateral Warranty entered into among (1) North Ayrshire Council; (2) the Contractor; and (3) JMArchitects Limited (the “Architect”);
 - e. A Mechanical and Electrical Engineer Collateral Warranty entered into among (1) North Ayrshire Council; (2) the Contractor; and (3) Ramboll UK Limited (the “Mechanical and Electrical Engineer”);
 - f. A Structural Engineer Collateral Warranty entered into among (1) North Ayrshire Council; (2) the Contractor; and (3) Goodson Associates Limited (the “Structural Engineer”);
 - g. An Independent Tester Contract entered into among (1) North Ayrshire Council; (2) DBFM Co; (3) Capita Property and Infrastructure Limited (the “Independent Tester”); (4) the Security Trustee; and (5) the Contractor;
 - h. A Service Provider Collateral Agreement entered into among (1) North Ayrshire Council; (2) FES FM Limited (the “Service Provider”); (3) DBFM Co; and (4) the Security Trustee;
 - i. An Intercreditor Deed entered into among (1) North Ayrshire Council; (2) Hub Community Foundation, North Ayrshire Council, Alliance Community Partnership Limited and Scottish Futures Trust Investments (together the “Sponsors”); (3) DBFM Co; (4) hub SW Largs Hold Co Limited (“Holdco”); and (5) the Security Trustee;
 - j. Insurance Proceeds Account Agreement (1) North Ayrshire Council; (2) Norddeutsche Landesbanke Girozentrale (in their capacity as the “Account Bank”); (3) the Security Trustee; and (4) DBFM Co; and
 - k. Any additional documentation relating to the Project to which North Ayrshire Council is required to be a party;
- together the “Project Documents”.

NORTH AYRSHIRE COUNCIL

Agenda Item 3

10 May 2016

Special Cabinet

Title: **North Ayrshire Social Enterprise Strategy 2016 – 19**

Purpose: To seek approval of the Cabinet for a) the newly developed 3 year social enterprise strategy for North Ayrshire and b) proposals to utilise £242,000 of BRIS funding to support the implementation of the strategy and support to the sector.

Recommendation: That Cabinet:

- a. Approves the Social Enterprise Strategy 2016-19
 - b. Approves the proposed expenditure of £242,000 as set out in the Partnership Resource Plan
 - c. Conditional on NAVT approving a grant fund for social enterprises, the £258k balance of budget would be used to support early stage growth business support activity.
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1. Executive Summary

- 1.1 In May 2015, the Cabinet agreed to produce a new North Ayrshire Social Enterprise Strategy. This followed a November 2014 report to Council which approved the creation of a Social Business Development Fund as a result of revenue generated from a Business Rates Incentivation Scheme (BRIS).
- 1.2 Following Cabinet approval a steering group of key stakeholders was established and chaired by the Chief Executive of The Ayrshire Community Trust (TACT) to progress the strategy. A draft strategy was presented for consultation at the Economic Development and Regeneration Board in March 2016. This was approved by the EDR Board, and Council approval is now sought.

1.3 The new strategy has set 3 year outcomes to be achieved at a North Ayrshire level as follows:-

- increase the number of social enterprises from 98 to 110
- increase annual income by £1.3m to £6.9m
- 1000 FTE people to be employed in the sector locally
- 1050 volunteers to be active
- establish a NA Social Enterprise Network
- to create a social impact framework

1.4 A copy of the strategy is attached in Appendix 1 and includes a resource plan.

2. Background

2.1 A social enterprise trades to tackle social problems, improve communities, people's life chances, or the environment. They make their money from selling goods and services in the open market, but they reinvest their profits back into the business or the local community. They trade in all markets and for many individuals and groups are an alternative model of doing business.

2.2 In 2015, a census of social enterprises in Scotland was carried out with the support of government and this provides us with a baseline for North Ayrshire. The census indicated that there are 98 social enterprises in North Ayrshire with annual income of £5.6m and employing 824 (FTE) people . The census does not place a value on the social return created by the local enterprises but across North Ayrshire they operate in key sectors (health and social care, housing, education, cultural and leisure services) that can make a difference to people's lives.

2.3 The Council agreed to the development of a new partnership led Social Enterprise Strategy at Cabinet in May 2015, and following this a steering group was established and chaired by the Chief Executive of TACT.

2.4 The steering group met 4 times, and produced a draft report setting out a vision and priorities. Further consultation on the issues that are facing the sector took place at the Annual North Ayrshire Third Sector Conference.

2.5 The strategy document is now attached in Appendix 1. This was presented and approved by the Economic Development and Regeneration Board at their meeting on 23rd March 2016. Proposals to the value of £242k are now presented within the Resource Plan of the strategy for consideration.

- 2.6 The document is aligned with the newly refreshed Economic Development and Regeneration Strategy which has a vision for North Ayrshire to become the most improved local economy in Scotland.

3. Proposals

3.1 The Cabinet is invited to:-

- a. Approve the Social Enterprise Strategy for North Ayrshire as set out in Appendix 1;
- b. Approve the proposals as set out in the Resource Plan and the expenditure from the Social Business Development Fund and;
- c. Conditional on NAVT approving a grant fund for social enterprises, the £258k balance of budget would be used to support early stage growth business support activity.

4. Implications

Financial:	<p>Council agreed the creation of a Social Business Development Fund from revenue generated through a Business Rates Incentivation Scheme (BRIS). The strategy sets out proposals for expenditure from that fund for over the next 3 years totalling £242k. This includes £30k to fund the development of 3 annual conferences and an active Social Enterprise Network and secretariat and, £180k to appoint 2 FTE social enterprise advisors that would work with the sector. Up to £32k would be used to commission work that would measure social return on investment within the sector, facilitate public social partnerships and a final evaluation.</p> <p>It is also proposed that a fund be made available to provide grants that would improve the capacity of the sector and support the delivery of the strategy. Options for funding the grant element is currently being progressed including a proposal to seek North Ayrshire Ventures Trust (NAVT) grant support. Subject to NAVT support being secured it is proposed that the balance of funds £258k, be used to support the work of Team North Ayrshire, specifically the measures being developed to support early stage growth including incubation facilities and intensive support.</p>
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Human Resources:	Proposals include the employment of 2 FTE Social Enterprise Support staff for a period of up to 3 years. The Advisors would work as part of Team North Ayrshire providing Account Managed support to a caseload of social enterprises and providing information and signposting support to start-up and the wider sector. The Advisors will be employed by the Council and or TACT subject to operational needs.
Legal:	There are no legal implications for consideration.
Equality:	There are no equality implications for consideration.
Environmental & Sustainability:	There are no environmental implications for consideration.
Key Priorities:	<p>The social enterprise strategy contributes to all 5 key priorities:-</p> <ul style="list-style-type: none"> ● Growing our economy ● Working to develop stronger communities ● Ensuring people have the right skills ● Helping people stay healthy, fit and active ● Protecting and enhancing our environment. <p>The strategy does this through the services provided by the sector, the jobs they create and the communities that they support.</p>
Community Benefits:	The new strategy will consider how we can achieve more through our community benefit policy for the social enterprise sector and specifically maximise public sector procurement opportunities for the sector.

5. Consultation

- 5.1 The strategy has been developed in partnership with the sector through representation on the Steering Group and a Checkpoint Group. A list of membership of these groups and consultees are listed a within the strategy document.
- 5.2 Consultations with Finance and Corporate Support have taken place on the resource plan proposed and we will continue to work with them to ensure that final proposals and their implementation are in line with available budget.

- 5.3 The strategy will be launched and discussed at the Annual Third Sector Conference which is currently being planned. We would propose that the strategy is also presented and endorsed by the Community Planning Partnership.



KAREN YEOMANS
Executive Director (Economy and Communities)

Reference : CMc/AB

For further information please contact Caitriona McAuley, Head of Service ,
Economic Growth on 01294 324309

Background Papers

Cabinet report – agenda item 16, 26 May 2015

North Ayrshire

Social Enterprise Strategy 2016-2019

March 2016

North Ayrshire Social Enterprise Strategy

Foreword

The Social Enterprise Strategy has been developed by partners working together to identify priorities and strategic aims for the development and support of the social economy sector. The Strategy sets out a strong vision for the future along with four key priorities which partners believe increase the contribution social enterprises make to the social and economic fabric of North Ayrshire. However, it is imperative this is carried out in a way which does not detract from the uniqueness of a social enterprise business model and the social impact they bring.

The social enterprise sector has huge potential to continue to deliver quality services, create jobs, especially for those from disadvantaged backgrounds, improve people's lives and contribute to the outcomes in the Economic Development and Regeneration Strategy; however this requires a cohesive approach to intervention and support including opening up procurement opportunities.

The Strategy would not have been possible without the time and commitment of members of our partner organisations, the Steering Group, the Checkpoint Group and Council officers who took their time to oversee the development of the Strategy; we would like to thank them all.

Now that we have the Strategy it is vital we move together quickly to implement the actions that will deliver our ambitions and realise our positive vision for the future.

Barbara Hastings
Chair of Steering Group

Cllr Willie Gibson
Leader, North Ayrshire Council

1. Introduction

The Social Enterprise Strategy has been developed by partners working together in North Ayrshire to establish our priorities and strategic aims for the development and support of the social economy sector, aligned to the Economic Development and Regeneration Strategy for the next three years.

It is recognised that much has been done to support the sector in previous years, but there is now an opportunity to facilitate much greater and sustainable growth. We have consulted widely with partners and 60 local and national organisations have provided input to the development of this strategy.

We are both ambitious and optimistic and believe that the sector has huge potential to deliver sustainable services, jobs, social value and economic impact.

Purpose

Our aim is to implement a comprehensive and robust partnership based strategy to maximise the social and economic impact of social enterprises in North Ayrshire.

Background

Social enterprises are businesses that trade for social purpose. They focus on social objectives with all surpluses reinvested back into the business or the community. The potential advantages of social enterprises relate to their community links and responsiveness to local need, with a reputation for being open and accountable through social or community ownership and the potential to reach groups where other 'mainstream' approaches have failed. Employability and employment opportunities can be generated, especially for those furthest from the labour market.

The term social enterprise is an all-encompassing one that covers a range of business models with social purpose, including: Co-operatives, Community Interest Companies (CICs), Community Benefit Societies, Companies Limited by Guarantee; enterprising Charities, Scottish Charitable Incorporated Organisations (SCIOs), Social Firms and Trusts.

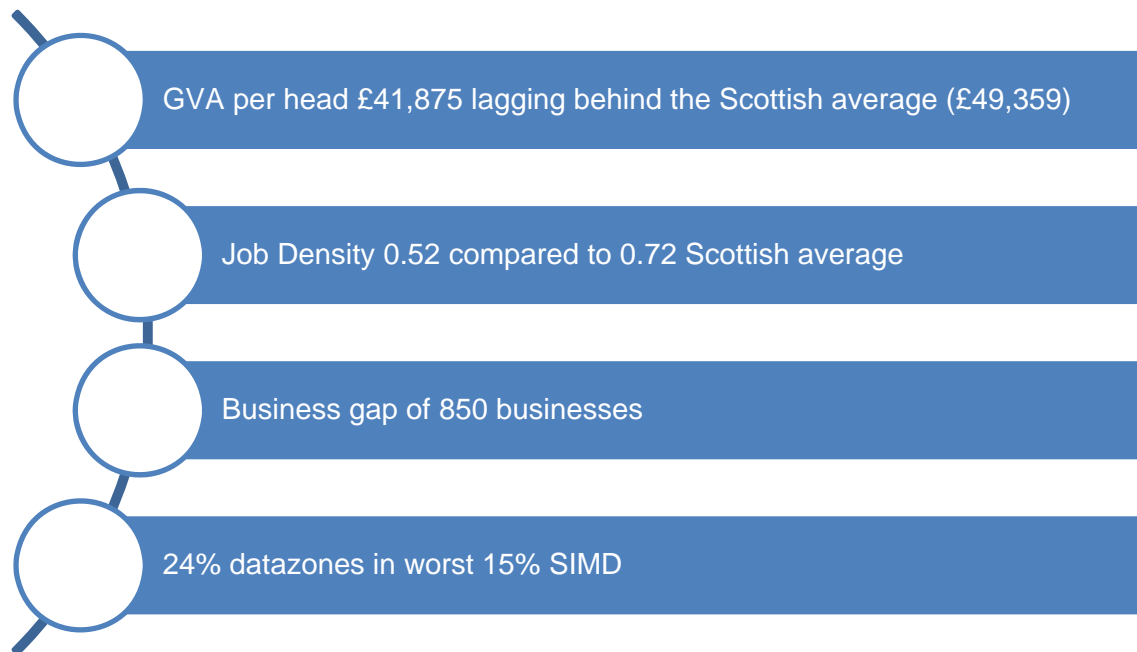
The essential criteria that define a social enterprise are set out in the *Voluntary Code for Social Enterprise in Scotland*. These are:

1. Trading in the marketplace but with the primary objective to achieve social and/or environmental benefit.
2. Having an asset lock, meaning that profits are reinvested in the business or in the beneficiary community and that on dissolution, the assets of the social enterprise are reinvested in another organisation with similar aims and objectives.
3. Aspiring to financial independence through trading.
4. Not be the subsidiary of a public body.

2. The Context

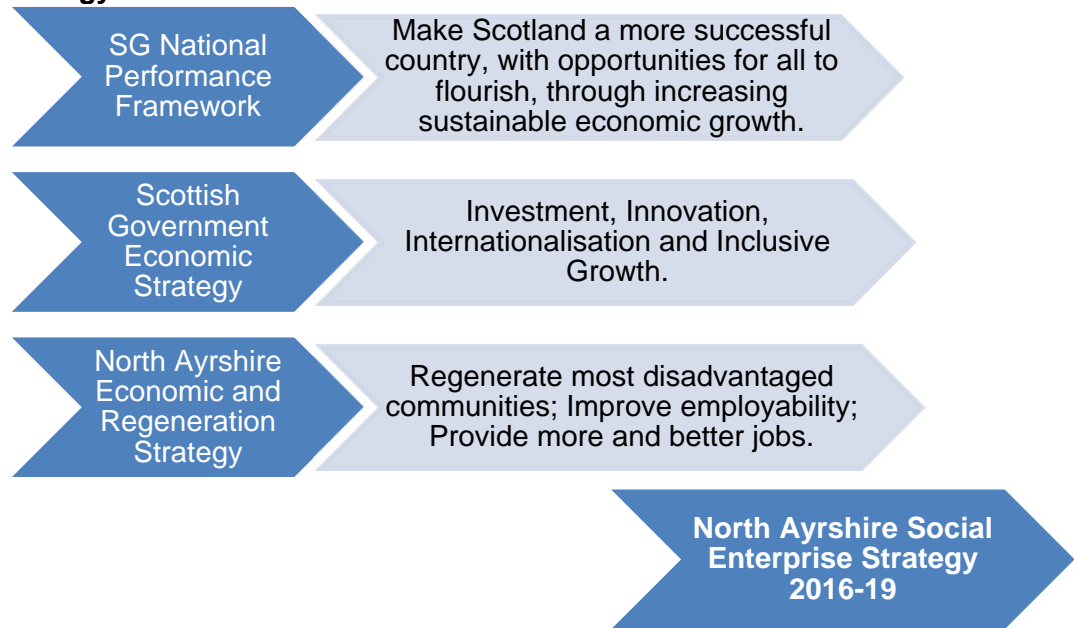
North Ayrshire has many strengths; its coastal landscape, islands, enterprising people and an established track record in engineering, life sciences, tourism, yet its economy lags behind Scotland and UK averages particularly in areas with high levels of deprivation and high levels of unemployment. Social enterprise is particularly effective in addressing these gaps.

North Ayrshire Economy and Labour Market

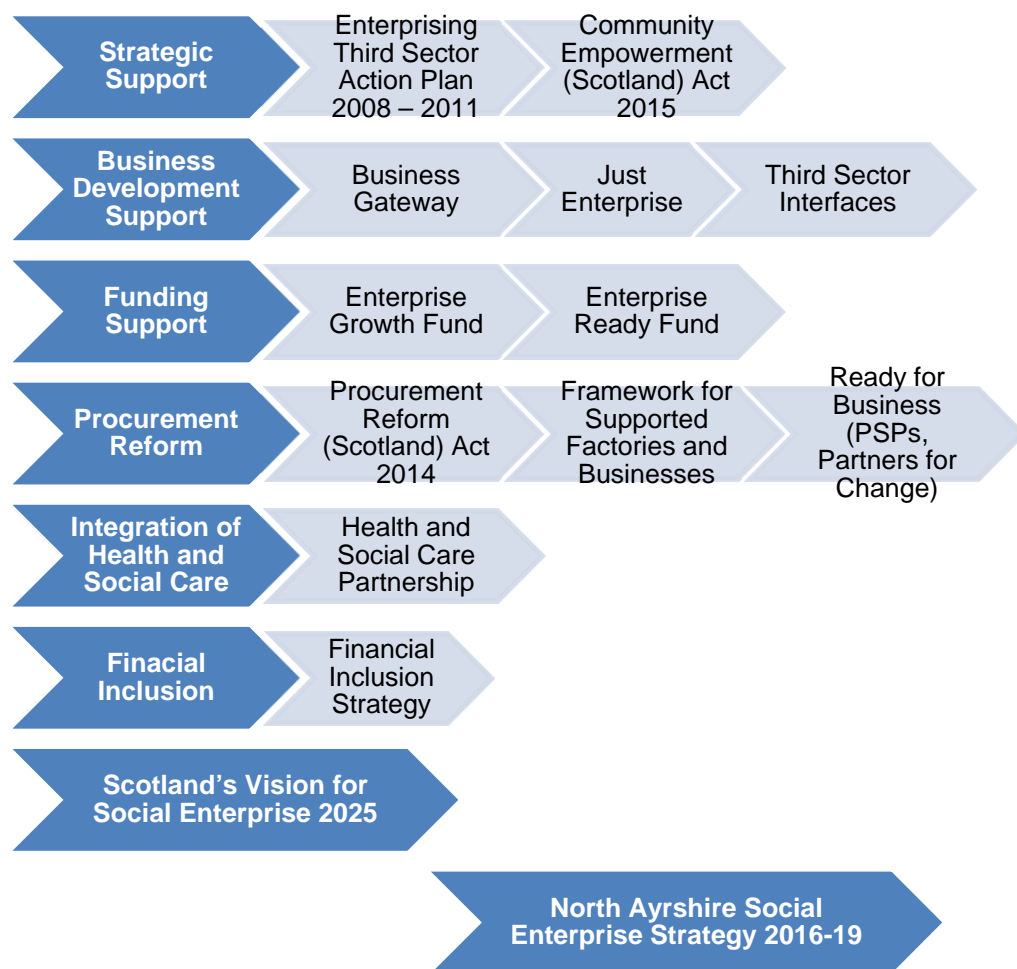


Nationally and locally there is strong strategic and policy support for the further development of social enterprise.

Economic Strategy



Scottish Government support for Social Enterprise



3. Social Enterprise Baseline

Across North Ayrshire, successful social enterprises support local communities and wider regeneration initiatives in key sectors including; health and social care, housing, education and cultural and leisure services.

Social Enterprise in Scotland: Census 2015, the first national census of social enterprises, takes an official count of the entire population of enterprising charities and social enterprises in Scotland.

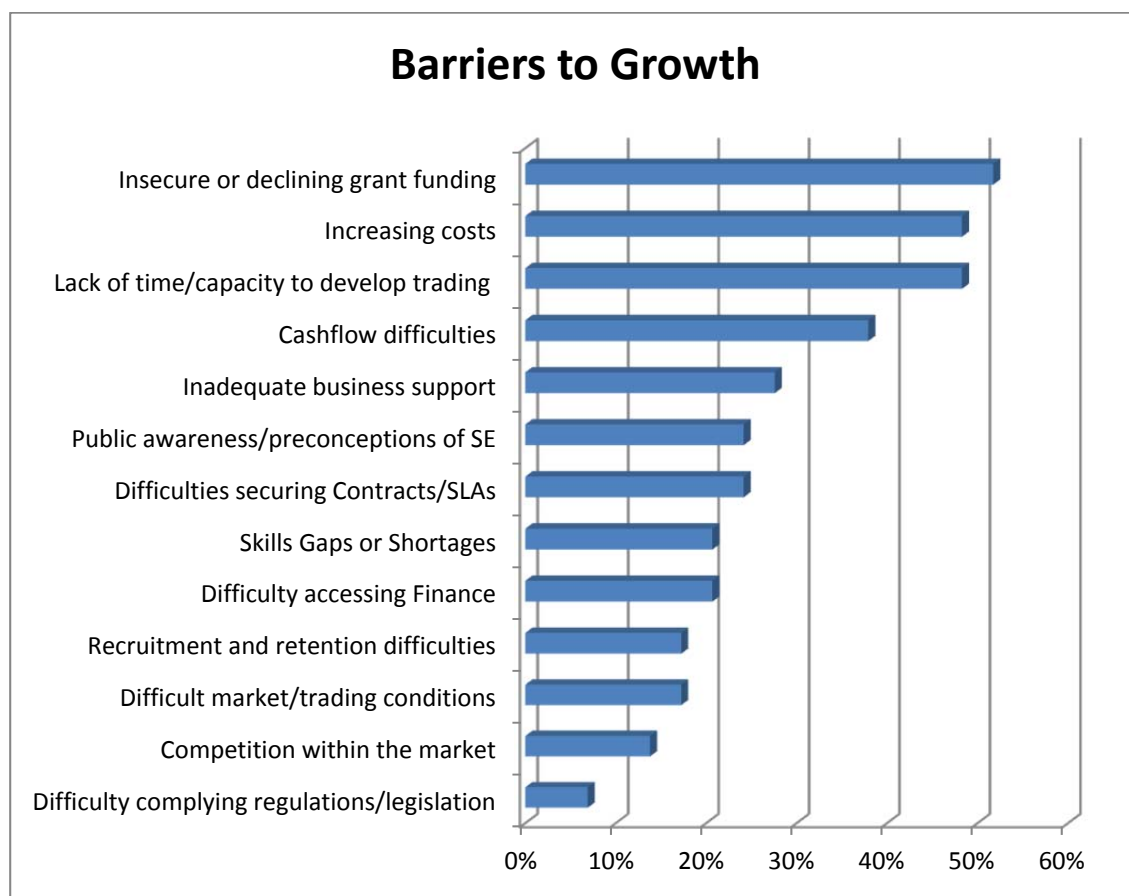
98 social enterprises currently operating in North Ayrshire (Scotland: 5,199)	£5.6m the annual income of social enterprises in North Ayrshire, average income £57k (Scotland: £56k)	2.6% profitability ratio of the social enterprise sector in North Ayrshire (Scotland: 4.4%)
16.4 years the average age of social enterprises in North Ayrshire (Scotland: 17 years)	824 Full Time Equivalent (FTE) employees in the local social enterprise sector	£2.3m the economic value of 848 volunteers to the North Ayrshire's economy
£17.4m the net worth of North Ayrshire's social enterprises	3.5 current ratio ¹ , the ability of the sector to pay its debts (Scotland: 3.4)	71% of social enterprises that are also registered charities (Scotland: 67%)
79% describe themselves as social enterprises (Scotland: 64%)	48% measure their wider social impact to some extent	48% of social enterprises pay Scottish Living Wage (Scotland: 68%)
70% are incorporated as Company Ltd by Guarantee, CIC and SCIO	52% of social enterprises target disadvantaged people as employees (Scotland: 48%)	

¹ A Current Ratio of 3.5 means that the social enterprise sector collectively has 3.5 times the current assets (assets that can be converted into cash within 1 year) to pay their short-term debts (debts that need to be paid within 1 year).

There are a number of sectors identified where there are opportunities for growth for social enterprises in North Ayrshire.

	Health and Social Care
	Arts and Creative Industries
	Sport and Leisure
	Tourism and Heritage
	Education, Training and Employment
	Environment and Recycling

The Census has identified a number of potential obstacles that could restrict social enterprises developing trading activity:



The Census also identified where future business support was required, the following areas of assistance were considered important:

- Marketing and promotion (16%)
- Raising finance (15%)
- Business development (12%)
- Business planning (11%)
- Finance and administration (10%)
- HR and skills development (9%)
- Mentoring and coaching (8%)
- Legal (5%)
- Governance (4%)
- Tendering and contracts (3%)

Support for Social Enterprises in North Ayrshire

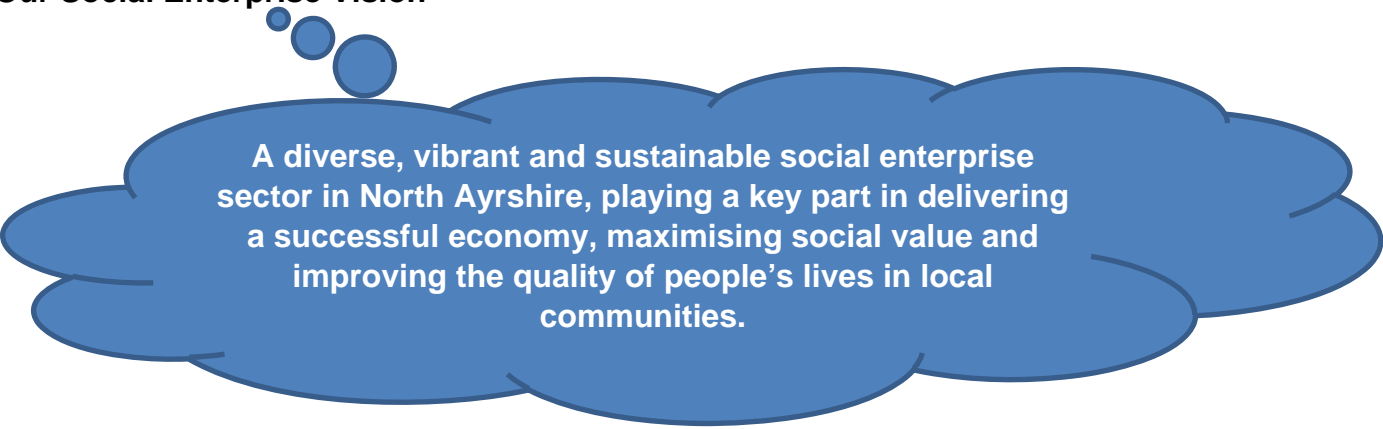
There are two major holistic providers of support for social enterprises in North Ayrshire and one national provider of services:

- **Team North Ayrshire (Team NA)** – The Team North Ayrshire Approach is a collaboration of public and private sector support providers whose key role is to lead the development of the support provision for business and help in the creation of the best support for business in Scotland. This collaboration delivers support to those looking to start up, helping support growth aspirations and enhancing sustainability. Since 2015 The TNA partnership has seen continually increasing levels of support and interventions provided to North Ayrshire sectors and will be key in the delivery of future support for social enterprises.
- **Third Sector Interface (TSI)** - TSIs play a role in brokering social capital, bringing together different agents locally across sectors to address specific issues from reshaping care to early years, community transport and more. For TSIs social enterprises are an essential part of a diverse third sector. Organisations who want to become social enterprises, social enterprises that want to grow and charities that want to become more enterprising are all supported through the provision of advice, guidance and business support.
- **Just Enterprise** – commissioned by the Scottish Government and delivered by a consortium of ten social enterprise intermediaries the programme delivers support on all aspects of business development to all social enterprises, from start-ups to growth.

There are also a number of sector-specific and specialist support providers.

4. Our Vision, Strategic Priorities and Targets

Our Social Enterprise Vision



A diverse, vibrant and sustainable social enterprise sector in North Ayrshire, playing a key part in delivering a successful economy, maximising social value and improving the quality of people's lives in local communities.

Our Strategic Priorities

We have developed four strategic priorities for the period 2016-19:

1. Developing a High Profile Sector

Building a strong dynamic sector that is more ambitious, more coherent, and more wide-reaching

- Profile, awareness and mainstreaming
- Strengthening the identity and reputation of the social enterprise 'brand'
- Promotion of the social enterprise model and values to stimulate start-ups.
- Strong voice and influence through the development of a North Ayrshire Social Enterprise Network (NASEN)
- Partnerships, collaboration and relationships
- Annual Social Enterprise conference

2. Growing Market Share

Developing business opportunities and growing market share across sectors and building on potential by making the most of assets available in local communities

- Procurement and developing the supply chain
- Collaboration
- Joint working and tendering
- Facilitating Public Social Partnerships (PSPs)
- Community ownership and development
- Physical asset transfer and developing local assets including people and organisations

3. Improving Sustainability

Achieving greater sustainability through leadership development, business support, investment and improved competitiveness

- Entrepreneurship and leadership
- Competitiveness and growth
- Innovative finance and investment
- Quality support services

4. Demonstrating Impact

Success of increased development and sustainability of the social enterprise sector will be measured over the next three years

- Implementing an effective framework for measuring social and economic impact
- Improving information and intelligence
- Identification of good and best practice
- Utilising data and analysis to inform strategy and action
- Communicating results

Our Targets

By March 2019 we would like to achieve:

110 social enterprises operating in North Ayrshire ²	£6.9m the annual income of social enterprises in North Ayrshire	1,000 Full Time Equivalent employees in the local social enterprise sector
1,050 volunteers active in the sector	NASEN sustainable NASEN established, led by the sector with at least 55 social enterprise members	Impact social impact framework developed and data regularly collected

² Targets have been projected utilising the baseline established by the Social Enterprise in Scotland: Census 2015 for North Ayrshire. For year 3 we target to grow the sector from 0.7 to 0.8 social enterprises per 1,000 population. For the turn-over, employees and volunteers we target the baseline average for 110 social enterprises plus a growth of 10%. We also target that half of the social enterprises in North Ayrshire will become part of the movement through a membership of NASEN.

5. Partnership Resource Plan

Agreed Actions

There are five key actions identified over the period 2016/17 – 2018/19. Indicative costs are provided as the required budget and funding support is being sought from NAC and other external sources.

Action	Who	Budget
1. Support the development of a new dynamic North Ayrshire Social Enterprise Network (NASEN), similar to those established in 18 Local Authority areas in Scotland, supported by Senscot.	TSI	£15k

Action	Who	Budget
2. Organise an Annual Social Enterprise conference to support collaboration across the sector, celebrate success and share learning.	TSI / NASEN/ NAC	£15k

Action	Who	Budget
3. Employ 2 FTE Social Enterprise Support Model staff. The resource will work across TSI and Team NA.	TSI	£180k

The role of the Social Enterprise Support Model staff will be to:

- Liaise with mainstream business support providers (e.g. Team NA, Just Enterprise), to signpost social enterprises and facilitate and oversee the contact.
- ***Provide an account managed service to a caseload of social enterprises that are managing significant change to support sustainability and growth.***
- Actively promote social enterprise as a supplier to commissioning and procurement staff and private sector buyers.
- Identify tender opportunities for social enterprises and facilitate and support the formation of social enterprise consortiums to tender for contracts and the delivery of Public Social Partnerships and Supported Business opportunities.
- Support the securement of community benefits for social enterprises as part of public sector procurement.
- Provide information and advice to support local social enterprises and potential new starts through an identified pipeline of support.
- Actively investigate the opportunities for start-up and existing social enterprises in the identified growth areas.
- Identify asset transfer opportunities and support social enterprises to assess the feasibility of these opportunities.
- In co-operation with Team NA, promote and facilitate peer coaching, mentoring, Social Enterprise Champions and Ambassadors.

- Support social enterprises looking for finance by signposting them to resources that help accessing grant funding and facilitate accessing loan and equity funding (e.g. Social Investment Scotland, DSL, Big Issue Invest, mainstream banks).
- Support the development of a NA social enterprise network, encouraging membership and supporting its work programme
- Support the development of a framework which measures the social impact of the sector.

Action	Who	Budget
4. Establish a Social Enterprise Sustainability and Growth Fund to support interventions that aim to improve the capacity and competitiveness of the sector that are not available through mainstream provision. All funded projects must be linked to the strategic priorities of this Strategy. Clear criteria and application processes will be developed that are consistent with existing business grant funds but take into account the needs and circumstances of social enterprises,	NAC	£258k

Action	Who	Budget
5. Commission the development and implementation of a framework to measure social impact and an evaluation of this Strategy.	TSI	£32k

Appendix 1: Consultation

Steering Group Membership

The Steering Group provided strategic direction, specialist input and tested developments and ideas throughout the lifetime of the strategy development process.

- Barbara Hastings, The Ayrshire Community Trust and Key Partner of TSI (Chair)
- Jim Boyle, The Grow Trust
- Councillor Marie Burns, Cabinet Member for Economy and Employment
- Iona Colvin, Director, North Ayrshire Health and Social Care Partnership
- David Fogg, KPMG / Ready for Business
- John Hughes, CEIS Ayrshire
- Gordon Jamieson, Social Enterprise Academy
- Hugh McGhee, Cunninghame Housing Association
- Thomas Reaney, Head of Procurement, North Ayrshire Council
- Matt Strachan, Senior Manager, Enterprise Growth, North Ayrshire Council on behalf of Caitriona McAuley, Head of Enterprise Growth, North Ayrshire Council
- Duncan Thorp, Social Enterprise Scotland
- John Godwin, North Ayrshire Health and Social Care Partnership (Working Group)

Checkpoint Group

The membership of the Checkpoint Group comprised local social entrepreneurs and provided a point of reference, 'reality check' and practical guidance for the Working Group throughout the lifetime of the strategy development process.

- 1st Alliance Credit Union
- Ayrshire Children's Services CIC
- Ayrshire Film Company CIC
- Ayrshire Independent Living Network
- Beith Development Trust
- Coast Watch
- Community Housing Advocacy Project
- Cornerstone
- Hansel
- Hazeldene Horticulture
- Input
- Maximum Potential CIC
- North Ayrshire Citizens Advice Service
- Silver Koru CIC
- TACT

Consultees and Sources of Evidence

- 1st Alliance Credit Union
- AiLN
- Ayrshire Children's Services CIC
- Ayrshire Community Media CIC
- Ayrshire Film Company CIC
- Beith Development Trust
- Business Gateway
- CEIS
- CEIS Ayrshire
- City of Edinburgh Council
- CHAP
- Coast Watch
- Community Enterprise
- Community Housing Advocacy Project
- Cooperative Development Scotland
- Cornerstone
- Cunninghame Housing Association
- Edinburgh Compact Partnership
- EKOS
- Dundee City Council
- Firstport
- Glasgow City Council
- Greenway CIC
- Hansel Enterprise Minds
- Hazeldene Horticulture
- HISEZ
- Input
- InspirAlba
- Mackenzie Construction Start Up
- Macmillan Cancer Support
- Maximum Potential CIC
- NHS Ayrshire and Arran
- North Ayrshire Citizens Advice Service
- North Ayrshire Community Planning Partnership
- North Ayrshire Economic Development and Regeneration Board
- North Ayrshire Council
- North Ayrshire Health and Social Care Partnership
- North Ayrshire TSI
- North Lanarkshire Council
- PRYDE
- Ready for Business
- Scottish Centre for Personal Safety
- Scottish Enterprise
- Scottish Government
- Senscot
- Sense Scotland
- Silver Koru CIC
- Skills Development Scotland
- Social Enterprise Academy
- Social Enterprise Scotland
- Social Enterprise UK
- Social Firms Scotland
- Social Investment Scotland
- Social Value Lab
- TERU, University of Glasgow
- The Ayrshire Community Trust
- The Grow Trust
- The Lennox Partnership
- The Wise Group

NORTH AYRSHIRE COUNCIL

Agenda Item 4

10 May 2016

Special Cabinet

Title: **Scottish Open Golf 2017**

Purpose: To update the Cabinet on the Scottish Open 2017.

Recommendation: That the Cabinet homologates the provision of an additional investment of £75,000 to support the upgrading of Dundonald Links golf course and associated facilities to a standard suitable to host the Scottish Open.

1. Executive Summary

- 1.1 In January 2014, the Cabinet approved the provision of £150,000 to support Loch Lomond Golf Club in their bid to host the Scottish Open at Dundonald Links. Negotiations have continued since this approval, with the completion of a successful Ladies Scottish Open in July 2015 which attracted 10,000 spectators over the three days as being a key part of demonstrating the club's ability to hold a major event. However, as part of the final stage of negotiations for the Scottish Open, the European Tour requested that further improvements are made to the course, its entrance and access to the clubhouse. These improvements amount to £285,000 of which a further £75,000 has been sought from North Ayrshire Council. Given the critical nature of the additional investment to these negotiations and the urgency for a response, the Chief Executive approved this investment. The Scottish Open has now been confirmed to be held at Dundonald Links in 2017. Following the 2016 tournament at Castle Stuart, Inverness, we will agree a campaign of activity culminating in the event in July 2017.

2. Background

- 2.1 The Scottish Open is one of the biggest events on golf's European Tour schedule and attracts a very strong field given its prominence of taking place one week before the (British) Open Tournament. It is likely that 70-80,000 spectators may visit the event over a four day period with extensive domestic and international TV coverage. In recognition of the prominence of the event, the Cabinet approved investment of £150,000 to support Loch Lomond Golf Club's bid to host the event. This investment is earmarked to be directly paid to the European Tour in recognition of the costs that they will bear in holding the event.

- 2.2 As part of the negotiation between the Club and the European Tour, a further £285,000 worth of improvements have been identified to ensure that the course is fit for purpose to hold such a large and significant event. North Ayrshire Council was approached to make a further contribution to directly support these improvements. It should be noted that these improvements should position the course as one that can hold other large and prestigious events and officers are in discussion about future events such as the Solheim cup, The Ladies British Open and a repeat of the Scottish Open.

This investment therefore can be regarded as supporting a longer term strategy beyond the 2017 Scottish Open for both one off events, and growth in the visitor market for golf at both the Dundonald Links Course and Ayrshire as a whole.

3. Proposals

- 3.1 The proposal is for a further £75,000 to be invested directly into the Dundonald Links course to improve its access and entrance.
- 3.2 That the Cabinet homologates the provision of an additional investment of £75,000 to support the upgrading of Dundonald Links golf course to a standard suitable to host the Scottish Open.

4. Implications

Financial:	£75,000 to be met out of the existing Economic Growth budget.
Human Resources:	None
Legal:	State Aid Officers have spoken with the Scottish Government State Aid Unit. These discussions indicate that no state aid is present given: 1) That the funding provided will be below "De Minimes" level of 200,000 Euros, and 2) That there is no other provider or competitor that could provide the service being provided by the European tour.
Equality:	None
Environmental & Sustainability:	None
Key Priorities:	This supports growing the economy.
Community Benefits:	The work will be procured in accordance with Council tenders processes.

5. Consultation

- 5.1 The importance to the local area of the Scottish Open is widely supported.



KAREN YEOMANS
Executive Director (Economy and Communities)

Reference : KY/AB

For further information please contact Karen Yeomans, Executive Director, Economy & Communities on 0194 324141

Background Papers

None

NORTH AYRSHIRE COUNCIL

Agenda Item 5

10 May 2016

Special Cabinet

Title: **Business Support**

Purpose: The purpose of the report is to:

- Update Cabinet on the impact and outcomes being achieved through the Council's business support activities; and
 - Seek approval for new Council Business Support Services.
-

Recommendation: It is recommended that Cabinet a) notes the update provided on business support services b) approves the development of new services to support innovation, internationalisation and early stage growth activities.

1. Executive Summary

- 1.1 Over the last two years, the Council has been transforming its approach to the way we work with local businesses. In November 2013, the Team North Ayrshire approach was launched to provide a pro-active support offering, targeted at existing companies with growth potential. Currently this account managed approach is offered to circa 200 companies.
- 1.2 As part of an aspiration to establish North Ayrshire as the most improved local economy and the best business support in Scotland, further work has been undertaken to build on the progress to date to ensure a comprehensive suite of business support services are available locally.
- 1.3 The Team North Ayrshire (TNA) approach continues to develop its offering for business and as part of the development North Ayrshire Council seeks to enhance its support in the following areas:
 - Innovation: a dedicated Innovation Advisor resource, and grant fund to drive business competitiveness through innovation;

- International: building on the North Ayrshire International Strategy a dedicated officer to maximise inward investment opportunities and support for local business to access new markets outwith Scotland
 - Early Stage Growth: fully integrate Business Gateway services within the Council's Business Development Service to facilitate early stage accelerated growth within the wider business base.
- 1.4 The partnership of organisations participating in Team North Ayrshire are continually developing and refining their offer to ensure that all partners are bringing bespoke and or increased resource to support North Ayrshire businesses. There are ambitions to strengthen the partnership and to promote its uniqueness as part of the North Ayrshire proposition when promoting the area for investment and also making the case for additional resources to national agencies.
- 1.5 The review attached in Appendix 1 sets out in more detail the experience and performance to date of TNA, and new areas of development . Three recent workshops have been held with TNA partners as part of the on-going work to develop the services offered to business across the partnership. In addition, the review sets out the detail of the Council proposals including financial requirements that incorporates Council budgets, savings that take effect from 17/18 and ERDF income to support some of the Council's proposed new business support offer.

2. Background

- 2.1 Through the development of the TNA approach, the Council Service and the support on offer has transformed. By November 2014, 6 Business Growth Managers were appointed, with a target to work with 150 local companies with the greatest growth potential utilising an account management model. An overall target to create 450 jobs within 3 years was set for period 2015 to 2018.
- 2.2 Since January 2015, there has been a significant uplift in impact and outcomes being achieved.
- Over 400 businesses supported
 - Circa 200 companies accessing account management support
 - 350 jobs created
 - Over 500 TNA business support interventions
 - Scottish Enterprise (SE) account managed businesses increased from 38 to 48, a 27% increase

- Business Gateway 'Growth Pipeline' companies have doubled
- Over 80 companies referred for SE Innovation Product Support
- 15 businesses referred for Ayrshire Chamber membership
- 18 businesses referred for mentoring support through Ayrshire Chamber
- £1.27m Regional Selective Assistance awarded to local business
- £400k of Council grant support awarded
- £210k of loan support provided
- 53 companies accessed specialist consultancy support
- 53 companies referred to Skills Development Scotland for workforce development support
- As of Oct 1st 2015, Business Gateway has been brought in house.

2.3 The Government's new Economic Strategy featured the TNA model and approach to business support as an example of good practice of support to business and partnership working between local and national agencies.

2.4 The success to date of the new approach has provided a platform for further development of our offer, to encourage more start up companies, assist more young people into enterprise, support newer companies with growth potential and attract new companies to the area. This development work has been informed by consultations with business and partners at Straight Talking, business breakfast workshops, the Economic Development and Regeneration Board, regular business engagement and further consultancy support on developing the International and Innovation Support offer.

2.5 A review of the current service, impacts seen and potential for further development has been carried out by the Business Development Service (Appendix 1). This review highlights the impacts made through the investment in Business Growth Managers in comparison with historic models of delivery and also identifies resources to deliver further developments.

3. Proposals

3.1 It is proposed that Cabinet approves new Council support for local business in 3 areas specifically:

- **Innovation** – A dedicated staffing resource with access to specialist consultancy framework and grant support building on recent success of a Scottish Enterprise Innovation pilot. The focus of our approach will be to work with more companies and further develop our connections with academic and industry led R&D support services.

- **Internationalisation support** – In line with the North Ayrshire International Strategy new support including a dedicated staffing resource, grant fund and specialist consultancy framework will be provided to increase levels of exporting by local business. In addition, activity will be stepped up to develop our inward investment offer and maximise potential for securing new investment as part of the transition of functions from Irvine Bay Regeneration Company.
- **Early Stage Growth** - The Business Gateway provision will be fully integrated within the Business Development Team to provide a more comprehensive and aligned approach to the volume business base with a dedicated Early Stage Growth Fund being created to provide grant support to eligible business.

3.2 It is proposed that current budgets be realigned to reflect the proposals with staff costs being met by existing budget. The proposed realignment of grant provision to give focus on International, Innovation, Early Stage Growth activities reflect current Team North Ayrshire priorities.

3.3 It is recommended that Cabinet a) notes the update provided on business support services including the review in Appendix 1 b) approves the development of new services and resources to support innovation, internationalisation and early stage growth activities.

4. Implications

Financial:	<p>There are no implications for the overall value of Business Support budget. However, it is proposed that budget lines are amended to reflect the changes in provision as set out in Appendix 2 of the report. The difference in budget year on year reflect the bringing in-house of Business Gateway and the value of East and South Ayrshire Council budgets no longer being paid through Directorate budget lines.</p> <p>In addition, £120k per annum over the next 3 years is expected to be drawn down in ERDF support for in the main the new proposals of innovation, internationalisation and early stage growth. The outcome of the current application is expected in April 2016.</p>
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	In 2017/18 savings of £180k will take effect and the overall business support budget will reduce by that amount. Activities that will be reduced will be informed by an independent evaluation carried out at the end of this year.
Human Resources:	It is proposed that two additional posts be created: <ul style="list-style-type: none"> ● Innovation: 1 FTE Innovation Officer (funded from Innovation budget noted above) ● International: 1 FTE International Officer (funded from International budget noted above)
Legal:	There are no legal implications.
Equality:	There are no equality impacts.
Environmental & Sustainability:	There are no issues with environmental and sustainability.
Key Priorities:	The development of the support offer to business will further help deliver on our key priority of growing the economy.
Community Benefits:	There are no impacts noted from this report.

5. Consultation

- 5.1 There has been extensive consultation noted with business base, stakeholders and Team North Ayrshire partners.



KAREN YEOMANS
Executive Director (Economy and Communities)

Reference : CMc/AB

For further information please contact Matthew Strachan, Senior Manager, Business Development on 01294 324926.

Background Papers

Developing an International Strategy: Planning for Growth June 2014

Appendix 1 - Business Development: Service Review

- 1.0 This paper sets out the development of the support offer for business through North Ayrshire Council since the launch of the Team North Ayrshire (TNA) approach and identifies the further development required to progress towards Scotland's best support offer for business.

2.0 Historic Business Support

- 2.1 Historically support to business was on a reactive programme led delivery model where grant funding was allocated to businesses subject to application and grant criteria. This model was delivered through NAC Business Advisers. The following provided the scope of support:
- Business Growth Programme: aimed at marketing, web design, small element of consultancy
 - Skills for Growth: in work training
 - Jobs Access: Wage subsidy for unemployed local residents.
- 2.2 In addition, North Ayrshire led on the pan Ayrshire Business Gateway which provided support for start-up and early stage growth through workshops and one to one support. This service was contracted out to an external provider.
- 2.3 NAC also contributed £50k towards The Hatchery to help support Entrepreneurship.
- 2.4 Performance: Taking account of all business programmes, Business Growth, Skills for Growth and Jobs Access, the final year of performance (2013/14) delivered support to 222 businesses and identified the creation of 250 jobs.

3.0 Current Support Provision

- 3.1 In 2013, the Economic Development Regeneration Board tasked its private sector members to understand the support landscape and make recommendations as to how the support could be enhanced. This led to the development of the Team North Ayrshire Approach (TNA) with a desire to deliver on key areas:
- To help local companies grow their business
 - To encourage more start-up businesses
 - To entice other companies to locate and invest in the area.
- 3.2 The Team North Ayrshire approach is a collaboration of public and private sector support providers whose key role is to lead the development of the

support provision for business and help in the creation of the best support for business in Scotland.

- 3.3 The recommendations provided the catalyst for change towards a more proactive relationship model with more flexibility of support for NAC and created a partnership with support providers with ambition to deliver more locally than ever before.
- 3.4 By November 2014, North Ayrshire Council implemented an Account Managed approach for businesses with growth potential and recruited a new Business Growth Team of 6 tasked with creating bespoke growth plans. 150 potential growth businesses were identified and an aspiration was set that 450 jobs would be created over 3 years.
- 3.5 It was also agreed that to help streamline the support to new start and early stage growth businesses that Business Gateway would come in house from the previously outsourced model. This created two distinct business support teams of Business Growth and New and Early Stage Growth.
- 3.6 Specific work on the development of the Council offer and TNA partner engagement has concluded the need for a realignment of budgets to deliver a more flexible grant scheme and introduce a consultant framework that is more responsive to business need.
- 3.7 The increased engagement has also helped develop areas of focus for North Ayrshire including sectors and increased collaboration with our industry. Examples include work within the engineering sector and our collaboration with Ayrshire Engineering Alliance.
- 3.8 Further work with larger businesses that are important to the local economy has identified key areas of development including supply chains, skills and place promotion. This work stems from a comprehensive impact assessment of our key businesses and will inform how we can continue to support major and important local employers.
- 3.9 In helping to clarify the requirements for support and building on research, Scottish Enterprise (SE) supported this work through a pilot to widen the take up of innovation related products by North Ayrshire Council growth businesses. This has proven to be extremely successful with a number of joint events delivered and referrals for 80+ businesses accessing SE Innovation Services. This has led SE to roll out the model nationally and helped inform the requirements for an NAC Innovation support.
- 3.10 Scottish Development International and Irvine Bay Regeneration Company have also supported the development of the International Strategy particularly through Inward Investment activities. The strategy looks to attract key

businesses to the area and also increase support for businesses to export. This partnership approach again has helped NAC define its offer.

- 3.11 A Straight Talking event on stimulating entrepreneurial activity and early stage business growth also identified a number of areas for development to help build Scotland's best support offer. These themes were also reinforced by a number of business breakfasts. This engagement has informed the development of our early stage growth offer and model. Proposals for support to home based business and incubation facilities are under development.

4.0 Performance

- 4.1 This new model has shown significant increase in partner engagement and is providing an increase support to business. The model has also been recognised within the Government's Economic Strategy as a model of best practice.
- 4.2 The model has also delivered early indicators of success and has supported the creation of 350 jobs in 2015/16 alone. This increase has been delivered through existing budgets and shows that the investment in people, improved relationships with business and partnerships with other support providers is a more effective model of support for business.

5.0 Proposed Development

- 5.1 The TNA approach to support the growth of local businesses has already demonstrated early signs of success as noted above and the wider engagement seen has helped identify and develop the future required provision, notably international and innovation services.
- 5.2 This significant partnership approach and increased business engagement, coupled with the consultants support work has identified the new activities needed to further enhance support locally and help fill the identified gaps in provision.
- 5.3 The new support offer will therefore become far more inclusive as we look to stimulate activities within the youth, start- up, early stage growth as well as enhancing current high growth provision.
- 5.4 Some of this development will come from further engagement with TNA partners and recent workshops have identified the key work streams that TNA partners will look to deliver on in 16/17:
- **Mentoring** – Led by Ayrshire Chamber the ambition is to increase capacity sufficiently to allow every business in North Ayrshire access to a business mentor if beneficial to business growth plan

- **International** – Jointly delivered by NAC, IBRC and SDI the proposal is to maximise our competitiveness for inward investment and support for exporting
- **Innovation** – NAC and Scottish Enterprise (SE) will Increase provision to support innovation in business, building on success on pilot.
- **Skills and Education** - Ayrshire College will support TNA by aligning their business support offer with that of partners.
- **Communications** – NAC will lead development and delivery of TNA communications plan.
- **Insights** - SE will provide North Ayrshire business intelligence.
- **Business Barometer** – NAC will lead business engagement to gauge impact of support, and identifying key measures of success.

5.5 NAC will play a significant part in all work streams. However, the specific offering that NAC will look to develop will be in the following areas:

- **Innovation:** following on from the success of the pilot with SE, NAC will look to add 1FTE to develop the Innovation offer. This added resource will work with businesses to increase awareness and take up of innovation services. It will also help in the development of links with academia and public partners and will offer grant support to businesses looking to innovate. The post will look to increase the share of funding and support available to North Ayrshire businesses and will champion innovation activities in North Ayrshire.
- **International:** To help business export and access new markets NAC will recruit 1FTE to support the International Strategy. This resource will lead on business and inward investment engagement. The role will specifically take forward the TNA approach to international activities and deliver on the aspirations of the International Strategy. It will be the lead for NAC on inward investment enquiries and will actively promote North Ayrshire as a place where business has the right environment to flourish. The post will also specifically support businesses that have an ability or desire to access new markets and will be the key vehicle for export advice. The roles of Innovation and International will be intrinsically linked and in line with the EDR and Scottish Government's Economic Strategy.
- **Early Stage Growth:** Business Gateway provision will be directed towards supporting and accelerating growth in the volume market and identifying those businesses with early stage growth potential. Subject to resources work to develop services for home based business and improved access to incubation and intensive support facilities will get underway. The Business Gateway provision will be fully integrated within the current Early Stage Growth team to provide a more comprehensive and aligned approach to the volume business base. The integration of the Business Gateway will become complete in April 2016 with the opening of the office

on 20 Bridgegate which will provide a town centre presence for business support.

- 5.6 The costs associated with this shall be met from the realignment of existing business support budgets and resources transferred under the Business Gateway move in-house.

6.0 Future Performance Metrics

- 6.1 Historic approaches to delivery captured the number of businesses supported and identified the number of jobs created from businesses accessing support from NAC. It is proposed that as support has deepened and become less transactional and with the further development noted above the following will be measured to demonstrate how NAC have supported business in 16/17:

- Business Gateway Start Ups
- Number of Businesses Supported through Business Development Activities
- Number of jobs created by business in North Ayrshire supported from Business Development
- Number of businesses accessing new markets outside Scotland
- Number of enquiries for inward investment
- Number of businesses actively supported through Innovation activities
- Number of businesses supported through NAC Account Management

7.0 Financial Requirements

- 7.1 Our aspiration is to become the best support offer in Scotland. The current fiscal climate provides a number of challenges. However, the recent evidence of increased partnership working and effective management of resources has shown that further development as outlined above can be delivered.
- 7.2 The financial resources for 16/17 to support business are shown below.

16/17 Budget	£1,136,402
Business Gateway	£244,965
Business Gateway H&I	£81,437
Hatchery	£50,000
Taste Ayrshire	£15,000
Business Growth Fund	£295,000
Innovation	£150,000
International	£150,000
Early Stage Growth Fund	£150,000

8.0 European Funding

- 8.1 European Regeneration and Development Fund (ERDF) is available to support eligible business support activities. North Ayrshire Council leads an Ayrshire application which is expected to be approved in April 2016. Subject to approval of Scottish Government, NAC will be able to draw down up to £120k per annum for next 3 years. Activity that will be eligible for ERDF draw down will be in the main innovation, internationalisation and early stage growth and match funding will come from existing budgets.
- 8.2 Savings of £180k will take effect from 2017/18 and reduce Business Support overall budget by that amount. Along with securing a more joined up approach across Team North Ayrshire to delivering business support and maximise its impact, the ERDF support will lessen the impact of overall budget reductions but also direct support to new areas of activity that can create increased economic impact.
- 8.3 The ERDF funding will help support the development of the offer for business and will also help to mitigate any constraints on available Council funding.
- 8.4 The development noted will further enhance the support provision within North Ayrshire and to further assist in the assessment of the effectiveness of the new approach it is proposed an independent evaluation be commissioned for the year end 2016.

9.0 Conclusion

- 9.1 Since the redesign of business support services in 2013, and the implementation of the new approach in late 2014, there are strong indicators that the approach is working and being considered as national good practice in economic development.
- 9.2 The approach is still in the first stages of development but has the potential to influence the future design and shape of local business support services. It is proposed that to further inform this approach an independent evaluation of the current provision be carried out over the next 12 months and this will provide an independent assessment on how the model should be progressed.

Appendix 2 – Business Support budgets for 2015/16 & 2016/17

Programme	Budget 2015/16	Programme	Budget 2016/17
Business Gateway	£873,073	Business Gateway	£244,965
Business Gateway H&I	£81,439	Business Gateway H&I	£81,437
Hatchery	£50,000	Hatchery	£50,000
Taste Ayrshire	£15,000	Taste Ayrshire	£15,000
Business Growth	£157,335	Business Growth Fund	£295,000
Job Access Fund	£249,115	Innovation	£150,000
Skills for Growth	£153,873	International	£150,000
Business Growth Non EU	£50,000	Early Stage Growth	£150,000
Business Development Projects	£138,000		
	£1,767,834 *		£1,136,402 *

*Differences in budget reflect the value of East and South Ayrshire Council budgets which are no longer paid through the Directorate budget lines.

NORTH AYRSHIRE COUNCIL

Agenda Item 6

10 May 2016

Special Cabinet

Title: Quarry Road - Outcome of RCGF Bid and Proposed Development

Purpose: To advise Members of the award of funding from the Scottish Government towards the Quarry Road development, and to seek agreement to next steps in the implementation of a first phase of the project.

Recommendation: It is recommended that Cabinet agrees to:

- a) note the outcome of the funding award from the Scottish Government;
 - b) the submission of a planning application for the development;
 - c) the publication of tender packages for works to deliver a first phase (offices, parking and access);
 - d) the further development of proposals for phase 2 including the submission of funding bids; and,
 - e) the transfer of land within the proposed development site from the Irvine Common Good account to the Council's General Fund Balance Sheet.
-

1. Executive Summary

- 1.1 The Quarry Road Business and Sports Development is an ambitious proposal to continue the momentum seen in the regeneration of Irvine Town Centre. The proposals would open up an underutilised brownfield site of over 4 acres in the town centre, and see its redevelopment for commercial and leisure purposes. The project would provide significant economic and regeneration benefit and bring activity, people and expenditure into Irvine town centre.
- 1.2 Cabinet of 23 June 2015 agreed to the principle of the development in support of the Irvine Vision, and to the submission of an application for funding support from the Scottish Government Regeneration Capital Grant Fund (RCGF). The Scottish Government advised on 26 February 2016 that the stage two application to the RCGF was successful.

- 1.3 The report sets out a proposal for development over 2 phases, as illustrated at Appendix 1. This will allow alignment with the budget profile of the Council and other external funders, and for the further development of the sports proposals including an application to SportScotland.
- 1.4 Phase 1 will be developed at a maximum cost of £3M. This phase will comprise a business element which would see the creation of new quality town centre office space with an anchor tenant in KA Leisure being accommodated alongside a new Business Gateway centre providing incubator office space and training and meeting rooms to support new businesses, which will embed a dedicated resource for business growth. The proposals would provide the opportunity to grow employment with accommodation for local 'start up' businesses including directly accessible support and advice from Team North Ayrshire. This phase will also create road and path access to the site, parking and landscaping to serve phase 1, and the provision of land to allow the expansion of the Irvine Gymnastics Club.
- 1.5 Phase 2 will comprise a sports and community element which would provide an indoor 3 or 4G football arena, changing facilities for both the new facility and the recreation park, playing fields, and space for local community groups. Additional parking and landscaping, and vehicular and pedestrian links to land to the south will also be provided.
- 1.6 It is intended that this investment will kick start the regeneration of the site and attract further investment as an initial phase of a comprehensive masterplan for the area. In the short term this will include proposals by Irvine Gymnastics Club to expand their successful operation which is constrained by a lack of capacity. The design of the first phase will allow future expansion of the office facility should this be required. In the longer term further phases could include amongst others a cinema, commercial leisure, office retail and residential development.
- 1.7 The project is set within an overall masterplan that is seeking to unlock significant further investment. It will help to secure the following outcomes:
- Remediate and/or bring back into positive use at least 4 acres of a key brownfield site within Irvine town centre and which is included on the Vacant and Derelict Land Register;
 - Address 20+ years market failure that has blighted the site and investment;
 - Provision of 1,000 sq m of office space;

- Creation of 19 FTE jobs @ £970,000 GVA per annum;
- Creation of 90 construction jobs;
- Enabling activity to support future investment potential in excess of £15million;
- Enabling development sites with the capacity for leisure/office/commercial development;
- Provides fit-for-purpose, affordable small office space which would provide a pathway for business support and growth;
- Allow increased participation levels in sport/active lifestyles and to reduce health inequalities;
- Increase town centre visits and footfall;
- Momentum for further private sector investment; and,
- Raise regional profile of town and attract visitors from regional catchment.

2. Background

Development Concept and Phasing

- 2.1 The proposals aim to provide a major new destination and source of activity and community cohesion within Irvine town centre, which would continue the positive momentum seen in the delivery of projects such as Irvine Leisure Centre, Bridgegate House and Public Realm, and Trinity Church. The development proposals for the site are currently made up of two main elements:
- i) A business element which would see new modern office accommodation being built that can accommodate KA Leisure and a new Business Gateway service with a dedicated facility for small business development and growth.
 - ii) A sports element which would provide an indoor 3 or 4G football arena, changing facilities for both the new facility and the Recreation Park playing fields, and space for local community groups.
- 2.2 The project would also facilitate the expansion aspirations of the Irvine Gymnastics Club by providing land upon which an extended facility could be developed. The Club are currently preparing a planning application for their proposals. Infrastructure such as roads, access and parking will also be provided to accommodate the proposals including a link to land to the south which accommodates the East Road Retail Park and Caledonian Car Park. An outline masterplan illustrating the proposals and the proposed approach to phasing is attached at Appendix 1, and further information on the project within a Supporting Statement and Outline Masterplan at Appendix 2.

- 2.3 The project as a whole should be considered as opening up a major edge of town centre site for a range of development opportunities. Phase one will provide the opportunity for additional investment including the expansion of the Irvine Gymnastics Club, and will be designed to allow expansion of the office facility if required. It will provide the infrastructure to allow access to land to the south, and see the demolition of small buildings which will provide a sense of the wider development opportunity. Beyond the phase one and two proposals, project development work will continue to investigate the potential delivery of early stage interests including a cinema, commercial leisure, retail, office and residential development. Each of these requires to be tested in terms of market interest, its delivery mechanism and how a masterplan can best physically accommodate the proposals.

Phase One - Funding and Delivery of Business and Office Facilities

- 2.4 The Scottish Government (SG) RCGF provides financial support for transformational regeneration projects. North Ayrshire has previously benefitted from funding towards the Millport Field Centre, Saltcoats Town Hall and Ardrossan Quayside Offices. The Council were informed in late February that an application for funding support was successful. The investment panel have therefore recognised the regeneration benefits of the project, through both the initial phase funded by Scottish Government, and the potential for it to open up a wider area and deliver additional investment in the long term.
- 2.5 The RCGF funding of £965,000 will provide support for the implementation of an initial phase of the project. Phase 1 can now be delivered at a cost of up to £3M as follows:

Source	Amount	Comments
SG RCGF	£0.965M	Expenditure in 2016/17 will focus on the office/Business Gateway element of the proposal. Formal offer of grant award and detailed of funding conditions to be received.

Irvine Bay Regeneration Company (IBRC)	£0.6M	Expenditure in 2016/17 focused on the office/business gateway element of the proposal. IBRC are currently delivering an ambitious legacy business plan prior to their wind down in March 2017. The allocation of funds from this business plan will further their aim of improving Irvine town centre in line with the Irvine Town Regeneration Plan, which sought to inspire future regeneration activity in Irvine town centre. The IBRC funding request was considered at their Board meeting of 22nd April 2016 with in principle agreement given subject to further details being provided and confirmation of the IBRC funds being in place by mid May (as outlined in their business plan).
Scottish Government Vacant and Derelict Land Funding	£0.4M	Expenditure focused on site preparation works. The proposals meet the objectives of the Vacant and Derelict Land Funding by providing the positive redevelopment of land on the vacant and derelict land register. Cabinet of 15th March 2016 approved an allocation of funds from this source.
NAC Town Centre Regeneration Capital Fund	£1M	Expenditure focused on access and infrastructure to enable the delivery of the project.

- 2.6 The proposals for phase 1 have been developed with the appointed architects, supporting technical consultants and colleagues in Property Management and Investment. Subject to approval of this paper and consents, the phase 1 proposals will be procured through a fixed price design and build contract. It is envisaged that work could start on site in January 2017. An early works package will commence in summer 2016 to undertake site clearance treatment and prepare the site for development.

Phase Two - Funding and Development of Regional Sports Facility

- 2.7 A second phase of the project would incorporate the sports facility. Discussions are ongoing on the nature and specification of this with a view to an application for funding support of up to £500,000 from SportScotland. This will require confirmation of the strategic rationale for SportScotland investment, including pathway sports developments, access, the involvement of and benefits for local sports clubs, etc. It is proposed that additional feasibility work will be undertaken to confirm the specification of the proposed Regional Sports Facility considering the following:
- The interests and requirements of key stakeholders, partners or users of the facility, including links with local football and other sports clubs;
 - Revenue funding implications, outlining expenditure and income levels and the nature of agreement with KA Leisure as operators through ongoing engagement as highlighted in the KA Leisure annual report;
 - Confirmation of capital costs and justification for an approach to potential funding bodies.
- 2.8 Further reports will be brought to Cabinet on the specification, and financial implications of the delivery of phase 2.

Common Good Land

- 2.9 An area of land held within the Irvine Common Good is included within the project. While the Community Empowerment (Scotland) Act 2015 has been passed, the sections within it relating to Common Good are not yet in force, however, the Act introduces a requirement for consultation on the disposal and use of Common Good Property with Community Councils and any community body known to have an interest in the property. Although it is not a legal requirement, officers have consulted with the Irvine Community Council through a meeting in December 2015 and a letter of February 2016, and with local Members through the Irvine Area Committee of 27 August 2015, in addition to the consultation detailed at paragraph 5.2.
- 2.10 No representations to the use of land held in the Irvine Common Good were raised through this consultation (although at events there was a misunderstanding by some that Common Good land cannot be developed). In addition to the financial consideration paid, the development of land for the purposes proposed would reflect the intentions of the Common Good by providing a positive development with a number of benefits to the local community. It is proposed that the relevant land is transferred from Irvine Common Good, with the District Valuer valuation of £43,500k paid to the account. Appendix 1 illustrates the area of land within the Common Good proposed for transfer.

Other Project Development Work

- 2.11 The delivery of the proposals is subject to consents, including planning. It is envisaged that planning permission in principle for the business and sports elements is sought at the same stage, to enable consideration of the overall impact of the development on issues such as traffic, parking, etc. Detailed or full planning permission will also be submitted for phase 1. Pre application consultation has already been undertaken and the submission of planning is envisaged in May 2016.
- 2.12 The delivery of the proposals requires the relocation of two tenants which currently occupy the site. Both have agreed to relocate from their current premises which offer a poor standard of accommodation on a short term or monthly lease basis, to improved premises at Kyle Road within the Irvine Industrial Estate.
- 2.13 While the phase one proposals can be delivered on land within the Council's control as illustrated on Appendix 1, an improved layout for the overall proposals would be achieved by the relocation of a third party landowner within the phase 2 boundary. While discussions continue on the potential relocation of this landowner, the proposals may be implemented should this remain in situ.

3. Proposals

- 3.1 The confirmation of funding secured from the Scottish Government provides an opportunity to help deliver the initial phase of development at Quarry Road, which has the potential to be a transformational regeneration project for Irvine town centre. The proposals would represent phase 1 of an ambitious masterplan for the area which would make a significant contribution to town centre regeneration and economic growth.
- 3.2 It is proposed that the Cabinet agrees to:
 - a. note the outcome of the funding award from the Scottish Government;
 - b. the submission of a planning application for the development;
 - c. the publication of tender packages for works to deliver a first phase (offices, parking and access);
 - d. the further development of proposals for phase 2 including the submission of funding bids to support the proposals; and,
 - e. the transfer of land within the proposed development site from the Irvine Common Good account to the Council's General Fund Balance Sheet.

4. Implications

Financial:	<p>On the 23 June 2015, Cabinet approved the submission of a RCGF application, and a commitment of £3.52m by the Council from the Town Centre Regeneration Capital budget towards the project.</p> <p>It is now proposed that phase 1 (offices and infrastructure) is procured at a maximum cost of £3M, including an allocation of funds as set out at 2.4 and including £1m from the Town Centre Regeneration capital budget. Certainty on cost will be available through the award of a fixed price contract with a defined maximum budget. Cabinet will be advised of tender prices prior to any contract award. Revenue costs for phase 1 will be covered by a rental agreement with KA Leisure as the tenants of the facility.</p> <p>Further reports will be brought to Cabinet on the specification, and financial implications of the delivery of phase 2 (sports and changing facilities) including capital costs, projected income/revenue costs, and the nature of agreement with KA Leisure as operators.</p>
Human Resources:	<p>There are no Human Resource implications arising from the report.</p>
Legal:	<p>It is proposed that land is transferred from the Irvine Common Good account to the Council's General Fund Balance Sheet to enable the development proposals.</p> <p>The Council is entitled to appropriate property from the Common Good where no question arises as to the alienability of the land. It is only if a question arises does the Council require to petition the Court for authority. The title does not contain within it any condition dedicating it to a public purpose.</p>

	<p>The sections within the Community Empowerment (Scotland) Act 2015 relating to disposal and use of Common Good Land have not yet come into force. When these sections come into force they will require the Council to have regard to any representations made regarding disposal and use after consultation. Despite the sections of the Act not yet being in force, consultation has taken place through the Irvine Area Committee, and through a meeting with and letter to the Irvine Community Council. No representations have been made as a result of the consultation. Therefore, no question arises as to the alienability of the land and the Council is entitled to appropriate the subject land.</p>
Equality:	<p>There are no equality implications arising from the report.</p>
Environmental & Sustainability:	<p>The proposals would involve the development and improvement of brownfield and underutilised land within Irvine town centre. Proposals for new buildings will be developed in line with best practice sustainability principles.</p>
Key Priorities:	<p>This proposal supports the Council Plan core priority 1 – ‘Growing our economy, increasing employment and regenerating towns.’</p>
Community Benefits:	<p>Any construction contracts let will see the provision of appropriate community benefit in line with the Council's community benefit policy.</p>

5. Consultation

Public Consultation

- 5.1 The project has been identified and prioritised by the local community, supported by Working for Irvine Together (WFIT) which involves working with community organisations and clubs. A legacy of the project will be confidence that local community voices are listened to and reflected in the work of the Council, and enhanced capacity and belief in engagement/partnership working.
- 5.2 An extensive programme of public consultation followed the in principle approval of the proposals by Cabinet on 23 June 2015. This has included:
 - Public workshops held in the Vineburgh Centre (29 August),

Bridgegate (31 August) and the Fullarton Centre (10 September 2015) which were attended by 571 people;

- The distribution of over 1,000 leaflets to local residents and businesses on 26 August 2015;
- The provision of information to the public through a series of press releases which have received extensive coverage in the local press;
- One to one meetings with a number of local individuals, local Members, MSPs and MPs;
- A report to the Irvine Area Committee of 28 August 2015;
- A specific event for Members on 10 September 2015;
- A meeting with interest groups such as the Irvine Gymnastics Club, Football Clubs, Brass Band, etc. on the 8th September 2015;
- Consultation through events and with Irvine Community Council on the use of common good land; and,
- A survey of local businesses.

5.3 The main concerns raised through the consultation process included the impact of the development on traffic, parking, the loss of playing fields, and the potential for additional community groups/sports clubs to be accommodated. A response to the issues raised was included within the Cabinet paper of 27 October 2015, while comments continue to be considered in the preparation of a planning application for the proposals.



KAREN YEOMANS
Executive Director (Economy and Communities)

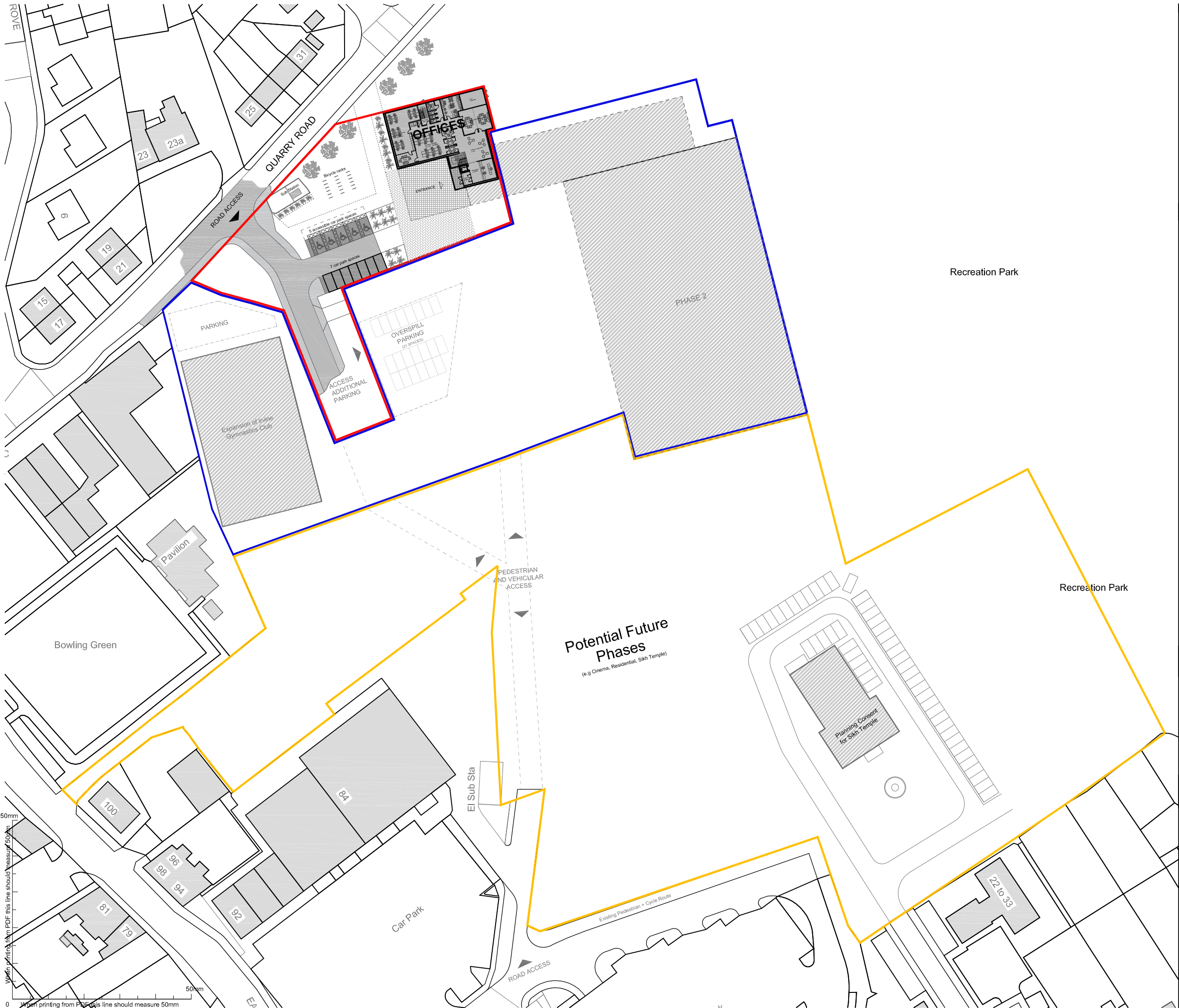
Reference : AL/AB

For further information please contact Alasdair Laurenson, Senior Manager, Regeneration on 01294 324758

Background Papers

Cabinet Paper of 23 June 2015 - 'Approval of an application to the Scottish Government Regeneration Capital Grant Fund for the development of land at Quarry Road in Irvine'

Cabinet Paper of 27 October 2015 - 'Development and Regeneration proposals for land at Quarry Road, Irvine'



Rev	Date	Notes
--	04.04.16	Initial Issue
A	26.04.16	Phase 3 boundary added. Road access and car park updated. Indoor pitch size changed to 80x50m. Offices floor plan layout changed as per SK(0)0010 (Rev D).

RISK REGISTER		
No.	Date	Description

- NOTES**
- PHASE 1 - OFFICES, PARKING, ACCESS. Funding of £3M secured and to be procured subject to Cabinet approval 10th May.
 - PHASE 2 - IRVINE BAY GYMNASTICS, LEISURE, PARKING. Envisaged funding availability of £3.9M for which around £3M is secure. Proposals subject to ongoing assessment of specification.
 - PHASE 3 onwards
 - No funding or agreements in place. Aspirational only at this stage.
 - Development potential enabled by initial phases and negotiation with landowner and lease interests.
 - May include Cinema, Offices, Retail, Commercial, Leisure, Residential Uses.

DO NOT SCALE
The Contractor must check & verify all Site & Building Dimensions, Levels & Sewer Inverts at DCM's before commencing work.
This Drawing must be read with the NBS Contract Specification and any related Structural Engineer or Specialist Contractors Drawings.

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FOR COMMENT

Project Quarry Road Mixed Use Sports Facilities			
Client North Ayrshire Council			
Drawing Phasing Plan with Proposed Phase 1			
Job No. 1150	Drg No. AL(0)004	Rev. A	
Scale 1:1000	Sheet A3	Scale 	Sheet
Drawn 	Date 	Scale 	Checked

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CAD Ref. **63**



Quarry Road Redevelopment

SUPPORTING STATEMENT & OUTLINE MASTERPLAN

March 2016

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Irvine Vision, Working Together for Irvine and the Town Centre Framework studies have all highlighted the importance to Irvine's future success (economic, social and place) of redeveloping the Quarry Road area within the town centre. The site offers opportunity close to the town centre to develop new leisure facilities in partnership with local bodies and organisations that will strengthen the Town Centre offer and support growth.

This supporting statement provides a summary of the development proposals. It sets out within a masterplan the broad concept and scale of the opportunity and outlines a phased approach to delivery. The masterplan has been developed in consultation with local community groups and interests with Working Together for Irvine (WFIT) and through a consultation and engagement process. The report includes a review of outline costs and an indicative programme. A Scottish Government Regeneration Capital Grant application has been successful to the value of £965,000 and funding has also been committed to the project by North Ayrshire Council.



Quarry Road

Woodlands Avenue

Bank Street

East Road

1.0 Introduction

North Ayrshire Council are seeking to promote economic regeneration for Irvine Town Centre as part of the delivery of the Irvine Vision in consultation and with the engagement and support of local communities.

Quarry Road provides a significant opportunity as highlighted within the Irvine Vision and Town Centre Framework. The Quarry Road site is located immediately east of the Town Centre. The site forms a largely brownfield, under-utilised asset that is substantially owned by North Ayrshire Council. Current land-uses include leisure use, small enterprise activity, external storage and/or vacant and derelict sites with a range of secondary buildings under short term leases. Part of the site (former Railway lands) are held in the Common Good Account.

The Irvine Town Centre Design Engagement Workshops were organised to allow local communities and stakeholders to input to projects within the Town Centre Irvine through a charrette styled and drop-in event held within the Bridgegate and subsequently extended to include local community centres. Engagement has included:

- Public workshops held in the Vineburgh Centre (29 August), Bridgegate (31 August) and the Fullarton Centre (10 September 2015) which were attended by 571 people;
- The distribution of over 1,000 leaflets to local residents and businesses on 26 August 2015;
- The provision of information to the public through a series of press releases which have received extensive coverage in the local press;
- One to one meetings with a number of local individuals, local Members, MSPs and MPs;
- A report to the Irvine Area Committee of 28 August 2015;
- A specific event for Members on 10 September 2015;
- A meeting with interest groups such as the Irvine Gymnastics Club, Football Clubs, Brass Band, etc. on the 8th September 2015;
- Consultation through events and with Irvine Community Council on the use of common good land; and,
- A survey of local businesses.

This Supporting Statement outlines the development of the proposals through the public consultation and engagement. It builds on previous studies and has included interviews with development interests; landowners and Council services with a view to better understanding the needs of all parties. Specifically the study looks to identify mechanisms to move the ambitions of both public/private sector interests forward in a manner that can secure market interests, identify and secure support funding and outline a phased programme for land delivery that can facilitate investment.



View from Quarry Road



View from Woodlands Avenue



2.0 Context

Description of Site

The Quarry Road site is located immediately to the east of the East Road Retail Park, it extends from Quarry Road to Bank Street extending to the boundary of the East Park public open space and including the former Dog Track site. The site can be accessed by a signal controlled junction off East Road or via Quarry Road. The East Road junction provides access to parking within the Retail Park (2hour max) and is connected to the new NAC Caledonia Car Park (130 spaces – all-day parking). Uses within the site include:

- Irvine Gymnastics Club;
- Varied Short Term Leases; (leased by NAC)
- NAC Caledonia Car Park;
- Soft Play Centre (sub-lease of McConechy's lease);
- Non-Utilised Land with historical planning consent; and
- Vacant and Derelict Land.

Site History

Quarry Road and East Park form two connected areas. Historical maps indicate that the area has had previous development. A historical map desk-top study indicates previous uses include Caledonian Forge (OS 1896); railway sidings; industrial development (OS 1938) and residential (OS 1971). Primary land-uses according to the historical maps indicate varied industrial / service and yardage type uses. East Park included a Running Track / Sports Field facility together with a Greyhound Racing Stadium and allotment gardens.



1856 Historical Plan

Regeneration Context

North Ayrshire Council in adopting the Irvine Vision is seeking to give a priority to Town Centre regeneration activities and to facilitate and accelerate investment by private / public and third sector organisations across the town centre.

Regeneration activity within the Town Centre is gaining considerable momentum as a result of the commitment to the Bridgegate, Town House / Leisure Centre and High Street. The next phase of projects need to continue to build on the Town Centre First principles, extend the appeal and offer of the central area, extend the demand for goods and services and provide further support development and regeneration. It is understood that proposals for Quarry Road could be potentially fundable from a combination of:

- NAC Capital programme;
- Scottish Capital Regeneration Grant Award;
- Scottish Government Vacant & Derelict Land Fund
- Sportscotland Grant Programme;
- Private & Charitable Sector (Irvine Gymnastics Club)
- Lottery Funds;
- Creative Scotland; and
- Charitable Trusts.

The East Park is not, for the most part, within the site. Local boundary rationalisation (including land in private ownership) may offer opportunity by land swaps (eg. Excambions) to secure a stronger fit between recreational land-uses, safe pedestrian pathways and development that enhances place quality and supports access and connectivity.

Ground Condition Report

A Ground Condition Desk Study advised that development risks associated with former industrial activity on the site were likely to be low. The Ground Condition Reports concludes:

- based on the historical site assessment, the likelihood of significant contamination constraints affecting the site was considered to be low; and
- surface stability of the site is suspect due to potential shallow workings in the Kilmarnock Five-Quarter Coal below the site. A mineral investigation is recommended to confirm the mineral stability of the site.

Services & Utilities

A review of Scottish Water's Asset Capacity indicates capacity for drainage at the treatment works for 1532 housing unit equivalents and with respect to water notes capacity is available for only 10 housing unit equivalents. It should be noted, however, this does not comment on network capacity. Early consultation is therefore advisable with regard to water supply and foul and surface water drainage systems. The SEPA flood map indicates that the 1:200 year flood envelope is approx 600m to the southern boundary of the site.

Planning Context of the Site

The North Ayrshire Council Local Development Plan (LDP) was adopted on 20th May 2014. Relevant Policies include:

POLICY TC 3: COMMERCIAL CENTRES

Uses in the allocated Commercial Centres will be restricted as follows:

Comparison goods, secondary convenience goods and ancillary other commercial development; Comparison goods retailing at the East Road Retail Park, with commercial leisure uses also acceptable for expansion of the Retail Park.

POLICY IND 3: INDUSTRIAL ESTATES

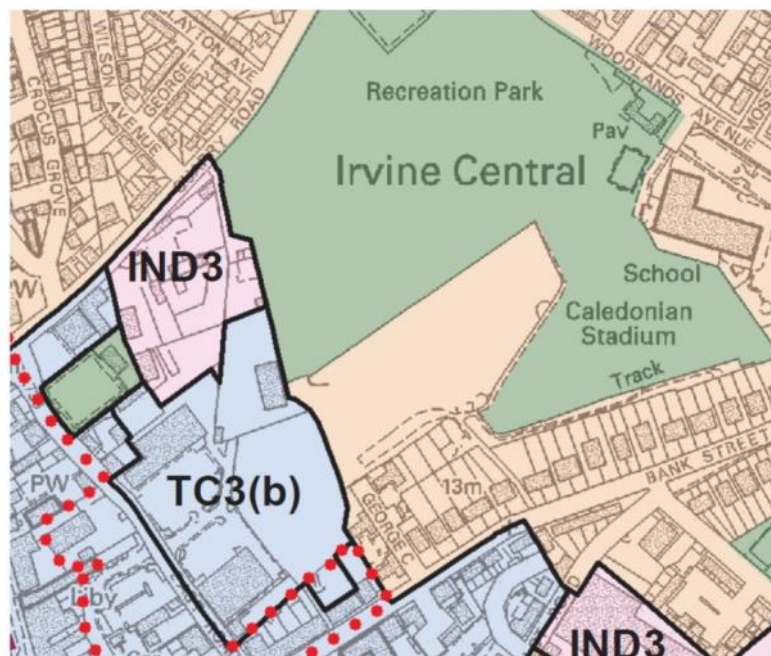
Proposals for business; industrial; and storage and distribution uses within Use Classes 4, 5 and 6, including small groups of workshop units of 150m² or less, on the sites listed in Table 3, and identified on the LDP Maps, shall accord with the LDP.

POLICY ENV12: DEVELOPMENT OF OPEN SPACE

Incursion into the Rec park would be to deliver football on an unplayable surface.

Land Use Categories

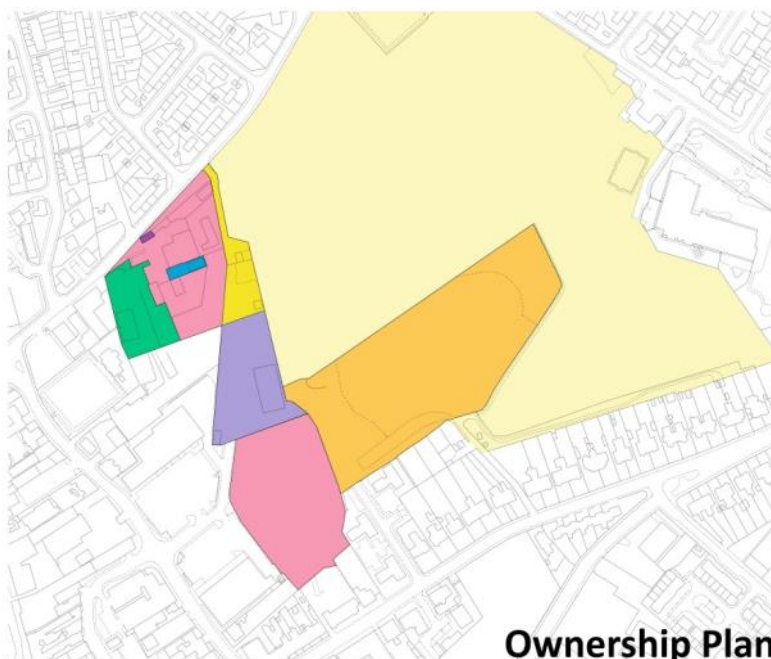
- Countryside
- Mixed Use IND5
- Business & Industry
- Open Space
- Housing
- Town Centre/Retailing
- Land Outwith North Ayrshire



Land Use Categories

Ownership Plan

North Ayrshire Council
 Area in private ownership (Irvine Sports & Leisure Club)
 Area in private ownership (M High Water Retirement)
 Common Good Land owned by NAC (Cemetery)
 Area in private ownership (Subsidiaries)
 NAC Land owned by MCC (Cemetery)
 M High Water Retirement
 Common Good



Ownership Plan

Issues impacting on Development

The site opportunity and constraints arise from its historic land-use and varied ownership /lease interests together with issues associated with site conditions, access and servicing.

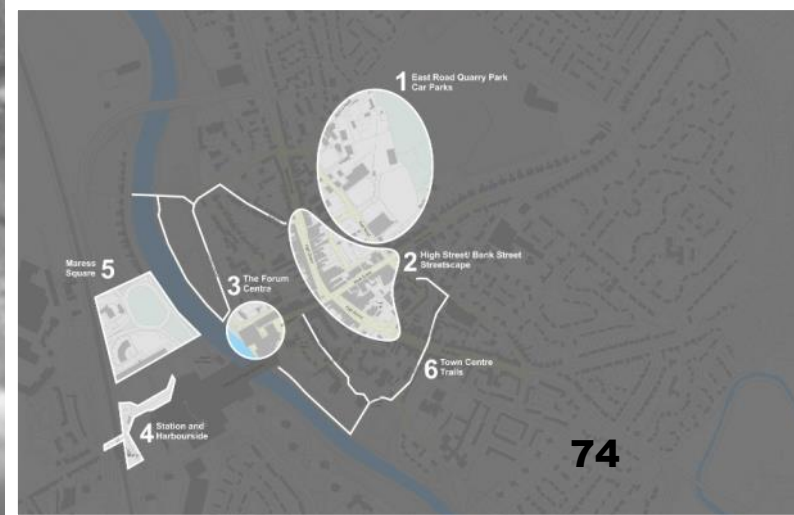
Consultation with stakeholders as part of the engagement activity has confirmed the existing landowners; lease interests; and current land uses across the site. It is clear from these discussions that there is a broad interest from the existing landowners to support site development and a willingness to share information in developing the masterplan and outline business case. The main issues impacting on development viability include:

- land ownership is substantially controlled by NAC. Delivery requires NAC to adopt a pro-active approach to consolidate titles/leases ;
- maintaining a dialogue with Irvine Gymnastics Club (other primary land interest) who are seeking to extend their sports facility on site
- advancing the Site Investigation to confirm ground stability and presence/absence of contamination – potentially fundable under V&DL monies;
- developing a clear understanding of infrastructure (roads/drainage infrastructure) that would support the development;
- Further developing the cost plan and Outline Business Case with partner interests
- understanding the transportation impacts / implications of activity and developing a transportation plan to address any increase or change in traffic movements.

Sports and Leisure Interest

Engagement through the design workshop / charrette and community engagement has identified a range of clubs and users with an interest in the development of sports and leisure facilities in Irvine. Parties who have expressed an interest in either advancing or through their sport/leisure interest being involved in the development. These include:

- | | |
|----------------------------------|---|
| ■ KA Leisure | Leisure Development and Offices; |
| ■ Irvine Gymnastics Club | Jim Watson; |
| ■ Cinema Interest | Rob Arthur; |
| ■ Housing Development | Baldev Singh (Private Landowner); |
| ■ Business Gateway | North Ayrshire Council; and |
| ■ Various Sports & Leisure Clubs | Hockey/Indoor Bowls/Brass Band/Football /Boxing |



3.0 Quarry Road Strategy

Quarry Road needs coordinated action delivered through a masterplanning based approach if the development interest in the site is to be unlocked and public and private sector investment to be brought forward supporting Town Centre growth. The key land owner interest is with North Ayrshire Council. An initial SWOT analysis highlighted the following with regard to historical proposals and the development of the sports village concept.

Strengths <ul style="list-style-type: none"> ■ Bold concept; ■ Good integration East Park; ■ Strong accessible location; ■ Strong partner support / demand ■ Investment funding available; ■ Flexible; and ■ Phased. 	Weaknesses <ul style="list-style-type: none"> ■ Restricted land availability; ■ Current leasehold interests; ■ East Road Junction capacity; ■ Requires external funding support ■ Multiple partner coordination; ■ Industrial relocations; and ■ Reliant on grant funding packages.
Opportunities <ul style="list-style-type: none"> ■ Mixed-use multi-partnered; ■ Develop a shared infrastructure; ■ Promote quality place-making; ■ Promote common car parking courts; ■ Integrated with East Park upgrade; ■ Support mixed-use /enterprise; ■ Land excambion(s); and ■ Phased. 	Threats <ul style="list-style-type: none"> ■ Inertia; ■ Developers go elsewhere; ■ Lack of vision; ■ Emerging uses prevent delivery; ■ Inability to secure landowner support; ■ Funding not successful; ■ Business Case not supportable; and ■ Other projects prioritised.

A number of issues are considered to be important to developing an investment strategy for Quarry Road. These included:

Land Assembly /Consolidation

North Ayrshire Council as the primary landowner and with a range of lesser interests needs to be an active player in consolidating land titles, leases and estate management to clarify opportunity and secure a market-ready consolidated site or sites. NAC Estates working with Economy and Communities / Place Directorates have approached leaseholder interests and have identified alternative locations and support for relocations.

Scottish Government Regeneration Capital Grant Award

North Ayrshire Council need to consider a funding package that supports economic development, investment, innovation and enterprise based on a mixed-use scheme advanced through the Scottish Government Regeneration Capital Grant Programme.

A RCGF fund application for £965,000 has been approved. Sportscotland funding is also considered critical to the delivery of the overall project (see Phasing).

Partnership Working with Key Investors

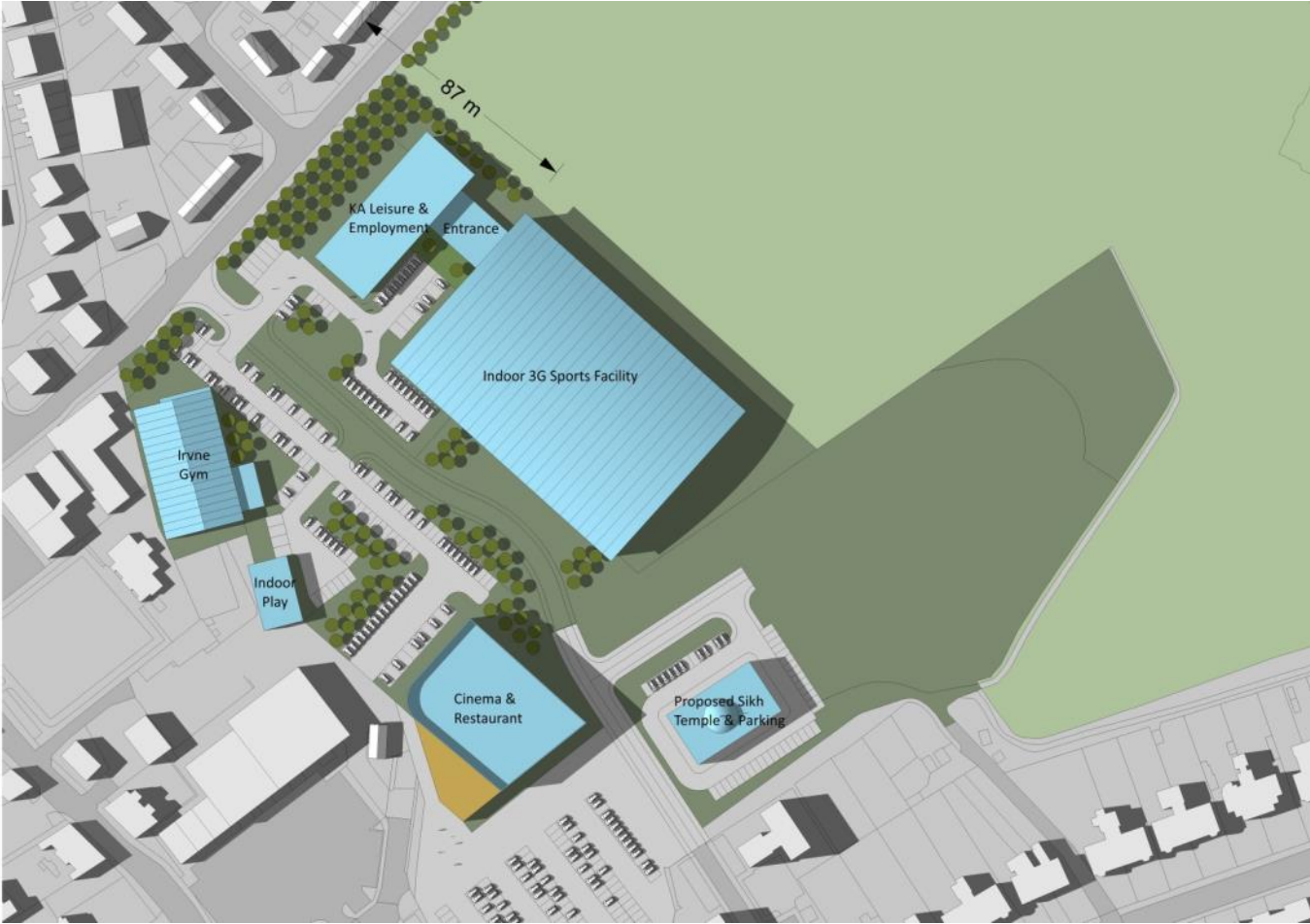
North Ayrshire Council needs to accelerate the partnership working with key potential investors (Irvine Gymnastics Club /KA Leisure/ Business Gateway) and with existing tenants/leasees to coordinate requirements within a single masterplan.

Irvine Gym Club (IGC) are at pre-planning application stage with resolved drawings and engagement with Sportscotland as primary support funder. KA Leisure (KA) are relocating from the Magnum in late 2016 with a Business Plan for sports/leisure facilities. NAC are seeking to develop facilities for Business Gateway with potential to link this innovatively to sports/leisure.

Developing a Phased Strategy

A Phased Strategy that facilitates investment in the readily deliverable, land parcels within NAC control is proposed. Critical elements to this will be all partners being able to secure external funding Sportscotland / Lottery etc and the availability of these funds and an indication of funder commitment needs further justification and liaison. Funding delivered to date suggests delivery of a phased basis as follows:

- Phase 1 (offices, parking, access, landscaping)
- Phase 2 (sports, changing)



4.0 Masterplanning

4.1 Masterplan Supporting Irvine Vision

The purpose of advancing a Quarry Road Outline Masterplan is to define and set out an achievable vision for the site and a 'route-map' to assist the preparation of funding bids and partner agreements. It supports the Town Centre Framework and Irvine Vision.

It should set out a plan and guiding principles for the medium term delivery of the site recognising that all elements cannot be advanced immediately. It should promote an initial phase of investment and a change management programme that can, in the longer term, support housing, cinema-evening economy activities and or further leisure / retail / employment uses. The proposals are considered compliant with the Local Development Plan.

Place-Making

Irvine Vision and the Town Centre Framework promotes a focus on the Irvine Town Centre that strengthens the destination role of the centre and builds on the quality of place. It seeks to encourage sustainable development that supports multi-use visits to the centre and stronger connections and integration of activity around a new High Street public realm and green network.

Masterplanning supports place-making in seeking to coordinate investment to add value, strengthen connections and promote physical, social and economic change in communities that builds confidence and capacity in the Town Centre offer.

Design Principles

Quarry Road is an important and under-utilised site. It has an edge of centre location and forms key connections to open space and communities associated with Woodlands / Recreation Park. In developing a plan for Quarry Road it is important to ensure we are creating a new compartment of the Town Centre which needs to offer safe and ready access; connect well with adjacent land-uses; supports pedestrian and cycle permeability and services the needs of all user groups and interests. Key principles include:

- Well located and planned connections;
- Create an attractive place for pedestrian and cycle friendly movement;
- Ensure spaces and places are secure, safe, overlooked and appealing;
- Ensure streets and spaces are well defined and safe;
- Ensure development addresses safe movement and connectivity
- Integrate routes across and within East Park;
- Secure open visible primary accesses and building entrances;
- Promote shared parking / cycling and path networks between users;
- Secure a level of architectural quality and treatment to facades; and
- Develop a strong landscape framework.



4.2 Key Elements

Quarry Road has been identified as a preferred edge of centre location for a range of leisure / sport / recreation and evening economy interests. The site is considered optimal given its adjacency to the Town Centre and East Road Retail Park and its capacity to meet complementary car parking needs within an edge of centre location. No other suitable site on the Town Centre or Rivergate Retail Park sides of the town has been identified. The key elements in the masterplan include:

Irvine Gymnastics Club

Irvine Gymnastics Club is an inclusive active specialist sports and leisure club that supports participation and competition for all groups and ages. IGC is a member of Scottish Gymnastics (SG) the National Governing Body for Gymnastics in Scotland. SG is recognised by UK Sport, the Scottish Sports Association (SSA) and SportsScotland and has a leading role in the delivery 'Reaching Higher' the Scottish Executive's national strategy for sport in Scotland.

IGC was founded in 2009 and grown steadily. Developed with an existing portal frame building on Quarry Road the membership has grown to exceed current facility capacity and IGC are seeking to double the size of the gym hall and further develop its core programmes associated with:

- Gymnastics development and participation;
- Education and training; and
- Performance gymnastics / Competition.

IGC are seeking to expand and develop their facility in 2016

- Expand the facility to circa 1500m²;
- Provide on-site/off-site parking; and
- Enhance profile and external environment.

IGC have developed:

- An Outline Business Case;
- Design Proposals sufficient to lodge a Planning Application;
- 'In principle' funding support from SportsScotland; and
- Membership capacity to reflect future facility planning.

Funding: **Advised that the club has a strong Outline Business Case and capacity to secure SportsScotland funding.**

KA Leisure

KA Leisure is the trading name of North Ayrshire Leisure Limited. KA Leisure has been established to provide access to recreation and leisure facilities for the community of North Ayrshire. KA Leisure is a non-profit making organisation (registered Scottish Charity). KA Leisure since 2000 has managed North Ayrshire Council's operational leisure facility and service portfolio including the Magnum Centre, other local leisure centres, golf courses and sports facilities.

KA Leisure works in close partnership with North Ayrshire Council, NHS and other relevant public and private sector organisations. Managed and operated through a Board of Directors drawn from the local community / local business / sport / North Ayrshire Council and KA Leisure. KA Leisure are seeking to continue to develop their facilities and sports / leisure and educational offer following the closure of the Magnum Centre in 2017. This also involves identifying a new administrative headquarters for KA Leisure and advancing proposals for Irvine based facilities complimentary to the new Town Centre Leisure Centre. The scale / scope of the sports facilities has yet to be fully specified. Detailed facility management planning will be required to confirm facilities.

Discussions have highlighted ambition to deliver:

- Irvine Leisure – All-Sports floodlit indoor 3G Facility;
- Provide a new Operational /Administration base alongside the new facility of c.6,000sq ft; and
- Provide on-site/off-site parking.

It is proposed that KA Leisure are accommodated in the phase one offices; within around 6,000 sq ft of space. These offices will be let to KA Leisure and allow their operation from a town centre location, accessible to the Irvine Leisure Centre, proposed sports facility and sports injury clients.

KA Leisure have developed:

- Outline Business Case which supports generation of an annual surplus
- Developed an outline Demand Model for 3G sports;
- Design Proposals in various formats for pre-planning studies; and
- Identified funding support from SportsScotland.

Funding: **Positive Outline Business Case. Capacity to secure SportsScotland funding with OBC indicating revenue supported funding model.**



NAC Business Gateway

NAC operate a Business Gateway facility supporting enterprise and Business Development.

Business Gateway would be considered to include a 'Hub Access Point' that allows open access for businesses, employment and enterprise information and access to 'Team North Ayrshire'.

Team North Ayrshire sees all partners working together to ensure businesses have access to the wealth of expertise and financial support available. This support network offers greater collaboration, a single point of contact and more flexible support programmes for North Ayrshire businesses.

The phase 1 offices will also offer incubation space for small businesses with direct access to Team North Ayrshire.

Early discussions have highlighted an ambition to deliver:

- Business Gateway and incubation space of c.4,000 sq ft
- Modern office facility in an accessible, town centre location
- On-site parking; strong pedestrian access

Funding: Revenue costs met by NAC Economic Growth.

Other Developments

A number of other developments are either being advanced and/or pre-planning inquiries and support funding tested with varied agencies and stakeholders. These include:

Sikh Temple (Planning application No: 15/00225/PP) proposal to develop off George Court, Bank Street, Irvine a Sikh Temple to provide a place of worship, meetings, civic and cultural development for Sikh community. This development is proposed by the Sikh Community on land owned by Mr Baldev Singh and formerly consented for housing. The site forms part of the historic Greyhound Track within East Park.

Funding: Advised positive Outline Business Case. Funding from Sikh Community

Housing proposals have been historically advanced for the Greyhound track site (brownfield – edge of Town Centre site) fronting to East Park. Planning has now lapsed. Discussions with the landowners have indicated an interest in bringing forward a mixed residential scheme with possible greenspace/park benefits.

Funding: Delivery dependent upon Housing Market.

Cinema / Leisure Facility proposal reflects a community based digital cinema. Ex-Apollo Cinemas chief Rob Arthur. Mr Arthur who operates Digital Cinema Solutions Ltd. He is currently working in association with Sony Europe, utilising advanced digital media into local small multi-screen / multi entertainment cinemas. He has re-established a digital cinema in Thurso / Wick and is working with The Picture house Campbeltown. Mr Arthur also provides consultancy advice to support the development of digital cinema. The proposal for Irvine is for a digital 4-6screen facility with the preferred location being in the Quarry Road /East Park area. Indicative layouts and spatial requirements have been provided by Mr McArthur.

Funding: Requires capital funding. Capacity to secure Educational/ Creative Scotland funds



5.0 Engagement

5.1 Engagement

North Ayrshire Council is committed to a more inclusive approach to delivering services to communities and promoting early engagement with local communities on plans and proposals that impact on local services. An engagement strategy was developed for Irvine Vision and extended to include Quarry Road.

Irvine Town Centre Design have their say and help to shape ideas for Quarry Road. The engagement was organised through a combination of charrette styled workshops and drop-in sessions. These were organised to allow the widest possible access and includes events in the Bridgegate and Community Centres and were supported by advertisement; leaflet drops and promotion on the Big Screen. The events included:

- Public workshops held in the Vineburgh Centre (29 August), Bridgegate (31 August) and the Fullarton Centre (10 September 2015) which were attended by 571 people;
- The distribution of over 1,000 leaflets to local residents and businesses on 26 August 2015;
- The provision of information to the public through a series of press releases which have received extensive coverage in the local press;
- One to one meetings with a number of local individuals, local Members, MSPs and MPs;
- A report to the Irvine Area Committee of 28 August 2015;
- A specific event for Members on 10 September 2015;
- A meeting with interest groups such as the Irvine Gymnastics Club, Football Clubs, Brass Band, etc. on the 8th September 2015;
- Consultation through events and with Irvine Community Council on the use of common good land; and,
- A survey of local businesses.



5.2 Consultation Attendance and Main Issues & Comments

Each events has thrown up different issues dependent upon attendees and the level of knowledge and interests of the varied audiences. A Summary of the 5 Events attended by some 571 people is highlighted over.

The consultations have highlighted the main local issues and concerns relate to the potential for any high volume, popular facility to attract more car journeys; require additional parking; create congestion and impact on local residents streets and neighbourhoods.

The masterplan design response to these points, some of which had been advised earlier through Irvine Vision consultations, are set out in Section 4.2.

Irvine Vision Workshop—Bridgegate 21st & 22nd April

Attendance: 376

Comments: 359

Main Issues:

- Priority Project identified as Quarry Road
- Strong support for further Sports/Leisure facilities
- Strong interest in partnering from Irvine Gymnastics Club
- Strong representation from Young People seeking better local facilities

Vineburgh Centre Local Community Consultation Event - 28th August

Attendance: 40

Comments: 48

Main Issues:

- Real concerns about potential Traffic / Transport Implications
- Concern at lack of infrastructure / impact on East Road congestion
- Support for Sports / Leisure Project
- Need to protect local amenity / Do more for local residents

Bridgegate Consultation Event - 31st August

Attendance: 69

Comments: 46

Main Issues:

- Positive opportunity to develop better Sports f/ Gym facilities
- Great for other groups (Hockey / Boxing / Brass Bands / etc)
- Needs 3G but also Sports Hall space. Badminton. Plea for Indoor Bowling.
- Concern at lack of infrastructure / traffic / impact on East Road congestion

Fullarton Centre Local Community Consultation Event - 10th September

Attendance: 32

Comments: 18

Main Issues:

- Concern at lack of infrastructure / traffic / impact on East Road congestion
- Support for Sports / Leisure Project by why not upgrade Magnum
- Good for Young People

WFIT Quarterly Meeting Vineburgh Centre Consultation Event - 23rd September

Attendance: 49

Comments: 18

Main Issues:

- Support for concept and setting a new quality/ambition for Irvine
- Concern at lack of infrastructure / traffic / impact on East Road congestion
- Need to extend project to embrace wider range of sports—Indoor Bowling

5.3 Design Development - Addressing Local Issues

The engagement activity has been undertaken to allow local residents and communities to add their knowledge and local needs and interests into the design process and to help inform priorities, and future areas of development.

Key ideas that could improve or address local concerns included:

- Need to ensure there is enough parking for major events
- Ensure Caledonia Car Park is connected and can be used
- Need more coach parking spaces
- Need a Controlled Pedestrian Crossing on Quarry Road
- Need 3G to be accessible to all sports—view football has lots of facilities
- Need a Multi-Use Sports Hall for community sports /leisure uses
- Need an Indoor Bowling Facility to replace facility lost with Magnum
- Need to consider spectator seating and scale of seating for major events
- Buffer planting to Quarry Road important - needs mature planting
- Ensure provision for pedestrian connections to East Road
- Changing facilities for East Park outdoor pitches need to be included
- Upgrading of drainage for the East Park pitches is required
- Older people need facilities as well as the young
- Ground conditions include historic workings with impacts on cots
- A Transport Impact is required and must be implemented ahead of opening
- Affordability of facilities is a key issues
- Need to maintain consultation—this is an idea rather than detailed design
- Avoid trees to big/evergreens that block out light for local residents
- Ensure well lit and safe
- Important to retain East Park as a greenspace and the football pitches
- Cycle parking should be included
- Need to address safe access Woodlands /Crocus Grove / Quarry Road
- Ensure some local contractor and employment in contracts

The design proposals are at an early stage. Detailed design is required and this importantly needs to reflect Outline and Detailed Business Case assessments in terms of the range of activities and costs associated with the development.

Key ideas incorporated into the design and planning include:

- Provide additional parking spaces
- Provide/Review coach parking spaces
- Assess provision of a Controlled Pedestrian Crossing on Quarry Road
- Undertake a Transport assessment at an early stage to assess impacts
- Undertake a Ground Investigation at an early stage to inform costs
- Promote open affordable access and community and club use
- Extend changing facility— increase capacity
- Ensure paths well lit and safe
- Increase provision for pedestrian connections to East Road
- Ensure some local contractor and employment in contracts
- Continue to engage/consult on developing details

Key ideas requiring further discussion/ meetings include:

- Need a Multi-Use Sports Hall for community sports /leisure uses
- Need an Indoor Bowling Facility to replace facility lost with Magnum
- Affordability of facilities / funding support / scope creep is a key issue
- Scope of TA to address safe access Woodlands /Crocus Grove / Quarry Road



6.0 Cost Benefit Review

The masterplan proposals have been reviewed in terms of costs/benefits including a review of existing Business Case proposals and the need to work with partners in developing a coordinated approach to funding and wider land and commercial issues.

Quarry Road needs coordinated action by the key partners. Funding bids need close coordination and planning, consents, development agreements all need to be outlined in terms of 'heads of terms' to demonstrate an effective mechanisms exists to support the delivery of the project outcomes.

6.1 High Level Costs

All costs are provisional and based on current information and understandings. The extent of site preparation works / utility diversions and other costs (demolitions /remediation) cannot be defined /assessed at this time. Costs are provided for budgetary masterplanning purposes. No detailed cost appraisal has been undertaken.

Infrastructure & Site Preparation Costs

Costs have been reviewed based on site information (SI and contextual information) for site preparation, remediation, services and road access infrastructure with allowances for public realm and landscape elements. These are summary allowances based on typical out-turn costs. All costs are based on Q3 2014 cost yardsticks.

Development and Investment Costs

Costs have been reviewed based on developer proposals and outline Business case information where available. Cost yardsticks have been used to estimate building costs reflecting core funding requirement but excluding internal fit-out and bespoke elements. These are summary allowances based on typical shell out-turn costs. All costs are based on 2013 cost yardstick information.

PHASE ONE	Developer	COST	FUNDING SOURCE
Site preparation and infrastructure	NAC	£0.8M	£0.4M NAC £0.4M VDLF
KA Leisure, Business Gateway and Hatchery Offices	NAC	£2M	£0.965M SG RCGF £0.6M IBRC (subject to Board approval) £0.6M NAC
Total		£3M	£3M
PHASE TWO	Developer	COST	FUNDING SOURCE
3-4G Sports and Changing Option 1 (60x40m)	NAC	£2M	
3-4G Sports and Changing Option 2 (80x50m)	NAC	£3.5M	£2M NAC £0.5M SportScotland (subject to application) £0.5M VDLF £0.25M NAC Community Development Fund £tbc Prudential Borrowing against income
3-4G Sports and Changing Option 3 (100x60m)	NAC	£tbc	
Irvine Bay Gymnastics	IBG	c.£1M	IBG
Total		£tbc	£tbc
PHASE THREE -	Developer	COST	FUNDING SOURCE
Sikh Temple	IST	£tbc	
Cinema	Developer	£1.5M	Creative Scotland
Commercial Leisure	Developer	£0.5M	Private Sector
Residential	Developer	£5M	Private Sector
OVERALL INDICATIVE INVESTMENT PLAN		SUM	
GROSS INVESTMENT VALUE Phases 1-3		£13-16M	All elements included
NAC INVESTMENT		c.£3.5M	Phases 1-2
EXTERNAL FUNDING SECURED TO DATE		c.£2.5M	SG RCGF, VDLF, IBRC
PROJECTED INVESTMENT LEVERAGE		Up to £10M	

6.2 Benefits Review

Based on the masterplan presented earlier, the development of the Quarry Road site will yield a number of positive impacts and benefits. These can be considered at a number of levels:

- supporting the ongoing town centre regeneration effort through indirect spend of employees and visitors;
- delivering economic benefits to local people through direct jobs and wages, and also through advice and guidance on employment/training;
- enhancing access to high quality sports and leisure facilities, thereby supporting health and general wellbeing;
- supporting the Scottish Government's town centres first principle by locating new development activity on a site that is easily accessible by both public and private transport; and
- redevelopment of a prominent brownfield site in a highly visible location.

This section considers the range of qualitative and quantitative impacts and benefits that are forecast to be delivered – it is important to note that these are likely to change as the site masterplan is developed and refined in more detail, in particular as the specific uses (and their corresponding floor size) are confirmed.

Changes in scale and need to meet funder specifications may change the scale of provision and intensity of use. Areas and floorspace may change. This section should therefore be read as an indicative review and a guide to the scope and scale of potential benefits that could be achieved.

The following table presents the uses that have been included in the benefits review.

Site Element	Size	Description	Users
Irvine Gym Club	16,000 sq ft (C1486m2)	Relocation and extension of existing facility	Regular users Club members
KA Leisure	600m ²	Relocation of admin staff from Magnum Relocation of staff from	Permanent staff Business visitors
3G Pitch	50,000-70,000 sq ft	New indoor pitch	Commercial hire Community/group hire
Business Gateway /	400m ²	New hub – relocation of employment/ enterprise	Permanent staff: NAC, JC+, HE/FE Individuals: seeking advice/
Cinema	26,608 sq ft (c2450m2)	4-6 screen cinema with associated food and drink	Permanent staff Local residents
Sikh Temple		New 3 storey sub-regional	Regular worshipers
Indoor Play	3,650 sq ft (c340m2)	New facility replacing the current low-quality unit	Permanent staff Play groups Local residents Visitors

General Benefits

Before considering the specific impacts and benefits that are forecast from these uses, it is helpful to consider the overall benefits that the development of this highly visible site will generate. Located at Quarry Road / East Park, this edge of centre commercial development opportunity is located on a highly visible site, prominent from both the primary town centre trunk access road, and also from the large residential communities that surround the site.

As such it is considered to be a key site with significant potential to enhance the visual appeal of Irvine, to residents, to business owners/employees and importantly to visitors. The removal of older low-grade properties, and redevelopment with a modern high quality leisure and mixed use proposal further building pride and confidence in Irvine, and its town centre. It also has potential to act as catalyst for the attraction of further town centre and edge-of-centre development.

Finally the development will generate benefits around safety, and perceptions of safety, by significantly increasing the number of people that will be using this site, located on the edge of the town's East Park. This could generate further health and wellbeing benefits by enhancing the confidence of local residents to use the outdoor park facilities for walking, running, informal play and dog walking.

The project will:

- support economic development by diversifying and strengthening the town's employment base;
- support Irvine town centre regeneration, and support its position as the prime retail, service and cultural destination for North Ayrshire;
- support the development of facilities and services that meet the needs and aspirations of existing residents, and helps to attract new residents and visitors.
- support the ongoing transformation of the image of Irvine town centre; and
- support measures to address crime, and fear of crime, within a highly accessible public park and recreation area.

Use-Specific Benefits

In reviewing the development proposal we have identified the following types of impacts and benefits that could be generated through the draft masterplan proposal:

- create new and safeguard existing jobs, salaries and GVA in Irvine – these will come from both the direct on-site operations, and also from the offsite spend of employees and visitors;
- attract new, and encourage repeat visits from existing, visitors – these will come from the sport, leisure, cinema, temple and employability hub facilities;
- support the sustainability and growth of Irvine town centre businesses through the spend patterns of employees and visitors;
- create one-off construction impacts and benefits through each individual building project; and
- enhance ease of access to sport and leisure facilities, thereby helping local people (and visitors) to live longer, healthier lives by encouraging people to be more active, more often.

Irvine Town Regeneration Plan	Single Outcome Agreement	Benefits
<ul style="list-style-type: none"> ■ Support economic development; and ■ Meet needs and aspirations of local people and visitors. 	<ul style="list-style-type: none"> ■ People are more active, more often; ■ Health and well-being throughout life have improved; ■ Health inequalities have reduced; ■ Public perceptions of public services has improved; and ■ Public services are more 	<ul style="list-style-type: none"> ■ Contributes to town centre regeneration; ■ Safeguards on-site and off-site jobs; ■ Improves long term sustainability of local retail through increased footfall; and ■ Provides dedicated parking and is accessible.



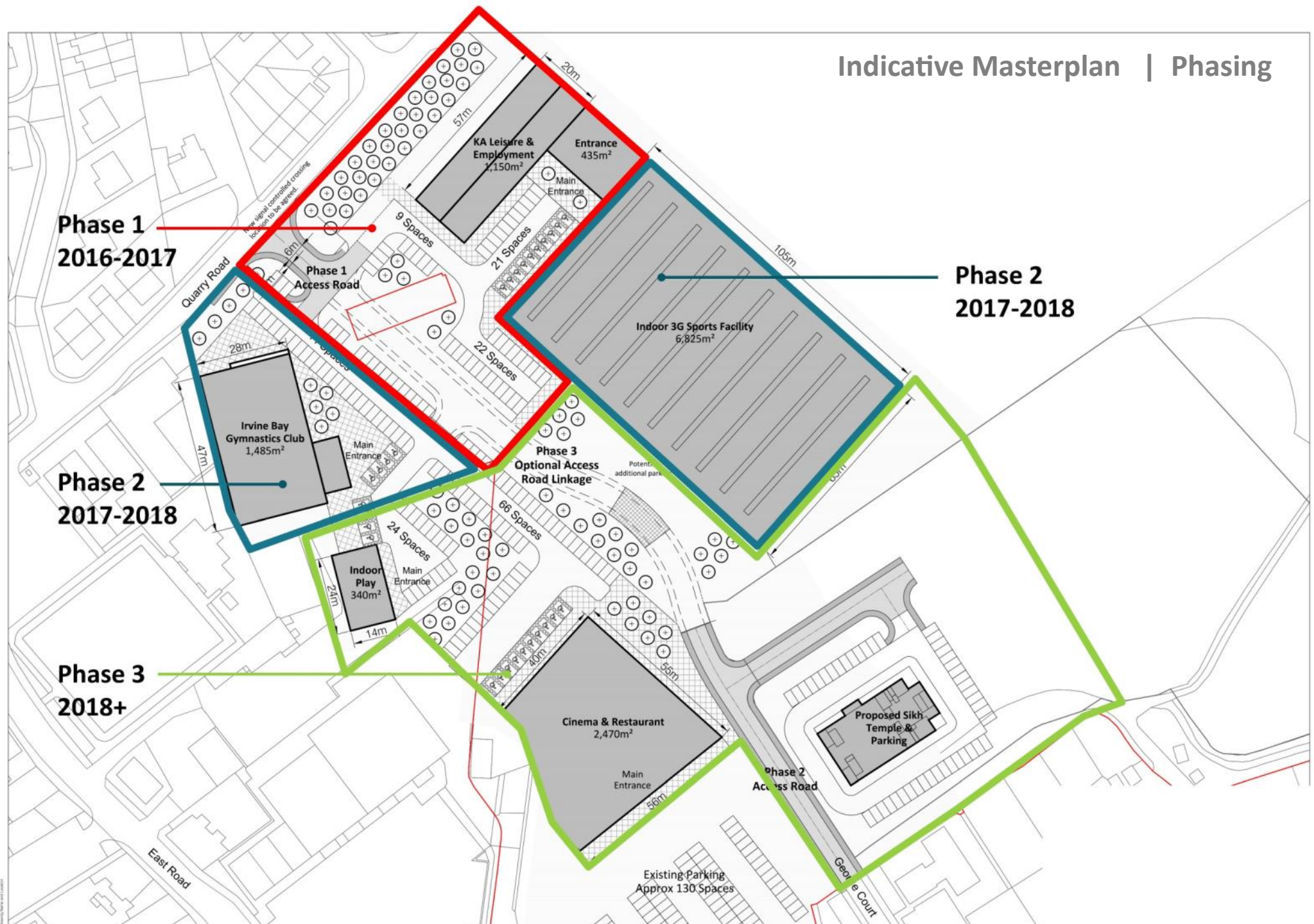
The need for the project is established in an earlier economic review of the project:

- a lack of accommodation for KA Leisure who will require to be relocated from the Magnum when this facility is closed in 2016;
- the demand for additional 3G pitch provision to service football demand for training and competition and pathways for development with preference for an indoor 3G football arena to serve the Ayrshire sub-region;
- the poor condition of existing facilities used by Vineburgh Boxing Club, the inability to redevelop on their existing site and difficulty in finding another location in Vineburgh;
- The poor availability of the outdoor pitches at the Recreation Park;
- the poor condition of the Recreation Park changing facilities;
- poor health outcomes for local residents compared to national averages;
- the lack of business start ups compared to national averages; and
- the decline of town centre retail activity given structural changes (competition from out of town/internet shopping).

We have used a wide range of existing data, documents and project comparators to provide a high level estimate of the estimated employment effects associated with the various developments, as outlined in the following table.

Quantifiable benefits of employment, spend, etc available from analysis provided by Optimal Economics.

Indicative Masterplan | Phasing



7.0 Next Steps

Quarry Road has been highlighted as a key town centre opportunity site within the Irvine Vision and a potential valuable project within the Town Centre Framework to support ‘town centre first’ principles that add to the vitality and diversity of attractions and facilities within the Town Centre.

Quarry Road is a multi-partnered project and needs to have the flexibility and adaptability to allow each ‘*Project Package*’ to be advanced to a programme that suits the developer/funder needs within a clear masterplan framework and infrastructure delivery plan. In summary:

- Development to be phased around discrete ‘*Project Packages*’ within a masterplan; infrastructure plan and a robust cost plan.
- Developers (Irvine Gymnastics / KA Leisure / NAC) need to commit to a masterplan approach and develop as soon as possible their respective ‘*Feasibility Assessments*’ to demonstrate viability, outline business case assumptions and funding eligibility;
- North Ayrshire Council as primary landowner needs to continue to assemble/consolidate its land ownership into a market ready packages aligned to phased delivery; and

7.1 Principal Funders

Quarry Road should be able to offer a scheme and a suite of development packages with strong eligibility for external funding. Key funding sources are anticipated to be:

Phase One:

SG RCFG	£0.965M
SG VDLF	£0.4M
Irvine Bay	£0.6M
NAC	£1.0M

Phase Two:

NAC (Town Centre Regeneration)	£2.0M
SG VDLF	£0.5M
NAC (Community Development Fund)	£0.25M
Sportscotland (subject to application)	£0.5M
Prudential Borrowing against surplus	£tbc

Sportscotland

The Sports Facility Fund covers the provision or upgrading of all facilities for the general community. This funding stream is for capital expenditure only. Priority is given to projects that operate sports programmes by the local authority, national governing body for sport and their associates/partners. Applicants need to demonstrate that the proposal will provide equitable opportunities for increased sports participation by the community at local level. Eligible projects include: new playing or training facilities including extensions / upgrading / meeting rooms with a sport related use / floodlighting and the purchase of major items of non-personal equipment with an effective working life of not less than 7 years. Sportscotland funding is critical for the Leisure / 3G / Sports halls. KA Leisure are in discussion with Sportscotland. Applicants need to demonstrate the operational viability of the and a strong level of support from NAC / SFA / Governing Bodies / CPP Partners / Leisure Sector / Community / etc.

Bibliography

Documents referenced in this study:

Desk Top Study Overview at Quarry Road, Irvine for Cunninghame Housing Association
Scott Bennett Associates

Feasibility Study - Cinema Development, Irvine January 2014
GVA James Barr

**Irvine - Quarry Road Sports and Business Village Economic Analysis and Business Plan
Development Consultancy Support, Stage 2 Report, March 2014**
Optimal Economics / North Ayrshire Council

Roads Development Guide
North Ayrshire Council

**Planning Application: 15/00225/PP | Erection of Indian Temple with associated parking | Site To
North Of George Court Irvine Ayrshire**

Irvine Gymnastics Club
**Drawings and general layout plans for expansion prepared for pre planning application /
planning submission**

Indicative Layouts, MAST Architects and supporting Outline Business Case

