



North Ayrshire Council  
Comhairle Siorrachd Àir a Tuath

## **SUPPLEMENTARY AGENDA**

for the consideration of  
the Cabinet at its meeting on 23  
June 2015

### **Business**

- 8. Approval of an application to the Scottish Government Regeneration Capital Grant Fund for the development of land at Quarry Road in Irvine**  
Submit report by the Executive Director (Economy & Communities) on the proposals for the development of land at Quarry Road in support of the Irvine Vision and to provide information on North Ayrshire applications for Scottish Government Regeneration Capital Grant Fund (copy enclosed)



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## **NORTH AYRSHIRE COUNCIL**

### **Agenda Item 8**

**23 June 2015**

#### **Cabinet**

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**Subject:** **Approval of an application to the Scottish Government Regeneration Capital Grant Fund for the development of land at Quarry Road in Irvine.**

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**Purpose:** To present proposals for the development of land at Quarry Road in support of the Irvine Vision and to provide information on North Ayrshire applications for Scottish Government Regeneration Capital Grant Fund.

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**Recommendation:** That Cabinet approves the principle of the development of land at Quarry Road, Irvine for an employment, sports and leisure development subject to a successful funding application to the Scottish Government Regeneration Capital Grant Fund.

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#### **1. Introduction**

- 1.1 Cabinet of 9th June 2015 approved an overarching Vision for Irvine following extensive consultation with the public and engagement with the Working for Irvine Together (WFIT) group. The report referred to a key priority emerging within the preparation of a town centre framework for the development of land at Quarry Road, Irvine.
- 1.2 The Scottish Government Regeneration Capital Grant Fund (RCGF) forms part of the financial support package provided by the Scottish Government through the Regeneration Strategy. The fund is aimed at providing new and/or improved capital infrastructure to improve the economic, social and physical environment of communities. £25m is available for expenditure in the financial year 2016/17.
- 1.3 This paper outlines proposals to further develop the concept emerging for land at Quarry Road, Irvine and to submit an application for funding support to the RCGF. Irvine Bay Regeneration Company also plan to submit an application to the same fund in support of development at the Irvine Enterprise Area.

## **2. Current Position**

### Physical Regeneration Activity

2.1 The focus placed upon Irvine through the Irvine Vision reflects its role as the largest town in North Ayrshire in terms of population, retail, employment, etc, and this was established in a report to Cabinet on Town Centre Regeneration on 11th June 2013. While the activity undertaken is determined by available financial and staff resource, other areas continue to see physical regeneration activity including as follows:

- Saltcoats - Town Hall redevelopment, proposals for improvement of public realm at Countess Street;
- Ardrossan - Medical Centre, Quayside offices development, residential proposals for Ardrossan North Shore site and neighbouring harbour area;
- Millport - Millport Field Centre, funding secured for Conservation Area Regeneration Scheme, Millport Pier, Millport Economic Plan;
- Arran - Brodick Harbour redevelopment, Arran Economic Plan;
- Kilbirnie - Conservation Area Regeneration Scheme ongoing;
- Largs - proposals for improvement of the promenade;
- Other - shopfront improvement scheme and small scale public realm or environmental improvements have been undertaken in a number of areas.

2.2 This does not include major areas of capital investment through for example the Largs and the Garnock Valley campuses. In addition to the above projects which represent commitments of the Council, the Neighbourhood Planning process will allow physical regeneration priorities to be identified with community planning partners.

### Description of Project

2.3 Proposals for a Business and Sports Village at Quarry Road have arisen through consultation on the Irvine Vision. Key points to emerge from this process that have led to the formulation of development proposals at Quarry Road include:

- The need identified to provide additional 'destinations' within the town centre and additional non retail activity throughout the day;
- The identification of Quarry Road as a key development opportunity given its underutilised and unattractive nature adjacent to the town centre;
- The desire to see as broad a range of leisure and business uses in the town centre as possible;

- A requirement for modern office space for KA Leisure; and
  - A requirement for office space provision to support new and growing businesses;
- 2.4 Through the development of the Irvine Vision, Quarry Road emerged as a key site for development within the town centre. This was reinforced at a two day design workshop in April 2015. The workshops were attended by 376 local people. During the event, 3064 votes were cast and from this process the development of Quarry Road emerged as the number one priority for the town centre.
- 2.5 The development proposals for the site are made up of two main elements - business and sports.
- i) The business element would see around 55 employees being accommodated by KA Leisure staff, the relocation of the Business Gateway service and the provision of business facilities including office space, training and meeting rooms to support Irvine's development as an entrepreneurial hotspot. The proposals would provide the opportunity to grow employment with accommodation for local 'start up' businesses including support and advice from Team North Ayrshire.
- ii) The sports element would provide an indoor full size 3G football arena to meet unrealised demand in Ayrshire alongside the under provision of playable pitches in Irvine. The indoor football facility in Toryglen in Glasgow (one of only three in Scotland), catered for around 200,000 visitors and 15 senior football clubs in its first year of operation. While it also caters for other sports, the facility in Ravenscraig attracted over 500,000 visitors in its first year. The sports facilities would complement those provided in the new Irvine Leisure Centre. It would also provide for the expansion aspirations of the Irvine Gymnastics Club, changing facilities for the Recreation Park playing fields and flexible space for local community groups.
- 2.6 An outline masterplan is attached at Appendix 1. The above elements would make up a first phase, with the aspiration to secure further phases including a cinema and residential use in the longer term as part of a comprehensive masterplan for the area.

2.7 The project would be a key next stage in the regeneration of Irvine, building on the current momentum. The project would provide the following positive outcomes:

- 85 jobs gross;
- 35 net or additional jobs accounting for existing jobs being relocated;
- A Business Gateway facility co-located with the main office facility and which would consolidate jobs in the town centre to reinforce regeneration impact;
- 59 jobs during the construction period;
- Over 60,000 visits per annum;
- Additional Gross Value Added of £1.2 million per annum;
- Net additional spend in the town centre in the region of £282,000 per annum; and
- Sports and community benefits including provision for Vineburgh Boxing Club, Irvine and Dreghorn Brass Band and the potential to deliver educational and health projects.

2.8 The project would be a first phase and represent a positive commitment to regeneration and investment in the area. It is envisaged that the first phase proposals would encourage and release further investment by the private sector.

#### Regeneration Capital Grant Fund

2.9 The Scottish Government published its Regeneration Strategy Achieving a Sustainable Future on 12<sup>th</sup> December 2011. The RCGF is one element of the financial support package offered by the Scottish Government alongside a range of other interventions such as the People and Communities Fund and the Vacant and Derelict Land Fund. North Ayrshire has previously benefitted from the RCGF with successful bids for Millport Field Centre, Saltcoats Town Hall and Ardrossan Quayside Offices. The current round of the fund was launched on 2nd June 2015, and applications for stage 1 require to be submitted by 10th July 2015. Funding will be focused on:-

- Areas that suffer from high levels of deprivation and disadvantage;
- The delivery of large scale transformational change with strong regeneration outcomes;
- Encouragement for additional investment and projects which address market failure; and,
- Projects which can demonstrate clear community involvement.

2.10 The fund does not support public realm improvements, housing projects or major infrastructure projects related to transport. It is considered that the Quarry Road proposals represent a strong fit with the RCGF criteria outlined above and that a bid should be submitted.

- 2.11 It should also be noted that Irvine Bay Regeneration Company (IBRC) propose to submit a RCGF bid in support of the gateway project at the Irvine Enterprise Area. This will see the development of office pavilions on derelict land owned by IBRC to the east of Riverside Avenue and at the entrance to the Strategic Industrial Site currently the subject of investment in infrastructure works. Overall the development will create 2,600 sq m of high quality business space which will have the benefit of Accelerated Capital Allowances.

### **3. Proposals**

- 3.1 It is proposed that the Cabinet approves the principle of the development of land at Quarry Road, Irvine for an employment, sports and Leisure development subject to a successful funding application to the Scottish Government Regeneration Capital Grant Fund.

### **4. Implications**

#### Financial Implications

- 4.1 The projected capital cost of the phase one proposals (offices, business hub, sports facility and site preparation) is £5.02m. It is proposed that a funding bid is submitted to the RCGF of £1m. In addition, officers have discussed the potential for a contribution to be provided by SportScotland of £0.5m.
- 4.2 It is proposed that the remaining £3.52m would be funded, initially, from the existing town centre capital budget. As the project develops, other funding sources will be pro-actively explored in order to minimise the call on Council Capital, including the opportunity for prudential borrowing funded by additional revenue income from the investment. In terms of additional external funding sources, the Council has established a good track record of leveraging a wide range of external investment to fund regeneration projects. However, in order to optimise our chances to secure £1m of RCGF, it is considered that we should indicate in the stage one submission that the Council will provide the balance of £3.52m.
- 4.3 It should be further noted that there is a planned refresh of the 10 year Capital Plan during 2015. As part of this process, there will be an opportunity to prioritise capital projects including future town centre investments which may emerge through the Neighbourhood Planning Approach.
- 4.4 It should also be noted that the RCGF is a two stage process. This paper recommends a funding bid to stage one. If the project is successful and is recommended to progress to stage two, the Cabinet will have an opportunity to review progress and its financing at that stage before final commitments are made.

- 4.5 The RCGF funding would require to be spent within the financial year 2016/17, which would be likely to require a site start by late 2016. Further design works, planning, and procurement of the proposals would be progressed subject to approval of stage 1 of the Scottish Government RCGF in August 2015.

#### Human Resource Implications

- 4.6 There are no human resource issues arising from this report.

#### Legal Implications

- 4.7 In the event that stage 1 approval of the Scottish Government RCGF is secured in August 2015, consideration would be given to: the relocation of tenants on short term lease agreements in place on the land; and the potential for agreement with third party landowners on the assembly of additional land (through purchase or exchange) to facilitate an improved development solution. Land currently held within the common good fund will also require to be developed.

#### Equality Implications

- 4.8 There are no equality implications arising from this report.

#### Environmental and Sustainability Implications

- 4.9 The proposals would involve the development and improvement of a significant area of vacant or derelict land within Irvine town centre. Proposals for new buildings would be developed in line with best practice sustainability principles.

#### Implications for Key Priorities

- 4.10 The development of Quarry Road would reflect the aspirations contained within the Irvine Vision and support additional priorities contained within the Economic Development and Regeneration Strategy and the Economy and Communities Directorate Plan. In particular, it will contribute to the delivery of the Council Plan's mission to improve the lives of North Ayrshire people and develop stronger communities by growing our economy, increasing employment and regenerating towns.

#### Community Benefit Implications

- 4.11 There is an obligation to provide Community Benefits on all contracts in excess of £100,000. Clauses will be inserted into any contracts to request the contractor to utilise young and/or longer term unemployed.



## **5. Consultations**

- 5.1 Public consultation on the Irvine Vision has been ongoing since March 2014. This included a two day design workshop, held in the town centre during April 2015. At this, Quarry Road emerged as a town centre location with significant opportunity. Members of the public, local businesses, Working For Irvine Together and local school children have all been consulted with and expressed support for the development of Quarry Road.
- 5.2 Consultation has also been undertaken with Council Services and key stakeholders including, KA Leisure and Irvine Gymnastics Club.

## **6. Conclusion**

- 6.1 Proposals for a Business and Sports Village at Quarry Road, Irvine would make a significant contribution to town centre regeneration by providing a significant source of activity throughout the day, and facilities for accommodating local small businesses. The proposals contained within the report would represent phase one of an ambitious masterplan for the Quarry Road/recreation Park area.
- 6.2 The availability of funding support from the Scottish Government to encourage regeneration from capital investment provides an opportunity to help deliver regeneration projects. The presence of areas of disadvantage and identification of projects that fit with the funding criteria set out by the Scottish Government for project intervention make a strong case for Scottish Government investment in North Ayrshire.



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Reference :

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## **Background Papers**

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Masterplan  
Development Option 3

