
NORTH AYRSHIRE COUNCIL

30 June 2022

Audit and Scrutiny Committee

Title: Call In: **Regeneration Delivery Plan Funding Proposals 2022/23**

Purpose: To allow the Committee to consider a Call In Request in respect of the decision taken by Cabinet at its meeting on 7 June 2022 to:-

(a) to approve the Regeneration Delivery Plan funding proposals for 2022/23 provided at Appendix 1 to the report;

(b) that delegated authority be granted to the Executive Director (Place) to agree changes to the funding allocations in consultation with the Portfolio Lead, as required; and

(c) to note the update on the previously agreed Levelling Up Fund (LUF) bid for the 'Gateway to the West Coast and Clyde Islands strategic regeneration package' and that this LUF bid would now be solely based on the development of Lochshore.

Recommendation: That the Committee considers the terms of the Call In and agrees, or otherwise, to make a recommendation to the Cabinet.

1. Executive Summary

- 1.1 In terms of the Scheme of Administration (Section 24), the Audit and Scrutiny Committee has a remit to consider Call in Requests and invite at least one of the Members who has requested the reference to Call In to attend the Committee to explain the request.
- 1.2 This report sets out the background to the Call In Request in respect of the decision taken by Cabinet at its meeting on 7 June 2022 in relation to the report on Regeneration Delivery Plan Funding Proposals 2022/23.

2. Background

- 2.1 The Cabinet, at its meeting on 7 June 2019, considered a report on Regeneration Delivery Plan Funding Proposals 2022/23.

- 2.2 A request was received in terms of the Call In procedure set out in the Council's Scheme of Administration and Standing Orders, that the Audit and Scrutiny Committee examine the decision taken by the Cabinet.
- 2.3 The Call In Request, which was signed by Councillors Foster, McDonald and Cullinane is in the following terms:-

Reason for Call In

To tackle privately owned vacant and derelict sites in North Ayrshire with a fund to bring the sites into council or community ownership.

Desired Outcome

Remove the following from the Placed based projects:

Saltcoats Place Framework £70,000
Largs Place Framework £70,000
Kilwinning Place Framework £70,000
Future Years Project Development £40,000

Reduce the following in the VDLF:

Development work to £160,000

Replace with:

£410,000 (£250,000 Placed Based and £160,000 VDLF) to create a new High Street Buyout Fund to deliver a Community Wealth Building approach to town centre regeneration, aimed at bringing privately owned derelict sites into Council or community ownership to be repurposed for the benefit of the community. This fund would act as a delivery arm of the Place Frameworks and build on the projects supported through the Repurposing Property Grant with further funding in future years.

- 2.4 A copy of the original report presented to Cabinet on 7 June 2022 is attached as an appendix to the report. An updated briefing note has been provided by the Executive Director (Place) and is attached at Appendix 2.
- 2.5 The Call In Request is valid for consideration by the Committee. The request was received within the appropriate timescale, it was signed by three Elected Members and details were provided on both the reason for the Call In and the desired outcome.
- 2.6 The Elected Members who have submitted the Call In will be invited to address the Audit and Scrutiny Committee to explain the Call In Request. The appropriate Cabinet Member, accompanied by senior officers, will then be invited to clarify the reasons for the decision. The Committee will have an opportunity to ask questions of both parties and of those officers in attendance.
- 2.7 The Committee will then debate the Call In Request and decide whether or not it agrees with the decision of the Cabinet.

2.8 Where the Committee does not agree with the decision of the Cabinet, the matter will be referred to the next meeting of the Cabinet with recommendations from the Audit and Scrutiny Committee for alternative action. The Audit and Scrutiny Committee therefore has to:-

- i) decide if it agrees or not with the decision of the Cabinet; and
- ii) consider what alternative action the Committee would recommend to the Cabinet if it does not agree with the decision.

2.9 When the matter is considered by the Cabinet, the Chairperson or another member of the Audit and Scrutiny Committee will have the right to attend the Cabinet and speak in support of any recommendation.

2.10 In the event the Cabinet declines to accept the recommendation from the Audit and Scrutiny Committee, the matter will be referred to the next ordinary meeting of the Council for determination. The decision of the Council will be final.

3. Proposals

3.1 It is proposed that the Committee considers the Call In Request.

4. Implications/Socio-economic Duty

Financial

4.1 The financial implications are outlined in the report attached at Appendix 1.

Human Resources

4.2 The human resource implications are outlined in the report attached at Appendix 1.

Legal

4.3 The legal implications are outlined in the report attached at Appendix 1.

Equality/Socio-economic

4.4 The equality/social-economic implications are outlined in the report attached at Appendix 1.

Climate Change and Carbon

4.5 The climate change and carbon implications are outlined in the report attached at Appendix 1.

Key Priorities

4.6 The key priorities are outlined in the report attached at Appendix 1.

Community Wealth Building

4.7 The community wealth building implications are outlined in the report attached at Appendix 1.

5. Consultation

5.1 No formal consultation has been undertaken at this stage.

Craig Hatton
Chief Executive

For further information please contact **Angela Little, Committee Services Officer**, on 01294 324132

Background Papers

N/A

NORTH AYRSHIRE COUNCIL**7 June 2022****Cabinet**

Title: **Regeneration Delivery Plan Funding Proposals 2022/23**

Purpose: To seek approval for the 2022/23 Regeneration Delivery Plan funding proposals

Recommendation: That Cabinet:

- (a) Approves the Regeneration Delivery Plan funding proposals for 2022/23 provided at Appendix One; and
 - (b) Provides delegated authority to the Executive Director (Place) to agree changes to the funding allocations in consultation with the Portfolio Lead as required.
 - (c) Notes the update on the previously agreed LUF bid for the 'Gateway to the West Coast and Clyde Islands strategic regeneration package' and agrees that this LUF bid will now be solely based on the development of Lochshore
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1. Executive Summary

- 1.1 The Regeneration Delivery Plan was adopted by Cabinet in March 2021. This sets out our priorities for delivering on the regeneration ambitions of the Council Plan and Community Wealth Building strategy, working in partnership with communities.
- 1.2 The Plan focuses on the delivery of physical regeneration across North Ayrshire through an ambitious project based rolling action programme. It informs our priorities for securing and delivering against external funding sources including Scottish and UK Government funds. This report provides an update on the funding secured to date and seeks approval for the 2022/23 funding proposals.

2. Background

- 2.1 The Council has placed the regeneration of communities at the heart of its agenda. This focus is reflected within the priorities of the Council Plan and Community Wealth Building Strategy. The Regeneration Delivery Plan sets out our priorities for delivering on these ambitions and was approved by Cabinet on 23 March 2021.
- 2.2 The Plan focuses on the delivery of physical regeneration in the period 2021 to 2026. Informed by stakeholder consultation, reviewing existing community priorities and the outcomes of previous consultations, it aims to address local priorities, support changes within communities and to contribute to a vibrant and inclusive economy.

- 2.3 The Plan is delivered through an ambitious rolling action focused programme. This approach seeks to ensure that the list of projects never exceeds a realistic assessment of capacity, with projects being prioritised annually. The action programme is reviewed annually and will be the subject of ongoing annual reporting to Cabinet. This will align priorities with resource informed by an assessment of progress to date, local priorities, project deliverability and funding.
- 2.4 The Regeneration Delivery Plan informs our priorities for securing and delivering against a range of external funding sources. Action in 2021/22 substantially focussed on maximising the impact and leverage of investment including securing sources of external funding to support and accelerate delivery. Significant levels of funding have been secured to date to support delivery in 2022/23. The details of the funds and the proposed approach to their expenditure are provided at Appendix One. These include the:
- Scottish Government's Place Based Investment Programme: £1.093m
 - Scottish Government's Vacant and Derelict Land Fund: £1.32m
 - Scottish Government's Vacant and Derelict Land Investment Programme: £0.4m
 - Scottish Government's Cycling Walking and Safer Routes: £0.86m
 - Strathclyde Partnership for Transport Capital Programme: £1.385m
- 2.5 Funding applications are proposed to a range of competitive funding sources to support the delivery of the Plan. The details of the funds and the proposed submissions are provided at Appendix One. These include the:
- Scottish Government's Regeneration Capital Grant Fund
 - Scottish Government's Islands Programme
 - Scottish Government's Vacant and Derelict Land Investment Programme
 - Historic Environment Scotland's Heritage and Place Programme
 - Heritage Fund's Grants for Heritage
- 2.6 The submission of two applications to the second round of the UK Government's Levelling Up Fund was agreed by Cabinet on 2 November 2021. These require to be submitted in July 2022. This agreement was for a partnership bid with South Ayrshire Council centred on Commercial Estate Development and associated Low Carbon Infrastructure and the resubmission of the Gateway to the West Coast and Clyde Islands strategic regeneration package bid. It is now proposed that the Gateway package bid be changed to the submission of a single application for the Lochshore Masterplan. The rationale for this approach is outlined at Appendix One.
- 2.7 Further consultation and engagement will be undertaken with local communities, stakeholders and Elected Members through the detailed development of any successful projects.

3. Proposals

3.1 That Cabinet:

- (a) Approves the Regeneration Delivery Plan funding proposals for 2022/23 provided at Appendix One; and

- (b) Provides delegated authority to the Executive Director (Place) to agree changes to the funding allocations in consultation with the Portfolio Lead as required.
- (c) Notes the update on the previously agreed LUF bid for the 'Gateway to the West Coast and Clyde Islands strategic regeneration package' and agrees that this LUF bid will now be solely based on the development of Lochshore.

4. Implications/Socio-economic Duty

Financial

- 4.1 The Regeneration Delivery Plan aims to build on and maximise the impact of the investment being made through a variety of sources including the Ayrshire Growth Deal, Council's Capital Programme and the Strategic Housing Investment Programme (SHIP). It also seeks to lever private funding and investment into North Ayrshire.

It informs our priorities for securing and delivering against external funding sources. This includes the range of funds outlined at Appendix One. The Regeneration team has extensive experience of and success in securing external funding for project development and delivery. The implementation of projects aligned to competitive funding sources will be dependent on the success of the funding application.

Human Resources

- 4.2 The Regeneration Delivery Plan projects will be delivered through the existing Regeneration Team resource. Opportunities to secure funding for additional staff resource to support delivery will be investigated on a project by project basis as required.

Legal

- 4.3 The legal implications of all Regeneration Delivery Plan projects will be considered through their development. Legal agreements will be developed on a project by project basis as required with support from Legal Services. Negotiation will be required in relation to land and building acquisitions with support from the Council's Legal Services and Property Management and Investment Service. Mechanisms such as Compulsory Purchase Orders will be considered on a case by case basis, where considered appropriate.

Equality/Socio-economic

- 4.4 The Regeneration Delivery Plan assists in meeting our socio-economic duty as set out in the Fairer Scotland Duty. It seeks to reverse economic, social and physical decline and reduce socio-economic disadvantage. It will tackle long-term vacant and derelict land and buildings thereby reducing their levels and impact on communities. It aims to build community wealth and tackle local deprivation through the regeneration of our communities by maximising the potential of our land and assets and those of anchor institutions.

The Plan also contributes to the delivery of the Isle of Cumbrae and Isle of Arran Local Island Plans, their key themes and priorities. The funding proposals will directly contribute to several of the actions identified within the annual action plans. The

proposals for the Scottish Government's Islands Programme have been informed by the Islands Plans and identified from the Action Programmes.

An initial screening will be undertaken to establish if an Equality and Children's Rights Impact Assessment is required for projects on a case by case basis.

Climate Change and Carbon

- 4.5 The Regeneration Delivery Plan aligns with the Environmental Sustainability and Climate Change Strategy workstreams of: Green Economy; Transport and Travel; Natural Environment; Sustainable Operations; and Carbon Absorption. Furthermore, it aligns with the commitment to reduce carbon emissions through declaration of a Climate Emergency and will contribute to the ambition to achieve net zero by 2030. The climate change and carbon impacts of individual process will be assessed on a case by case basis to minimise the potential impacts in line with best practice.

Key Priorities

- 4.6 The Regeneration Delivery Plan has been informed by the priorities identified within the Local Outcomes Improvements Plan and Locality Partnership priorities. The implementation of the Plan will contribute to achieving the Council Plan priority outcomes and will contribute to the ambitions for: an inclusive, growing and enterprising economy; North Ayrshire to be well-connected with effective infrastructure; and for a sustainable, vibrant, welcoming and attractive environment.

Community Wealth Building

- 4.7 The Regeneration Delivery Plan sets out our priorities for delivering on the ambitions on the Community Wealth Building Strategy Land and Assets pillar. Its delivery will have a significant positive impact on the Council's ambitions across the pillars of:
- Land and Assets: by supporting equitable land development and the development of underutilised assets for community use.
 - Procurement: by contributing to the development of the procurement wave plan; through the inclusion of appropriate community benefit of local supplier clauses within projects; and by considering phasing and programming of projects to create local supply chain opportunities and support delivery by smaller scale and local contractors where appropriate.
 - Fair Employment: by supporting the creation of employment opportunities particularly within the construction sector. Where North Ayrshire is the contractor for services, through our enhanced Community Benefits approach we will seek to ensure the creation of local training and work experience opportunities.
 - Financial Power: by investing in localities and leveraging external national investment into North Ayrshire.

5. Consultation

- 5.1 The Regeneration Delivery Plan was the subject of extensive consultation including workshops with Council Officers; workshops with Elected Members; reports to and feedback from North Ayrshire Ventures Trust and the Community Wealth Building

Expert Panel; and public engagement via Consul. It was also informed by the Locality Partnerships' priorities and previous public consultation exercises including Charettes.

- 5.2 The funding proposals outlined at Appendix One have been informed by this consultation. Further consultation and engagement will be undertaken with local communities, stakeholders and Elected Members through the detailed development of any successful projects.

Russell McCutcheon
Executive Director (Place)

For further information please contact **Louise Kirk, Senior Manager Regeneration**, on **01294 324766**.

Background Papers

Cabinet Report – Regeneration Delivery Plan, 23 March 2021

Cabinet Report – Levelling Up Fund, 15 June 2021

Cabinet Report – Levelling Up Fund – Round 2, 2 November 2021

Cabinet Report – Regeneration Delivery Plan Update, 22 February 2022

Appendix One: Regeneration Funding Proposals

The following provides a summary of each of the funds and the proposed approach for 2022/23. The proposals have been identified from the Regeneration Delivery Plan and an assessment of the:

- Projects' stage of development;
- Fit with the fund objectives and priorities;
- Potential benefits;
- Budget available;
- Ability to secure match funding; and
- Deliverability of the project(s) within funders' timescales.

This approach aims to implement a range of projects that deliver impactful improvements in line with the Regeneration Delivery Plan and the various funding streams' ambitions.

Where there is an underspend within one of the allocations in 2022/23, it is proposed that the Executive Director (Place) will reallocate any underspend across the other identified actions following engagement with the Portfolio Lead.

Place Based Investment Programme

The Scottish Government established the five year £325m Place Based Investment Programme (PBIP) in 2021/22. Underpinned by the Place Principle, this aims to support community-led regeneration, town centres and the 20-minute neighbourhood ambitions. The main objectives of the Programme are to:

- Link and align place based initiatives and establish a coherent local framework to implement the Place Principle;
- Support place policy ambitions such as town centre revitalisation, community led regeneration, 20 minute neighbourhoods and Community Wealth Building;
- Ensure that all place based investments are shaped by the needs and aspirations of local communities; and
- Accelerate the ambitions for tackling inequality and disadvantage, wellbeing and inclusive economic development, net zero, community involvement and ownership

Local Government is a key partner in delivering the Programme and will receive a share of the funding over the five years to support and advance local priorities. A £1.093m allocation has been received for the current financial year. This requires to be fully expended or at a minimum financially committed by 31 March 2023. Any unused grant will require to be repaid to the Scottish Government unless otherwise agreed by Scottish Ministers.

The table below outlines the proposal for the expenditure of the allocation. This includes a further allocation to the Town Centre Living Pilot Project for 2022/23. This is required as the 2021/22 allocation could not be fully financially committed by 31 March 2022. £680,000 of the original £830,000 allocation was reallocated to the Communities Project Fund, Kilbride Shopfront Scheme and Future Years Project Development.

The proposals aim to support the delivery of the Place Frameworks currently being prepared through the previous allocations and the UK Government's Community Renewal Fund. Furthermore, they aim to continue the development of Place Frameworks across North Ayrshire.

Project	Allocation
Town Centre Living Pilot Project This will further investigate the potential, develop detailed proposals and designs and support the implementation where appropriate for town centre living pilot projects at 36 Bank Street, Irvine and Howgate, Kilwinning.	£680,000
Saltcoats Place Framework This will support the delivery of the Place Framework including physical improvements and CWB opportunities.	£70,000
Largs Place Framework This will support the delivery of the Place Framework including physical improvements and CWB opportunities.	£70,000
Kilwinning Place Framework This will support the delivery of the Place Framework including physical improvements and CWB opportunities.	£70,000
Garnock Valley Place Frameworks This will support the roll out of Place Framework development to Dalry, Kilbirnie and Beith	£80,000
Future Years Project Development This will enable the preparation of proposals for implementation in future years and support funding applications.	£40,000
Lochshore Park Hub Play This will support the development of play facilities at the Garnock Visitor and Community Hub and the bid to Round 2 of the Levelling Up Fund.	£50,000
PBIP Regeneration Officer This will meet the costs associated with the dedicated Regeneration Officer to support the delivery of the Programme.	£33,000
Total	£1,093,000

Vacant and Derelict Land Fund

The Scottish Government's Vacant and Derelict Land Fund (VDLF) aims to tackle the presence of long-term vacant, for 15 years or longer, and derelict land in Scotland. In doing so, it aims to stimulate economic growth, job creation, an improved environment and quality of life. From its inception in 2007, access to the Fund was restricted to 5 local authorities to focus the available financial resource and prioritise authorities most impacted by both the extent of vacant and derelict land and levels of deprivation.

A review in 2015, resulted in North Ayrshire Council benefitting from access to the Fund from the financial year 2016/17. The other four authorities which currently benefit are South Lanarkshire, North Lanarkshire, Fife and Glasgow City Councils. Funding is limited to sites that have been vacant for at least 15 years and are between 0.1ha and 99ha in size, with a preference of Council ownership or a landowner agreement in place. It cannot be used on housing or infrastructure projects such as transport or flooding.

A Local Delivery Plan requires to be submitted to the Scottish Government to allow Ministerial approval of the expenditure of the funding in 2022/23. In developing the proposals for this, several factors have been considered, including the:

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

The following projects are proposed for inclusion in the local delivery plan. This has been submitted to the Scottish Government, subject to Cabinet approval:

Project	Allocation
Ardrossan North Shore This will support site remediation and infrastructure works and include additional surveys and design work as required.	£350,000
i3 Investment Area This will contribute to the development and delivery of the i3 Flexible Business Space in the strategic investment campus.	£280,000
Lochshore This will support the delivery of the Lochshore Masterplan including surveys, consultancy support, site remediation works and environmental improvements. This will support the submission to Round 2 of the Levelling Up Fund.	£250,000
Harbour Master's Office This will support the restoration of the building including feasibility, design work and further surveys.	£50,000
Kyle Road Phase 2 This will support the feasibility and design of a new commercial space following the success of Phase 1. This will support the Commercial Estate submission to Round 2 of the Levelling Up Fund.	£70,000
Development Work This will support a range of surveys and investigations to inform proposals for implementation in future years. This will include feasibility and investigation work to support landowners and community groups to bring back vacant land and properties to positive use.	£320,000

Cycling, Walking and Safer Routes

The Scottish Government's Cycling Walking and Safer Routes programme provides direct allocations to Local Authorities. This can only be used for cycling, walking, safer routes and active travel related projects.

It is proposed that the £0.86m award received for 2022/23 be allocated as follows. This approach aims to support a range of eligible projects across North Ayrshire and secure additional funding to maximise and accelerate delivery.

Project	Allocation
Commercial Estate Low Carbon Infrastructure This will provide a match funding contribution towards the low carbon infrastructure element of the Commercial Estate application to Round 2 of the Levelling Up Fund.	£150,000
Lochshore Path Network This will provide a match funding contribution towards the path network creation within the Gateway to the West Coast and Clyde Islands application to Round 2 of the Levelling Up Fund	£150,000
Ardrossan Low Carbon Hub This will provide an additional match funding contribution towards the path creation element of the ERDF Low Carbon Travel and Transport Challenge Fund project.	£150,000
Active Travel Route construction This will provide match funding to support funding applications to Sustrans Places for Everyone and other active travel funding programmes.	£150,000
Future Year Feasibility Studies and Design Development This will support the development of feasibility studies and designs for implementation in future years and to support funding applications.	£90,000
Route Monitoring This will support the network of pedestrian and cycle counters across North Ayrshire including the installation of new infrastructure.	£40,000
Strategy Development This will support the continued development of the Local Transport and Active Travel Strategy.	£30,000
Staff costs and resourcing This will support the existing externally funded posts within the Active Travel and Transport Team and provide match funding toward the Travel Smart project funded by Smarter Choices Smarter Places.	£100,000

Vacant and Derelict Land Investment Programme

The Scottish Government announced a 5 year £50M competitive Vacant and Derelict Land Investment Programme (VDLIP) in 2021/22. This aims to tackle persistent vacant and derelict land and support place based approaches to delivering regeneration and sustainable inclusive growth, as part of a 'just transition' to net-zero by 2045. The fund complements the Place Based Investment Programme and is open for all local authorities to apply.

Potential projects were identified for the 2022/23 round based on the funding criteria, level of project development and delivery timescales with Council Services. Two applications were submitted in November 2021 for the next phase of commercial development of Annickbank, Irvine and to support the delivery of town centre living at the King's Arms in Irvine. Both projects progressed to Stage 2 of the Programme in February 2022.

An award for £0.4m was received for the Annickbank project in May 2022. This will form part of the match funding package for the Commercial Estate submission to Round 2 of the Levelling Up Fund.

Strathclyde Partnership for Transport Capital Programme

Strathclyde Partnership for Transport's (SPT) Capital Plan sets out the funding programme for projects to be delivered by SPT and partners on an annual basis. Applications are invited from Local Authorities in the Autumn of the preceding year. Priorities for funding are informed by the National, Regional and Local Transport Strategies.

The following projects have been allocated funding through the overall £1.385m award from 2022/23 Capital Programme:

Project	Award
Ardrossan Harbour Interchange This will support the public consultation, detailed design and tender processes for the public transport interchange at the Harbour.	£50,000
B714 Active Travel Links This will enable the development of detailed designs for active travel links to the B714 from Dalry and Saltcoats.	£100,000
Brodict to Corrie Cycle Path This will deliver the next phase of the off-road National Cycle Network (NCN) Route 73 at Brodict Castle and Country Park.	£300,000
Bus Corridor Improvements This will deliver a programme of bus stop infrastructure improvements across North Ayrshire.	£200,000
Bus Routes Congestion Reduction Measures This will deliver the final phase of the bus routes congestion measures project between Kilwinning and Irvine.	£100,000
Cumbræ Ferry Bus Stop and Queuing Facilities This will deliver the first phase of recommendations of the feasibility study developed in 2021/22 including detailed designs and construction.	£385,000
Irvine Cycle Friendly Town This will deliver the next phase of the Irvine Cycle Friendly Town Study recommendations including new path construction and signage.	£250,000

UK Government's Levelling Up Fund

The Levelling Up Fund (LUF) is a £4.8 billion capital investment fund that will support town centre and high street regeneration, local transport projects, and cultural and heritage assets. North Ayrshire has been allocated as a 'priority one' category authority given our socio-economic and connectivity challenges.

This is a competitive bidding process against other local areas and the Council requires to put forward high-quality, detailed and compelling business cases which meet the LUF criteria. There are 4 assessment criteria for the fund: place (priority area categories), strategic fit, value for money and deliverability.

The Gateway to the West Coast and Clyde Islands bid is comprised of two impactful and strategic regeneration projects at Lochshore in Glengarnock and North Shore in Ardrossan. These projects will regenerate two former industrial sites which are long term vacant and derelict land and identified as priorities for investment within the Council Plan and Local Development Plan.

Whilst the individual strengths of the two applications are recognised, a detailed assessment of the two projects against the assessment criteria has established that the submission of the Lochshore Masterplan as a standalone project would present a more compelling and coherent business case. This would also achieve attractive value for money assessments and cost benefit ratios further strengthening its competitive position. It is now proposed that the Gateway package bid be changed to the submission of a single application for the Lochshore Masterplan on this basis. Alternative sources of funding will continue to be investigated for the North Shore project.

Scottish Government's Regeneration Capital Grant Fund

The Scottish Government's Regeneration Capital Grant Fund (RCGF) is delivered annually in partnership with COSLA and local government. It supports locally developed place-based regeneration projects that involve local communities, help to tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland.

The Fund is subject to a two-stage assessment process. Applicants are required submit a summary of their project on the form provided at Stage 1 by 17 June 2022. Successful projects at this stage will be invited by the panel to then complete a full Stage 2 application in October 2022. An independent investment panel will agree the recommendations to Scottish Ministers and COSLA on projects to be offered grant support.

The Fund is primarily aimed at providing new and/or improved infrastructure to improve the economic, social, and physical environment of communities. Projects are expected to detail how they are considering and contributing towards the target of net zero carbon emissions by 2045. Projects should also:

- Primarily focus on areas that suffer from high levels of deprivation and disadvantage;
- Demonstrate clear community involvement;
- Deliver large scale transformational change with strong regeneration outcomes; and
- Encourage additional investment and address market failure.

Officers from Connected Communities and Economic Development and Regeneration have supported with local groups and organisations to identify potential projects for submission to the Fund. This process has been informed by the funding criteria, key considerations and the level of community involvement based on the experience from previous successful applications. On this basis it is recommended that applications be submitted for the following two projects, listed in order of priority:

- i) Geilsland Courtyard Hall, Beith (Project Value £TBC) – £TBC grant sought towards the upgrade and renovation of Geilsland Courtyard Hall, owned by the Beith Community Development Trust (BCDT). The final phase of refurbishment would allow the facility to support a diverse range of services and activity and generate income for the BCDT. It would host festivals and events, commercial and residential lets, large capacity venue hire, amenity for business, active lifestyles and creativity, soft play and visitor accommodation.
- ii) Kilwinning Sports Club (Project Value £TBC) – £TBC grant sought towards the creation of an indoor sports facility and upgrade of infrastructure. This will create an inclusive and accessible facility to support a broad range of activities at the facility. This would generate income for the Club and be capable of hosting a range of sports, training and events.

Scottish Government's Islands Programme

The Islands Programme represents a £30million capital investment over five years to support the delivery of the National Islands Plan. It aims to support projects which encourage population growth and stem population decline and deliver on net zero ambitions in a way that no-one is left behind. This will support a green economic recovery from the ongoing impacts of the COVID-19 pandemic.

The Programme is being delivered on a competitive bid basis across all six local authorities with islands with a budget of £4m in 2022/23. It is open to applications from the six island Local Authorities including North Ayrshire Council. The Councils are required to act as the lead applicant. Project proposals are however expected to have been developed with the involvement and support of relevant communities, as well as third sector and private sector partners as appropriate.

For 2022/23 there will only be a one stage application process. The review of 2022/23 will inform the approach in future years. Project proposals should use clear Place based, Community Wealth Building principles to support inclusive island growth while working to achieve Scottish Government's net zero ambitions and to support recovery from the impacts of the pandemic.

- Meet the overall objectives of the Islands Programme.
- Link directly to at least one of the National Islands Plan Strategic Objectives.
- Ensure transformational impact against place-based priorities to accelerate local growth and resilience.
- Align with local critical infrastructure priorities and have the potential to collaborate with other place-based investment opportunities to maximise benefits.
- Demonstrate project readiness, collaborative and partnership models, project viability and long-term sustainability.
- Demonstrate clear Community Wealth Building principles and community involvement and engagement
- Support Scottish Government Net Zero Ambitions and a Just Transition.

Officers from Connected Communities and Economic Development and Regeneration have consulted with local groups and organisations to identify potential projects for submission to the Fund. This process has been informed by the funding criteria, key considerations and the level of community involvement. On this basis it is recommended that applications be submitted for the following two projects:

- i) Millport Town Hall Phase Two (Project Value £0.5m): £0.465m grant sought towards the next phase of the redevelopment of the Town Hall. This will include an office space, basement Heritage/Conservation Centre plus green room, permanent Men's shed, storage areas and small community garden.
- ii) Island Pit Stops (Project Value £0.6m): £0.54m grant sought towards the redevelopment of island toilet buildings owned by North Ayrshire Council into "Pit Stops." These will be refurbished into eco-designed buildings with landscaped outdoor spaces that offer communities and visitors access to sustainable and efficient amenities including: improved toilet facilities, local information and interpretation, cycle parking and maintenance stations.

Scottish Government's Vacant and Derelict Land Investment Programme

Applications are currently being invited to the 2023/24 round of the Vacant and Derelict Land Investment Programme. The following projects are proposed for submission:

- King's Arms Redevelopment (Total Project Value £1.754m): £0.6m grant sought towards the redevelopment of the former King's Arms. This will deliver six new Council town centre amenity homes for affordable rent comprising one and two bedrooms.
- Town Centre Living Pilot at 36 Bank Street, Irvine (Total Project Value £1.1m): £0.4m grant sought towards the redevelopment of the property as three townhouses. This would enable the project to be delivered to an enhanced energy standard.

Historic Environment Scotland's Heritage and Place Programme

The Heritage and Place Programme is an area-based funding programme and the successor to the Conservation Area Regeneration Scheme (CARS). It aims to contribute to the development of vibrant and sustainable places in Scotland, through community-led regeneration of the historic environment. It supports the development and delivery of heritage focused schemes within Conservation Areas, or alternatively distinctive heritage areas with Local Authority recognition.

The programme is open to expressions of interest by 31 July 2022 from Local Authorities, National Park Authorities and suitably experienced not-for-profit organisations. If an EOI is approved, the applicant will be invited to submit a Development Phase application by 15 December 2022. All Development Phase applications will be assessed as a batch through a competitive process. Successful applicants will have up to 12 months to undertake a Development Phase and submit their Delivery Phase application.

It is proposed that priorities for expressions of interest be identified through the Place Framework process for Largs, Saltcoats, Kilwinning and the Garnock Valley. The approach will be informed by engagement with the funder, Connected Communities and local heritage organisations.

National Lottery Heritage Fund's Grants for Heritage

The Grants for Heritage programme provides grants of between £0.25m and £5m for projects that connect people and communities to national, regional and local heritage. All projects must be inclusive and environmentally sustainable and deliver on the priority outcomes to:

- Create better places to live, work and visit;
- Boost the local economy;
- encourage skills development and job creation;
- Support wellbeing; and
- Improve the resilience of organisations working in heritage.

Expressions of interest are currently being invited for projects over £0.25m. It is proposed that priorities for expressions of interest be identified through the Place Framework process for Largs, Saltcoats, Kilwinning and the Garnock Valley. The approach will be informed by engagement with the funder, Connected Communities and local heritage organisations.

Regeneration Delivery Plan Funding Proposals Place Based Investment Programme and Vacant and Derelict Land Fund Proposals

Overview

The Regeneration Delivery Plan sets out the Council's priorities for delivering on the regeneration ambitions of the Council Plan and Community Wealth Building strategy, working in partnership with communities. The Plan focuses on the delivery of physical regeneration across North Ayrshire through an ambitious project based rolling action programme. It informs priorities for securing and delivering against external funding sources including Scottish and UK Government funds.

Cabinet considered the funding proposals under the Regeneration Delivery Plan for 2022/23 on 7 June 2022. The proposals included the expenditure of the £1.32m Vacant and Derelict Land Fund (VDLF) allocation and the £1.093m allocation under the Scottish Government's Place Based Investment Programme (PBIP). Underpinned by the Place Principle, the PBIP aims to support community-led regeneration, and support town centres and the 20-minute neighbourhood ambitions. The VDLF aims to tackle the presence of long-term vacant (for 15 years or longer) and derelict land in Scotland.

Proposal

The funding proposals under the £1.32m VDLF award included the allocation of £320,000 to Development Work. This aims to support a range of surveys and investigations to inform proposals for implementation in future years. This will include feasibility and investigation work to support landowners and community groups to bring back vacant land and properties to positive use.

The funding proposals under the £1.093m PBIP award included the allocation of £250,000 to the following projects:

- £70,000 to Saltcoats Place Framework
- £70,000 to Largs Place Framework
- £70,000 to Kilwinning Place Framework
- £40,000 to Future Years Project Development.

The Place Framework allocations would support the delivery of the community identified actions in each of the towns including physical improvements and CWB opportunities. The Future Years Project Development would enable the preparation of proposals for implementation in future years and support funding applications.

Further information

The Scottish Government's Vacant and Derelict Land Fund (VDLF) aims to tackle the presence of long-term vacant, for 15 years or longer, and derelict land in Scotland. In doing so, it aims so stimulate economic growth, job creation, an improved environment and quality of life. For the purposes of the 2022/23 allocation long term is defined as land out of use since at least 2006.

The annual Scottish Vacant and Derelict Land Survey (VDLS) is used to monitor the direct impact of the fund on reducing levels of vacant and derelict land. The survey only records changes to sites greater than 0.1 hectare (1000m²) in size that have previously been developed but are now considered unused or damaged. The allocation of the VDLF is restricted on this basis to sites over 0.1ha, registered as part of the annual VDLS, and vacant or derelict for over 15 years. Due to the size limitations, the majority of town centre or High Street properties would not provide eligible expenditure for this Fund on this basis.

The 2020 Programme for Government established a Place Based Investment Programme (PBIP). A budget of £325m was committed to the Programme over 5 years from 2021/22. The main objectives of the Programme are to:

- Link and align place based initiatives and establish a coherent local framework to implement the Place Principle;
- Support place policy ambitions such as town centre revitalisation, community led regeneration, 20 minute neighbourhoods and Community Wealth Building;
- Ensure that all place based investments are shaped by the needs and aspirations of local communities; and
- Accelerate the ambitions for tackling inequality and disadvantage, wellbeing and inclusive economic development, net zero, community involvement and ownership.

Place Frameworks are a key action of the Regeneration Delivery Plan and aim to ensure that our regeneration ambitions are delivered in partnership with communities. These build on previous community engagement including Charette processes and updated town centre audits to develop a Place Framework for each town. Feedback throughout the development of the Regeneration Delivery Plan and Place Frameworks has reiterated the need to progress from priority identification to delivery in the towns.

Funding was secured from the UK Government's Community Renewal Fund to pilot the approach in Saltcoats and Largs. A further allocation was made under the PBIP in 2021/22 to develop a Place Framework for Kilwinning. Each Place Framework will identify physical improvements and CWB opportunities to support recovery and development within the town centre. They are informed by extensive community and stakeholder consultation and engagement to ensure that they reflect local priorities and ambitions.

The Place Framework allocations from the 2022/23 PBIP aim to implement the recommendations of the Place Frameworks on the ground and progress to the delivery phase. This could therefore already involve the purchase properties where:

- The purchase is identified as a priority through the Place Framework process; and
- A deliverable solution is available for the repurposing of the property.

By allocating funding to the delivery of Place Frameworks we will ensure that expenditure is informed by community priorities. The funding allocations would also be used to secure external match funding where appropriate to maximise the reach of the funding. This is in accordance with the objectives of the PBIP.

The Future Years Project Development allocation aims to support the preparation of proposals and detailed designs for PBIP implementation in future years. It also aims to support the submission of external funding applications to the Regeneration Capital Grant Fund, Islands Programme and other funding sources. This aims to maximise the level of funding which can be secured and the impact of investment in regeneration across North Ayrshire.

The Repurposing Property Grant Fund (RPGF) was developed in 2021 to help support landowners and community groups to bring back vacant land and properties to use. The funding package is comprised of allocations from the 2021/22 PBIP, VDLF and North Ayrshire Ventures Trust (NAVT). Funding is allocated to projects from the overall funding package informed by the constituent funds' constraints. This provides funding to landowners and community groups to undertake feasibility studies to identify potential options for the sites and their viability.

The second round of the Repurposing Property Grant Fund is open until late July 2022. The Regeneration team are actively engaging with landowners and communities to support applications to the Fund. It is envisaged that further stages of the Fund will be developed to support project delivery following the feasibility stage. The approach to this will be informed by the outcome of Stage 1 and further funding applications in support of the Fund.

This approach aims to complement existing sources of funding such as the Scottish Land Fund and not replace these. This aims to maximise the impact of the fund. It is important to note that costs associated with repurposing town centre properties are not unsubstantial. A recent feasibility study for a 335m² town centre property in the Three Towns has identified cost estimates of circa £0.826m subject to substantial caveats. This illustrates the potential levels of resource required to repurpose properties of this nature.

A Communities Project Fund was also set up in 2021. This is a small grant scheme to support community led place-based project development and implementation across North Ayrshire. This will support the annual RDP action review and PBIP implementation proposals in future years. The original fund of £0.07m was further supplemented in 2021/22 by an additional allocation from the PBIP to £0.315m. This is supporting a range of projects across North Ayrshire.

The Council's £15.723m Investment Fund aims to deliver climate change, sustainable infrastructure investment and Community Wealth Building (CWB). This includes an allocation for CWB Commercial Estate, Infrastructure and Town Centre Investment of £1.155m and an allocation for CWB Communities and Town Centre investment of £1.2m. These allocations will support and deliver investment around town centres for example by providing match funding for external funding applications.

Conclusion

The Regeneration Delivery Plan funding proposals aim to align the funding to projects which deliver on the individual funds' priorities and objectives. Place Frameworks are key to identifying physical improvements and CWB opportunities to support recovery and development within town centres. Importantly, they are informed by extensive community and stakeholder consultation and engagement to ensure that they reflect local priorities and ambitions.

The Place Framework allocations would be used to implement the short and medium term priority actions identified within each town's Place Framework. This could therefore be utilised to purchase properties where:

- The purchase is identified as a priority through the Place Framework process; and
- A deliverable solution is available for the repurposing of the property.

Alongside the Investment Fund allocations, RPGF and Communities Project Fund, these proposals aim to bring vacant and derelict land into positive use in partnership with landowners and communities. The proposals are also reflective of the funding constraints and potential budgetary and funding implications outlined in this Report.

Louise Kirk
Senior Manager Regeneration
North Ayrshire Council

23 June 2022