
NORTH AYRSHIRE COUNCIL

27 August 2024

Cabinet

Title: Regeneration Delivery Plan Action Programme and Funding Proposals Update

Purpose: To seek approval for funding proposals for the Regeneration Delivery Plan.

Recommendation: That Cabinet:

- (a) Approves the Regeneration Delivery Plan funding proposals as detailed at Appendix One;
- (b) Notes the update on previously secured or applied for funds provided at Appendix Two; and
- (c) Provides delegated authority to the Executive Director (Place) to agree changes to the funding allocations in Appendices One and Two in consultation with the Portfolio Lead as required.

1. Executive Summary

- 1.1 The Regeneration Delivery Plan was approved 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 focusses 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 progress to date. The regeneration funding landscape in 2024/25 has changed considerably compared to previous years. The delivery of several of the proposals outlined in the report is therefore subject to the external funds being confirmed within appropriate timescales.

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

output of previous consultations, it aims to address local priorities, support changes within communities and deliver a well-being economy.

2.3 Action in 2023/24 substantially focussed on maximising the impact and leverage of investment including securing sources of external funding to support and accelerate delivery. This includes the:

- Delivery of a 2-storey business pavilion at Annickbank Innovation Campus creating 350 square metres of modern, energy-efficient floorspace with an EPC rating of A+ and Platinum sustainability label.
- Further delivery of Phase One of the Lochshore Park Masterplan including: planting 17,000 trees; creation of a 2,400 tree community woodland; completion of the 5km loop; and starting construction of the Play at the Hub facilities.
- Provision of 9 grant awards to community organisations under Round One of the Communities and Place Fund as part of the Shared Prosperity Fund (SPF) Investment Plan. This includes awards to the Scottish Maritime Museum to deliver a community engagement programme; Ayrshire Community Trust to deliver a support programme; and Beith Playpark Action Group for a zip wire in Orr's Park, Beith.
- Provision of grants to 18 sites through Stage 1 of the Repurposing Property Grant Fund (RPGF) with a total value of £269,352. Of these, 8 sites have completed their Stage 1 projects including: Geilsland House Beith; Coach House, Largs; and Millport Chapel, Beith.
- Upgrade of 27 bus stops throughout North Ayrshire and the creation of 2 new bus stops and an improved bus turning facility.
- Completion of the £0.964m Ardrossan Low Carbon Hub including Harbour Path, North Crescent Coastal Path Phase 1, Harbour EV Hub, South Beach EV Hub, Ardrossan South Beach Bike Hub and Ardeer Peninsula Bike Hub.
- Delivery of the £0.191m 'Beat the Street' project through Paths for All's Active Nation Fund in collaboration with Argyll and Bute Council to encourage active travel and physical activity.
- Delivery of a £1.343m programme of active travel design and works under the Scottish Government's Cycling, Walking and Safer Routes programme.

2.4 The Regeneration Delivery Plan is delivered through an ambitious rolling action programme. This approach seeks to ensure that the list of projects never exceeds a realistic assessment of capacity, with projects being prioritised annually. It informs our priorities for securing and delivering against a range of external funding sources.

2.5 The action programme approved at Cabinet in June 2023 for 2023/24 and 2024/2025 was prepared to align priorities with resource. This was informed by an assessment of progress to date, local priorities, project deliverability and funding. The implementation of action programme projects aligned to competitive funding sources will however be dependent on the success of the funding applications.

2.6 Significant levels of funding have been secured or are anticipated to support delivery in 2024/25. The details of these funds and the proposed approach to their expenditure are provided at Appendix One. These include the:

- Scottish Government's Place Based Investment Programme (provisional)
- Scottish Government's Vacant and Derelict Land Fund
- Crown Estates Scotland's Net Revenue Allocation

- Scottish Government's Active Travel Infrastructure Fund and Direct Resource Grant

Updates on previously secured or applied for funds are provided at Appendix Two including the:

- UK Government's 5G Innovation Regions Programme
- UK Government's Smart Infrastructure Pilot Programme
- UK Government's Shared Prosperity Fund
- Scottish Government's Regeneration Capital Grant Fund
- Scottish Government's Vacant and Derelict Land Investment Programme
- UK Government's Levelling Up Round 3
- UK Government's Long-Term Plan for Towns
- Strathclyde Partnership for Transport's Capital Programme
- Scottish Government's Community Bus Fund
- Transport Scotland's People and Places Programme

2.7 The current economic climate has resulted in several of the external funds that are available to support the Regeneration Delivery Plan having reduced budgets or being paused in the current financial year. Combined with increased project costs, this will potentially result in smaller numbers of projects successfully securing funding and being delivered.

2.8 Many of the above funding awards are single year and their formal confirmation has been delayed. This presents a significant risk to the associated project delivery. Officers have reviewed proposals informed by this and have undertaken preparatory works where possible to try and mitigate the impact of this. There will however remain a risk to delivery given the limited time between approvals being received and delivery deadlines.

2.9 Further consultation and engagement will be undertaken with local communities, stakeholders and Elected Members through the detailed development of any successful projects. A further report on progress of the RDP will be provided to a future Cabinet.

3. Proposals

3.1 That Cabinet:

- (a) Approves the Regeneration Delivery Plan funding proposals as detailed at Appendix One;
- (b) Notes the updates on previously secured or applied for funds provided at Appendix Two; and
- (c) Provides delegated authority to the Executive Director (Place) to agree changes to the funding allocations in Appendices One and Two in consultation with the Portfolio Lead as required.

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, the 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 priorities for securing and delivering against external funding sources. The implementation of action programme projects aligned to competitive funding sources will be dependent on the success of the funding applications. Whilst resource costs can be capitalised to support delivery, future ongoing revenue implications need be fully considered on a project by project basis.

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.

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 Sustainable North Ayrshire Strategy for 2024-2027. Furthermore, it aligns with the commitment to reduce carbon emissions through declaration of a Climate Emergency.

Key Priorities

4.6 The Regeneration Delivery Plan has been informed by the priorities identified within the Local Outcomes Improvement Plan and Locality Partnership priorities. The implementation of the Plan will contribute to achieving the Council Plan priorities that focus on Wellbeing, Communities and Local Democracy, Climate Change, and A Sustainable Council.

Community Wealth Building

4.7 The Regeneration Delivery Plan sets out our priorities for delivering on the ambitions within the 2024-2027 Community Wealth Building Strategy. 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 and business 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 procuring services, through our enhanced Community Benefits approach we will seek to ensure the creation of local training and work experience opportunities. Consideration will also be given to delivery through employability programmes where appropriate.
- 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 the identified projects.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Claire Fitzsimmons, 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

Cabinet Report – Regeneration Delivery Plan Funding Proposals, 07 June 2022

Cabinet Report – Regeneration Delivery Plan Action Programme and Funding Proposals, 30 May 2023

Cabinet Report – Local Transport and Active Travel Strategy 2023-2028, 3 October 2023

Cabinet Report – Vacant and Derelict Land Strategy 2023-2028, 3 October 2023

Cabinet Report – Long-Term Plan for Towns, 5 December 2023

Cabinet Report – Levelling Up Round 3, 23 January 2024

Appendix One – Regeneration Delivery Plan Funding Proposals

The following provides a summary of each of the funds and the proposed approach for 2024/25. The proposals have been identified from the Regeneration Delivery Plan action programme 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 2024/25, 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

A £0.761m allocation was anticipated for the current financial year. In June 2024, however, Scottish Government advised that unfortunately they are not yet able to confirm the Place Based Investment Programme (PBIP) allocation of capital funding for local authorities for 2024/25.

In July 2024, Scottish Government further advised that Ministers had authorised the release of an element of the funding, up to a maximum value of 50%, to protect the value for money of projects already in progress. This would equate to c.£0.380m for North Ayrshire noting that at this time funding will not be released to support any new projects. Councils were asked to submit a list of which priority regeneration projects that are active and in need of funding to ensure continued progress or completion.

The following projects were submitted to Scottish Government for consideration, with an outcome anticipated Autumn 2024.

Project	2024/25 Request	2025/26 Request	Total Request
<p>Kyle Road Phase 2 To support the delivery of 1200m² new Class 4/5/6 business space capable of sub-division. Funding required to support delivery due to the Scottish Government decision to pause the VDLIP for 2024/25. Match funding provided by LUF3 (subject to award confirmation) and VDLF.</p>	£100,000	£75,000	£175,000
<p>Lochshore Improvements To support works to conclude Phase 1 of the Lochshore Masterplan, including detailed design and delivery of access, green space, infrastructure and facility improvements and to support environmental improvements and activity undertaken by the Friends of Lochshore community group and Community Engagement Officer.</p>	£75,000	£100,000	£175,000
<p>Repurposing Property Grant Fund To continue the implementation of the Repurposing Property Grant Fund which support landowners and community groups to bring back vacant land and properties to positive use by funding feasibility studies, investigation work, detailed designs, statutory approvals and delivery.</p>	£75,000	£125,000	£200,000
<p>Local Place Plan Support Per the Local Place Plan 'Handbook', this funding will provide support to communities to enable them to prepare a Local Place Plan. New planning legislation introduces a right for communities to produce Local Place Plans, providing the opportunity for communities to feed into the planning system with their own ideas and proposals for the development and use of land. This will provide community bodies with financial support for a range of expenses and/or specialist support, including for community and stakeholder engagement and facilitation; plan preparation; and specialist advice.</p>	£50,000	£0	£50,000
<p>Garnock Valley Place Framework Project Support To provide funding to community organisations to conclude the development of priority projects identified through the Place Framework.</p>	£50,000	£0	£50,000
<p>Workplace Active Travel Development Fund To continue the implementation of the Workplace Development Fund to support existing workplaces engaged with the Travel Smart project and are looking to install eligible items to support Active Travel within the workplace. This will support Net</p>	£30,000	£30,000	£60,000

Zero targets by reducing car use within the workplace for one day a week, our target audience would also be employees commuting by car within a 20 minute neighbourhood distance to their workplace.			
Kilwinning Abbey Tower To support repairs to Kilwinning Abbey informed by the Kilwinning Charrette and Place Framework.		£50,000	£50,000
Total	£0.380m	£0.380m	£0.760m

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 2024/25. 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 Campus Site, Lochshore and Irvine Harbourside and their stage of development;
- Alignment with the North Ayrshire Regeneration Delivery Plan (2021) and Vacant and Derelict Land Strategy (2023);
- 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.

An allocation of £0.963m has been confirmed for 2024/25. Aligned with the actions identified in the Regeneration Delivery Plan and Vacant and Derelict Land Strategy, the following projects are proposed for submission as local delivery plans. These will be formatted as delivery plans and submitted to the Scottish Government, subject to Cabinet approval:

Project	Allocation
Kyle Road Phase 2 To support the delivery of 1200m ² new Class 4/5/6 business space capable of sub-division. Funding required to support delivery due to the Scottish Government decision to pause the VDLIP for 2024/25.	£600,000
Lochshore Improvements To support to detailed design and delivery of access, green space, infrastructure and facility improvements and to support environmental improvements and activity undertaken by the Friends of Lochshore community group and Community Engagement Officer.	£150,000
Stalled Spaces Fund To support the visual improvement or naturalisation of sites, including grant funding to community groups for temporary repurposing of sites.	£113,000
Development Funding To support development work to inform proposals for implementation in future years. This will include a further allocation to the Repurposing Property Grant Fund.	£75,000
Digital Improvements To improve the digitisation of Vacant and Derelict Land information and improve accessibility to customers.	£25,000
Total	£963,000

Should funding not be forthcoming from the PBIP, it is proposed that £175,000 of the VDLF allocations across the projects be reallocated to Kyle Road Phase 2.

Crown Estates Scotland Net Revenue Allocation

This is the fifth tranche of payments to local authorities from the net revenue generated by the Crown Estate Scotland's marine assets out to 12 nautical miles. Allocations should be used to deliver coastal community benefit and offer a high level of flexibility. Effectively, the money can be used in any way that contributes to the benefit of coastal communities. Payments are made in arrears following the finalisation of Crown Estate Scotland's annual accounts. The 2023/24 allocation (to be spent in 2024/25) is £214,699.

An annual report is required by CES on the benefits to the blue economy that the funding has supported. These can include:

- Environmental Enhancement
- Emissions Reduction or Removal of Waste
- Jobs
- Tourism
- Skills Development
- Diversification Projects
- Investment For Community Purpose
- Climate Change Adaptation

The table below outlines the proposal for the expenditure of £164,699 of the allocation. The proposals aim to support the delivery of actions identified in the Regeneration Delivery Plan that align with the blue economy benefits identified in the annual report. A further report will be brought to Cabinet for approval of the expenditure for the balance of the funding.

Project	Allocation
<p>SMART Infrastructure Pilot Programme (SIPP) – Great Harbour To establish a digitally advanced and sustainable destination. Additional funding will build on this investment in passive SMART poles and support advanced connectivity solutions for tourism, active travel, augmented reality and STEM trails. If funds allow, these solutions will be scaled across other key tourism sites.</p>	£64,699
<p>Local Heritage Centre Asset Improvements To support proactive improvement works to NAC heritage centre assets to preserve the assets and ensure it is available for generations to come. Assessment to be undertaken to prioritise interventions.</p>	£50,000
<p>Millport Marina Project Masterplan To advance a master plan for the Millport harbour. This wider piece of regeneration work is outwith the AGD allocated funds and direct scope of the marina project. The site’s relationship with Millport town centre is critical, requiring masterplanning and consultation.</p>	£25,000
<p>Irvine Beach Pavilion Redevelopment To develop design proposals for the redevelopment of the Pavilion to inform the business case. The Ayrshire Growth Deal Great Harbour development recognised the building within its setting as a significant market opportunity for a coastal restaurant/café, whilst retaining the current provisions. A proposal was developed for a shared community and commercial facility, taking advantage of the location and vistas.</p>	£25,000
Total	£164,699

Active Travel Infrastructure Fund (ATIF) Tier 1 and Direct Resource Grant (DRG)

Transport Scotland (TS) on behalf of the Scottish Government established the Active Travel Transformation Project to ensure that their increasing investment in Active Travel results in transformative change. The previous Cycling, Walking and Safer Routes (CWSR) programme and Sustrans’ Places for Everyone Programme have been replaced with a new 3-tier delivery model under the umbrella of Active Travel Infrastructure Fund. These are:

- Tier 1: All Local Authorities to receive capital funding through block grant allocation (previously CWSR). Fund objectives are to design, develop and deliver Active Travel interventions that will enhance the safety and accessibility of existing infrastructure, or introduce new provision to travel safely and more conveniently. Active Travel infrastructure delivered through Tier 1 funding should adhere to the principles outlined in the Active Travel Framework and Cycling by Design and should enable people to move more safely between settlements and key amenities on foot, cycling or wheeling.
- Tier 2: A national annual application process for construction ready active travel projects
- Tier 3: This is still in development by TS and is likely to be similar to Tier 2, a national,

competitive fund for the most ambitious and strategic projects. Initial indications are that this may include public transport integration.

The new tiered model was introduced from April 2024. As part of the transition, TS has started to wind-down Sustrans' Places for Everyone Programme. This will be completed by December 2025. It is expected that Sustrans will continue to manage existing construction projects which are programmed for completion by December 2025. During 2024/25, Sustrans will continue to fund and manage the concept to design stages of existing projects.

TS will also continue to support the Direct Resource Grant (Capital) grant which allows Local Authorities to fund a small number of capital projects such as an asset register of active travel infrastructure and ensuring infrastructure is maintained to safe standards of use all year round.

A £906,949 award has been secured through ATIF Tier 1 alongside £35,452 from the Direct Resource Grant. The table below sets out the 2024/25 proposals based on the award value. This approach aims to support a range of eligible projects across North Ayrshire and secure additional funding to maximise and accelerate delivery.

Project	Allocation
ATIF Tier 2 Readiness: To finalise projects to construction ready status to enable bids to ATIF Tier 2. For example, B714 Active Travel Links, Brodick to Corrie Active Travel Route and Eglinton Park to Irvine Road, Kilwinning.	£132,401
Local Transport and Active Travel Strategy Delivery: To support delivery and implementation of the active travel strategy action plan. For example, Stevenston to NCN73	£340,000
Active Travel Route Construction: To provide match funding to support applications to Sustrans Places for Everyone, for example Links to Eglinton, and LUF Match Funding. It will also support the delivery of other local active travel infrastructure.	£245,000
Future Years Feasibility Studies and Design Development: To support the preparation of feasibility studies and preliminary designs for active travel projects. For example, Cumbrae Active Travel Study, Sharpill to Saltcoats Railway Station, B714 Active Travel Route and Drybridge to i3 Active Travel Route.	£140,000
Route Monitoring: To support the network of pedestrian and cycle counters across North Ayrshire including the installation of new infrastructure.	£25,000
Staff costs and resourcing: To support the existing externally funded posts within the Active Travel and Transport Team.	£60,000
Total	£942,401

Active Travel Infrastructure Fund (ATIF) Tier 2

The following projects were submitted for ATIF Tier 2 funding. The outcome of the bid assessments will be announced in due course. It is anticipated that not all the projects below will be successfully funded as they are differing stages of readiness. Submitting these applications however sets out the Council's ambitions to Transport Scotland and provides an overview of the long-term active travel pipeline projects for future delivery.

Project	Allocation
B714 Active Tavel Corridor Phase 1	£1,500,000
B714 Active Travel Links	£300,000
Brodick to Corrie Cycle Path	£400,000
McGavin Park	£165,000
North Crescent Coastal Path - Phase 2	£450,000
Total	£2,815,000

Appendix Two – Project Updates

5G Innovation Regions (5GIR)

North Ayrshire is the lead authority for the Ayrshire 5GIR initiative on behalf of the regional Digital Economy workstream, the three Ayrshire councils and associated partners, including the University of the West of Scotland (UWS), Ayrshire College, the Scotland 5G Centre (S5GC) and the National Manufacturing Institute Scotland (NMIS). The project was successfully awarded £3,791,000 by the UK Government’s Department of Science, Innovation and Technology (DSIT) in 2023. All funds need to be spent by March 2025.

The Ayrshire 5GIR vision is to become the “UK’s premier manufacturing-focused 5G hub”. This will be driven by five transformative principles: technological excellence, a thriving innovation ecosystem, sustainable economic growth, skills and talent development, and influential investment strategies. Investment will be centred around three strategic locations: the Digital Processing Manufacturing Centre (DPMC) in Irvine, the Aerospace Innovation Hub (AIH) in Prestwick, and the Ayrshire Innovation Park (AIP) in Moorfield, Kilmarnock. The overall project comprises the following six workstreams, three of which are led by NAC:

Workstream	Title	Lead Organisation	Allocation
1	Digital Process Manufacturing Centre (DPMC)	NAC	£1m
2	Aerospace Innovation Hub	SAC	£0.9m
3	Small to Medium Enterprises Internet of Things Adoption	EAC	£0.45m
4	Tourism Events	NAC	£0.5m
5	Digital Ambassador / Immersive Learning	SAC	£0.3m
6	Ecosystem Development	NAC	-

Smart Infrastructure Pilot Programme

£242,000 was secured from the UK Government’s Department of Science, Innovation and Technology (DSIT), to enhance the £14m Ayrshire Growth Deal Great Harbour project. The Great Harbour SIPP project is a transformative Digital Infrastructure initiative designed to integrate innovative technology with our rich maritime history, creating a sustainable, connected, and thriving waterfront destination.

Key components include the provision of Internet of Things (IoT) sensors, CCTV enhancements, and intelligent lighting systems. Future considerations also encompass integrating advanced wireless connectivity solutions 5G, advanced Wi-Fi, EV charging points and augmented reality experiences, further elevating the region's digital capabilities. The project aims to catalyse economic growth, enhance connectivity, attract investment and interest from Mobile Network Operators (MNOs). It will adopt a learning-by-doing approach which will inform a future SMART place strategy.

Shared Prosperity Fund

The Communities and Place investment priority of the Shared Prosperity Fund aims to enable places to invest to restore their community spaces and relationships and create the foundations for economic development at the neighbourhood-level. Its objectives are to strengthen the social fabric and foster a sense of local pride and belonging and build resilient, healthy and safe neighbourhoods.

The investment priority requires Councils to be mindful of how interventions under this priority align with the existing funding streams received from the Scottish Government including the Place Based Investment Programme. The alignment with Scotland's National Strategy for Economic Transformation (NSET) also requires to be considered to ensure that they contribute to a fairer and more equal society, new market opportunities and productive businesses and regions.

Thirteen interventions are identified under the investment priority. The approved North Ayrshire Investment Plan supports delivery of projects across the range of interventions. The approved Investment Plan outlined that the Communities and Place investment priority would be comprised of a: Participatory Budgeting programme; Competitive grant scheme for communities; and Funding allocation for Council projects.

As noted in the January 2024 Cabinet report, £160,330 was awarded to nine projects across the competitive grant scheme at Round One. Round Two of the funding for 2024/25 had a budget of £600,000. A total of 52 applications were received with a value of £2.2M requested. Awards have been made to 18 groups across North Ayrshire with grants ranging from £9,200 to £100,000. Participatory budgeting will take place in 2024, as in 2023, with support for partnership work with up to £5,000 available per project.

Council led projects have a total budget of £219,867. These will support, as noted in the May 2023 Cabinet report, projects which support the Regeneration Delivery Plan. An expression of interest process has been undertaken to identify appropriate council led projects which meet the UKSPF interventions.

Regeneration Capital Grant Fund

The Scottish Government's Regeneration Capital Grant Fund (RCGF) has been 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.

In March 2024, Scottish Government advised that, due to the challenges which have been set out in the Scottish Budget, the regeneration capital budget for 2024/25 would be reduced from £62.5m to £45.8m. This has had a significant impact on the delivery of the Scottish Government regeneration programmes including the Vacant and Derelict Land Investment Programme (VDLIP) and the Regeneration Capital Grant Fund (RCGF). Ministers have paused both VDLIP and RCGF in 2024/25.

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 in Scotland to apply.

Potential projects were previously identified for the 2024/25 round based on the funding criteria, level of project development and delivery timescales with Council Services. The following applications were submitted in order of priority and invited to Stage 2 assessment:

- i. Kyle Road Phase 2 (£892,990)

ii. 36 Bank Street Town Centre Living Pilot (£1.45M)

In March 2024, Scottish Government advised that due to the challenges which have been set out in the Scottish Budget the regeneration capital budget for 2024/25 has been reduced from £62.5m to £45.8m.

This has had a significant impact on the delivery of the Scottish Government regeneration programmes including the Vacant and Derelict Land Investment Programme (VDLIP) and the Regeneration Capital Grant Fund (RCGF). Ministers have now made the decision to pause the VDLIP and RCGF for 2024/25. This means that no new VDLIP projects will be offered funding from the 4th application round in 2024/25. The approach to the Stage 2 submissions is unconfirmed at this stage however these will be considered for resubmission should the fund reopen.

Levelling Up Fund Round 3

Further to the January 2024 Cabinet, an update is provided on the provisional UK Government Levelling Up Fund Round 3 award for the Levelling Up for Ayrshire – Commercial and Low Carbon Infrastructure project. The project seeks to deliver new energy efficient commercial property and associated access, active travel and electric vehicle charging infrastructure at key employment locations.

Additional information was submitted in February and June 2024 to be assessed by the Ministry of Communities, Housing and Local Government. The validation and onboarding process is ongoing. In the interim, further project development has been undertaken using existing funding sources to support the project timeline.

Long-Term Plan for Towns

On 30 September, the UK Government announced that fifty-five towns across the UK would benefit from up to £20 million of investment through endowment style funding over a 10-year period. Irvine was identified as one of seven towns in Scotland to benefit from this funding under the Levelling Up Fund. The award has now been confirmed at £19.509m.

The Long-Term Plan for Towns seeks to place communities at the heart of the decision-making process and to provide the funding to support delivery. The prospectus provides a high-level framework for the investment which includes the:

- Development of a Long-Term Plan to invest in and regenerate the town, based on the priorities of local people and put to local people for consultation.
- Provision of £19.509M in endowment-style funding and support over ten years to support the Plan's delivery. This includes capital and revenue funding to provide support and long-term certainty to deliver projects over multiple years and the flexibility to invest in interventions based on evolving local needs and priorities. This aims to ensure a focus on long-term strategic transformation as well as shorter-term improvements.
- Establishment of a Town Board including broad representation across the community, local business, social enterprise, local authority and public sector interests to oversee the development and delivery of the Long-Term Plan.
- Provision of a toolkit of powers in relation to anti-social behaviour, licensing and town centre living.

To ensure that Long-Term Plans reflect local priorities, improvements can be identified under three broad investment themes:

- Safety and Security for example security infrastructure;
- High Streets, Heritage and Regeneration such as repurposing vacant commercial units or improving greenspaces; and
- Transport and Connectivity such as active travel or public transport infrastructure.

Work has been undertaken to establish the Town Board and appoint a Chair to inform the development of a Long-Term Plan for Irvine. The first Town Board met on 1 August 2024. UK Government advised in July 2024 that the submission deadlines will be extended. We are currently awaiting more detail on this. A report will be brought to Cabinet on the progress of the Fund and to seek approval for the submission of the Long-Term Plan in due course.

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. Priorities for funding are informed by the National, Regional and Local Transport Strategies. For 2024/25, the Scottish Government is currently not providing a capital allocation to support this programme. Discussions are ongoing between SPT and the Scottish Government.

SPT has released an indicative programme, should the Scottish Government reinstate the funding for 2024/25. They have redefined their Category 1 and 2 criteria as follows:

- Cat 1 – those projects deemed legally committed and/or operationally essential.
- Cat 2 – those projects not deemed legally committed or operationally essential.

If funding becomes available during 2024/25 this will initially fund Cat 1 projects for which funding has not yet been identified. If further funding becomes available, SPT would then consider supporting Cat 2 projects. Bids were submitted in November 2023 and the following projects have since been identified by SPT as Cat 2 priorities:

Project	Allocation
A841 Brodick to Lochranza Bus Route Improvements	£800,000
Ardrossan Harbour Interchange	£50,000
Bus Corridor Improvements	£370,000
Cumrae Ferry Bus Stop and Queuing Facilities	£250,000
Irvine Station Interchange Improvements	£50,000
Total	£1,520,000

Community Bus Fund

In 2023/24, Transport Scotland established the Community Bus Fund to support local transport authorities to improve local public transport in their areas. This seeks to support local authorities to explore the full range of options set out in the Transport (Scotland) Act 2019, including municipal bus services. It is expected that additional funding will be provided in 24/25 however details of this are still unknown. Proposals will be developed once further details on the level of funding and the timescales are known.

People and Places Programme

The long-term success of Active Travel depends on a closer relationship between infrastructure delivery and behaviour change activities. Behaviour Change programmes remain central to the delivery of the visions set out in the Local Transport and Active Travel Strategy, the national Active Travel Framework, and the more recently published Cycling Framework for Active Travel.

Transport Scotland has closed the previous Smarter Choices Smarter Places Programme managed by Paths for All. This has been replaced by the following programmes:

- People and Places Programme – Local Authority Direct Award (Revenue) funding to local authorities for the purpose of maintaining support for existing roles and projects or creating support for those deemed essential to the delivery of active travel outcomes (primarily effecting a modal shift toward active travel for everyday journeys).
- People and Place Programme – SPT (Revenue) funded through the Regional Transport Partnership. SPT has agreed the priority behaviour change and access to bikes interventions (referred to as the ‘People and Place’ programme) required for North Ayrshire. This allows for the continuation of our Travel Smart Workplaces, General Travel Smart Delivery and Travel Smart Communities programmes.
- Community Projects Transition Fund: managed by Paths for All, a one-year programme, aligned with the themes of the People and Place programme, that ensures a route to funding for community-led projects that would previously have been supported by the Open Fund.

The following funding has been awarded to continue the delivery of the Travel Smart programme.

Fund	Allocation
People and Places – SPT	£157,200
People and Places – Local Authority Direct Award Fund	£70,905
Total	£228,105