

EAST AYRSHIRE COUNCIL

CABINET MEETING – 15 DECEMBER 2010

CUMNOCK CONSERVATION AREA REGENERATION SCHEME (CARS) – APPROVAL OF GRANT FUNDING PROCESS

Report by Depute Chief Executive/Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek agreement for the process of approval and dispersal of grant applications under the Cumnock Conservation Area Regeneration Scheme (CARS) and for decisions on grant applications and grant dispersal to be delegated to the Head of Planning & Economic Development.

2. BACKGROUND

- 2.1 The Cumnock Conservation Area Regeneration Scheme (CARS) is a building repair scheme funded jointly by Historic Scotland, East Ayrshire Council and East Ayrshire Community Planning Partnership. CARS Grants are available to owners of commercial and residential premises within the boundary of the Cumnock Conservation Area. There are two types of grant assistance available under the CARS. One is for Priority Buildings and one for all other buildings under a Small Grants Programme. The Scheme also supports public realm improvements, skills training & education, a building maintenance guide and maintenance programme and administrative costs.
- 2.2 The Cumnock CARS is a five year scheme launched on the 9th September 2009 together with a Conservation Area Building Maintenance Guide, with the final offers of grant to be in place by 31 March 2014. Grant application packs have been issued to all the owners of priority buildings in the area and contact has been made with owners interested in pursuing grant assistance. Detailed discussions are being progressed on individual applications. Three Offers of Grant have been made to date under the Small Grants Scheme and a further three await further information however, to date there has been no major expenditure on projects.
- 2.3 The Head of Planning & Economic Development was granted delegated authority for the Kilmarnock CARS on the 25th June 2009. This enables the Head of Planning & Economic Development to:-
- Approve CARS grant applications and disperse grant payments for priority buildings that are within 20% of the Indicative Total grant allocation contained in the CARS Approved Schedule.

- Approve CARS small grant applications and disperse grant payments up to £30,000.

3. CARS GRANT APPROVAL PROCESS

- 3.1 CARS Grants are available to owners of commercial and residential premises within the boundary of the Cumnock Conservation Area. There are two types of grant assistance available under the CARS. One is for Priority Buildings and one for all other buildings under a Small Grants Programme. The Priority Buildings have been agreed with Historic Scotland as part of their funding approval, and this list can only be amended with the full approval of Historic Scotland. Grants for priority buildings are available up to 80% of eligible costs, with no specified maximum grant. Estimated project costs and grant allocations were agreed by Historic Scotland under the Approved Schedule (See Appendix 1).
- 3.2 Small Grants for all non-priority buildings in the Outstanding Conservation Area are available up to 80% of the eligible costs, generally up to a maximum of £25,000. As all the funds available under the scheme are limited there is no guarantee of a grant in any particular case. Grant applications will be dealt with on a “first come first served” basis and the amounts of assistance offered will depend entirely on the merits of each application.
- 3.3 Applications under the Small Grants Programme will be prioritised in the following order with “1” being of the highest priority:-
1. Repair and re-use of redundant or underused buildings where the scheme will result in a viable use being identified
 2. Repair and conservation of buildings in use
 3. Reinstatement of lost architectural detail
- 3.4 Offers of grant will require to be approved by the Council in line with guidance issued by Historic Scotland. Eligible works under Historic Scotland’s guidelines include:-
- General structural repairs & reinstatement after repair
 - Structural timber or timber repairs
 - Specialist treatments
 - Re-roofing and high level repairs/chimney repairs/leadwork and rainwater goods
 - Stonework repairs and repointing/ render repairs and re-rendering
 - Windows, doors and external joinery
 - Reinstatement of architectural detail
 - Enhancement of the public realm
 - Accessibility
 - Professional Fees
- 3.5 All repairs require to utilise appropriate techniques or methods of construction. High quality materials proven by tradition, which were used as part of the original construction, must normally be specified, if a grant is to be awarded.

- 3.6 Appendix 3 to this report is a recommended grant application process for grants that require Cabinet approval based on the current process utilised in the Kilmarnock CARS. Accordingly, this report as with the Kilmarnock CARS scheme, seeks delegated authority for the Head of Planning & Economic Development to approve grant applications for priority buildings that are within 20% of the Indicative Total Grant Allocation contained in the CARS Approved Schedule (Appendix 1) subject to any amendments approved by Historic Scotland and to approve CARS small grant applications up to £30,000, and to disperse all grant payments under this scheme. This delegated grant application process is detailed in Appendix 4. This should result in the vast majority of CARS grant applications being delegated to the Head of Planning & Economic Development with only those that vary significantly from the Approved Schedule requiring cabinet approval.
- 3.7 A key part of the process will be the assessment of the grant applications in terms of heritage merit, financial need, and quality/extent of work by the CARS Project Officer. The Project Officer will also inspect the works and agree the architect's certificates/ submitted invoices prior to the payment of grant funding.

4. FINANCIAL IMPLICATIONS

- 4.1 The Cumnock CARS budget is a special project budget held by the Council. The financial management of the Cumnock CARS is being administered in line with the Council's Accounting Policy Bulletins, APB 27A and APB 27B together with reference to APB 27C and APB 27D which currently relate to the Kilmarnock CARS and THI grant schemes. The funders require the local authority to produce audited annual accounts covering the approved scheme. This is already carried out as part of the Council's annual audit process and Historic Scotland has confirmed that this meets their requirements.
- 4.2 The total current funding available to the Cumnock CARS project is £1,501,050, broken down as follows:-

Funder	Amount
Historic Scotland	£888,050
East Ayrshire Council	£273,000
FSF (Restoring Communities Programme)*	£340,000
Total	£1,501,050

* FSF funding is based on an annual allocation of £85,000 over 4 years (beyond 2011/12 this is subject to future Strategic Reviews of Revenue Budget).

The current Indicative Grant Allocations proposed in Appendix 2 are within the available funding.

- 4.3 Discussions are currently taking place with owners of three large buildings within Cumnock Conservation Area that are expected to apply for grant funding. The eligible works to these buildings will result in grants in excess of £100,000 for each project. The buildings for which funding applications are anticipated are Cumnock Town Hall, the Dumfries Arms Hotel (54 Glaisnock Street) and The Royal Hotel.
- 4.4 Permission is currently being sought from Historic Scotland to re-categorise these buildings as Priority Buildings under this scheme. This will enable the relevant grant funding to be allocated and allow more accurate financial planning in relation to the Small Grants Scheme element of the budget.
- 4.5 The most recent Cumnock CARS project Schedule approved by Historic Scotland (Appendix 1), shows the current financial position. A revised Schedule currently with Historic Scotland for Approval (Appendix 2) includes indicative allocations for projects at the Cumnock Town Hall, the Dumfries Arms Hotel and the Royal Hotel.

5. PERSONNEL IMPLICATIONS

- 5.1 There are no personnel implications resulting from this report.

6. LEGAL/POLICY IMPLICATIONS

- 6.1 The CARS Project Officer has assessed the information received for the 3 projects listed in paragraph 4.3 above, and will ensure that the conditions imposed by Historic Scotland are met.
- 6.2 Once validated the CARS Project Officer will process the grant application and prepare a report recommending approval/ refusal of the grant application on behalf of the Head of Planning & Economic Development either for Cabinet approval or for his approval under the scheme of delegation. Where a grant is approved it will be subject to standard conditions required by Historic Scotland to ensure high quality workmanship and that the objectives of the CARS are met. Additional conditions may also be attached depending on individual circumstances, (eg. project completion date).
- 6.3 Offers of grant will be issued by the Solicitor to the Council following the appropriate authorisation as detailed in the grant approval process. A standard security where deemed necessary under Historic Scotland guidance, will be placed on any building receiving a grant award.

7. COMMUNITY PLANNING IMPLICATIONS

- 7.1 The implementation of the Cumnock CARS will contribute significantly towards meeting the aims and aspirations of the "Delivering Community Regeneration" Action Plan.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 All offers of grant are subject to a condition requiring that “...*the Grantee shall, having taken professional advice to ensure that adequate insurance cover exists to protect the existing structures, potential liabilities and the contract works, having first carried out the relevant risk assessments and ensured compliance with Health and Safety at Work Act 1974 and those relevant statutory provisions made there-under*”. This wording has been agreed by the Council’s Risk Manager.
- 8.2 The financial risks associated with the implementation of the Cumnock CARS Small Grant Scheme will be minimised by compliance with the Council’s Accounting Policy Bulletins, APB 27A and APB 27B together with reference to APB 27C and APB 27D. To ensure the funding is utilised appropriately the Project Officer will inspect the works and agree the architect’s certificates/ submitted invoices prior to the payment of any grant funding.
- 8.3 The Council’s role under the Cumnock CARS scheme is as grant administrator, and therefore has no liability for works undertaken by Grantee’s on property out with Council ownership.

9. RECOMMENDATIONS

- 9.1 It is recommended that the Cabinet agrees:-
- (i) the CARS Grant approval process indicated in Section 3 and appendices 3 and 4 of this report;
 - (ii) to delegate authority to the Head of Planning & Economic Development to approve grant applications for priority buildings that are within 20% of the Indicative Total Grant Allocation contained in the CARS Approved Schedule, (Appendix 1 of this report); and subject to Historic Scotland’s agreement, to approve grant applications for priority buildings that are within 20% of the Indicative Total Grant Allocation contained in the CARS Proposed Schedule, (Appendix 2 of this report);
 - (iii) to delegate authority to the Head of Planning & Economic Development to approve CARS small grant applications up to £30,000, and to disperse all grant payments under this scheme;
 - (iv) to authorise the Solicitor to the Council/ Head of Legal Procurement and Regulatory Services to issue Offers of Grant; enter into any necessary Standard Securities and to carry out all other legal work associated therewith;
 - (v) to report on an annual basis the grants issued; and
 - (vi) to otherwise note the contents of the report.

**Elizabeth Morton
Deputy Chief Executive/
Executive Director of Neighbourhood Services**

23 November 2010 (JD)

LIST OF BACKGROUND PAPERS

1. Report to Cabinet – 24 October 2007, “Kilmarnock Conservation Area Regeneration Scheme – Grant Approval Process/ Delegated Powers”
2. Report to Cabinet – 22 October 2008, “Conservation Area Regeneration Scheme (CARS) for Cumnock and Conservation Area Appraisal”
3. Report to Council – 25 June 2009, “ East Ayrshire Council’s Scheme of Delegation and Administration.”

Anyone wishing further information should contact Karl Doroszenko, Development, Planning & Regeneration Manager, Tel: 01563 576751

Implementation Officer: Alan Neish, Head of Planning and Economic Development

APPROVED SCHEDULE

LOCAL AUTHORITY AREA: EAST
AYRSHIRE

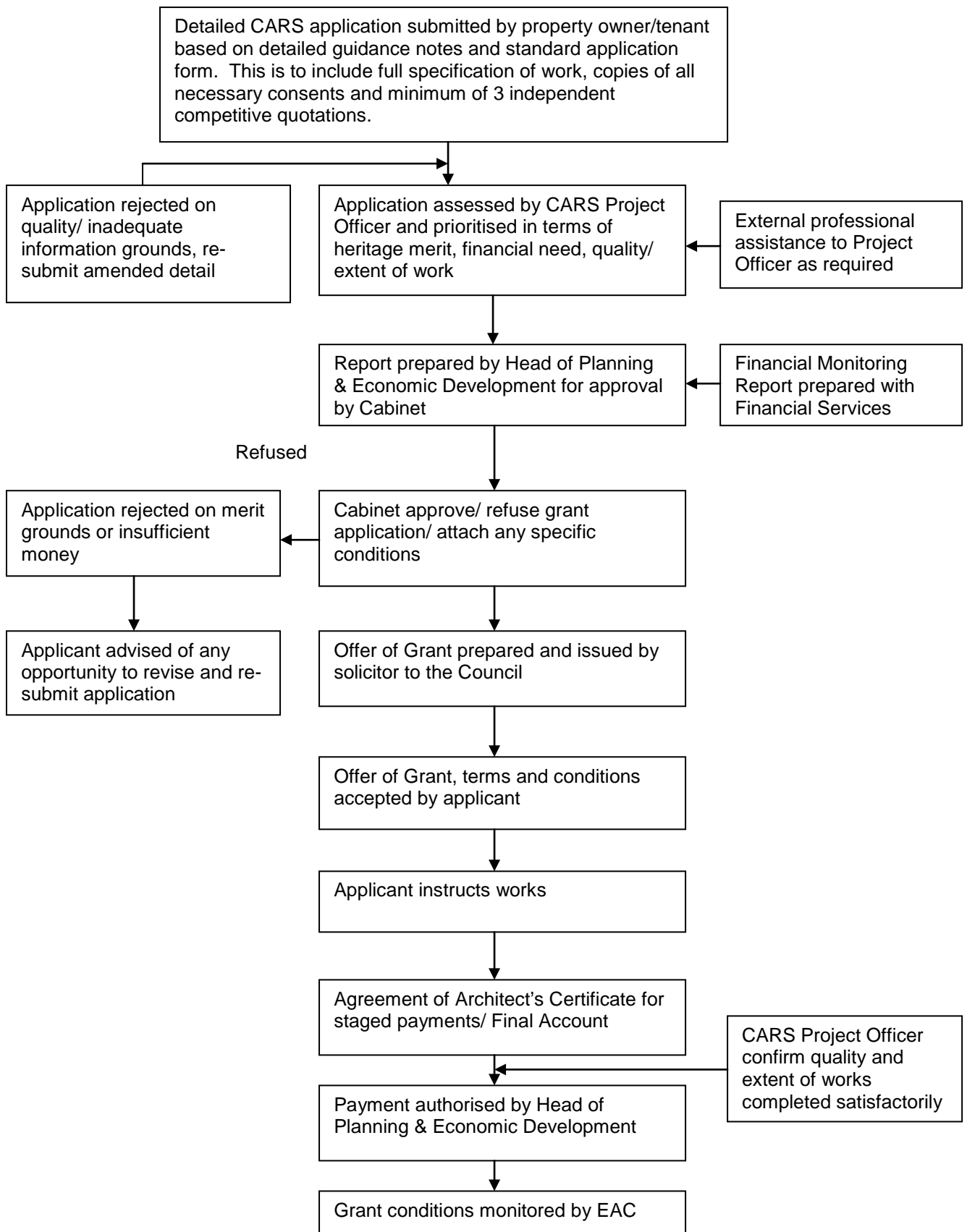
	Project/Address	Total Project Cost	Eligible Project Cost	Historic Scotland Funding	Indicative Grant Allocation
1	14-16 Glaisnock Street	£240,000	£ 210,000	£147,000	£168,000
2	18 Glaisnock Street	£ 60,000	£ 50,000	£35,000	£40,000
3	20-24 Glaisnock Street	£ 170,000	£ 150,000	£105,000	£120,000
4	26-30 Glaisnock Street	£ 200,000	£ 180,000	£126,000	£144,000
6	Baird Institute	£ 770,000	£ 65,000	£45,500	£52,000
7	Small Grants Scheme	£ 457,000	£ 421,500	£258,000	£337,200
8	Education & Awareness	£ 66,000	£ 66,000	£33,000	£66,000
9	Training and Skills	£ 60,000	£ 20,000	£10,000	£20,000
10	Public Realm Works	£ 200,000	£ 160,000	£80,000	£160,000
11	Administration	£ 312,100	£ 137,100	£68,550	£137,100
	TOTAL	£2,653,100	£1,678,100	£880,050	£1,244,300

PROPOSED SCHEDULE

LOCAL AUTHORITY AREA: EAST
AYRSHIRE

	Project/Address	Total Project Cost	Eligible Project Cost	Historic Scotland Funding	Indicative Grant Allocation
1	14-16 Glaisnock Street	£240,000	£ 210,000	£147,000	£168,000
2	18 Glaisnock Street	£ 60,000	£ 50,000	£35,000	£40,000
3	20-24 Glaisnock Street	£ 170,000	£ 150,000	£105,000	£120,000
4	26-30 Glaisnock Street	£ 200,000	£ 180,000	£126,000	£144,000
5	The Dumfries Arms Hotel 54 Glaisnock Street	£295,000	£295,000	£118,000	£236,000
6	The Royal Hotel 1 Glaisnock Street	£250,000	£220,000	£88,000	£176,000
7	Cumnock Town Hall	£180,000	£150,000	£10,000	£120,000
8	Baird Institute	£ 770,000	£ 65,000	£45,500	£52,000
9	Small Grants Scheme	£ 150,000	£ 120,000	£58,000	£96,000
10	Education & Awareness	£ 66,000	£ 66,000	£33,000	£66,000
11	Training and Skills	£ 60,000	£ 20,000	£10,000	£20,000
12	Public Realm Works	£ 150,000	£ 120,000	£36,000	£120,000
13	Administration	£ 312,100	£ 137,100	£68,550	£137,100
	TOTAL	£2,953,100.00	£1,823,100	£880,050	£1,495,100

CARS GRANT APPROVAL PROCESS FOR GRANTS REQUIRING CABINET APPROVAL



CARS GRANT APPROVAL PROCESS FOR GRANTS NOT REQUIRING CABINET APPROVAL

