

## **EAST AYRSHIRE COUNCIL**

**CABINET – 4 MARCH 2009**

### **NEWMILNS SNOW AND SPORTS COMPLEX MATCH FUND APPLICATION : 2008/09**

#### **Report by Depute Chief Executive/Executive Director of Corporate Support**

#### **1. PURPOSE OF REPORT**

- 1.1** To seek Cabinet approval for payment of a Match Fund grant of £10,000 to the Newmilns Snow and Sports Complex (NSASC)

#### **2 BACKGROUND**

- 2.1** The NSASC is a company limited by guarantee. It operates as a Social Enterprise and Non Profit Distributing Organisation. It is governed by a board of directors who are all volunteers from the local community and also has representation from the National Governing Body for Snow Sports in Scotland.
- 2.2** The NSASC operate a sports facility in Newmilns. It employs two full time staff and a number of casual instructors who offer a range of outdoor activities – skiing, snowboarding, mountain boarding and mountain biking. It is used both by individuals and local community groups. It attracts customers from a 30 mile radius. The sports complex is leased from East Ayrshire Council on an 80 year lease.
- 2.3** The Management Committee took over the complex in 2004 with a funding package of £95,000. This included a loan from the West of Scotland Loan Fund of £15,000 and a loan from Developing Strathclyde Ltd (DSL Ltd) for £15,000. NSASC has always intended to undertake a major development of the site as part of its long term plan.
- 2.4** The complex is a valuable community asset and is one of the few facilities in the Irvine Valley that attracts visitors from outwith the area and as such, it is an important facility for the development of tourism in East Ayrshire.

#### **3. THE PROJECT**

- 3.1** The Management Committee has always recognised the limitation of the current facilities on the site and in particular the ski slope itself, which is not suitable for experienced skiers as it does not provide enough of a challenge. Since the Management Committee took over the complex they have been working on plans to redevelop the site which will include:

- A new ski slope and tow;

- New centre facilities including equipment storage and hire; changing and shower facilities; cafe;
- Extended car park

The cost of this work is estimated to be around £3m. The Management Committee has been awarded a grant of £150,000 for technical assistance from the Big Lottery (Building Community Assets). The grant covers capital costs to progress the project through design, planning and building warrant.

- 3.2** To allow the work to be carried out, the complex will need to close for 3 months. It is not known when this will happen as the project has still to secure planning permission and to raise the funding required. The Management Committee has however been in talks with the potential funders, as the project has progressed.
- 3.3** Due to the recognised limitations of the current facilities, turnover has been falling and it is becoming increasingly difficult for the company to cover the overheads to allow the complex to remain trading until the work is completed on the new facilities.
- 3.4** The plans for the complex are now completed and fully costed. They will be submitted for planning permission as soon as the first drawdown is received from the Lottery Grant. Application has been made for the first payment £40,000 from the £150,000.
- 3.5** A £10,000 grant from the Match Fund will assist the company to continue to trade until the complex is closed for renovation. Other short term funding will be applied for as necessary, including additional funding from WoSLF Ltd and DSL Ltd.

#### **4. PREVIOUS FUNDING FROM EAST AYRSHIRE COUNCIL**

- 4.1** Since the establishment of the facility in Newmilns, it has received total funding support from East Ayrshire Council of £112,115, as detailed in Appendix 1 to this report.

#### **5. COMMUNITY PLANNING IMPLICATIONS**

- 5.1** The strategic plan aligns with relevant local, regional and national strategies. These include:
- Scottish Government: Sport 21 Reaching Higher;
  - Snow Sports Scotland: National Facilities Strategy;
  - East Ayrshire Community Plan :
    - Improving Opportunities Theme : Aim 1 – To grow new and existing businesses and support inward investment and business locations;
    - Improving Health Theme : Aim 5 – Promoting physical and well being by further developing leisure recreational and cultural activities;

- Active Schools Programme.

## **6. RISK MANAGEMENT IMPLICATIONS**

- 6.1** There are no risk management implications associated with the proposal in this report.

## **7. FINANCIAL IMPLICATIONS**

- 7.1** The proposed grant award can be fully met from the 2008/09 Match Fund budget. This would leave an uncommitted balance of £6,640.

## **8. POLICY AND LEGAL IMPLICATIONS**

- 8.1** There are no policy or legal implications arising from this report

## **9. RECOMMENDATION**

- 9.1** That Cabinet approves a grant payment of £10,000 to the Newmilns Snow and Sports Complex from the Match Fund budget 2008/09.

**ELIZABETH MORTON**

**Depute Chief Executive/Executive Director of Corporate Support**

24 February 2009

BACKGROUND PAPERS

Nil

**For further information, please contact JOHN SPOONER, Business Development and Tourism Manager, on Extension 6143.**

**IMPLEMENTATION OFFICER: Carol Andrew 01563 576256**

**Appendix 1****NEWMILNS SNOW AND SPORTS COMPLEX  
MATCH FUND APPLICATION : 2008/09****DETAIL OF PREVIOUS FUNDING FROM EAST AYRSHIRE COUNCIL**

| <b>Financial Year</b>        | <b>Funding Budget</b>      | <b>Loan / Grant</b> | <b>Amount (£'s)</b> | <b>Annual Total (£'s)</b> |
|------------------------------|----------------------------|---------------------|---------------------|---------------------------|
| 2002/03                      | Local Grant                | Grant               | 1,000               | <b>1,000</b>              |
| 2003/04                      |                            |                     | 0                   | <b>0</b>                  |
| 2004/05                      | West of Scotland Loan Fund | Loan                | 15,000              | <b>63,500</b>             |
|                              | Match Fund                 | Grant               | 40,000              |                           |
|                              | Local Action Fund          | Grant               | 8,500               |                           |
| 2005/06                      | Local Action Fund          | Grant               | 8,500               | <b>8,500</b>              |
| 2006/07                      | Local Action Fund          | Grant               | 6,400               | <b>7,900</b>              |
|                              | Business Development Grant | Grant               | 1,500               |                           |
| 2007/08                      | Local Action Fund          | Grant               | 6,400               | <b>28,400</b>             |
|                              | Developer Contributions    | Grant               | 2,000               |                           |
|                              | Match Fund                 | Grant               | 10,000              |                           |
|                              | Match Fund                 | Grant               | 10,000              |                           |
| 2008/09                      | Developer Contributions    | Grant               | 605                 | <b>2,815</b>              |
|                              | Business Development Grant | Grant               | 2,210               |                           |
| <b>TOTAL FUNDING SUPPORT</b> |                            |                     |                     | <b>£112,115</b>           |