

## **EAST AYRSHIRE COUNCIL**

### **CABINET MEETING – 08 JULY 2009**

#### **KILMARNOCK CONSERVATION AREA REGENERATION SCHEME – APPROVAL OF GRANT APPLICATION FOR ADDITIONAL WORKS GEORGE TANNAHILL AND SONS AT 75 - 81 JOHN FINNIE STREET, KILMARNOCK**

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

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

- 1.1 The purpose of the report is to seek approval of a Conservation Area Regeneration Scheme (CARS) grant that is out with the delegated authority granted by Cabinet to the Head of Planning & Economic Development.

### **2. BACKGROUND**

- 2.1 The 24 October 2007 Cabinet approved the CARS Grant approval process and agreed to delegate authority to the Head of Planning & Economic Development. The Full Council on the 25 June 2009 subsequently agreed a variation of this delegated authority to enable 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, and to approve CARS small grant applications up to £30,000, and to disperse all grant payments under this scheme.
- 2.2 A CARS grant was offered and accepted for a major scheme of conservation, repair and maintenance at 75 – 81 John Finnie Street, Kilmarnock on the 5 February 2009. The grant was for a total of £202,029.30 against a grant eligible cost of £224,477, and a total scheme cost of £250,395.
- 2.3 Listed Building Consent has been granted. A planning consent and a building warrant were not required. The approved scheme of works started on site in February 2009, and are due to be completed by 31 October 2009.

### **3. GRANT APPLICATION FOR ADDITIONAL WORKS TO 75 – 81 JOHN FINNIE STREET, KILMARNOCK**

- 3.1 A CARS grant application for additional grant assistance has been received relating to the major scheme of conservation, repair and maintenance at 75-81 John Finnie Street, Kilmarnock.

- 3.2 As a result of a more detailed and disruptive survey and assessment of the building, which was only capable of being carried out whilst the full scaffolding was in place, considerable additional works require to be undertaken as part of this scheme. The key additional elements relate to the removal and replacement of defective joists as a result of a dry rot outbreak, fungicidal treatment of dry rot, additional stone indenting, re-rendering of the south gable, additional repairs to stained glass windows, replacement rather than repair of defective windows, replacement rather than refixing of a higher percentage of existing slate, and the associated extension of the contract period.
- 3.3 The revised estimated total project costs is £360,916, an increase of £110,521. The grant eligible cost has increased by £116,340, to £340,817. An additional 90% grant totals £104,706. However, whilst the information these revised costs are based upon represents a reasonable assessment of the final estimated cost at this point in time and includes an £8,000 contingency, it is possible that costs could still increase.
- 3.4 The additional grant application has been assessed in terms of heritage merit, financial need, and quality/extent of work by the Technical Assessment Team. The CARS Project Officer has recommended the approval of a grant of £104,706. However, it is also considered prudent to allow for the grant to be topped up by up to a further 10% given the uncertainty over costs still remaining, subject to verification of any further additional costs by the CARS Project Officer.
- 3.5 The proposed CARS grant is out with the scope of the approved delegated authority and requires specific cabinet authority.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The CARS budget is a special project budget held by the Council. The financial management of the CARS is governed by the Council's Accounting Policy Bulletins APB 27C and APB 27D specifically drawn up for the CARS and THI grant schemes. Sufficient funds are available within the CARS budget to fund this grant application.

#### **5. LEGAL/PERSONNEL IMPLICATIONS**

- 5.1 The CARS Project Officer and Technical Assessment Team have assessed the grant application and prepared a report recommending approval of the grant application. 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.

5.2 Offers of grant will be issued by the Solicitor to the Council following the appropriate authorisation.

5.3 There are no personnel implications.

## **6. COMMUNITY PLANNING/ POLICY IMPLICATIONS**

6.1 The project will contribute towards meeting the aims and aspirations of the 'Delivering Community Regeneration' Action Plan which is currently being prepared.

6.2 There are no policy implications. The work that is the subject of the grant application is in conformity with the East Ayrshire Local Plan, the East Ayrshire Local Plan Alteration as modified and the Kilmarnock John Finnie Street & Bank Street Conservation Area Appraisal and Management Plan.

## **7. RISK MANAGEMENT IMPLICATIONS**

7.1 All offers of grant are subject to a condition requiring that "The Grantee shall, 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, take professional advice to ensure that adequate insurance cover exists to protect the existing structures and the contract works against all risks of loss or damage and to provide an indemnity in respect of all potential liabilities arising from the contract works." This wording has been agreed with the Council's Risk Manager.

7.2 As advised to Cabinet on the 24<sup>th</sup> of October 2007, the financial risks associated with the implementation of the CARS grant scheme are being minimised by compliance with the Council's Accounting Policy Bulletins APB 27C and APB 27D. It will also be minimised by the conditions attached to any offer of grant, particularly the requirement to take Standard Securities over the grantees property in the case of grants in excess of £25,000.

7.3 The CARS Project Officer will also inspect the works and agree the architect certificates/submitted invoices prior to the payment of grant funding.

## **8. RECOMMENDATIONS**

8.1 It is recommended that the Cabinet agrees:-

- (i) to approve an additional CARS grant of £104,706 for a major scheme of conservation, repair and maintenance at 75-81 John Finnie Street, Kilmarnock, with the Head of Planning & Economic Development being authorised to increase the offer of grant by up to 10% subject to the verification of any further additional costs by the CARS Project Officer.

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

24 June 2009 (CMcK/SA)

#### **LIST OF BACKGROUND PAPERS**

1. Report to Cabinet – 2 July 2008, Regeneration Projects & Budget Allocations.
2. Report to Cabinet – 24 October 2007, “Kilmarnock Conservation Area Regeneration Scheme – Grant Approval Process/Delegated Powers”

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

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