

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE: 23 AUGUST 2005

DEVELOPMENT STUDY TEMPLETON ROUNDABOUT STRATEGIC INDUSTRIAL SITE, AUCHINLECK

Report by Executive Director of Development and Property Services

1. PURPOSE OF THE REPORT

- 1.1 To advise Committee on the results of the Development Study into Templeton Roundabout Strategic Industrial Site, Auchinleck and to consider options for the way forward.

2. BACKGROUND

- 2.1 The Development Services Committee of 4 May 2004 agreed to fund a study to assess the development potential of the site and whether it has genuine prospects of attracting developer interest as a strategic industrial park.

3. DEVELOPMENT STUDY TEMPLETON ROUNDABOUT STRATEGIC INDUSTRIAL SITE, AUCHINLECK

- 3.1 The study was commissioned in December 2004 and was carried out by James Barr together with Jacobs Babbie and ideas Ltd. The study has had three clear strands:
- A market assessment and review of current demand and competitor sites;
 - Identification of infrastructure requirements and possible outline costs of preparing the sites for development;
 - An assessment of planning, grant funding and economic development potential

The consultancy study also considered some short, medium, and long term alternative scenarios.

4. KEY FINDINGS OF THE STUDY

- 4.1 The study concluded that the site has strengths and weaknesses. In summary the key strengths of the site are its good road access, its ability to be physically developed and accommodate a range of industrial units within a well landscaped setting, the lack of costs for decontamination or site stabilisation and the fact that Auchinleck is within a regeneration area and would benefit significantly from the employment opportunities associated with a fully developed and occupied industrial park at this location. The key weaknesses are the lack of market demand (especially in the light of available low cost accommodation nearby), the cost of developing the essential site

infrastructure, the lack of mobile investment looking for premises in the area and limited local demand from expanding or new start local companies.

- 4.2 The site however, can be developed, although at a relatively high cost. The infrastructure costs, because of the layout and position of the site, would require to be front loaded on to Phase 1. The report concludes that as a business opportunity Phase 1 only becomes affordable if the remaining phases are completed within a reasonable time period in order to spread the costs. However the report also concludes that in the context of limited market interest it would be difficult to find a developer to fully develop Phase 1 even with significant public sector support and that the prospects of further phases would remain a long term ambition.

5. ALTERNATIVE OPTIONS

- 5.1 Alternative options are as follows:-

(i) The “Short Term” option – Retention of the current Local Plan designation would enable any potential future industrial development, whilst retaining the current existing agricultural use. The greenfield nature of the site, indicates that there is no specific disadvantage to this option in environmental terms.

(ii) The “Medium Term” option – It is estimated that it would cost approximately £40,000 to carryout the necessary site investigations to a level of detail suitable for future use by a developer. This would give any potential investor the confidence that site preparation tasks were already known and itemised, and that the site could be developed within a certain timescale. However, any further site investigations would have to be of a general nature to ensure development flexibility and minimize abortive costs.

(iii) The “Long Term” option – Subject to a full justification through an alteration to the East Ayrshire Local Plan, the Council could consider bringing forward an integrated package of residential/industrial development in Auchinleck so that infrastructure costs are spread between a range of sites. This would follow the same process that has seen the successful development of the Moorfield North Industrial Park.

(iv) The “Long Term” option – due to the significant abnormal costs associated with the Templeton Roundabout site, it may be possible to identify an alternative strategic industrial site close to Auchinleck but with reduced infra structure costs. This could be undertaken through the East Ayrshire Local Plan alteration process.

6. THE WAY FORWARD

- 6.1 It is considered that the following is an appropriate way forward incorporating some of the above options over the short, medium and long term:

(i) Short Term – take the “Short Term ” option in relation to the Templeton Roundabout site as identified above, do not proceed with the “Medium Term” option as there is a significant possibility that this exercise would need to be repeated once a specific development proposal came forward, and this would be unacceptable in terms of best value.

(ii) Long Term – That the Head of Planning, Development and Building Standards be requested to further consider both the “Long Term” options identified above through the East Ayrshire Local Plan preparation process and report back to a future committee.

7. LEGAL IMPLICATIONS

7.1 None.

8. FINANCIAL IMPLICATIONS

8.1 Any allocation of funding in relation to the future development of this project as indicated in Section 6 of this report would be subject to approval by a future committee.

9. POLICY IMPLICATIONS

9.1 The potential future development of a strategic industrial site for Auchinleck will contribute to the “Improving Opportunities” Action Plan within the East Ayrshire Community Plan.

10. RECOMMENDATION

10.1 It is recommended that the Committee:-

- (a) Note the findings of the Templeton Roundabout Strategic Industrial Site, Auchinleck Development Study;**
- (b) Agree the way forward as detailed in Section 6 of this report; and**
- (c) Otherwise note the contents of this report**

James Lavery
Executive Director of Development and Property Services Department

15 August 2005
(CMcK/KD/SA)
FV-AN

BACKGROUND PAPERS

1. Development Study, Templeton Roundabout Strategic Industrial Site, Auchinleck – Final Report May 2005 by James Barr, Jacobs Babbie & ideas Ltd.

For further information on the report contact Alan Neish, Head of Planning, Development and Building Standards, on 01563 576767

Implementation Officer: Alan Neish