PURPOSE

1. To seek agreement to extend the Cumnock Conservation Area Regeneration Scheme (CARS) and approval to support financially the Ayrshire Railway Preservation Group (ARPG).

BACKGROUND

2. Cabinet on 29 January 2014 approved a report allocating additional funds to Cumnock CARS to match additional funding allocated to the scheme by Historic Scotland. Reports to Cabinet and Governance and Scrutiny Committee on the 29 October and 6 November 2014 respectively provided a brief summary of progress with respect to Cumnock CARS.

PROPOSED EXTENSION OF CUMNOCK CARS

3. In the report to Cabinet of 29 January 2014 five potential projects were identified as part of the CARS assessment process. Expected total costs, total grant eligible costs and total grant awarded/estimated for each of the 5 potential projects were detailed in an accompanying appendix. The appendix also provided the same details for all other projects forming part of the approved Action Plan Schedule for the Cumnock CARS.

4. Of the five projects identified one has been completed (61 Glaisnock Street, Cumnock), one is on site and due for completion in January 2015 (20-24 Glaisnock Street) and one project is due to start on site soon (1-3 Ayr Road, Cumnock). The project at 18 Glaisnock Street did not proceed as financial issues as detailed in the report in respect of the application could not be resolved. The application for 40-42 The Square (the Mercat Hotel) also did not proceed as the owner decided to place the property on the market for sale.

5. The prospective purchaser for the Mercat Hotel has however expressed strong interest in submitting a grant application to undertake comprehensive roof repairs. In addition the Heritage Project Co-ordinator who supervises the CARS scheme is aware of strong interest by the owner of another building in The Square who wishes to undertake significant improvements.

6. On this basis and given that the allocated funds (see paragraphs 13 to 15 below) have not been fully expended it is recommended that a further extension of time be granted to the Cumnock CARS to allow these or any other potential project to be submitted and assessed for grant support. Given the limited funds priority should be given to
projects that will contribute most to the regeneration of Cumnock improving the vitality and viability of the town centre.

**AYRSHIRE RAILWAY PRESERVATION GROUP**

7. The Ayrshire Railway Preservation Group (ARPG) was founded in 1974 and was originally based at Minnivey. In 2002 it transferred to Dunaskin. ARPG concentrates on preserving Scottish industrial railway heritage and has an extensive collection of steam locomotives and rolling stock. Steam Open days (organised and managed entirely by volunteers) when members of the public can take a ride on the line have been held since 2008 and attract visitors from near and far.

8. Following the liquidation of Dalmellington and District Conservation Trust in 2005 ARPG have been in negotiation to (a) purchase the site from which they operate from and (b) formalise lease arrangements for number of buildings currently used by them. Negotiations with the new owner have been on-going for several months with the prospect of a positive outcome, on the basis of in principle agreements being in place, for ARPG a distinct possibility.

9. The successful purchase of the land and buildings, together with a lease of all the associated property used by ARPG, will

   - secure the long term future of the ARPG in the Doon Valley;
   - allow ARPG to consolidate existing arrangements but allow alternative arrangements to be put in place; and
   - enable ARPG to more easily raise funds for future investment and development.

10. The Council's Main Issues Report for the new East Ayrshire Local Development Plan identifies the potential for tourism in the Doon Valley and areas lying adjacent within Dumfries and Galloway building upon the foundation already established by the Biosphere and Dark Sky Park designations. The development of facilities at Dunaskin by ARPG would complement these and other initiatives in the area.

11. Although delegated authority is available to officers to offer grant support under the Restoring Communities Programme it was considered, in the context of the history of the ARPG and the significance of the current negotiations to its long term development, that Cabinet be informed and be given an opportunity to support its plans for its future.

12. Subject therefore to a legally binding agreement between ARPG and the owner for the sale of the land occupied by ARPG and approval of a 5 year business plan (which should include a review of existing and proposed governance arrangements), it is proposed that Cabinet should offer ARPG a grant to assist with land purchase.

**FINANCIAL IMPLICATIONS**

13. The Council has provided financial support for the Kilmarnock CARS/THI in 3 tranches – CARS 1 and 2 and the THI. In June 2010 Cabinet agreed to integrate all 3 budgets to achieve maximum partnership funding potential although for accounting purposes the budget headings remain. Currently there is a balance of £98,000 within the
Kilmarnock CARS budget. However if all projects currently on site proceed as planned under the Kilmarnock THI and the proposed business hub for 30-38 John Finnie Street, Kilmarnock is developed in line with the proposals approved by Cabinet on 7 May 2014, there would be a deficit of £29,000 in the Kilmarnock THI budget. Bringing both budgets together as agreed in 2010 a balance of £69,000 is available. A total of £90,000 remains in the Cumnock CARS budget. Funding for the purchase of land by the ARPG and the extension of the Kilmarnock Technical assistant post is available within the Restoring Communities Programme budget.

14. On the basis of the information provided in paragraphs 3 to 12 above it is proposed that the following allocations are made;

- £69,000 in support of and to extend Cumnock CARS (making £159,000 available in total for new projects); and
- Up to £15,000 in support of ARPG’s plans for Dunaskin, subject to the conditions detailed in paragraph 12.

15. There are sufficient funds available within the respective Environmental Initiatives Budgets held within Planning and Economic Development to meet the proposed allocations and all associated staffing costs (see paragraph 20 below).

LEGAL IMPLICATIONS

16. All offers of grant under the Cumnock CARS would follow current procedures as agreed by Cabinet on 15 December 2010. Offers of grant would only be issued by the Solicitor to the Council following the appropriate authorisation as detailed in the grant approval process and would be subject to the Councils standard conditions of grant. A standard security where deemed necessary under Historic Scotland guidance will be placed on any building receiving a grant award.

17. Section 20(1) of the Local Government in Scotland Act 2003 gives the Council the power to do anything that, “…it considers is likely to promote or improve the wellbeing of (a) its area or persons in that area; or (b) either of those.” Section 20(2) states that, “The power under subsection (1) above includes power to – (a) incur expenditure, (b) give financial assistance to any person, (c) enter into arrangements or agreements with any person, (d) co-operate with, or facilitate or co-ordinate the activities of any person, (e) exercise on behalf of any person any functions of that person, and (f) provide staff, goods, materials, facilities services or property to any person.”

EQUALITY IMPACT ASSESSMENT

18. The Council must discharge its power to advance well-being in a manner which encourages equal opportunities and, in particular, observance of the equal opportunities requirements.

COMMUNITY PLANNING/POLICY IMPLICATIONS
19. The proposals detailed in paragraphs 3 to 12 are entirely consistent with the Community Plan. In particular support of ARPG will help develop the tourism offer which is a key priority of the existing plan.

**HUMAN RESOURCES IMPLICATIONS**

20. To oversee the completion of the Cumnock CARS it is proposed that the Kilmarnock Technical Assistants Post be amended to include Cumnock CARS and that the post is extended by a minimum of 6 months from April 2015 to the end of September 2015. This is recommended on the basis that the workload associated with the Kilmarnock THI is decreasing as a result of the scheme coming to a conclusion and that most of the projects under the initiative have been completed.

**RISK IMPLICATIONS**

21. Financial risks associated with the implementation of the Cumnock CARS grant scheme will be minimised by compliance with the Council’s policy bulletins APB27A through to D. To ensure funding is used appropriately any approved grant funding will only be released after the works to be grant aided have been inspected by an appropriately qualified Council officer and are supported by architect’s certificates and/or submitted invoices. The Council’s role under the Cumnock CARS would be as grant administrator and the Council would have no liability for works undertaken by a grantee on property out-with the Council’s ownership.

22. Financial support provided to ARPG will be subject to the Council’s normal grant and the special conditions detailed in paragraph 12 above.

**RECOMMENDATIONS**

23. It is recommended that Cabinet agrees

(i) to the extension of Cumnock CARS;

(ii) to support the purchase and lease by ARPG of land and buildings at Dunaskin subject to the conditions detailed in paragraph 12;

(iii) to the allocation of funds as detailed in paragraphs 13 -15 and to support the extension of the Kilmarnock Technical Assistants post to include Cumnock CARS for the reasons detailed; and

(iv) to otherwise note the contents of the report.

---

Chris McAleavey
ACTING EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES
18 November 2014 (KD/CMcK)

LIST OF BACKGROUND PAPERS

2. Cabinet, 29 January 2014, Cumnock Conservation Area Regeneration Scheme – Revised Action Plan and Grant Applications in Respect of 18 Glaisnock Street, Cumnock; 1-3 Ayr Road, Cumnock; and 40-42 The Square, Cumnock.

Senior officers wishing further information should contact Karl Doroszenko, Development Planning and Regeneration Manager, on 01563 576751.

*Implementation Officer: David McDowall Acting Head of Planning and Economic Development (01563) 576767.*