

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE: 11 FEBRUARY 2003.

DEVELOPMENT PROPOSALS AT MOORFIELD INDUSTRIAL SITE.

Report by the Director of Development Services.

1. PURPOSE OF REPORT

- 1.1** The purpose of this report is to seek approval from committee to;
- a) Proceed with the proposals for the development of the Moorfield North strategic industrial site; and
 - b) Agree the funding arrangements for the implementation of the proposed project.

2. BACKGROUND

- 2.1** Moorfield North, Kilmarnock is a 29.08ha site located on the outskirts of Kilmarnock between Kilmarnock and Crosshouse. The site is bounded to the south by the A71, to the north by the B7081 and to the east by the B7064. The site is partly Council owned and has been allocated as a Strategic Industrial Site in the East Ayrshire Local Plan Finalised Version with Modifications. However, an investigation undertaken by consultants Mason Evans Partnership in 1998 confirmed that contamination by colliery spoil is present in the Council owned area and was considered to be an obstacle to industrial development.
- 2.2** During 2002 the Scottish Executive allocated, to East Ayrshire Council, a sum of £240,000 from the Contaminated Land Capital Allocations towards the treatment of the contaminated land within the Moorfield industrial site. This funding allocation was to be spent during the 2002/03 financial year but advice from the Scottish Executive has indicated that the fund may be utilised during 2003/04.
- 2.3** A development brief was approved by East Ayrshire Council in 2000 which provides significant background information based on the Moorfield and Mount House/Springhill Farm Action Plan prepared by MacDonald Associates Scotland Ltd. The Action Plan includes a development strategy for the wider Moorfield area and adopts a joint development approach to residential and industrial development.
- 2.4** The principal private developer, Land Improvement Holdings, wish to promote residential housing development within the Mount House/Springhill Farm site (directly to the east of Moorfield North). This will entail the creation of a new roundabout on the B7064 and the developer has agreed to create a spur access road from the new roundabout to the industrial site.

3. PROJECT PROPOSAL

- 3.1** This project will assist in tackling the problem of dereliction by targeting resources on the existing Moorfield north site and making it capable of meeting the needs of indigenous new start SME's or those seeking to expand, or those SME's looking to locate within East Ayrshire and which may lead to significant opportunities for job creation.
- 3.2** The project proposes that, in partnership with the other owners of the Moorfield North site, significant infrastructure works be undertaken to develop the site as a location for future industrial use. The works would include de-contamination and landscaping works, access road creation and site servicing which will include drainage, footpaths, lighting and signage. The project will utilise a proportion of the works that will be undertaken by Land Improvement Holdings (such as the creation of the roundabout and access spur) and the funding allocated for de-contamination by the Scottish Executive to provide match funding for a European Regional Development Fund bid.
- 3.3** A bid will be made under Priority 2: Developing the region as a competitive location, Measure 2.1: Develop the region's competitive locations and early discussions with Strathclyde European Partnership have been very positive. However, under the terms of European funding requirements work may not commence on site until the European application has been determined, this means that the Council will require to carry over to 2003/04 the Scottish Executive allocation for de-contamination.
- 3.4** In order to prepare the funding applications, preliminary works have been undertaken to provide costings for the project and to indicate the level of demand for the creation of an industrial site. This work is being undertaken at present.

4. FUNDING

- 4.1** It is anticipated that the following partners will contribute towards the implementation of the project; each partner has agreed in principle to support the initiative:

Scottish Executive
Scottish Enterprise Ayrshire
East Ayrshire Council
Private Sector Land Owners
European Regional Development Fund.

- 4.2** A full report detailing the cost of the works and the proposed joint venture agreement will be submitted to a future Development Services Committee. It has been indicated to the Scottish Executive that the Council would contribute £10,000 from its core capital programme. This will be subject to approval of the capital programme for the Development Services Committee in due course.

4.3 This project will provide exceptional value for money. A contribution of £10,000 will lever a substantial amount of external funding.

5. FINANCIAL IMPLICATIONS

5.1 The allocation of £240,000 from the Scottish Executive is offered as an addition to the Council's S94 borrowing consent. The full cost of the project will be subject to a further report to the Committee and will be included in the capital plan for the Committee for consideration in due course.

6 LEGAL IMPLICATIONS

6.1 A legal agreement will be prepared between the existing land owners to ensure the continued industrial use of the site.

6.2 A report will be submitted to the Corporate Sub Committee of the Policy and Resources seeking approval to enter into an agreement with the current land owners to dispose of the upgraded industrial site.

7 RECOMMENDATIONS

7.1 It is recommended that the Committee:

- a) remit to the Director of Development Services to proceed with preparatory work on the proposals to develop Moorfield North;
- b) submit an application for further funding from the European Regional Development Fund; and
- c) agree to the carry over of the Scottish Executive funding of £240,000 as per para 3.3.

Stephen Chorley
Director of Development Services

TM/KM
3 February 2003

BACKGROUND PAPERS.

1. **Development Services Committee report 21 November 2000 – ‘Moorfield/Mount House Action Plan’**
2. **Mount House/Springhill Farm Housing Site – Development Brief.**
3. **Development Services Committee report 24 September 2002 – ‘Bid to Scottish Executive: Contaminated Land Capital Allocations: Moorfield North.**

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