EAST AYRSHIRE COUNCIL
CABINET 6 MAY 2015
CUMNOCK CONSERVATION AREA REGENERATION SCHEME
EXTENSION - UPDATE

Report by the Depute Chief Executive: Economy and Skills and Chief Financial Officer

PURPOSE

1. To seek agreement for the proposed Action Plan for the Cumnock Conservation Area Regeneration Scheme (CARS) extension.

BACKGROUND

2. Cabinet on 26 November 2014 agreed to the extension of the Cumnock CARS and to the allocation of £159,000 for new projects. Cabinet also agreed to the extension of the Kilmarnock Technical Assistant’s post to include Cumnock CARS by a minimum of 6 months from April 2015 to the end of September 2015.

CUMNOCK CARS EXTENSION

3. In the report to Cabinet of 26 November 2014 an update on the remaining projects was provided. Currently of the three remaining projects one is now complete (The Royal Hotel), one is still on site and due for completion in April 2015 (20-24 Glaisnock Street) following delays due to structural issues that were only identified during the construction contract, and one (1-3 Ayr Road, Cumnock), subject to the receipt of further information, is scheduled to start on site in May 2015 with a proposed completion date of September 2015.

4. The extension to Cumnock CARS was advertised in January 2015 and Expression of Interest forms were requested to be completed and returned by Friday 27 February 2015. A total of 12 Expression of Interest forms were requested and 6 were returned. Cabinet agreed in November 2014 that 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.

5. The table below outlines the Expressions of Interest submitted and allocates a priority rating of low/medium/high based on the potential contribution to the regeneration of Cumnock town centre. The estimated project costs have not been verified and will require to be refined and subject of tender submissions as part of the grant process.

<table>
<thead>
<tr>
<th>Project/Address</th>
<th>Description of Works</th>
<th>Estimated Project Cost</th>
<th>Priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-34 Ayr Road</td>
<td>New shop front to 30 Ayr Road; and minor upgrading to 32 and 34 Ayr Road.</td>
<td>£10,500</td>
<td>Low/Medium (Traditional, commercial property, leased by EAC).</td>
</tr>
<tr>
<td>50 Glaisnock Street</td>
<td>Re-rendering</td>
<td>£12,000</td>
<td>Low (non-traditional)</td>
</tr>
</tbody>
</table>
21 The Square  Re-roofing, stone repairs, repair/renewal of windows and doors. £120,000  Medium/High (B listed-Traditional residential building currently vacant).

22 The Square  Upgrade to shop front. £2,600  Medium (C listed traditional commercial property).

The Mercat Hotel  Roofing works, gutters/down pipes, external stone works, and new windows. £250,000  High (B listed traditional commercial property, providing significant employment).

6 Tower Street  Roof/ceiling & wall repair, and exterior painting. £20,000  Low (B listed flat within traditional building).

Total Estimated Cost  £415,100

As the estimated cost significantly exceeds the funding available it is proposed to seek detailed applications only from those projects with medium to high priority in the table above, namely 30-34 Ayr Road, 21 and 22 The Square (combining 21 and 22 The Square), and The Mercat Hotel. The cost of these projects, taken together, is estimated at £383,100. Given that the aim is to encourage regeneration in support of the vitality and viability of Cumnock town centre and that available funds are very limited, it is suggested that the indicative grant offer for the Mercat Hotel is capped at £100,000 and the remaining two projects are offered a 50% grant based on the estimated costs. This would result in a Cumnock CARS Extension Action Plan as follows:-

<table>
<thead>
<tr>
<th>Project/Address</th>
<th>Estimated Project Cost</th>
<th>Grant %</th>
<th>Indicative Grant Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-34 Ayr Road</td>
<td>£10,500</td>
<td>50%</td>
<td>£5,250</td>
</tr>
<tr>
<td>21 and 22 The Square</td>
<td>£122,600</td>
<td>50%</td>
<td>£61,300</td>
</tr>
<tr>
<td>The Mercat Hotel</td>
<td>£250,000</td>
<td>Capped</td>
<td>£100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£383,100</strong></td>
<td></td>
<td><strong>£166,550</strong></td>
</tr>
</tbody>
</table>

**FINANCIAL IMPLICATIONS**

Whilst the indicative grant allocation exceeds the funding allocated to the CARS extension, as approved at Cabinet on 26 November 2014, by £7,550, 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.
LEGAL IMPLICATIONS

8. 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 all necessary consents being obtained, the appropriate authorisation as detailed in the grant approval process and would be subject to the Council's standard conditions of grant. A standard security where deemed necessary under Historic Scotland guidance will be placed on any building receiving a grant award.

9. 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

10. 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. While a formal Equality Impact Assessment is not required for the CARS extension prioritisation of projects has been based on those that will contribute most to the regeneration of Cumnock improving the vitality and viability of the town centre.

COMMUNITY PLANNING/POLICY IMPLICATIONS

11. The proposals in relation to the Cumnock CARS extension are entirely consistent with the Community Plan.

HUMAN RESOURCES IMPLICATIONS

12. Cabinet previously agreed to the extension of the Kilmarnock Technical Assistant’s post to include Cumnock CARS by a minimum of 6 months from April 2015 to the end of September 2015, to oversee the completion of the Cumnock CARS extension.

RISK IMPLICATIONS

13. 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. Grantees will be required to take their own risk/insurance advice and Health & safety advice in relation to each project. The grantee should notify their insurer of the nature of any planned works and should
also satisfy themselves that the appointed contractor holds suitable/sufficient insurance cover to protect against predictable/foreseeable risks.

RECOMMENDATIONS

14. It is recommended that Cabinet agrees

(i) to the indicative allocation of funds within the Cumnock CARS extension action plan as per paragraph 6 above;

(ii) to delegate authority to the Head of Planning and Economic Development to approve grant applications for the buildings that are within the indicative grant allocation identified within the Cumnock CARS extension action plan, and to dispense grant payments under this scheme;

(iii) to authorise the Solicitor to the Council/Head of Legal Procurement and Regulatory Services to issue Offers of Grant; enter into any necessary Standard Securities and to carry out all other legal work associated therewith; and

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

Alex McPhee
DEPUTE CHIEF EXECUTIVE : ECONOMY AND SKILLS AND CHIEF FINANCIAL OFFICER
10 April 2015 (DMcD/KD/CMcK)

LIST OF BACKGROUND PAPERS

1. Cabinet, 26 November 2014, Cumnock Conservation Area Regeneration Scheme Extension and Support for Ayrshire Railway Preservation Group


3. 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: Michael Keane Head of Planning and Economic Development (01563) 576767.