

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE - 2 MAY 2006

CONSERVATION AREA REGENERATION SCHEME (CARS) AND TOWNSCAPE HERITAGE INITIATIVE (THI) FOR JOHN FINNIE STREET & BANK STREET, KILMARNOCK, AND A CARS FOR CATRINE OUTSTANDING CONSERVATION AREAS - UPDATE

Report by Executive Director of Development and Property Services

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the outcome of the bids for grant assistance to establish Conservation Area Regeneration Schemes (CARS) for John Finnie Street & Bank Street, Kilmarnock, and Catrine Outstanding Conservation Areas, to consider the level of Council funding to be committed to them in light of the outcome of the bid, and to seek approval to appoint temporary staff to manage the CARS.
- 1.2 To authorise an appropriate Council Officer to be the official contact person in relation to the submission of a Townscape Heritage Initiative (THI) for the John Finnie Street & Bank Street, Kilmarnock Outstanding Conservation Area; to agree to the establishment of a Kilmarnock Townscape Heritage Initiative Partnership between the Council and appropriate community organisations for the purpose of managing the Kilmarnock CARS & the Kilmarnock THI; to seek cross departmental "in-kind" support for the CARS & THI in the form of an Agency Agreement; to agree to further community consultation and engagement on the Kilmarnock THI; and finally, to seek approval for development funding for the THI Stage 2 submission subject to a successful Stage 1 bid.

2. BACKGROUND

- 2.1 The Development Services Committee on the 23rd August 2005 agreed:-
 - (i) To submit bids to Historic Scotland for grant assistance for a CARS for John Finnie Street & Bank Street, Kilmarnock, and Catrine Outstanding Conservation Areas;
 - (ii) To appoint a team of RIAS accredited architects and quantity surveyors with specialist knowledge and experience in relation to repairs to listed buildings and Historic Scotland's and the Heritage Lottery Fund's grant requirements to prepare the information required to submit these bids; and
 - (iii) To commit funding to these Conservation Area Regeneration Schemes to enable the funding bids to be submitted, the level of funding to be considered at a future Committee.

3. CONSERVATION AREA REGENERATION SCHEMES (CARS) FOR JOHN FINNIE STREET & BANK STREET, KILMARNOCK, AND CATRINE OUTSTANDING CONSERVATION AREAS

3.1 Funding bids were submitted to Historic Scotland's Historic Environment Regeneration Fund (HERF) for CARS for the John Finnie Street & Bank Street, Kilmarnock and Catrine Outstanding Conservation Areas. As part of the Kilmarnock bid under the HERF submission funding was also sought towards a proposed Townscape Heritage Initiative. The bids were submitted by 31st October 2005 deadline and following an initial assessment and request for further information by Historic Scotland the additional information requested was submitted on the 24th March 2006.

3.2 The bids were for a total of £1,388,000 comprising:-

- £711,000 – for the CARS for Kilmarnock
- £254,000 – for the THI for Kilmarnock, and
- £423,000 – for the CARS for Catrine

The funding bids were based upon building condition appraisals and estimated repair costs produced by Austin-Smith: Lord, Council appointed Architects and Poole Dick Associates, Council appointed Quantity Surveyors.

3.3 Historic Scotland confirmed a grant award for the Kilmarnock CARS of £711,170 on 18th April 2006. To date there has been no decision on the bid for the Catrine CARS, or for Historic Scotland's funding for the proposed THI for Kilmarnock.

3.4 To secure this funding from Historic Scotland the Council will be required to make a substantial contribution over three financial years between 2006/07 - 2008/09, with the first year's total contribution scheduled to be £120,000, but increasing in years 2 and 3 of the scheme. However, the final EAC contribution towards these schemes will depend on the outcome of the bid for the Catrine CARS.

3.5 Other potential funding partners were identified in the bids as Scottish Enterprise Ayrshire, the Community Regeneration Fund and Community Scotland.

3.6 To administer the Kilmarnock CARS a temporary full time Project Officer and a temporary part time clerical officer will be required. They will be supported in kind by officers from the Planning, Property, Legal and Finance sections of the Council.

4. TOWNSCAPE HERITAGE INITIATIVE (THI) FOR JOHN FINNIE STREET & BANK STREET, KILMARNOCK OUTSTANDING CONSERVATION AREA.

4.1 Official THI Contact Person - A funding bid to the Heritage Lottery Fund (HLF) is currently being prepared for a THI for the John Finnie Street & Bank Street, Kilmarnock Outstanding Conservation Area. HLF require an appropriate Council Officer to be the official contact person in relation to the submission of a THI. It is recommended that the Policy & Project Manager, Planning, Development & Building Standards Division be the authorised officer.

- 4.2 Proposed Partnership - The proposed THI together with the CARS forms a small but nevertheless important part of the overall Kilmarnock Town Centre Regeneration Strategy. The Strategy acknowledges that partnership working between all of the main organisations involved in the Town Centre of Kilmarnock will be essential to success. Similarly partnership working will need to be demonstrated to the HLF as part of the THI bid.
- 4.3 To assist in establishing partnership working, the development of the THI and its subsequent management it is proposed to establish a Kilmarnock Townscape Heritage Initiative Partnership (KTHIP). The KTHIP may in the future be subsumed into a wider Partnership driving the Kilmarnock Town Centre Regeneration Strategy but in the interim will require to be formally set down in a constitution. In addition, to enable the KTHIP to access the needed expertise within EAC and to particularly assist with implementation and financial management, an agency agreement between the KTHIP & the Council will be required. These elements are discussed in turn below.
- 4.4 KTHIP's Constitution – HLF will require that the KTHIP be co-ordinated and managed by an Executive Board consisting of the key partners. Potential key partners include the Council along with the Ayrshire Chamber of Commerce, the Kilmarnock Retail Traders Association, the East Ayrshire (North) Communities Federation, and Kilmarnock College. Further discussion with these organisations is required to finalise their involvement. However a constitution will be required to regulate the business of the partnership. Other appropriate organisations who wish to support the work of the KTHIP can also be identified in the constitution.
- 4.5 It is suggested that the successful constitutional and administrative arrangements for the Newmilns THI be duplicated in Kilmarnock and that the KTHIP be formed as an unincorporated association. It is proposed that the Executive Board of the KTHIP would comprise members from the Council and a member from each of the other partner organisations. The Council as lead partner and because of its responsibilities to HLF will require in terms of representation to have the same number of representatives as the other partners combined and hold the chairmanship of the Executive Board. It is proposed that the steering group will be an advisory body only. Representation on the Executive Board will require to be considered by the full Council.
- 4.6 The Agency Agreement - KTHIP through the Executive Board will require to enter into an agency agreement with East Ayrshire Council authorising the Council to take any such necessary actions on its behalf. These actions will include the issuing of contracts and legal agreements. The agreement would enable the Council to act as employing agency for any project staff.
- 4.7 Financial Arrangements - HLF will require the Council to undertake proper financial management of any significant grant received from them. This requirement will need to be included within the constitution of the KTHIP and within the agency agreement, as set out above.

- 4.8 Community Consultation – Following on from the successful public launch of the Kilmarnock Town Centre Strategy in January 2006, further public meetings have been held to seek community and business support and involvement with the CARS and the Kilmarnock THI. Individual meetings have also been held with the key partners. Prior to the submission of the THI funding bid another public meeting is proposed to enable further feedback and to finalise the bid prior to its submission.
- 4.9 Stage 2 Development Funding – As part of the Stage 1 bid to the HLF the Council will be required to submit a brief and estimated cost for development of the Stage 2 bid. HLF can provide up to £25,000 towards the development of the Stage 2 bid. To enable HLF to consider funding the development work, the Council will be required to show evidence that part of the funding has been agreed for Stage 2 development. It is considered that a commitment of up to £50,000 towards the development of the Stage 2 HLF bid will be required.

5. FINANCIAL IMPLICATIONS

- 5.1 The Executive Head of Finance has indicated that the Finance Service will be able to assist by administering and monitoring funds for the KTHIP subject to the agency agreement and that the partnership will be led and managed by East Ayrshire Council and that all payments and income will be in the name of the Council and not on behalf of the KTHIP. Payments will only be processed if assurance is provided by the KTHIP that such payments are in accordance with the Conditions of Grant. However, it would be inappropriate in terms of financial reporting for the Council to prepare accounts for the partnership or audit these. Preparation of the accounts and the audit will require to be carried out by a firm of accountants independent of the Council.
- 5.2 As the CARS & the THI Stage 2 development work is part of the Kilmarnock Town Centre Regeneration Strategy funding is available through the Regeneration & Efficiency budget as reported to Policy and Resources Committee on 8 February 2006. An allocation of up to £120,000 in 2006/07 will be required to implement the CARS with increased support required in subsequent years. In addition up to £50,000 development funding for the THI Stage 2 submission will be required in 2006/07 subject to a successful Stage 1 bid.
- 5.3 The incorporation of the regeneration plans for Kilmarnock Town Centre in the Scottish Executive's recently published Regeneration Policy Statement "People and Place" provides an opportunity to pursue additional funding for Kilmarnock Town Centre from the Scottish Executive. This was raised at a recent meeting with representatives of the Department of Enterprise, Transport and Life-long Learning.

6. PERSONNEL IMPLICATIONS

- 6.1 A temporary full time Project Officer (with conservation qualifications) and an administration assistant will be required to deliver the CARS within Kilmarnock and these posts could subsequently be extended depending on the outcome of the THI bid. The costs for appointing any temporary staff have been built into the grant funding bid, and would be met jointly by Historic Scotland and the Council.
- 6.2 Cross - departmental "in-kind" support will be required to successfully implement the CARS/THI.

7. LEGAL IMPLICATIONS

- 7.1 The duty to formulate proposals for the preservation and enhancement of Conservation Areas is contained within Section 63 of the Planning (Listed Building and Conservation Areas) (Scotland) Act 1997.
- 7.2 It is proposed that the Council be lead partner in the KTHIP. The proposed constitution of the KTHIP will comprise an Executive Board of the Partners with a Steering Group that permits other project supporters to participate in the KTHIP.
- 7.3 The KTHIP will be an unincorporated association. Persons who act in a decision making capacity on behalf of this body may be held personally accountable. Accordingly members of the KTHIP will therefore be required to obtain Directors and Officers Liability Insurance. Councillors nominated to the KTHIP Executive Board should not act in a decision-making capacity until such insurance has been obtained.
- 7.4 The KTHIP will require to enter into an agency agreement with East Ayrshire Council authorising the Council to take any necessary actions on its behalf, including the issuing of contracts; legal agreements; offers of grant; and to act as the employing agency for project staff.

8. COMMUNITY PLAN IMPLICATIONS

- 8.1 East Ayrshire's Community Plan under the "Improving the Environment Action Plan" aims to protect and improve the natural and built environment. The Action Plan specifically identifies the submission of funding bids for John Finnie Street/Bank Street, Kilmarnock and Catrine. The development and implementation of both Conservation Area Regeneration Schemes and a Townscape Heritage Initiative will substantially improve the built environment in these areas thereby helping to achieve one of the specific aims of the Community Plan.

9. RECOMMENDATION

9.1 It is recommended that the Committee:

- (i) Note the progress/outcome of the bids for grant assistance to establish Conservation Area Regeneration Schemes (CARS) for John Finnie Street & Bank Street, Kilmarnock, and Catrine Outstanding Conservation Areas;
- (ii) Agree the allocation of Council funding of up to £120,000 in 2006/07 to the CARS in light of the outcome of the bid from the Council's Regeneration & Efficiency budget as part of the Kilmarnock Town Centre Regeneration Strategy as indicated in paragraph 3.4 above, and note that further allocations will be required for the following 2 financial years;
- (iii) Agree the appointment of a temporary full time Project Officer (with conservation qualifications) and a temporary part time administrative assistant to deliver the Kilmarnock CARS, subject to approval by the Chairs Monitoring Group and Corporate Governance Committee.
- (iv) Authorise the Policy & Projects Manager, to be the official contact person in relation to the submission of a Townscape Heritage Initiative (THI) for the John Finnie Street & Bank Street, Kilmarnock Outstanding Conservation Area;

- (v) Agree to the establishment of a Kilmarnock Townscape Heritage Initiative Partnership (KTHIP) between the Council and key partners, potentially including organisations such as Ayrshire Chamber of Commerce, the Kilmarnock Retail Traders Association, the East Ayrshire (North) Communities Federation, and Kilmarnock College, (and all other appropriate community and business organisation that wish to join in the future) for the purpose of managing the Kilmarnock CARS & the Kilmarnock THI;
- (vi) Agree to seek cross departmental “in-kind” support for the CARS & THI through the KTHIP in the form of an Agency Agreement;
- (vii) Authorise the Solicitor to the Council to finalise the KTHIP constitution and the agency agreement with the Council as indicated above;
- (vii) Agree to further community consultation and engagement on the Kilmarnock THI; and
- (ix) Approve up to £50,000 development funding for the THI Stage 2 submission subject to a successful Stage 1 bid.

James Lavery
Executive Director of Development and Property Services
21 April 2006
CMcK/SA - FV

LIST OF BACKGROUND PAPERS

1. Report to Development Services Committee “Conservation Area Regeneration Scheme(CARS) and Townscape Heritage Initiative for John Finnie Street & Bank Street, Kilmarnock, and a CARS for Catrine Outstanding Conservation Areas” – 23 August 2005.
2. Historic Scotland: Historic Environment Regeneration Fund
3. Heritage Lottery Fund – Guidance for the Submission of Townscape Heritage Initiatives.

Anyone wishing to inspect the background papers please contact Colin McKee on (01563) 576759.

Implementation Officer: Alan Neish