

South Ayrshire Council

**Report by Director of Communities and Transformation
to Service and Partnerships Performance Panel
of 14 May 2024**

**Subject: Regeneration Capital Grant Fund – Update on
Pinwherry and Pinmore and Maybole Stage 2
Applications**

1. Purpose

- 1.1 The purpose of this report is to update the Service and Partnerships Performance Panel on the progress of two Regeneration Capital Grant Fund (RCGF) applications and to seek retrospective approval to continue these projects. They are for the transformation of the former Pinwherry and Pinmore primary school, in collaboration with Pinwherry and Pinmore Community Development Trust and the proposed redevelopment of Maybole New Stables Lane, in collaboration with Ayrshire Housing Association.

2. Recommendation

2.1 It is recommended that the Panel:

- 2.1.1 notes the successful outcomes of the Stage 2 applications in regard to Pinwherry and Pinmore, and Maybole New Stables Lane;**
- 2.1.2 notes that Pinwherry and Pinmore Community Development Trust are progressing with the transformation of the former Pinwherry and Pinmore Primary School into a multi-purpose community facility;**
- 2.1.3 notes that Ayrshire Housing Association are progressing the New Stables Lane redevelopment in Maybole New Stables Lane;**
- 2.1.4 notes that the Council will monitor and oversee expenditure of RCGF funding received;**
- 2.1.5 notes that the Assistant Director Communities will update the Panel on the progress of the projects and report back with an update on all the ongoing RCGF projects and continued due diligence; and**
- 2.1.6 otherwise notes the contents of the report and supports the approaches and activities set out.**

3. Background

- 3.1 The RCGF has been delivered in partnership between Scottish Government and COSLA since 2014/15. It supports locally developed, place-based regeneration projects that tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland
- 3.2 Demand for RCGF support has increased significantly since the launch of the fund. Accordingly only a selection of the strongest projects can be supported from the available budget each year.
- 3.3 The RCGF forms part of the investment backing the establishment of the Place Based Investment Programme supporting community and town centre regeneration, place-based improvements and the development of 20-minute neighbourhoods working in partnership with communities throughout Scotland and all Scottish Local Authorities.
- 3.4 The intent of the Place Based Investment Programme, as agreed between the Scottish Government, COSLA and local government, is to link and align all place-based funding initiatives to ensure there is a coherent and sustained approach to renewal, whilst promoting the resilience, health and wellbeing of communities across Scotland.

4. Proposals

- 4.1 On 9 and 16 June 2023, respectively, the Council received formal RCGF grant funding offers from the Scottish Government for Pinwherry and Pinmore, and Maybole New Stables Lane.
- 4.2 In relation to Pinwherry and Pinmore, the investment panel recommended a grant of £197,633.01 as requested in the Stage 2 application and payable over the financial year 2023/24. The grant will support the completion of Phase 3 of the development of the former Pinwherry Primary School, which is now community-owned, into a multi-purpose, accessible, adaptable and energy efficient community facility, delivering benefits to residents, visitors and businesses.
- 4.3 A main contractor was successfully appointed for the works at Pinwherry and Pinmore in 2023 and works commenced on site on 8 January 2024. The date for completion is 26 April 2024. As a construction contract has been signed, RCGF monies can be drawn down in full for distribution upon receipt of interim certificates.
- 4.4 In relation to New Stables Lane, the investment panel recommended a grant of £999,807 payable over the financial years 2023/24 (£599,884) and 2024/25 (£399,923) as requested in the Stage 2 application. The grant will enable the sympathetic and imaginative redevelopment of a prominent, increasingly derelict and challenging site within a Victorian stables' lane. The proposed redevelopment scheme comprises twenty-two units being a mix of affordable housing with commercial units facing the high street. The project complements ongoing and planned regeneration activities in the town.
- 4.5 As a result of site acquisition challenges, RCGF-eligible development fees spent by Ayrshire Housing have been less than expected for 2023/24 (totalling £80,640) and RCGF has confirmed the remainder of the 2023/34 allocation will be reprofiled into 2024/25. RCGF will continue to be drawn down upon receipt of Ayrshire Housing evidence of project related spend for the remainder of the year.

4.6 Redevelopment of the New Stables Lane site includes Council-owned land at 49-53 High Street to be utilised to form site access. A valuation report has been prepared by consultants and has been used to inform negotiations for disposal through the appropriate means.

4.7 Transfer of both grants was authorised under General Delegation G3 (unanticipated situations).

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 The proposed projects meet the Council's regeneration ambitions and thereby through the due diligence process associated with reporting schedules will help deal with and mitigate any potential issues. This will ensure that the projects' Business Plans are robust and kept up to date and continue to show operational viability thus reducing the financial risks. In addition the continuation/establishment of Project Support Groups for each of the projects working with their design teams will help to monitor and assist with the progress of the projects and their long-term sustainability.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 Risk Implications of Adopting the Recommendations

8.1.1 There are no risks associated with adopting the recommendations.

8.2 Risk Implications of Rejecting the Recommendations

8.2.1 The risks associated with rejecting the recommendations is the missed opportunity to identify and advance priority regeneration projects that would have transformation impacts in their respective communities.

9. Equalities

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - The Scottish Government Gateway will be contacted in terms of any potential SEA Requirements

and the assessment of environmental impacts (SEA / EIA (Economic Impact Assessment)) and reporting.

11. Options Appraisal

- 11.1 An initial range of priority projects were identified through the Place Plan, Place-based Strategy and consultation with Officers and Elected Members. The finalisation of priority projects is a key aspect of the Development Phase work and will be undertaken in coordination with the Project Board and Funders and further consultation over the next year.

12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to Priorities 1, 2 and 3 of the Council Plan: Spaces and Places/ Moving around and the environment (Outcome 1), Live, Work, Learn (Outcome 2) and Civic and Community Pride (Outcome 3).

13. Results of Consultation

- 13.1 There has been extensive public and stakeholder consultation within the context of the Maybole Regeneration Project and within Pinwherry and Pinmore as part of the place planning process. Further consultation in regard to the New Stables Lane project is required as part of the statutory planning process.
- 13.2 Consultation has taken place with Councillor Alec Clark, Portfolio Holder for Tourism, Culture and Rural Affairs, and the contents of this report reflect any feedback provided.

Background Papers **None**

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