

South Ayrshire Council

Report by Assistant Director - People  
to Leadership Panel  
of 15 February 2022

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**Subject: Maybole Regeneration Project – Proposed Re-allocation of Council Capital Contribution**

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**1. Purpose**

1.1 The purpose of this report is to seek approval to partially re-allocate the £1m of Council capital contribution more evenly across the Maybole Regeneration Project schemes.

**2. Recommendation**

**2.1 It is recommended that the Panel:**

**2.1.1 agrees to redistribute the Council capital contribution of £1m as set out in [Appendix 1, Part I](#);**

**2.1.2 approves a £50,000 development grant budget as explained in Section 4 of this report; and**

**2.1.3 supports the request of an extension of up to twelve months to the Maybole Regeneration Project to 31 March 2025 as a result of delays experienced by the Covid-19 pandemic.**

**3. Background**

3.1 The current Maybole Regeneration Project currently has funding of £8.476m to support four main project streams as set out in [Appendix 2](#). The funding, which includes property owners' contributions, supports the following:

**(1) *Priority Projects***

Property Redevelopment of:

- (i) The former 'Speakers' building, now renamed as 'Goudies' – project complete;
- (ii) Maybole Town Hall;
- (iii) Maybole Castle;
- (iv) The building known locally as 'The Charity Shop'; and
- (v) The building referred to locally as the 'Hardware Store'.

(2) **Maybole Active Travel/ Public Realm High Street Scheme**

(3) **Small Grant Schemes**

Grant schemes to encourage:

- (i) Shop front improvements;
- (ii) Shops and businesses back into trading; and
- (iii) Private dwelling grants for home improvements

(4) **Activities and Training Programme**

3.2 The current allocation of the Council's £1m contribution to the Maybole Regeneration Project was approved by Leadership Panel in August 2019 as set out in the table below:

<b>Project</b>	<b>Amount</b>
Maybole Town Hall	£0.223m
Public Realm Improvements	£0.867m
<b>Total</b>	<b>£1.000m</b>

3.3 In the intervening period between the Leadership Panel of 20 August 2019 and now, funding has been secured from the National Lottery Heritage Fund (NLHF) and from the Regeneration Capital Grants Fund (RCGF).

3.4 Furthermore, working in partnership with Sustrans the 'Maybole Active Travel Public Realm High Street Scheme' has increased in scope to now include improvements to routes into the Town Centre. This has resulted in an estimated increase in budget from £1.225m to £1.950m. The increase in budget is proposed to be met by Sustrans with a final decision on Stage 4 plans scheduled in May2022.

3.5 Funding is now in place for delivery of the entire Maybole Regeneration Project scheme as originally planned, however with upward pressure on costs within the construction sector, it is likely that the number of private owners (*of businesses and dwellings*) able to access the Small Grants Scheme will be reduced.

#### **4. Proposals**

4.1 In order for the Council's capital contribution of £1m to be allocated more appropriately to meet funder requirements for salary contribution, initiate a Development Grant Scheme and to facilitate the successful delivery phase of the Maybole Regeneration Project, a revision of the £1m allocation to the individual project schemes is proposed. The proposed re-allocation of funding across the portfolio of projects is contained within [Appendix 1, Part I](#).

4.2 A Development Grant Scheme, for the Small Grants Programme, was not considered as part of grant submissions in the initial stages of the budget preparations. As the project has moved into delivery phase, and property condition surveys have been undertaken, it is now evident that the condition of the built environment within the central area of Maybole is now in a considerably poorer condition than it was when the previous property survey was undertaken in 2018.

- 4.3 The increase in costs to property owners has resulted in individuals being reluctant to commit to their property improvement scheme. Costs have risen and there is a risk that several key schemes, that were proposed to significantly enhance the Maybole Townscape, may now not proceed. The proposed Development Grant Scheme seeks to address this risk.
- 4.4 The Development Grant Scheme, capped in total at £50,000 for the duration of the project, would be offered with strict conditions and under very limited circumstances to owners of buildings with multiple owners. If a scheme progress to construction stage the value of the development grant is proportionally reclaimable by the Council from Historic Environment Scotland (HES) and NLHF.
- 4.5 The Public Realm Scheme has seen a significant budget increase due to it being accepted as an Active Travel Scheme by Sustrans. This increase in funding provides an opportunity for a re-allocation of the Council's contribution to other strands of the project.
- 4.6 It is proposed that the Council contributes to the Small Grants Scheme. At grant application stage the Council did not have sight of expected levels of contribution to this scheme from key funders such as Historic Environment Scotland (HES) and NLHF. The proposal would see the Council allocating £0.291m to the scheme to align support to grant funder requirements and as contained in the Council Grant applications to both HES and the NLHF.
- 4.7 The proposal also sees a contribution to project team salaries of 33.8% of the total salary costs. At grant application stage the Council did not have sight of funder requirements for salary contributions. This proposal sees the Council allocating £0.189m to salary costs of the total salary costs of £0.558m and this will align the Council's support to grant funder requirements.
- 4.8 The Maybole Regeneration Project is scheduled to be completed by 31 March 2024. Due to the impact of the COVID-19 pandemic delaying the delivery stage of the project, a six-month extension of the project will be sought from HES and NLHF in 2022 when major schemes are expected to have been tendered.
- 4.9 Due to delays in recruiting the Maybole Regeneration Project Team, as a direct result of COVID-19 pandemic, there is an underspend in salary costs and as such the proposed extension to the project would not attract any additional salary costs.

## **5. Legal and Procurement Implications**

- 5.1 There are no known legal implications immediately arising from this report.
- 5.2 There are no procurement implications immediately arising from this report; all procurement of project work must comply with the process requirements of funders and the Council.

## **6. Financial Implications**

- 6.1 Due to delays experienced in pulling the complete funding package together and with further delays exacerbated by the Covid-19 pandemic, actual project spend is behind what had previously been planned and is set out in [Appendix 1, Part II](#). A summary of scheduled spend is set out in [Appendix 2](#).

## **7. Human Resources Implications**

- 7.1 Grant conditions from NHLF and HES require a degree of matched salary funding from the Council as reflected in these proposals.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

- 8.1.1 There is a risk that by committing to supporting the Small Grants Scheme programme the Council may expose itself to requests for proportionate grant uplifts by owners given the current poor condition of many of Maybole's town centre buildings and the continuing costs being experienced in the construction sector.

### **8.2 *Risk Implications of Rejecting the Recommendations***

- 8.2.1 There is a risk of project failure if the recommendations are not accepted. NLHF and HES funding may be rescinded, and project deliverability and success would be severely inhibited.

## **9. Equalities**

- 9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 3](#).

## **10. Sustainable Development Implications**

- 10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## **11. Options Appraisal**

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## **12. Link to Council Plan**

- 12.1 The matters referred to in this report contribute to Commitment 4 of the Council Plan: South Ayrshire Works/ Make the most of the local economy.

## **13. Results of Consultation**

- 13.1 Recent public consultation on the revised, more ambitious revised Maybole Active Travel Public Realm scheme has been favourable with 68% of responses rating the proposals Excellent or Very Good.
- 13.2 Consultation has taken place with the Maybole Regeneration Project partners, the North Carrick Community Benefit Company, and they are supportive of the proposals.

13.3 Consultation has taken place with Councillor Peter Henderson, Leader of the Council and Portfolio Holder for Corporate, Councillor Brian McGinley, Portfolio Holder for Resources and Performance, and with local Elected Members Councillors Iain Campbell, Brian Connolly and William Grant, and the contents of this report reflect any feedback provided.

#### 14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Assistant Director – People will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the ‘Council and Leadership Panel Decision Log’ at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Deliver the Maybole Regeneration Project	30 March 2025	Maybole Regeneration Lead Project Officer

**Background Papers**     **Report to Leadership Panel of 20 August 2019 - [Maybole Regeneration Project](#)**

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**Maybole Town Hall, Maybole**  
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**Date: 8 February 2022**

**Appendix 1 Part I : Proposed Reallocation of the Council £1m allocation currently held within the Capital Projects Budget.**

<b>Project</b>	<b>Budget</b>	<b>Original Council Contribution</b>	<b>Proposed Revised Contribution</b>	<b>Current Status</b>
Maybole Town Hall	£0.795m	£0.223m	£0.202m	Budget constant at £795,375. The slight £20k reduction in Council contribution has been matched by similar increase in funders contribution. No impact on overall project or delivery.
Public Realm (Maybole Active Travel Project)	£1.960m	£0.866m	£0.268m	Reduction due to a provisional approval of uplift in Sustrans contribution to 70% of construction costs and expansion of the scope of the scheme.
Small Grants Scheme	£1.248m	£ 0.000	£0.291m	A condition of HES and NLHF grant contract is a match funding by the Council. Proposed Council contribution 23.3%.
Project Team Salaries	£0.558m	£0.000	£0.189m	Grant issued to Council by HES supports 29.18% of salary cost. NLHF grant supports 28.08% of salary costs. NCCBC fund 9%. Proposal aligns project budget to support remaining 33.8% of salary costs.
Development Grant Scheme	£0.00	£0.000	£0.050m	Proposed to ensure owners who may not proceed with improvement scheme are encouraged to do.
<b>Total</b>	<b>£4.561m</b>	<b>£1.000m</b>	<b>£1.000m</b>	

## Appendix 1 Part II Actual Spend:

Maybole Regeneration Project Actual and Projected Spend To Date

Total Scheme Budget (2019-2024)		£8,476,000				
	Budget 2019 - 30 March 24	2019-20	2020-21	2021-22	2022-23	2023-24
Salaries						
Projected	£558,502	£105,196	£108,352	£111,603	£114,951	£118,400
Actual Spend(2019-20 to Nov 21)	£186,526	£ 11,423	£ 79,376	£ 95,727		
Underspend		£ 93,773	£ 28,976	£ 15,876		
Capital and Activities and Training						
Projected	£7,917,498	£139,400	£1,210,602	£1,124,714	£3,249,651	£2,193,131
Actual Spend (2019-20 to Nov 21)	£882,075	£292,171	£ 512,095	£ 77,809		
Under(+)/Overspend (-) (To Date, Projected - Actuals)		-£152,771	£ 701,007	£1,046,905		

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## Appendix 2: Projected Budget from 20 August 2019 and an Update Position on Progress and Current Budget Projections

Funder	2019 Amount	Status as at 20 August 2019	Current Status	2022 Amount
National Lottery Heritage Fund (NLHF)	£1.668m	Phase 2 bid submitted and decision due in December 2019	Secured, but award fell short of the projected amount due to small change in %. However, NLHF is willing to contribute to the overall project.	£1.289m
Historic Environment Scotland (HES)	£1.290m	Secured but conditional on getting funding from the Heritage Lottery Fund	Secured, and award exceeded projected due to HES % actual contribution exceeding expected % projection.	£1.670m
South Ayrshire Council	£1.000m	Built into Capital Programme	Built into Capital Programme. Additional £0.314m secured through the Town Centre Fund and £45,000 through the Place based Investment Fund	£1.359m
Regeneration Capital Grants Fund (RCGF)	£1.278m	Unsecured	Secured, fell short of projection due to re-profiled projects budget coming in under original projection and subsequent grant application reduction.	£1,109m
Owners Contribution Former Speakers, now Goudies	£1.020m	Committed	Secured with spend completed in 2020/21. The Goudies facility is now fully open.	£1.020m
Sustrans	£0.686m	Positive discussions are on-going, and an application will be submitted when the next round opens.	Projected budget significantly higher than original due to securing change to an Active Travel Scheme and an expected Sustrans contribution uplift. Development phase (1-4) grant awarded, Construction Stage pending approval by Sustrans, decision expected April 2022. Increase in scheme scope and budget to £1.950m	£1,229m
Owners contributions for smaller projects and small grants scheme	£0.339m	Dialogue has taken place and expressions of interest received and will be a condition of grant	8 projects preliminarily approved and progressing through RIBA ( <i>Royal Institute of British Architects</i> ) stages.	£0.339m
Owners Contribution – Cassillis Estate, Maybole Castle	£0.300m	Committed	Committed	£0.300m
Partnership Funding	£0.136m	This comprises a series of small applications to Trust Funds and smaller external funding pots and will be for specific elements of work.	£25,000 secured to date.	£0.136m
North Carrick Community Benefit Company	£0.125m	Secured	Secured, and £50,000 claimed to date.	£0.125m
<b>2019 Total</b>	<b>£7.884m</b>		<b>Revised Current Total</b>	<b>£8.476m</b>



**South Ayrshire Council  
 Equality Impact Assessment  
 Scoping Template**

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. See information here: [Interim Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018.

### 1. Policy details

Policy Title	Maybole Regeneration Project – Proposed Re-allocation of Council Capital Contribution
Lead Officer (Name/Position/Email)	Mike Newall Assistant Director - People <a href="mailto:mike.newall@south-ayrshire.gov.uk">mike.newall@south-ayrshire.gov.uk</a>

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	n/a	n/a
Disability	n/a	n/a
Gender Reassignment (Trans/Transgender Identity)	n/a	n/a
Marriage or Civil Partnership	n/a	n/a
Pregnancy and Maternity	n/a	n/a
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	n/a	n/a
Religion or Belief (including lack of belief)	n/a	n/a
Sex – gender identity (issues specific to women & men or girls & boys)	n/a	n/a

Sexual Orientation – person’s sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	n/a	n/a
Thematic Groups: Health, Human Rights & Children’s Rights	n/a	n/a

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage? (Fairer Scotland Duty). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	n/a	n/a
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	n/a	n/a
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	n/a	n/a
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	n/a	n/a
Socio-economic Background – social class i.e. parent’s education, employment and income	n/a	n/a

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
<b>Eliminate unlawful discrimination, harassment and victimisation</b>	Low
<b>Advance equality of opportunity</b> between people who share a protected characteristic and those who do not	Low
<b>Foster good relations</b> between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low
Improve the health and wellbeing of particular communities or groups	Medium
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Medium

## 5. Summary Assessment

<b>Is a full Equality Impact Assessment required?</b> (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	<b>YES</b>  <b>NO</b>
<b>Rationale for decision:</b>  <b>The proposal to re-allocate the Council's capital contribution to the Maybole Regeneration project is not considered to have either a positive or negative impact on equalities.</b>	
<b>Signed:</b> Mike Newall, Assistant Director - People  <b>Date:</b> 21 January 2022	