

Penicuik Town Centre Heritage Regeneration Project: Transport Improvements

Report by Ian Johnson, Head of Communities and Economy

1.0 Purpose of Report

- 1.1** This report seeks approval for the allocation of developer contributions towards the Penicuik Town Centre Regeneration Project, due to commence in August 2018: specifically for transport improvements.

2.0 Background

- 2.1** At its 30 August 2016 meeting Midlothian Council's Cabinet approved the simultaneous submission of applications to the Heritage Lottery Fund (HLF) for Townscape Heritage (TH) and to Historic Environment Scotland (HES) for Conservation Area Regeneration Scheme (CARS) for grants for a heritage regeneration scheme for Penicuik. This scheme is called the Penicuik Heritage Regeneration Project. The applications were submitted to HLF and HES and approved in principle. A final decision by HLF on the Townscape Heritage funding is expected on 26 June 2018. A final decision by HES on the Conservation Area Regeneration Fund grant is expected in July 2018. If the applications are successful it secures £1.6m of funding from HLF and £980,000 of funding from HES for the Penicuik Heritage Regeneration project. The Penicuik Heritage Regeneration project is due to run for five years and would involve a programme of public realm improvements, improvements to key historic buildings and a series of training and education initiatives. The project would fund one full time member of staff and one part time member of staff for its five year lifespan.
- 2.2** Public consultation and a town centre audit undertaken in Penicuik in 2017 (as part of work to develop the Penicuik Heritage Regeneration project) identified a need to improve the junction of West Street, Bridge Street and High Street, improve traffic flow, improve pedestrian movement and improve safety for pedestrians and drivers in the town centre. An investment in the roads infrastructure would bring significant benefit to the town centre. The proposed project would involve improving the junction between High Street, West Street and Bridge Street, widening the pavement and reducing the width of the road. Realigning the geometry of the junction would improve sight lines, improve safety for drivers and pedestrians, improve traffic flow (both vehicular and pedestrian) and enhance the overall appearance of the town centre.

- 2.3** These transport works would be a part of the public realm component of the Penicuik Heritage Restoration Project.

3.0 Background to the Funding

- 3.1** When approving the submission of bids to HLF and HES Cabinet agreed that the Council would include a total of £350,000 of developer contributions collected for specific eligible purposes, as its contribution to the project: specifically £250,000 for Penicuik local transport improvements, and £100,000 for Penicuik town centre improvements.

4 Additional Funding Requirements

- 4.1** The proposed package of transportation works is estimated to cost £460,000. There is therefore a shortfall of £110,000. This could be met by the allocation of additional, already received, developer contributions received for the purpose noted in paragraph 3.1 above. Specifically a further £80,000 from the Penicuik local transport improvement 'pot', and a further £30,000 from the Penicuik town centre improvement 'pot'.
- 4.2** Approval for, and implementation of, these transport works would not require any HLF and HES funding. However, if the full funding from these bodies towards the overall Penicuik Heritage Regeneration Project is confirmed then it will include a further £81,700 towards additional public realm works.

5.0 Report Implications

5.1 Resources

The required works identified above will require a provision of £0.460 million in the General Services Capital Plan, to be phased across 2018/19 and 2019/20 as follows:-

Item	2018/19 £000's	2019/20 £000's	Total £000's
Town Centre Transportation Improvements	276	184	460

This report requests the use of received developer contributions for Penicuik Local Transport Improvements and for Penicuik Town Centre, totalling £0.460 million, to fund these works. These contributions have already been received and therefore there will be no prudential borrowing required from the Council. Funding approved above will also cover 1 FT and 0.6 FTE staffing costs from 1 April to 31 July amounting to £24,600 (included within the £0.460 million cost estimate).

5.2 Risk

Cabinet at its 30 August 2016 meeting already approved use of £350,000 of developer contributions for the Penicuik Heritage Regeneration Project. The additional funding is sought to increase the investment in the project to maximise its impact. Failure to allocate this funding to the Heritage Regeneration Project would substantially reduce the impact of the Project, and may also compromise the expected funding from HLF and HES. Furthermore, failure to commit and spend developer contributions within the time period specified in respective Section 75 legal planning agreements would result in any uncommitted money being returned to the original applicants.

5.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☒ Adult health, care and housing
- ☒ Getting it right for every Midlothian child
- ☒ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

5.4 Key Priorities within the Single Midlothian Plan

Investment in comprehensive improvement of town centres in Midlothian directly addresses economic inequalities.

5.5 Impact on Performance and Outcomes

Town centre improvements can assist in promoting economic development and in meeting specific objectives of the Single Midlothian Plan.

5.6 Adopting a Preventative Approach

Investment in town centres can arrest and reverse their decline.

5.7 Involving Communities and Other Stakeholders

Local community groups, Penicuik Community Development Trust and Penicuik First (BIDs) have been engaged in the submission of a Stage 1 application in 2016 and in developing a Stage 2 application to HLF in March 2018. Together with elected local (Ward 1) Members and Council officers, they are all represented on the Project Team which will be responsible for key decisions for the Penicuik Heritage Regeneration project.

5.8 Ensuring Equalities

This report does not relate to a new / revised policy / service change / budget change. It is therefore considered that undertaking an Equalities Impact Assessment (EqIA) in relation to this report is unnecessary. An EqIA for the Penicuik Heritage Regeneration project was undertaken to accompany the report to Cabinet on 30 August 2016, as referred to above.

5.9 Supporting Sustainable Development

Improving the movement of traffic (including private vehicles, public transport, bicycles, pedestrian traffic) will help create a more vibrant and vital town centre which are contributors to a more sustainable economic and physical environment. This report does not relate to the adoption by the Council of a strategic document and Strategic Environmental Assessment' ('SEA') legislation does not apply to this report.

5.10 IT Issues

There are no IT implications from this report.

6.0 Summary

- 6.1** The Penicuik Heritage Regeneration Project, subject to final confirmation of funding from HLF and HES, will result in a significant improvement to the environment and the economy of the town centre as well as the wider town area. An integral part of the project are the improvements to the public realm, primarily roads/pavements/footpaths/landscaping. A scheme which can readily be prepared and implemented has been identified and costed at £460,000. This report seeks gap funding of £110,000 to add to the £350,000 already approved as the Council's contribution to the overall project. All of this funding comprises developer contributions collected for this purpose from housing developments at Penicuik.

7.0 Recommendations

7.1 Council is recommended to

- a) approve the allocation of an expenditure budget of £0.460 million in the General Services Capital Plan for the provision of Penicuik Town Centre Transport Improvement works;
- b) approve the utilisation of £0.460 million of already received developer contributions to fund the Penicuik Town Centre Transport Improvement works, thereby resulting in no prudential borrowing requirement for the Council, noting that the Developer Contributions of £0.460 million comprise:-
 - i. the previous Cabinet approval on 30 August 2016 of £350,000 of already collected developer contributions towards the project;
 - ii. the request for a further £80,000 of already collected Penicuik Local Transport Improvement contributions;

- iii. the request for a further £30,000 of already collected Penicuik Town Centre contributions.

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Background Papers: None