

**Scottish Government Regeneration Capital Grant Fund Bid for Phase 2 of Dalkeith High Street Improvements****Report by Mary Smith, Director Education, Communities and Economy****1 Purpose of Report**

- 1.1** To inform Cabinet of the outcome of the Stage 2 bid to the Scottish Government for grant aid to continue the Dalkeith High Street improvements.

**2 Background**

- 2.1** In May 2013, Scottish Government announced a further round of Regeneration Capital Grant Fund (RCGF). This represented a good opportunity to bid for a grant to extend the Dalkeith High Street improvements to East High Street as part of a wider regeneration programme to enhance the town centre and surrounding area.
- 2.2** The public realm improvements were to include the paving outside important historic buildings, namely the refurbished Tolbooth and Cross Keys buildings, and the Dalkeith Corn Exchange (now acquired by Melville Housing Association for renovation to become office accommodation and to house Dalkeith Museum). The relocation and restoration of the Burns Monument to its original position, interpretation and development of a heritage trail, and improved access to local businesses with rationalised car parking, service lay-by areas and junction improvements were also envisaged.
- 2.3** The objective of this regeneration scheme was to make the town centre more attractive, vibrant and accessible to businesses, residents, shoppers and visitors alike, building on the work that has been carried out at the southern end of the High Street as part of the Dalkeith Townscape Heritage Initiative (THI), Conservation Area Regeneration Scheme (CARS) and Town Centre Regeneration Scheme projects.
- 2.3** The Stage 1 bid, submitted in June 2013, was successful and, at its meeting on 8 October 2013, Cabinet agreed to submit a Stage 2 bid. The grant requested was a sum of £1,245,977 towards a total cost of £1,399,977. At its meeting on 8 October, Cabinet approved a Council contribution of £20,000 towards the High Street Phase 2 improvements for inclusion in the Stage 2 bid. Other contributions sought to support the bid included:

	£
Buccleuch Estates	
(improvements to entrance to Country Park)	50,000
Historic Scotland	
(contribution to the restoration of Burns monument)	5,000
Local business contribution (to interpretative panels)	5,000
Devine Electrics	

(to restore derelict building at rear of Tolbooth)	54,000
Dalkeith Business Renewal	<u>20,000</u>
TOTAL	134,000

- 2.4** Unfortunately, the Stage 2 bid was unsuccessful. The reason for this appears to reflect a change in the focus for the funding which is now directed towards the redevelopment of derelict buildings with clear regeneration outcomes. The public realm aspects were considered to be ineligible, despite meeting the criteria for the scheme. The scheme was oversubscribed, with just under 50% of schemes unsuccessful. The RCGF will be open again in 2015/16 and unsuccessful applicants in 2014/15 are encouraged to consider re-applying with either new projects or further iterations of projects previously submitted, taking the above comments into account.
- 2.5** It should be noted that Buccleuch Estates, Dalkeith Business Renewal and Melville Housing Association are keen to see if some elements of the public realm improvements can still be delivered, in particular the area outside the former Cross Keys and the Tolbooth. They have offered to retain their contributions, if the Council's contribution remains in place; Buccleuch Estates will upgrade the public realm outside the Palace Gates entrance and Melville Housing Association will improve the public realm outside the Corn Exchange. Dalkeith Business Renewal will retain their commitment of £20,000 and may be willing to increase this, if so required. Other sources of funding will also be explored with the partners. Members are invited to consider if there is still scope for a Council contribution towards the East High Street public realm improvements, despite the failure of the Stage 2 bid. This would secure the commitment of the other partners.

### **3 Report Implications**

#### **3.1 Resource**

The report confirms that the Stage 2 bid for RCGF funding for the East High Street improvements has been unsuccessful, despite a Council contribution of £20,000 being offered as part of a package of contributions in support of the bid. The funding for this contribution was being sought from within existing budgets through re-prioritisation of needs and resources. If the Stage 2 bid had been successful and resources had not been able to be re-prioritised to identify the contribution, then a further report to Cabinet seeking a supplementary estimate would have been required. If Cabinet still wishes to contribute to the scheme as outlined in paragraph 2.5, then it is likely that a supplementary estimate will be required and would be the subject of a further report.

#### **3.2 Risk**

The risk that the Stage 2 bid would be unsuccessful was noted by Cabinet in October, in which case Cabinet was advised that the project would not be able to proceed as planned.

#### **3.3 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

### 3.4 Impact on Performance and Outcomes

This project would have contributed to meeting the target of improving Midlothian's town and village centres. Regeneration outcomes directly related to the project were identified as follows:

Economic: 15 jobs created or sustained.

Community benefit: greater access, understanding of the heritage, 10 training opportunities for local people.

Physical: 1258m<sup>2</sup> of public realm improved, two historic structures restored and one converted for business use.

Social: making the East High Street a safer and more comfortable pedestrian environment to improve retail and business footfall, linking in to the new community facilities and Dalkeith Museum to be provided in the Corn Exchange.

The notable proportion of people with mobility problems in neighbouring Woodburn would have benefitted from wider, safer and more accessible footpaths, improving their ability to access East High Street.

### 3.5 Adopting a Preventative Approach

In terms of the key priorities of the Community Planning Partnership through the Single Midlothian Plan, this proposal would have delivered significant benefits in terms of the business growth and positive destinations priorities. The scheme would have provided training, extending what has already been achieved as part of the THI/CARS focus on education/training. It would have boosted the tourism potential of the county town, especially in terms of its linkage with Dalkeith Country Park. There was important synergy also with the Corn Exchange regeneration. It would have made the town more attractive, increased appreciation of its heritage role, and contributed to boosting Dalkeith's image for inward investors.

### 3.6 Involving Communities and Other Stakeholders

The scheme was the subject of local consultation and development with key partners and community groups: Heritage Lottery Fund, Historic Scotland, Dalkeith Community Council, Dalkeith Country Park, Melville Housing Association, Dalkeith History Society, local businesses in the town, Dalkeith Youth Forum, the Chamber of Commerce and Dalkeith Business Renewal.

### 3.7 Ensuring Equalities

The impact on the following equality target groups would have been positive: age (older or younger), disability, and people experiencing poverty or at risk of poverty; the impact on other target groups would have been neutral; no negative impacts were anticipated.

### **3.8 Supporting Sustainable Development**

Improvements to the High Street would have contributed to the economic, social and environmental objectives for the town centre and the wider community as a whole.

### **3.9 IT Issues**

There are no IT issues arising from this report.

## **4 Recommendations**

- 4.1** It is recommended that Cabinet notes that the Regeneration Capital Grant Fund Stage 2 bid for the Dalkeith High Street Phase 2 improvements was unsuccessful.

**Date** 16 December 2013

### **Report Contacts:**

Janice Long, Planning Policy & Environment Manager Tel No 0131 271 3461

[janice.long@midlothian.gov.uk](mailto:janice.long@midlothian.gov.uk)

Rod Lugg, Dalkeith THI/CARS Project Manager Tel No 01875 823202

[r.lugg@dalkeiththi.co.uk](mailto:r.lugg@dalkeiththi.co.uk)

### **Background Papers:**

Regeneration Capital Grant Fund First Stage Application, 28 June 2013

Regeneration Capital Grant Fund Second Stage Application, 14 October 2013

### **Declaration Box**

**Instructions:** *This box must be completed by the author of the report. The box will be copied and saved by the Council Secretariat who will delete it from the report prior to photocopying the agenda.*

**Title of Report:** *Scottish Government Regeneration Capital Grant Fund Bid for Phase 2 of Dalkeith High Street Improvements*

**Meeting Presented to:** *Cabinet 14 January 2013*

**Author of Report:** *Janice Long*

*I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-*

- ☒ *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Human Resources.*
- ☒ *All risk implications have been addressed.*
- ☒ *All other report implications have been addressed.*
- ☐ *My Director has endorsed the report for submission to the Council Secretariat.*

*Education interest. Yes*