

## **Conservation Area Regeneration Scheme Bid for Gorebridge**

### **Report by Ian Johnson, Head of Planning and Development**

#### **1 Purpose of Report**

- 1.1** At its meeting on 5 June 2012, Cabinet considered a report on a further round of grant funding by Historic Scotland for improvement works within conservation areas. The Cabinet agreed that a fresh application be submitted to Historic Scotland for Gorebridge town centre for the fifth round of the Conservation Area Regeneration Scheme (CARS). Furthermore, sources of match funding including developer contributions should continue to be investigated; and that an update on the finalised application should be provided to Members prior to its submission by 31 August 2012. The purpose of this report is to provide this update on the application.

#### **2 Background**

- 2.1** Members are reminded that CARS schemes are five-year grant programmes which help to meet the costs of repair work to improve the condition of historic buildings within conservation areas. Owners of eligible buildings within a CARS scheme can make an application to the scheme and can receive a grant award towards the cost of repairing/improving their historic building. Owners are also expected to make a financial contribution towards the cost of the work.
- 2.2** If a bid were to be successful, the size of the award would depend on the need of the local community, the maximum award for a single scheme from CARS round 5 being £2 million. The decision on whether to award support will continue to be based on the regeneration benefit of the scheme to the historic environment as determined by Historic Scotland and the ability to successfully deliver the project. Priority is given to areas with demonstrable social and economic disadvantages.
- 2.3** Historic Scotland will provide successful applicants with a rolling 5-year grant offer. The CARS scheme will fund:
- a repairs programme for priority projects;
  - a small grants scheme (such as to homeowners or retailers);
  - community engagement through providing training opportunities in traditional skills and through education programmes;
  - training opportunities for traditional craftsmen;
  - public realm conservation and restoration; and
  - administration costs, including the appointment of a dedicated project officer.

- 2.4** The eligibility of Gorebridge to meet the CARS criteria is strong; both in terms of the deprivation data and the potential for notable improvement in the Main Street which was designated a Conservation Area in 1978 in recognition of the fact that it possesses a complete set of 19<sup>th</sup> century houses and shop fronts that form an important part of Midlothian's heritage. The CARS boundary would match the Conservation Area boundary. Many of the buildings in the Conservation Area require improvements to their roofs, rainwater goods, doors, windows and stonework. Newbyres Hall is a key streetscape building but requires considerable façade improvement.
- 2.5** A preliminary survey of the condition of buildings in Main Street has been undertaken and overall preliminary costings estimated for likely recommended works. It is anticipated that up to 40% of the identified works might be undertaken as part of a CARS scheme, grant aided at up to 75%. These costing are noted below (rounded to the nearest thousand):

**Preliminary costings for works (including VAT, contingency & fees)**

Priority building project (Newbyres Hall)	£ 117,000
Small grants scheme (40% of eligible projects)	£ 426,000
Education programmes	£ 35,000
Training in traditional building skills	£ 35,000
<u>Administration (including salary costs)</u>	<u>£ 160,000</u>
<b>TOTAL</b>	<b>£ 773,000</b>

*Note; the 'Administration' costs are the total for the five years of the programme (i.e. an average of £32,000 per year): the majority of these costs being the salary of the project manager, this post being a requirement of Historic Scotland. Indeed, these costs are relatively modest because many of the overheads are covered by in kind contributions.*

All of these costs are eligible for grant from CARS except for the first two items (Priority building and small grants scheme) where grant funding is capped at 75%. **Therefore the total eligible CARS funding for the project would be £637,000.** The Council can add to this funding with in kind contributions amounting to £55,000, and potentially other direct funding from existing allocated budgets. The in kind contributions comprise the input from the Council's Conservation and Town Centres Officer, the input from the Gorebridge Community Development Trust, the work of volunteers and in-house graphics.

- 2.6** It should be noted that there has been a notable deterioration in building condition, and consequently more restoration works are required, since the original application for a Gorebridge CARS in Autumn 2010.
- 2.7** If the bid is successful, the CARS will provide a substantial contribution of up to 75% towards the cost of the building works but the balance would require to be met by individual owners who choose to participate in the scheme. The CARS application form asks how much funding Midlothian Council would be able to contribute towards the scheme. In

2010, the Council was unable to contribute funding towards the CARS but offered to contribute through the provision of architectural and management advice from the Conservation and Town Centres Officer. This was considered by Historic Scotland as a contribution in kind and, although welcome, the fact that the Council was unable to provide any direct funding, contributed to the failure to secure an award in a situation where the national CARS scheme (round 4) was heavily oversubscribed with bids from other parts of Scotland. Historic Scotland advised that any future bid should consider this issue.

- 2.8** The CARS application form also asks if any other funding and regeneration partners will be involved in the scheme. Preliminary discussions have been held with the Gorebridge Community Development Trust. It is anticipated that, as with the previous bid, the Trust would be willing to support Midlothian Council's application for a CARS in Gorebridge Main Street and would provide office space and facilities for the project. This could also be counted by Historic Scotland as a contribution in kind. Confirmation of this support would be provided as part of the CARS application.

### **3 Report Implications**

#### **3.1 Resource**

None arising directly from this report. If the application is successful, CARS and/or THI schemes require staff time during their 5-year implementation period. Some staff time can contribute as contributions in kind.

In respect of the significant issue of contributory Council funding, Midlothian Local Plan 2008 makes provision for the collection of developer contributions towards town centre improvements in Gorebridge. Developer contributions of up to £82,000 are due from various sites around Gorebridge. At present, approximately £45,000 has been identified as being available over the next five years.

#### **CARS Funding**

Developer Contributions from Midlothian Council	£ 45,000
<u>BID to Historic Scotland for a CARS grant</u>	<u>£ 592,000</u>
TOTAL Funding (Excluding Contributions in kind)	£ 637,000
<u>Contributions in kind</u>	<u>£ 55,000</u>
TOTAL Funding (including Contributions in kind)	£ 692,000

#### **Post of CARS Project Manager**

This is proposed as a part time post, 3 days per week. The appointment would be made at PRO3 (currently £34,413-£37,625 pro rata). The post would be appointed by Midlothian Council and funded by the CARS scheme.

#### **3.2 Risk**

If this CARS bid is not submitted, the opportunity to access funding to improve Gorebridge town centre will be lost, with a likely loss of

confidence and pride in the areas and a potential adverse impact upon trade.

Although Developer Contributions are available to the project there is a risk that without any direct funding from the Council, the experience of the previous bid, would suggest that this could prejudice the strength of the Council's bid. Having regard to that it is recommended that in finalising the bid regard is had to any opportunity for a modest contribution from existing budgets be explored.

### **3.3 Policy**

#### **Strategy**

Improvement of the town centre accords with the Corporate Priority to regenerate and improve Midlothian's towns and villages. In terms of the Single Outcome Agreement, the Gorebridge CARS would contribute towards the following Local Outcomes:

- make Midlothian a more attractive place for doing business;
- safeguard and enhance the amenity of Midlothian.

#### **Consultation**

None required in the preparation of this report. Consultation was undertaken with the Gorebridge Community Development Trust during the development of the previous application. Information on the current application has been circulated to the Community Council and to the Gorebridge Community Development Trust. Further consultation would be undertaken during the development phase of any CARS scheme.

#### **Equalities**

To comply with current legislation a project such as a new Conservation Area Regeneration Scheme will require an Equalities Impact Assessment to be undertaken.

#### **Sustainability**

Environmental, economic and cultural benefits would arise through an improved town centre. This would maintain and increase the appeal of the town centre for users and visitors.

## **4 Recommendations**

### **4.1 It is recommended that**

- i) the Council submits an application to Historic Scotland for a Conservation Area Regeneration Scheme in Gorebridge in line with the approach outlined in this report;
- ii) the Director Corporate Resources be instructed to prepare and finalise the details of the submission, and which shall identify

£45,000 of developers contributions as a contribution from Midlothian Council to the project;

- iii) the potential to increase that level of Council contributory funding from existing allocated budgets is examined; and
- iv) a further report be submitted to the Committee to inform of the outcome of the bid.

**Date 8 August 2012**

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**Background Papers: File 4710/ER/JR**