

Historic Environment Scotland: Conservation Area Regeneration Scheme**Report by Ian Johnson, Head of Communities and Economy****1.0 Purpose of Report**

- 1.1** This report informs Council of the latest round of funding announced by Historic Environment Scotland (HES) under its scheme to promote regeneration of conservation areas; and recommends that this Council submits a bid for funding of a scheme at Penicuik town centre.

2.0 Background

- 2.1** The Conservation Area Regeneration Scheme (CARS) funding programme was established in 2005 to provide financial assistance for area-based regeneration and conservation initiatives to the historic environment with the responsibility for its administration and delivery devolved to grantees.

Funding is provided over a 5 year period and can be used to fund:

- a repairs programme for priority projects;
- a small grants scheme – eg for homeowners or retailers;
- community engagement through training opportunities in traditional skills and through education programmes;
- training opportunities for traditional craftspeople;
- public realm conservation and restoration; and
- administration costs including the appointment of a dedicated project officer.

Applications may be submitted by local authorities; national park authorities; community groups and other organisations experienced in delivering multi funded projects with priority given to those working in partnership with their local authority.

- 2.2** This latest round of funding (Round 7) has a total budget of £10m and will run from either 1 April 2017 or 1 April 2018 (subject to confirmation by HES) until 31 March 2022. Applications for funding under this round are to be submitted to HES by 31 August 2016.

- 2.3** Midlothian Council has benefitted from substantial levels of CARS funding in previous rounds for Dalkeith (2009 to 2014) and Gorebridge (2013 to 2018), this latter scheme being at an advanced stage of implementation.

3.0 Potential Candidate Areas in Midlothian

- 3.1** There are two particular considerations that need to influence the choice of area on which to submit a bid for CARS funding. The first is to ensure the bid closely aligns with the assessment criteria which HES will use in its consideration of bids: the second is to assess the bid which will provide the greatest benefit to Midlothian and its communities.

- 3.2** The primary document used by HES in the assessment of bids is the Scottish Government's Regeneration Strategy: Achieving a Sustainable Future (December 2011). That Strategy states the need to promote and secure successful and sustainable communities, economically, physically and socially. It specifically refers to support for town centres to ensure they are functioning, well maintained assets that develop and support the needs of their residents, businesses and visitors. It also highlights the role that Business Improvement Districts can play in encouraging continuous investment in town centres. In its summary of outcomes the Strategy refers to:
- putting communities first;
 - considers the physical, social and economic elements together;
 - focuses on the quality of places;
 - accounts for wider economic strategies;
 - strong leadership; and
 - effective partnership working.
- 3.3** It is evident from this context that CARS schemes are most likely to be at their most effective in promoting town centre regeneration and, as a consequence, funding bids for town centre conservation areas are more likely to be successful. Of the 21 designated conservation areas in Midlothian, four cover to some degree town centres, these being those at Dalkeith, Gorebridge, Newtongrange and Penicuik. As Dalkeith and Gorebridge have been the recipients of CARS funding from previous rounds, it would be appropriate to examine the merits of Newtongrange and Penicuik.
- 3.4** The designated conservation area at Newtongrange includes the National Mining Museum and environs, as well as a section of the original street pattern of houses (First to Fourth Streets) built to accommodate workers at the nearby former colliery. It does not include much of what could be generally regarded as Newtongrange town centre along Main Street. This in itself is not a conclusive reason to dismiss the area from a CARS funding bid, but it would need associated additional funding streams to be secured to provide the comprehensive approach that would be needed. In this respect the timing is perhaps rather early for a bid. With the advent of the Borders Railway and other emerging changes on sites in the town centre there may well be new funding opportunities arising over the next 12 to 18 months to support an overall scheme of town centre regeneration, of which a future round of CARS would be a component part.
- 3.5** At Penicuik the most recent substantial town centre redevelopment was in the 1980s, although further plans were drafted in 1997, yet not implemented. The size of the town and its fairly well defined town centre area provides opportunity to implement a scheme of works to buildings and public realm which would have a significant economic impact on the town with related benefits to the community of Penicuik. A particularly significant advantage is the positive vote in May 2015 to establish a Business Improvement District in the town centre, thereby demonstrating the commitment of local businesses to improvement of the retail/commercial centre of the town. An initial survey of the area shows that there is substantial potential to renovate and repair traditional buildings, improve the appearance of new buildings, secure the renovation and longer term future of significant buildings such as the Town Hall and the former Co-op building, and to make step-change improvements to the streetscape and public realm. A successful bid could also be a catalyst for seeking additional funding from the Heritage Lottery Fund's Townscape Heritage programme.

4.0 Report Implications

4.1 Resources

Previous experience of the CARS schemes at Dalkeith and Gorebridge showed that for bids to be successful, some element of Council funding is required. In the case of Gorebridge a total Council contribution of £50,000 over five years is being provided as part of an overall programme budget of some £800,000. At this stage it is not possible to determine the likely level of Council contribution required for a bid under the current CARS round; that would need formal approval either by Cabinet or Council once a fully costed application had been prepared ready for submission.

4.2 Risk

If the Council does not submit a bid under this round of CARS it loses the opportunity to draw in additional funding to upgrade one of Midlothian's town centre conservation areas, and the physical, economic and community benefits that would be achieved.

4.3 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

4.4 Key Priorities within the Single Midlothian Plan

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

4.5 Impact on Performance and Outcomes

No direct impact arising from this project.

4.6 Adopting a Preventative Approach

Investment in town centres can arrest and reverse their decline.

4.7 Involving Communities and Other Stakeholders

In compiling a successful bid, the applicant Council will need to demonstrate prior genuine engagement with local groups and the community and show that they are an integral part of the bid.

4.8 Ensuring Equalities

As part of the bid to HES the application will need to include an equalities impact assessment.

4.9 Supporting Sustainable Development

Vibrant and vital town centres which are well connected by public transport are contributors to a more sustainable economic and physical environment.

4.10 IT Issues

None.

5.0 Summary

- 5.1** The town centres of Dalkeith and Gorebridge and by extension their wider hinterlands have gained tangible benefits from CARS funding. It would therefore clearly be in the interests of Midlothian to submit a further application to HES under the current round of funding. That would require detailed work over many weeks to prepare a robust bid, and would need to include Council funding as part of the bid. From a review of the potential candidates, Penicuik provides the strongest case and the best chance of a successful bid for funding in what is normally a particularly oversubscribed HES budget.

6.0 Recommendations

It is recommended that Council;

- i) authorises preparation of a bid to Historic Environment Scotland for Conservation Area Regeneration Scheme Round 7 funding for a scheme at Penicuik; and
- ii) instructs that the completed bid application be submitted for Cabinet or Council approval prior to submission to Historic Environment Scotland.

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Background Papers: None