PERTH AND KINROSS COUNCIL

Council – 24th June 2009

Town Centre Regeneration Fund Bid for Perth and Coupar Angus

Report by Executive Director (Environment Service)

This report outlines the bid of £2.9 million made by the Council as lead applicant for Town Centre Regeneration Fund assistance to projects in Perth and Coupar Angus

RECOMMENDATIONS

The Council is asked to:

i) Note the bid of £2.9 million by the Council as lead applicant for Town Centre Regeneration Fund assistance to projects in Perth and Coupar Angus as outlined in the report and that a response to the bid will be received from the Scottish Government at the end of July 2009

ii) Note that further consultation will be undertaken with city centre retailers and event organisers of Perth 800 in the interim on the more extensive proposals for Perth High Street and building proposals at St John's Kirk and the Fair Maid's House contained in the bid to assist in determining how best to phase the works to minimise impact should the bid prove successful

iii) Note that a further report will be submitted on the outcome of the bid and any funding and implementation issues arising from the decision.

BACKGROUND

1. The Town Centre Regeneration Fund is a one-off £60M fund for financial year 2009-20010 introduced as a consequence of business demand and review of the Scottish budget. Bids for the Fund were required by 5th June 2009 for an initial release of funding of £40M or 21st August 2009 for a second release of funding of £20M. The Fund aims to provide support to all legally defined town centres across the whole of Scotland. The Fund only supports capital investment. All legally constituted bodies with a community and/or investment role are eligible (Chamber, Trusts etc). Bids are however encouraged by partnerships and consortiums. The following schemes are identified as eligible:

- Improving pedestrian or vehicle access to a town centre
- Improving parking provision within a town centre
- Attracting increased footfall, both by day and by night
- Diversification of the mix of services and amenities within a town centre, underpinned by an understanding of the requirements of the local community
- Acquisition of gap sites and vacant properties for redevelopment

- Streetscape improvements which enhance and improve how a town centre operates, providing these are of sufficient scale and ambition to represent a capital investment
- Remediation of vacant or derelict sites within the town centre to fit them for retail, residential, business or recreational use
- Purchase of gap sites to allow for use as residential, retail, business or recreation
- Remodelling of existing premises to provide a suitable mix and floorplan of retail, business, residential and recreational uses, or to comply with Disability Discrimination Act legislation

2. Supporting evidence in bids is required that the investment is needed, and that it will contribute to long term strategic objectives for improvements to the town centre. Evidence of objectives and the support of local partners through the Community Planning Partnership and SOA and inclusion in local plans is required.

3. Works associated with the funding award must be completed and funding drawn down by 31st March 2010.

4. Dialogue with representatives of the Scottish Government on the main criteria of the funding bid suggested that

- Partnership bids are favoured
- Indication that bids below £3M are most likely to receive support
- Applicants must be able to demonstrate their capacity to deliver the proposed work and that it will be delivered within the timeframe.
- Fit with strategic objectives
- Longer term viability of proposals must be demonstrated.
- Funding must demonstrably be for additional work
- Leverage of other funding is a major factor in the consideration of award of funding.

PROPOSALS

5. The bid process clearly allows any eligible organisation within an area to make a bid and any bids should be supported and welcomed if they meet the funding criteria. The Council has indicated its support for the work of Blairgowrie and Rattray Regeneration Company to help support their bid for funding projects in Blairgowrie. No other organisations in any other areas have put forward bids or sought Council support at this stage. Kinross Community Council and Crieff and West Strathearn Initiative have sought advice on the criteria for making funding bids and been advised of the critical issues and the desire of Ministers to evidence local support through the Council and Community Planning partnership. It is therefore possible that organisations within these or other areas will make approaches for the next round of funding in August.

6. As noted partnership bids are favoured and the Council and Community Planning Partnership have the ability to take a role as lead applicants to formally endorse those projects they consider most clearly fit with the funding criteria and have the greatest potential economic benefits and consequently the greatest chances of success.

7. On the basis of the criteria identified within the guidance on submitting bids for the Town Centre Regeneration Fund, subsequent discussions with the representatives of the Scottish Government, and apparent chances of success the Council agreed to act as lead applicant for projects in Perth and Coupar Angus with a total value of £19,414,280 for which assistance of £2,979,637 is being sought. The details of the projects are as follows, with fuller details shown in Appendix 1 and a copy of the application available for inspection in the Councillor's Lounge.

Perth

- Boundary railings – reinstatement at Atholl Crescent
- Fair Maid's – refurbishment as cultural, education and tourist venue
- High Street – refurbishment of streetscape using natural materials
- Perth Theatre – funding for fees to finalise designs and secure partnership funding
- St John's Kirk – refurbishment as cultural, education and religious and tourist venue

Coupar Angus

- The Cross – refurbishment of streetscape using natural materials

8. The Leader of the Council as chairman of the Community Planning Partnership also agreed to endorse the bid on behalf of the Partnership in recognition of synergy with the Partnership's agreed aims, objectives and outcomes. The bid was agreed in advance of the meeting of the Economic Partnership on the 8th June to meet the deadlines of 5th June 2009 for the first round of bids in recognition of the need to submit a bid as earlier as possible to give capacity for the agreed projects to be delivered. It was noted in the bid documents that the Economic Partnership would be asked to ratify this decision which they subsequently did.

9. The proposals contained within the bid are consistent with the Community Planning Partnership's values in respect of equalities, community engagement and sustainability and have the potential to assist in achieving one of its stated key aims to create "a vibrant and successful area". The projects will assist achievement of its identified outcomes for this aim in respect of "a thriving economy including successful tourism and cultural sectors", "a positive image locally, nationally and internationally", improved infrastructure and transport links, "a sustainable natural and built environment" which are further refined in respect of targets that have been endorsed through the Single Outcome Agreement (SOA) for the area.

10. In this respect the projects contained within the bid support SOA Outcome 1 in respect of contribution to the local economy; Outcome 3 in respect of contributions to cultural activities; Outcome 9 in respect of anticipated benefits to community safety; Outcome 12 in respect of contributions to sustainability and accessibility; and Outcome 13 in respect of conservation of the built environment.

11. An analysis of the bid against the apparent criteria for success suggests that:

- It falls within the £3M threshold which is likely to be the level at which awards will be made for an area
- Partners have business plans in place, necessary consents and capacity to deliver works to identified funding levels within the required timeframe albeit that some additional funding is required for completion
- Proposals have a strong fit with objectives of the Community Plan, SOA, Corporate Plan, and Development Plan in relation to the economy, environment and culture and in addition will further help support Perth 800
- Partner's individual business plans for the projects demonstrate viability
- Additionality can be demonstrated
- Additional funding leverage achieved against proposed investment is significant at 1:6 ratio

12. It is recommended that the Council note the contents of the bid and that a decision on it from the Scottish Government is anticipated at the end of July 2009.

13. Consultation has already been undertaken with the city centre retail community on current proposals for the High Street involving improvement to the substructure and subsequent relaying of existing streetscape.

14. The Council has already agreed to suspend work to the street during the Christmas period to minimise disruption and impact on businesses

15. The majority of retailers were supportive of these current proposals on this basis. The proposals contained within the bid document involve an extended scheme encompassing resurfacing to match the quality of previous improvements undertaken at St John Street and encompassing additional sections of the High Street at its east and west ends. It is anticipated that the extended scheme would not be completed until October 2010.

16. Whilst it is anticipated that the extended High Street scheme would have greater economic impact and further reduce maintenance in the longer term, it clearly will cause greater disruption which may prove unpopular with some retailers.

17. The impact of the proposal on Perth 800 celebrations also needs to be considered to minimise any adverse impact on external events and also internal events within St John's Kirk and the Concert Hall arising from building works at the Kirk and Fair Maids. Again the benefits are likely to outweigh the costs in the longer term and should be considered within the context of creating a new legacy for the city and assisting the bid for city status but efforts need to be made to reduce any adverse impact. The bid for the Theatre is for fees to accelerate the programme through finalisation of designs to secure funding and property and should not therefore have any impact.

18. It is also therefore recommended that further consultation is undertaken with city centre retailers and event organisers of Perth 800 on the proposals for an extended scheme for the High Street, improvement of St John's Kirk and the Fair Maid's House to determine how best to programme the works during 2010 in recognition of the potential impact on the economy and the Perth 800 celebrations.

CONSULTATION

19. The Economic Leadership Board was consulted on priorities for funding and supported the bid for Perth and Coupar Angus. The Head of Finance, Head of Legal Services, Head of Democratic Services, Executive Directors (Corporate Services) and Executive Director (Education and Children Services) have been consulted in the preparation of this report.

RESOURCE IMPLICATIONS

Revenue

20. There are no direct revenue implications arising from the report. Revenue assistance of £100,000 to St John's Kirk is identified within the bid document as agreed at the Strategic Policy and Resources Committee on the 10th June 2009 and accommodated within Education and Children Services revenue budget through transfer of funding from the Contingency budget.

21. It is anticipated that revenue savings of £6,500 per annum could arise from the implementation of the extended High Street Scheme using natural materials. There may be pressure for revenue assistance towards the identified projects should the bid prove unsuccessful.

Capital

22. The bid contains details of current support of £80,000 towards the reinstatement of boundary railings at York Place contained within the Environment Service capital programme.

23. The bid also contains details of current support of £1,036,000 by the Council for improvements to Perth High Street contained within the Environment Service capital programme for 2009/10 which would represent the Council's

capital contribution to the extended scheme. If funding is awarded the Council would be required to use the assistance of £1,329,127 from the Fund in 2009/10 and move the existing budget of £1,036,000 to complete the scheme in 2010/11.

24. The bid also contains details of the Council's contribution of £2,000,000 towards the refurbishment of Perth Theatre contained within Education and Children Service's. If the identified funding of £350,760 for fees associated with the capital works is secured it would allow the existing budget to be utilised for capital works on the project.

COUNCIL CORPORATE PLAN OBJECTIVES 2006-2010

25. The Council's Corporate Plan 2006-2010 lays out five Objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. This report impacts on the following:-

    (i) A Safe, Secure and Welcoming Environment
    (ii) Healthy, Caring Communities
    (iii) A Prosperous, Sustainable and Inclusive Economy
    (iv) Educated, Responsible and Informed Citizens
    (v) Confident, Active and Inclusive Communities

EQUALITIES ASSESSMENT

26. The Council's Corporate Equalities Assessment Framework requires an assessment of functions, policies, procedures or strategies in relation to race, gender and disability and other relevant equality categories. This supports the Council's legal requirement to comply with the duty to assess and consult on relevant new policies to ensure there is no adverse impact on any community group or employees.
27. The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Assessment Framework and assessed in relation to the Race/Disability/Gender Equalities Assessment. Consequently the following points were identified and actions –

    - Positive impact on equality groups from the proposals
    - Promotion of improvements required by external partners

STRATEGIC ENVIRONMENTAL ASSESSMENT

28. Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS).

29. The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and pre-screening has identified that the PPS will have no or minimal environmental effects, it is therefore exempt and the SEA Gateway has been notified. The reason(s) for concluding that the PPS will have no or minimal environmental effects is that the scale of the projects and their location would either have no impact or beneficial impacts

CONCLUSION

30. The proposed bid for Town Centre Regeneration Fund assistance for projects in Perth and Coupar Angus have been supported as they met the funding criteria, could be delivered within the required timescale and would have major benefits to the local economy, culture and environment.

31. Should the bid prove successful it has the potential to drive forward projects that will create a lasting legacy in Perth, contribute towards the Perth 800 celebrations and contribute towards future city status.

32. Should the bid prove successful there is a need to undertake consultation with the city centre retail community and event organisers of Perth 800 to ensure that there is minimum adverse impact arising from the implementation of the projects

J F IRONS
Executive Director (Environment)

Note

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above report:

Report to Economic Partnership 8th June 2009

Report To Strategic Policy and Resources Committee 10th June 2009

Contact Officer: John McCrone, Ext. 75385 JCMcCrone@pkc.gov.uk

Address of Service: Environment Service, Pullar House, 35 Kinnoull Street, PERTH, PH1 5GD

Date: 3rd June 2009

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Council Text Phone Number 01738 442573

Appendix 1

Town Centre Regeneration Fund Bid for Perth and Coupar Angus

Perth Town Centre					
Proposal	**Partner**	**Total Cost**	**Committed/ Potential Funding**	**TCRF Funding**	**Timescale**
Boundary railings – reinstatement at Atholl Cr	PKHT	129,550	104,800	24,750	08/09 -03/10
Fair Maid's – refurbishment as cultural, education and tourist venue	RSGS	1,203,703	703,703	500,000	10/09-03/10
High Street – refurbishment of streetscape using natural materials	n/a	2,365,127	1,036,000	1,329,127	08/09-10/10
Perth Theatre – funding for fees to finalise designs and secure partnership funding	Horsecross	12,300,900	11,950,140	350,760	08/09-11/09
St John's Kirk refurbishment as cultural, education, religious and tourist venue	Trustees of St John's Kirk	3,415,000	2,840,000	575,000	08/09-03/10
TOTAL	n/a	19,414,280	16,634,643	2,779,637	n/a

Coupar Angus Town Centre					
Proposal	**Partner**	**Total Cost**	**Committed/ Potential Funding**	**TCRF Funding**	**Timescale**
The Cross - refurbishment of streetscape using natural materials	THI	250,000	50,000	200,000	08/09-03/10

Town Centre Regeneration Fund Bid: Perth and Coupar Angus		
Total Cost	**Committed/ Potential Funding**	**TCRF Funding**
19,664,280	16,684,643	2,979,637