The Committee will meet at 9.30 am in Committee Room 1.

1. **Declaration of interests**: Cameron Buchanan will be invited to declare any relevant interests.

2. **Decision on taking business in private**: The Committee will decide whether item 5 should be taken in private, and also decide if its consideration of its work programme should be taken in private at its next meeting.

3. **Delivery of Regeneration in Scotland**: The Committee will take evidence from—

   - Ian Manson, Chief Executive, Clyde Gateway;
   - Alan Robertson, Projects Director, Clydebank Rebuilt;
   - Patrick Wiggins, Chief Executive, Irvine Bay Regeneration Company;
   - Eric Adair, Director, PARC Craigmillar;

and then from—

   - Allan McQuade, Business Infrastructure Director, Scottish Enterprise;
   - Douglas Duff, Member of Scottish Local Authorities Economic Development Group and Head of Economic Development and Environmental Services, Falkirk Council, Scottish Local Authority Economic Development Group (SLAED);

and then from—

   - Margaret Burgess, Minister for Housing and Welfare, and David Cowan, Head of Regeneration Unit, Scottish Government.
4. **Delivery of Regeneration in Scotland (in private):** The Committee will consider the evidence received.

5. **Children and Young People (Scotland) Bill and the Public Bodies (Joint Working) (Scotland) Bill:** The Committee will consider a draft memorandum to the lead committees on the Bills.

David Cullum
Clerk to the Local Government and Regeneration Committee
Room T3.60
The Scottish Parliament
Edinburgh
Tel: 0131 348 5223
Email: david.cullum@scottish.parliament.uk
The papers for this meeting are as follows—

**Agenda item 3**

Regeneration Inquiry Submissions  LGR/S4/13/24/1

PRIVATE PAPER  LGR/S4/13/24/2 (P)

**Agenda item 5**

PRIVATE PAPER  LGR/S4/13/24/3 (P)
Local Government and Regeneration Committee
24th Meeting, 2013 (Session 4), Wednesday, 25 September 2013

Delivery of Regeneration in Scotland Inquiry

Evidence Submissions

1. At its meeting on 25 September, the Local Government and Regeneration Committee will be taking evidence from three panels of witnesses.

Panel 1

Clyde Gateway
Clydebank Rebuilt
Irvine Bay Regeneration Company
PARC Craigmillar

Panel 2

Scottish Enterprise
Scottish Local Authorities Economic Development Group (SLAED)

Panel 3

Minister for Housing and Welfare

2. Written evidence submissions have been received from these witnesses and are attached to this paper.

   West of Scotland Urban Regeneration Companies (joint submission) (page 2)
   Clyde Gateway (page 10)
   Clydebank Rebuilt (page 18)
   Irvine Bay Regeneration Company (page 38)
   PARC Craigmillar (page 55)
   Scottish Enterprise (page 114)

3. In addition, attached to this paper are submissions received from the following:

   Raploch Urban Regeneration Company (page 123)
   Blue Sea Consulting (page 129)
   Scottish Allotments and Garden Society (page 133)
   Orkney Islands Council (page 135)

Fiona Sinclair
Committee Assistant
20 September 2013
Local Government and Regeneration Committee

Regeneration Inquiry

Submission from West Scotland URCs (Clyde Gateway, Clydebank Re-built, Irvine Bay and Riverside Inverclyde)

Delivery of Regeneration in Scotland inquiry – Call for Written Evidence

Introduction

This submission encompasses a joint response to the Local Government and Regeneration Committee from the four West of Scotland URCs – Clyde Gateway, Clydebank Re-built, Irvine Bay and Riverside Inverclyde.

We welcome the opportunity to provide a joint response, but would highlight that each URC was established with a specific purpose, designed to meet local needs and aspirations. We have therefore acknowledged local issues, or other differences, in our response as appropriate.

We recognise that physical change on its own is not enough and each of us work with our local partners (communities, agencies and businesses) to ensure that local people are at the heart of the impacts and benefits that are generated through all of our project activity. All of our Board Members have strong local community and business links, with each of us having local elected representatives (providing direct local accountability) and three with community Board Members, giving direct input to local people on governance and decision making.

Strategy and Policy Issues

1. How can the linkage between the various strategies and policies related to regeneration be improved?

There are lots of policies and strategies with direct links to regeneration across physical, social and economic strands, and URCs have a good fit with, and contribution toward, core objectives. Whilst the URCs were established with a focus on physical regeneration, we take every opportunity to link with local partners and integrate our project activities to maximise economic and social objectives for local communities. For example, all four URCs have embedded the use of community benefit clauses in construction contracts to create employment and training opportunities for local people. Also, two (Riverside Inverclyde and Clyde Gateway) have worked with local businesses to promote contract opportunities and ensure ‘readiness to supply’ for both direct URC and other relevant opportunities.

There is, however, an opportunity to enhance linkages through an agreed definition of regeneration (economic, social and physical) and recognition at all levels of the public sector of where and how organisations fit and contribute. This could encompass area based holistic approaches to budget setting for regeneration that maximises local accountability.
2. Can physical, social and economic regeneration really be separate entities? 

*The Committee would find it useful to hear about projects distinctly focussed on one or more aspects, and the direct and indirect outcomes of such activity.*

We believe strongly that physical, social and economic regeneration objectives need to be progressed together to ensure the sustainability of our activities and maximise opportunities for local people. Physical projects are an essential component of the whole regeneration process, without which the other strands would be difficult to progress. Through our projects we work closely with local partners to deliver training/employment opportunities for local people and facilities/contract opportunities for local businesses, providing an integrated approach.

Rather than all regeneration organisations attempting to do everything, we believe that best results are achieved through specialist organisations working through integration and partnership at the local level. This takes best advantage of technical skills and expertise and avoids unnecessary duplication of effort.

We have provided examples from each of our URCs of where we have worked alongside partners to ensure that our regeneration projects have wider social, economic and community benefits for local people and businesses:

- Clyde Gateway – we worked with Glasgow Community Safety Services (GCSS) to develop a new head office facility within our area that brought over 400 jobs into the community in 2012, creating spin-off benefits for local shops, suppliers and other service providers. Our Training and Employment Manager (who works with all key employers to maximise jobs and training for local people) has worked with GCSS and our partner agency Jobs and Business Glasgow, to create 30 new jobs for local people, funded through our Youth Jobs Fund, of which 14 are already in place.

- Clydebank Re-built – our long history of working in partnership with local people has been recognised by Scottish Government in 2008 in relation to our long running Public Design Forums which were often attended by well in excess of 80-100 local people at each event. More recently we led the physical regeneration of the Titan Crane (which itself has won a number of major awards) which is recognised by the local community as a major achievement. Titan now operates as an iconic visitor attraction, managed through a separate Board, with almost half of the members from the local community (3 of 7). We work with our local CPP to create at least five employment positions for unemployed people each year (attraction open to visitors for 6 months per year and to education/specialist interest groups all year), with further volunteering input from local residents. As with the other URC’s, we have included employment/training requirements in our construction contracts.

- Irvine Bay – we work regularly and consistently with local partner agencies and organisations to ensure that our regeneration projects address wider...
social and economic issues. Within our Kilwinning town centre public realm works we required the contractor to create local jobs and training positions, we worked closely with the local school (design, history, artworks and work experience), engaged with local businesses, and attracted 12 new businesses into the town. One of the follow-on developments from this project includes a gateway social housing scheme.

- Riverside Inverclyde – we have a strong belief in using our interventions to enable social/economic activity and create benefits for local people and businesses. Following development of a successful community-led marina in Greenock, we provided office and pontoon to the Ocean Youth Trust Scotland (previously based in Glasgow city centre) which has embedded the organisation within our local community. The Trust now berths four former round the world racing yachts in Greenock and works with 900 people each year from across Scotland, mainly disengaged youths from disadvantaged areas. Our Chief Executive is an Ambassador for the Trust, alongside our local MSP. This initiative was cited as a good example of community engagement by Margaret Burgess MSP, Minister for Housing and Welfare.

3. Are we achieving the best value from investment in this area? If not, how could funding achieve the maximum impact? Could the funding available be used in different ways to support regeneration?

Best value for money is achieved through an integrated, long-term and focused approach to addressing the issues that affect deprived communities and ensuring that they are able to share the benefits of future growth opportunities. By their very nature, regeneration areas are not attractive to private sector investors who, in the absence of support, commitment and encouragement, will continue to focus on successful areas and low risk projects.

The level of market failure in regeneration areas is of such scope and scale that there is a need for commitment from the public purse. Addressing market failure in our respective URC areas is a long-term process to build interest from the private sector. The public sector has to demonstrate confidence and commitment to the regeneration of our areas to satisfy the needs/demands of our local communities, ensuring that good services/opportunities are available to our local people, and also to build up interest from the private sector.

The need for guaranteed long-term commitment is a pre-requisite, without which private investors will prioritise other, less risky, choices. We believe that we are creating the right conditions to attract private investment into our areas in the future, but the economic downturn has had a significant negative impact, which has made investors even more risk averse. By maintaining the momentum of investment and development in our communities we have bolstered private sector interest for emerging opportunities as markets recover.
Value for money can only be achieved in regeneration areas through long-term and guaranteed funding against which the private sector will assess the level of commitment (funding and timescales) and make appropriate investment decisions.

There are no quick fixes when it comes to regenerating deprived communities. The ongoing cost to the public purse of dealing with the effects of decades of social and economic deprivation is substantial. Focused, guaranteed and integrated regeneration efforts are needed to improve chances and opportunities for our communities.

**Partnership Working**

4. **What delivery mechanisms, co-ordination of, and information on the funding that supports regeneration are required, to facilitate access by all sections of the community?**

Delivery mechanisms need to have a clear vision, adopt a long-term partnership approach and be focused on building confidence, both for local people who will live with the legacy of our regeneration efforts, but also for the private sector, which we lever investment from.

URCs are local area based and focused regeneration mechanisms that were established in areas that have suffered from decades of deprivation, disadvantage and under-investment. We have adopted an investment-led approach that has successfully levered in substantial private and other public investment to delivery physical, social and economic projects that have benefitted our local communities – we do not believe that this would have happened in our absence. We have positive and pro-active engagement with our local communities, both through direct Board input and also though ongoing engagement.

There is a concern that areas that have not had the focused regeneration efforts that our communities have benefitted from, will not be able to access support and funding to deliver regeneration. Without a well-resourced delivery vehicle that is focused on addressing specific local issues, it is those areas that need regenerated most that may secure the least.

5. **Should funding be focussed on start up or running costs? What is the correct balance between revenue and capital funding? Please indicate reasons for your views**

There is a need for flexibility to allow appropriate focus that meets the needs of different areas. To ensure sustainability, it is important to meet both start-up and running costs – timescales and values will be dependent on local circumstances. It is important that funds can make early impacts and therefore establish credibility but also, as noted consistently in our response, a need for ongoing funding to provide sufficient direct action and other forms of support that will attract and secure private investment.

The key issues for regeneration areas are that, typically, needs are multi-faceted and interventions are expensive. Major regeneration projects will always need large
sums of capital investment over a lengthy timescale, but this needs to be balanced with resource input (people and money) to work successfully with local communities.

We recognise that there is a dichotomy in capital investment for property development projects. On the one hand investment could be directed toward projects that support self-preservation i.e. generating income to pay ongoing revenue costs alongside small-scale regeneration projects, rather than disposing of completed assets to reinvest in major regeneration activities. On the other hand, providing grant funding to external investors to create valuable income generating assets where ownership is, typically, held outwith the local community, reduces the extent of spin-off benefits for the local economy. With the direct build option the asset is owned and controlled locally, with the option of asset transfer to local ownership.

6. How can it be ensured that regeneration projects are sustainable in the long term?

Whilst regeneration projects should not be considered against the same criteria as commercial projects, there is a need to consider the realistic prospects of leveraging private sector interest within 10-20 year period. Without this it would be questionable if the right things are being done in the right place, or if regeneration in some areas can ever be sustainable.

Obtaining financial sustainability in physical regeneration is very difficult due to the large sums involved, and also the need to address wider social and economic objectives. As noted, it is very difficult to generate private sector investment in regeneration areas, particularly in the current economic climate, and therefore risk that without further investment in bolstering our initial successes, the gains we have achieve for our local communities will be lost.

The long-term goal for regeneration should be market adjustment, and therefore sustainability, where our communities become as attractive to private investors as other comparable areas, recognising that the private sector has choices about where to invest. Success in this long-term aim would shift the focus of activity from regeneration to development – there is a need to understand and be clear about the differences between these. It is our view that regeneration addresses wider issues than just physical intervention. Also, regeneration should be focused on areas where the private sector will not intervene on its own and therefore where communities suffer through lack of access to good quality facilities, services and opportunities.

From a sustainable perspective we would highlight the long-term approach and progress that is made in regeneration areas. Physical regeneration to remove environmental blight, address contaminated land and deliver modern commercial and residential units has major positive impacts in improving the perception of places both amongst local people, but also from external visitors and investors. Creating attractive places for investment improves the long-term sustainability of our communities and leads to the attraction (and retention) of jobs, businesses, homes and residents.
Practical Issues

7. What actions could the Scottish Government’s forthcoming community capacity building programme include to best support communities to “do regeneration” themselves?

We fully support the forthcoming Community Capacity Building Programme. We actively work with our local communities, for example through support (money and people) to establish Community Development Trusts, promoting community capacity building, mentoring, and providing accommodation. While the technical nature of some of our projects precludes a lead role for communities, we value their input through governance, advocacy and guidance.

Our experience shows that there is a need for lots of support to communities to allow them to lead the design, delivery and management of regeneration projects. We have provided, and will continue to provide, money and people resources to support the establishment and operation of community groups. We also note the need for guidance and support, particularly at early stages, to ensure that the voices and views of all sections of the community can be heard, rather than a small minority that is not always representative of the whole community.

We have a concern that without adequate support (people and money) that a community focused approach could create greater disadvantage. It is far more difficult in deprived, in small and in transient areas for communities to lead the regeneration process, as there are fewer people, less technical capacity and less neighbourhood wellbeing, yet these are typically the areas where regeneration is needed most. We fully support the objective of self-determination for communities and would therefore strongly urge the provision of appropriate and accountable support, over a reasonable time period, to support and embed this process.

8. What role should CPPs play in supporting the community in regenerating their communities?

We believe that the CPPs have an important role in supporting community-led regeneration. Our objectives are aligned with our local CPPs and we have established good working relationships through joint and complementary project activities.

We have noted with interest the approach adopted in some CPPs, and also the One Place approach in England, focused around area-based delivery. We wait with interest to see what support we can provide if this approach is taken forward in our local areas e.g. URC property as a base for local delivery. For example Irvine Bay is working with the North Ayrshire CPP in implementing a neighbourhood planning approach that aligns service delivery and available resources. The URC is a full member of the CPP Board and its Chief Exec is a member of the Strategic Management Team which is charged with delivering the Single Outcome Agreement.

9. How can CPPs best empower local communities to deliver regeneration? Please provide any examples of best practice or limitations experienced that you think the Committee would find useful in its scrutiny.
As organisations embedded in our local communities and dealing with the effects of decades of major deprivation and disadvantage, we endorse all attempts to empower local people and support our local communities in addressing the challenges they face.

We do, however, recognise that the range and scale of dereliction and decline across our URC areas needs to be tackled in parallel if community empowerment is to take hold. We believe that our URC structures are the best model to address major infrastructure, contamination, dereliction and market failure, whilst also allowing our local communities, through direct engagement, governance and input to CPPs, to guide our interventions.

We work closely with our CPPs and also directly with our communities through both governance and engagement. We actively seek community input in the knowledge that local people help us to create more sustainable and successful outcomes from our project activities.

10. How can the outcomes of regeneration truly be captured and measured? What are the barriers to capturing outcomes and how should the success of regeneration investment be determined?

Each of the URCs was established with specific Business Plan targets (around land remediation, job creation, commercial floorspace, houses, etc) that we measure and report annually to Scottish Government. We are therefore clearly capturing the outcomes of our regeneration activities.

Our individual KPIs are aligned with our specific URC’s objectives and project activity and are not therefore always common across all URCs. While we believe that this is the correct approach (measuring things that we are accountable for) we would also welcome the introduction of a small number of common targets for URCs and other regeneration bodies that would allow a coherent national approach to impact assessment and evidence based decision making.

We believe that the measurement and accountability culture in Scotland is well established and we are able to isolate those KPIs that we have a direct influence on and that we can attribute direct outcomes from our activities.

We believe that it is important to recognise that while physical outcomes can be relatively easily measured, social and economic outcomes will manifest over a longer period and that it is therefore important to adopt a long-term approach and not to measure too soon. We also recognise the importance of not trying to measure everything and of including some qualitative perception indicators. For example, taking SIMD data zones, while some places have continued to feature toward the bottom of the rankings, this does not mean that there has been no improvement for local people and communities.

General

We welcome the opportunity that this combined approach has given us to consider our common issues and interests. In summary we would highlight a number of core points:
• economic and social regeneration are core to our objectives and we address local priorities on environmental blight, creating jobs and good quality housing, and delivering leisure facilities that are comparable with more successful communities;

• our local communities are central to what we do and why we do it – local people and businesses live with our regeneration efforts and we therefore work with them to ensure that we reflect local circumstances, issues and opportunities;

• successful and sustainable regeneration needs a long-term approach to demonstrate positive opportunities and building private sector confidence; and

• each of our respective areas has suffered from many decades of dereliction and disadvantage, we do not believe that the issues that we are addressing can be resolved in 5-10 years, but that there is a need for a long-term approach to ensure that we deliver sustainable change.
Local Government and Regeneration Committee

Regeneration Inquiry

Submission from Clyde Gateway

Thank you for the opportunity to input to this important Inquiry and please accept the following as a response from the Clyde Gateway Urban Regeneration Company, 11 Bridgeton Cross, Glasgow G40 1BN.

We are happy that our response is to be available in the public domain.

Clyde Gateway has consistently said that physical change on its own is not enough to achieve success and that social and economic change, with local people at the heart of any change, is essential.

Indeed when the Local Government and Regeneration Committee came to visit the Clyde Gateway area on 17th September 2012 and took the opportunity to view the scale and transformational nature of the activities underway here, many of your members commented on the positive impacts we were making and complimented us on the partnership approach and the community engagement elements of our work.

Clyde Gateway has also said that regeneration requires a long term perspective and we anticipate that it will take at least 20 years to achieve the objectives as set out in our original Plan submission to the Scottish Government from 2007. Our activities are targeted at reversing urban decline and redressing inequalities and market failure that have been around for 40 years during periods of sustained economic growth and now stagnation.

We believe that long term, large scale transformational projects are key to achieving successful, sustainable regeneration. A recent update of the Games Legacy for Scotland highlighted the key role Clyde Gateway has, and will continue to have in creating and regenerating a well designed and sustainable community in the East End of Glasgow. Our work is not just about a physical transformation brought about by the range of infrastructure projects currently under development or being upgraded, but also about involving local people and businesses in decisions/ actions that impact on them and their community and giving them their say in influencing and shaping the masterplan for the area.

Strategy and Policy Issues.

It is our view that an extended period of time is necessary if you are looking to tackle derelict sites and buildings, contaminated land, poor quality housing, an unskilled and poorly educated/trained workforce, a lack of employment opportunities, health inequalities and insufficient transport infrastructure – all of which are challenges in the Clyde Gateway project area, which continues to feature highly in the Scottish Index of Multiple Deprivation 2012.

The public sector has to demonstrate both confidence and commitment to regeneration to satisfy the demands and expectations of the community and of
potential investors, who are looking for the clearest indications that the partners will continue to provide long term backing for our key activities. Our experience with private sector investors is that whilst they might share optimism in the long term future of a regeneration area, typically they are reluctant to invest alongside the public sector when they cannot see a sustained level of commitment.

Any future policy should bring to an end the pursuit of short-term initiatives and instead set out an approach in support of a longer-term perspective, and in clear and understandable language should state that there are no longer any quick fixes when it comes to regenerating communities.

**Partnership working**

Clyde Gateway is a public partnership with cash and asset funding from the Scottish Government, Scottish Enterprise and two local councils in Glasgow and South Lanarkshire, but one that is predicated on attracting private funding and achieving significant leverage.

Scottish Government in its “Building a Sustainable Future - Discussion paper” described regeneration as the holistic process of reversing the economic, social and physical decline of places where market forces alone will not suffice, i.e. regeneration is necessary where there has been market failure.

It is our view that where there is market failure, there MUST be a level of public intervention in respect of resources.

The fragile nature of private sector investment at this current period in time means it is unlikely to be directed into a deprived area being regenerated, like the Clyde Gateway area, unless the potential investors can be assured that appropriate public sector support is going to be maintained for a period of time that is long enough to create a critical mass of development and provide a return in the private sectors investment.

Without this long term support, the necessary investment is not forthcoming.

The evidence of Clyde Gateway demonstrates that this investment-led and commitment from all public sector stakeholders model, front loaded by the public sector, and based on a sound business planning process, is successful.

Given the wide range and varying scale of regeneration activities we believe that any funding model applied to regeneration projects in Scotland should be appropriate and fit for purpose. It should also be acknowledged that a public-sector investment-led model, as applied at Clyde Gateway, has a proven track record leveraging private sector investment, e.g. £10m in an office development at Eastgate attracting 500 jobs and up to £14m from two companies at Clyde Gateway East.

**Practical Issues.**
There is no argument that communities themselves have a valuable role to play in influencing and delivering aspects of the regeneration process and that community involvement is likely to result in more sustainable and successful outcomes.

To help us achieve this we have made provision from the early days of our Organisation that community representatives from both local authority areas are afforded a place on our Board and we have always found these representations to be extremely worthwhile and their role and contribution is appreciated by all Board Members and staff of the Organisation.

The Committee at its meeting on 3rd October 2012 heard directly from Jimmy McLellan, one of our local residents on the support locally for the work we are undertaking in conjunction with the community.

Community Involvement has been hugely important to Clyde Gateway. We have consulted on everything that we do and involved local people in shaping our big decisions on physical change, all of which has been a positive experience. We agree that communities should have access to adequate and appropriate support in order to fulfil their potential to do things for themselves. However, this should not detract from, in our experience, the most significant and key community aspiration, the creation of jobs for local people.

Any future regeneration policy, with reference to communities, must go beyond the issues around empowerment, leadership and governance and identify what practical steps can be taken to ensure that jobs are targeted at those living in the communities where the regeneration activity is underway.

In summary, Clyde Gateway, is delighted to take the opportunity to respond to the discussion Paper on Building a Sustainable Future; is hopeful that our contributions to the Inquiry will be well received; and is happy to be involved in any future discussions you may see fit.

Ian Manson
Chief Executive
Clyde Gateway
Thank you for your e-mail of 13th September regarding the Local Government and Regeneration Committee’s request for information. Please find set out below Clyde Gateway’s response to the questions raised.

**What were the targets, if any, set for your URC to achieve when it was established? Over what timescale?**

The Clyde Gateway Business Plan is the key strategic document setting out the vision for the Gateway area over the 20 year period of the Company’s operation. The Plan presents a broad framework and focuses activity around three strategic goals:

- Strategic Goal 1 - Sustainable place transformation;
- Strategic Goal 2 - Increased economic activity; and
- Strategic Goal 3 - Developing community capacity.

The Business Plan also sets a number of output targets to be progressed throughout the lifetime of Clyde Gateway. These are:

- the remediation of 350ha. of derelict and contaminated land;
- 400,000 sq.m. of employment space;
- 21,000 new jobs (gross) in the Gateway;
- 10,000 new homes;
  - an increase in population of the Clyde Gateway area by 20,000; and
  - an increase in income at the regional level by £380m.

**What assessment(s)/review(s) have been undertaken in assessing how your URC has performed in achieving these targets to date?**

The company tracks its progress through 9 key performance indicators and progress to date is set out in the following table. This information is also made available online and in print through our Annual Report. The 2012/13 edition is due to be published in late October to coincide with our annual public meeting.
### Key Performance Indicators

<table>
<thead>
<tr>
<th>Strategic Goal 1: Sustainable place transformation</th>
<th>Cumulative to 31/03/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derelict and contaminated land remediated</td>
<td>101.96 ha.</td>
</tr>
<tr>
<td>Business floor space completed</td>
<td>30,053 sq. m.</td>
</tr>
<tr>
<td>Residential units constructed</td>
<td>1,189</td>
</tr>
</tbody>
</table>

**Strategic Goal 2: Increased Economic Activity**

| Number of jobs created/new to CG area             | 1,373                   |
| Number of businesses assisted                     | 71                      |
| Number of CG employability programme participants | 277                     |

**Strategic Goal 3: Building Community Capacity**

| Number of participants in CG community engagement events | 2,475                   |
| Number of participants in additional learning/healthy/sports/capacity building | 19,035                  |

**Cross-cutting**

| Leverage                                         | £45.350m                |

Clyde Gateway’s annually reviewed Operating Plans seek to make progress against these KPI’s wherever possible. Inevitably, however, development can only take place when sites have been assembled, de-contaminated and infrastructure installed.

### What is the composition of your board of management?

Clyde Gateway URC (“Clyde Gateway”) is a company limited by guarantee which was formed in December 2007 with three members – Glasgow City Council, Scottish Enterprise and South Lanarkshire Council. The Office of the Scottish Charity Regulator awarded Clyde Gateway charitable status in June 2008.

Clyde Gateway’s Board has 12 directors comprising 11 non-executives and the Chief Executive. The 11 non-executive posts are made up as follows:

- 1 independent chair
- 6 “partner” directors (2 appointed by each of the three members)
- 4 “co-opted” directors
  - 2 business representatives from Glasgow and South Lanarkshire; and
  - 2 community representatives from Glasgow and South Lanarkshire.

Clyde Gateway Developments Limited (“The Development Company”) is a wholly-owned subsidiary limited by shares which undertakes the non-charitable regeneration activities and its Board has representation from Clyde Gateway’s three members and includes private sector members with financial, legal and property development experience.

### What is the level of regular contact/communication between senior management and your parent/funding organisations?
In relation to your relationship with your respective local authorities, how do your relevant local authorities scrutinise the work of the URC e.g. evidence sessions before the relevant council committee etc?

Clyde Gateway’s key ‘parent/funding organisations’ are the three members of the Company (Glasgow City Council, Scottish Enterprise and South Lanarkshire Council) along with the Scottish Government as the majority funder to date. In this context Clyde Gateway’s key ‘contact/communications’ and scrutiny arrangements are as follows:

- Through membership of the Clyde Gateway and the Development Company Boards by representatives of the members and attendance at each meeting by representatives of the Scottish Government. The Clyde Gateway Board meets at least bi-monthly and the Development Company monthly, in order to deal with the flow of decisions. The Boards’ approve strategy, operating plans and all key project decisions in line with company and charity law and in accordance with transparent and robust company procedures.

- Monthly pre-agenda meetings between the independent Chair, the two Vice-Chairs representing the two local authority members and Clyde Gateway senior management.

- Monthly Stakeholder meetings attended by the three members and the Scottish Government to discuss strategy and key operational issues, held prior to the issue of Board papers to enable stakeholder input and peer review of key decision papers prior to their being finalised for Board consideration.

- Separate liaison and overview meetings between the three members as required to consider joint working arrangements, strategy and progress. Clyde Gateway senior management attend when requested.

- Annual approval by members of the rolling three-year Operating Plan and as required any matters reserved to them as set out in the Members Agreement (e.g. appointment of Board members and potential joint venture agreements).

- Adherence throughout the financial year to the Scottish Government’s grant award ‘inspection and information’ conditions including provision of detailed project budgets, spend projections and claims monitoring.

- Annual submission to the Scottish Government of ‘Urban Regeneration Companies Monitoring Information’ return which reports detailed progress against the seven National Outcomes directly relevant to URCs.

- Regular project progress reporting for the Scottish Government 2014 Games Legacy Evaluations, quarterly updates to Games Legacy Monitoring for their Legacy Team, and quarterly updates to the Glasgow City Council Legacy Team. Clyde Gateway also sits within the GoWell study area which measures over 4 years the impact of housing and neighbourhood regeneration upon health and wellbeing in the context of the Games.
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- Bi-annual meeting and progress presentation with the Leader of South Lanarkshire Council and additionally with the Chair and Vice Chair of the Enterprise Resources Committee.

- Annual presentation/tour with South Lanarkshire Enterprise Resources Committee with an invitation issued to all South Lanarkshire Councillors. Regular tours with Chief Executives of the three members to view our work activities/progress.

- Annual presentation to Glasgow City Council’s Operational Development Scrutiny Committee with specific focus on KPI’s, strategy and risk management.

- Annual Glasgow City Council arms length Corporate Governance Questionnaire and Compliance Statement covering corporate governance, board conduct, performance, audit, risk management, IT security, finance and human resources. (Clyde Gateway is considered to come under the remit of local authority Best Value scrutiny arrangements.)

- Quarterly Glasgow City Council Statistical Return covering employee numbers, attendance levels, risk, continuity planning.

- Quarterly Glasgow City Council Budget Monitoring Report.

- Monthly progress and strategy meetings with the South Lanarkshire Council Lead Officer, quarterly with the Director of Enterprise Resources and as requested with the Corporate Management Team.

- Monthly progress and strategy meetings with the Glasgow City Council City Economic Development Group, led by the Executive Director of Development & Regeneration Services and 6 weekly attendance at its Extended Corporate Management Team.


- Clyde Gateway’s Audit & Evaluation Committee’s membership includes Board directors representing the three partner organisations and its terms of reference are based on the model set out within the Scottish Government’s Audit Committee Handbook.

- Internal Audit services are provided by Scottish Enterprise. The rolling two-year internal audit plan is reviewed at each Audit & Evaluation Committee meeting (four per year).

- Annual monitoring of Vacant and Derelict Land Fund spend and outcomes by Glasgow City Council, South Lanarkshire Council and the Scottish Government.
In addition Senior management staff from Clyde Gateway have regular project level contacts and working arrangements in place with the three members to address operational matters such as planning (masterplanning and consents), building control, roads construction consents, inward investment, strategic transport studies, high growth company support, regulation of contaminated sites, compulsory purchase orders, land transfers, environmental enforcement action, business support, skills development, flood modelling and regulation, sustainable urban drainage systems and burns and watercourse maintenance.

In addition to the significant interaction with Clyde Gateway’s key ‘parent/funding organisations’ and the Scottish Government as set out above, there are a range of organisations with which Clyde Gateway’s senior management interacts and has to satisfy their own specific communications and scrutiny requirements. Significant examples are as follows:

- Annual submission of monitoring return and audited financial statements to the Office of the Scottish Charity Regulator.

  - European Regional Development Funding quarterly monitoring returns, audit and on the spot verification checks by European Structural Fund compliance managers.

  - Quarterly meetings with key stakeholder and funding organisations representing employability, community engagement and business support such as Skills Development Scotland, the Department for Work and Pensions and Job Centre Plus.

Clearly there is a significant number of communication and scrutiny channels in place and Clyde Gateway can provide further related documentation if requested.

I hope this information is of assistance in your deliberations.

Yours sincerely

Ian Manson
Chief Executive.
Thursday 16\textsuperscript{th} September 2013

Local Government & Regeneration Committee
The Scottish Parliament
EDINBURGH
EH99 1SP

By email only

Dear Member,

EVIDENCE TO THE COMMITTEE: REQUEST FOR ADVANCE INFORMATION

Further to the request of 13\textsuperscript{th} September to provide information on several areas, I am pleased to advise as follows:

1. Targets
   A series of targets were set for the period 2003-2010. These are noted in Attachment 1. This is taken from the 2010-2016 business plan. These targets incorporated a number of physical and economic outputs including business space created, jobs safeguarded/created and community consultation.

2. Assessment/Review
   The company’s business plan was refreshed in 2010 and a review of targets was undertaken. In projecting various targets forward from 2010 to 2016, a balance was sought taking account of performance to date, the economic downturn and the uncertainty of its ultimate scale and longevity, as well as the desire to be stretching in our outputs and ambition for the town’s regeneration.

   A fuller picture of Clydebank re-built’s activities to date is provided in Attachment 2 – the Scottish Government’s Urban Regeneration Company Monitoring Form 2011/12. The 2012/13 Form will be completed in October 2013.

3. Board of Management
   Clydebank re-built’s constitution allows for up to 16 directors on the Board. Presently, there are 10 directors
   • Scottish Enterprise (shareholder) – 1 (with 1 alternate)
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- West Dunbartonshire Council (shareholder) – 2 councillors (with 2 alternate councillors)
- The local Member of Parliament
- The local Member of the Scottish Parliament
- Private sector – 2
- Community – 2
- Public sector – 1

A Scottish Government civil servant also attends the Board and has observer status. The Board meets at least quarterly. The Chair is one of the private sector members. To be quorate, the Clydebank re-built Board requires a director from each shareholder to attend. Over the years, the Board has always been quorate.

4. Contact with Shareholders’ Senior Management
   There is regular contact with the respective senior management of funders and partners through quarterly Board arrangements. There is usually a pre-Board briefing of the West Dunbartonshire Council’s Director of Housing Environment & Economic Development by Clydebank re-built’s Chair and the Projects Director. There is also contact between Board meetings, sometimes with regard to specific regeneration activities in Clydebank and on other occasions relating to wider economic development matters, such as West Dunbartonshire Smarter Places forum, a multi-public sector partner initiative lead by the Council, with the Scottish Futures Trust. The Council and Clydebank re-built are also shareholders/participants in hub West Scotland and both attend the Territory Partnering Board.

5. Relationship with the Local Authority
   Board meetings are usually attended by both councillor directors, accompanied by the Director of Housing Environment & Economic Development and/or the Head of Regeneration & Economic Development. The Resources Sub-Group is attended by the Council’s Head of Finance & Resources. We are in regular touch with operational colleagues supplying information for Committee reports, and West Dunbartonshire Community Planning Partnership and Scottish Government updates.

I hope this information is of assistance.

Yours sincerely,

[Signature]

Alan Robertson
Projects Director
### Agenda item 3  LGR/S4/13/24/1  
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<table>
<thead>
<tr>
<th>Brownfield Briefing Awards</th>
<th>Best recovery of land for heritage/community use, Queens Quay</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royal Institute of Chartered Surveyor Awards</td>
<td>Highly Commended, Titan Enterprise and Queens Quay</td>
<td>2008</td>
</tr>
<tr>
<td>Glasgow Institute of Architects</td>
<td>Commendation, Titan Crane</td>
<td>2008</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Commendation, Queens Quay</td>
<td>2008</td>
</tr>
<tr>
<td>Saltire Awards</td>
<td>Commendation, Canal Canopy</td>
<td>2008</td>
</tr>
<tr>
<td>Scottish Urban Regeneration Forum</td>
<td>North Canal Bank improvement</td>
<td>2008</td>
</tr>
<tr>
<td>Civic Trust Award</td>
<td>Titan Crane</td>
<td>2009</td>
</tr>
<tr>
<td>Scottish Government Civic Trust Award for Placemaking</td>
<td>Titan Crane</td>
<td>2009</td>
</tr>
<tr>
<td>The Waterways Renaissance Awards</td>
<td>Commended, Partnership, Canal Project</td>
<td>2009</td>
</tr>
<tr>
<td>The Waterways Renaissance Awards</td>
<td>Runner up, Area based regeneration</td>
<td>2009</td>
</tr>
<tr>
<td>Glasgow Institute of Architects</td>
<td>Cart St</td>
<td>2009</td>
</tr>
<tr>
<td>Roses Design Awards</td>
<td>Regeneration Clyde Gate</td>
<td>2010</td>
</tr>
<tr>
<td>Investor in People</td>
<td>IPP for CR</td>
<td>2010</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Award in affordable Housing Category Cart St</td>
<td>2010</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Nominated in the Regeneration Category Clyde Gate</td>
<td>2010</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Nominated in the Commercial Building Design Category for Aurora House</td>
<td>2010</td>
</tr>
</tbody>
</table>

These confirm the quality of the designs that CR has been progressing, and have raised the profile of Clydebank as an area of regeneration considerably.

#### 7.5 Clydebank Plan 2003 – 2010: Progress to Date

Table 7.2 outlines the outputs achieved to date and indicates the proposed outputs to 2016.

**Business Space: The target for 2016 has been re-assessed downwards from the 2013 plan (29,000sqm) in the light of planning restrictions on floor space permeable given parking requirements, height limits, change of use on Queens Quay from business to leisure and crucially, the market conditions prevailing in 2010. Future developments on JKS, Clyde Gate and Queens Quay will accommodate a further 15,000sq m making a**
Total of 25,200sq m. This is the target for the plan to 2016. The position in mid June 2010 is that 10,200 sqm is already built by CR and one private sector development, 40.1% of the 2016 target.

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Targets to 2010</th>
<th>Achieved March 2010</th>
<th>Projects in development</th>
<th>Targets to 2016</th>
<th>Cumulative Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Office Space</td>
<td>14,000sq m</td>
<td>5750sq m</td>
<td>Queens Quay plots 4-5 could provide 3,800sq m (leisure facility on plot 3)</td>
<td>9,800sq m</td>
<td>1550sq m</td>
</tr>
<tr>
<td>Industrial Business Space</td>
<td>n/a</td>
<td>2,060sq m</td>
<td>Clyde Gate plots on the market for joint venture partner development could provide 8,000 sq m</td>
<td>5,300 sq m</td>
<td>7,360sq m</td>
</tr>
<tr>
<td>Residence</td>
<td>40 social housing units site start on 700 mixed tenure housing units on Queens Quay east yard 40 social housing units achieved Detailed planning consent for 600 new homes on east yard Queens Quay  Additional 90 social housing units on Rothesay Dock Re assessment of masterplan for east yard to lower density on site and create deliverable, phased mixed housing and retail/leisure development for joint venture project</td>
<td>80 social housing through CR programming Private sector developer on board and site start with first phase housing for sale 120 units and 60 mid market Care Home provider identified with site allocated on riverside</td>
<td>120</td>
<td>120</td>
<td>60</td>
</tr>
<tr>
<td>Outputs</td>
<td>Targets to 2010</td>
<td>Achieved March 2010</td>
<td>Projects in development</td>
<td>Targets to 2016</td>
<td>Cumulative Targets</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------</td>
<td>---------------------</td>
<td>-------------------------</td>
<td>-----------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>Educational</td>
<td>22,000 sq m</td>
<td>22,000 sq m</td>
<td>Ongoing work with College re accommodation requirements</td>
<td>Extension of College facilities</td>
<td>5% increase</td>
</tr>
<tr>
<td>Public Amenities/Space</td>
<td>22.5 ha</td>
<td>11.5 ha of public realm space amenity regenerated</td>
<td>Leisure Centre and report complete May 2010 - 2ha - 6000 sq m</td>
<td>Civic Heart planning and listed building approved and funding secured - 4ha - 4500 sq m</td>
<td>South Canal Bank completed 2010 - 2ha</td>
</tr>
<tr>
<td>Schools Programme</td>
<td>2000 school pupils involved</td>
<td>3500 pupils involved in regeneration projects</td>
<td>Ongoing schools programme in all CR development work</td>
<td>400 in schools prog</td>
<td>3500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2410 involved in Titan Project</td>
<td>Annual Titan project underway</td>
<td>3000 in Titan project</td>
<td>5410</td>
</tr>
<tr>
<td>Community Consultation</td>
<td>200 local people involved</td>
<td>1677 local people involved in Design Forum</td>
<td>184 in Titan</td>
<td>360 local people involved</td>
<td>2037</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>220 in Titan</td>
<td>404</td>
</tr>
<tr>
<td>Businesses Assisted</td>
<td>160 companies assisted</td>
<td>24 companies housed in CR properties and 226 existing</td>
<td>Ongoing liaison and support with tenants and Business</td>
<td>Additional 60 companies housed in CR properties</td>
<td></td>
</tr>
</tbody>
</table>
The residential is lagging behind the other sectors. An application for the first phase of housing was lodged in October 2007 with a site start projected for mid 2008. The economic downturn has resulted in no private sector housing proceeding on the site. This aligns with most regeneration areas throughout the UK.

Job figures – just under 60 construction jobs have been created and over 130 jobs are focused in the JK5, Titan Crane and Queens Quay Titan Enterprise. CR Projects in development will facilitate an additional 21 construction jobs and the building out of QQ and Clyde Gate will increase this figure considerably. A further 274 jobs will be created/safeguarded in CR premises by 2016.

Given the reduction in the floor space projected overall and the delay in the housing programme for Queens Quay, the target of 1,713 net jobs will be unlikely to be met in full.
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FINAL VERSION (JUNE) ISSUED 3 SEPTEMBER 2012
URBAN REGENERATION COMPANIES
MONITORING INFORMATION 2011/12

When completing this form, please refer to the supplementary guidance notes provided. Throughout the form, please add rows to tables and expand text boxes as required.

SECTION 1: URC DETAILS

1. Name of URC: CLYDEBANK REBUILT

2. When was your URC established (Month/year): 1102

3. Main contact for monitoring information:

   Name: CLAIRE MCGINLEY
   Address: TITAN ENTERPRISE, 1 AURORA AVE, QUEENS GUAY, CLYDEBANK, G81 1BF
   Tel: 0141 951 3420
   Email Address: CLAIRE@CLYDEBANKREBUILT.CO.UK


5. Brief summary of the URC's strategic business plan (approx 250 words).

   In terms of strategic direction, the Clydebank Plan's vision is to "continue the transformation of making Clydebank a creative, distinctive and successful regional centre within the Greater Glasgow conurbation".

   The Plan is committed to achieving this through a programme of projects which reflect two strategic objectives:

   - **Competitive Clydebank**: we will work to improve the place competitiveness of Clydebank by creating opportunities for new business and learning, by offering new housing choice, and by developing new leisure and civic amenities.

   - **Inclusive Clydebank**: we will include Clydebank's people and businesses in the development of programmes for regeneration and ensure they get access to employment, training and investment opportunities created through the process.

   The Plan's objectives will be achieved by developing and driving partnerships with local, regional and national agencies and the private sector in order to attract the resources required to realise a step change in the physical, economic and social fortunes of the town.

SECTION 2: PUBLIC AND PRIVATE FUNDING

6. Please give details of any public sector financial awards that have been received to 31 March 2012.

<table>
<thead>
<tr>
<th>Name of Public Fundar</th>
<th>Timeframe</th>
<th>Funding Value</th>
</tr>
</thead>
</table>
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### 25 September 2013

#### URBAN REGENERATION COMPANIES MONITORING INFORMATION 2011/12

<table>
<thead>
<tr>
<th>Name of Fund</th>
<th>Timeframe</th>
<th>Type of award (Property/Land)</th>
<th>Quantity of asset (land/ha/property/ann)</th>
<th>Value of asset at time of award</th>
</tr>
</thead>
<tbody>
<tr>
<td>HISTORIC SCOTLAND</td>
<td>2006, 2007, 2010</td>
<td></td>
<td>929,266</td>
<td></td>
</tr>
<tr>
<td>CITIES GROWTH FUND</td>
<td>2006/7</td>
<td></td>
<td>1,000,000</td>
<td></td>
</tr>
<tr>
<td>TOWN CENTRE REGENERATION FUND</td>
<td>2010</td>
<td></td>
<td>1,825,000</td>
<td></td>
</tr>
<tr>
<td>WDC – Local Area Regeneration</td>
<td>2008</td>
<td></td>
<td>30,000</td>
<td></td>
</tr>
<tr>
<td>WDC – SIP</td>
<td>2004, 2005, 2007</td>
<td></td>
<td>68,000</td>
<td></td>
</tr>
<tr>
<td>WDC – Community Planning Partnership</td>
<td>2008</td>
<td></td>
<td>52,000</td>
<td></td>
</tr>
<tr>
<td>BRITISH WATERWAYS</td>
<td>2006</td>
<td></td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>HERITAGE LOTTERY FUND</td>
<td>2010</td>
<td></td>
<td>34,617</td>
<td></td>
</tr>
<tr>
<td>THE ROBERTSON TRUST</td>
<td>2010</td>
<td></td>
<td>22,000</td>
<td></td>
</tr>
<tr>
<td>HLIF</td>
<td>2010/11</td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>SCOTTISH GOVERNMENT</td>
<td>2010/11</td>
<td></td>
<td>1,250,000</td>
<td></td>
</tr>
<tr>
<td>WDC</td>
<td>2010/11</td>
<td></td>
<td>1,347,000</td>
<td></td>
</tr>
<tr>
<td>SCOTTISH ENTERPRISE</td>
<td>2010/11</td>
<td></td>
<td>1,500,000</td>
<td></td>
</tr>
<tr>
<td>SCOTTISH GOVERNMENT</td>
<td>2011/12</td>
<td></td>
<td>850,000</td>
<td></td>
</tr>
<tr>
<td>WDC</td>
<td>2011/12</td>
<td></td>
<td>1,150,000</td>
<td></td>
</tr>
<tr>
<td>SCOTTISH ENTERPRISE</td>
<td>2011/12</td>
<td></td>
<td>560,000</td>
<td></td>
</tr>
<tr>
<td>WDC – REVENUE</td>
<td>2011/12</td>
<td></td>
<td>110,000</td>
<td></td>
</tr>
<tr>
<td>SCOTTISH ENTERPRISE – REVENUE</td>
<td>2011/12</td>
<td></td>
<td>200,000</td>
<td></td>
</tr>
<tr>
<td>HERITAGE LOTTERY FUND</td>
<td>2011/12</td>
<td></td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>COMMUNITY PLANNING PARTNERSHIP</td>
<td>2011/12</td>
<td></td>
<td>19,000</td>
<td></td>
</tr>
<tr>
<td>ROBERTSON TRUST</td>
<td>2011/12</td>
<td></td>
<td>7,500</td>
<td></td>
</tr>
<tr>
<td>BAA</td>
<td>2011/12</td>
<td></td>
<td>5,200</td>
<td></td>
</tr>
<tr>
<td>LENNOX PARTNERSHIP</td>
<td>2011/12</td>
<td></td>
<td>1,372</td>
<td></td>
</tr>
<tr>
<td>Sub total 2011/12</td>
<td></td>
<td></td>
<td>2,773,675</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>£54,223,529</td>
<td></td>
</tr>
</tbody>
</table>

7. Please give details of any public sector non-financial awards (land and property) that have been received to 31 March 2012.

<table>
<thead>
<tr>
<th>Name of Public Funder</th>
<th>Timeframe</th>
<th>Type of award (Property/Land)</th>
<th>Quantity of asset (land/ha/property/ann)</th>
<th>Value of asset at time of award</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Knox Street</td>
<td>2004</td>
<td>Property</td>
<td></td>
<td>£0.15m</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>£0.15m</td>
</tr>
</tbody>
</table>

8. Leverage - How much direct private sector funding has been secured by the URC to 31 March 2012?

<table>
<thead>
<tr>
<th>Private Funding Source</th>
<th>Timeframe</th>
<th>Amount Secured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assure Ltd – contribution to capital build on Cycle Gate</td>
<td>July 2009</td>
<td>£0.47m</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>£0.47m</td>
</tr>
</tbody>
</table>

2
9. a) Investment - How much indirect private sector funding has been secured by the URC to 31 March 2012?

<table>
<thead>
<tr>
<th>Private Funding Source</th>
<th>Timeframe</th>
<th>Amount Secured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clydebank Regeneration Ltd – site preparation on Queens Quay – direct works</td>
<td>2003 - 2005</td>
<td>£10.4m</td>
</tr>
<tr>
<td>Clyde Shopping Centre Community Management Suite</td>
<td>2003</td>
<td>£0.106m</td>
</tr>
<tr>
<td>Clyde Shopping Centre North Canal Bank contribution</td>
<td>2008</td>
<td>£0.5m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>£11.006m</strong></td>
</tr>
</tbody>
</table>

9. b) Investment - How much indirect public sector funding has been secured by the URC to 31 March 2012?

<table>
<thead>
<tr>
<th>Indirect Public Funding Source</th>
<th>Timeframe</th>
<th>Amount Secured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clydebank Housing Association borrowing plus HAG</td>
<td>2009</td>
<td>£4.4m</td>
</tr>
<tr>
<td>Clydebank College – own funds and SFC grant</td>
<td>2006 - 2007</td>
<td>£34m</td>
</tr>
<tr>
<td>Golden Jubilee Hospital – new entrance, parking and access as per CR masterplan (Not in plan - relocation of heart and lung services and orthopaedic services)</td>
<td>2008-2010</td>
<td>(£15m)</td>
</tr>
<tr>
<td>WDC Leisure Facility – commitment</td>
<td>2014-2016</td>
<td>£15m</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>£65.4m</strong> (£80.4m)</td>
</tr>
</tbody>
</table>

10. Please provide further information on how much private sector funding (both direct and indirect) that you expect to attract over the course of the URC business plan. In the current economic climate, it is difficult to confirm exact development timetables but it is considered that the following initiatives could be underway/completed in the business plan timeframe. Development values are indicative.

- **Rothsay Dock** – Mixed use development – housing and workshops and restaurant - £8m
- **Clydebank East** – Land Acquisition/Industrial unit Development - £3m
- **Playdrome site** – Site acquisition / Development of new foodstore - £30m
- **Clyde Shopping Centre** – Development of lower malls – £21.5m
- **Queens Quay (CR site) – Office Pavilions circa 38,000 sqm** - £8m
- **Clyde Gate (CR site) – Office Pavilions** - £10m
- **Queens Quay Housing East (private sector site) – c. 300 mixed units** - £30m
- **Queens Quay Housing West (private sector site) – c. 600 private units** - £101.5m
- **Queens Quay Retail (private sector site) – c. 1,000 sq m** - £1.8m
- **Queens Quay Private Leisure development (private sector site) – 1,000 sq m** - £2.2m
- **Barratts Housing on former College site** - £10m
- **Clyde Shopping Centre South Canal Bank contribution – 0.1m**

**TOTAL £226.9m**
11. Please provide any further information on additional public or private sector funding. This might include details on the impact of the economic downturn, or details of additional Scottish Government support received by the URC, for example the Open Market Shared Equity Scheme (OMSEP).

It has been reported previously that the principal regeneration site in the town is the 25Ha, privately owned Queens Quay site. This expansive property has lain vacant for over 10 years and the mixed-use outline planning application due for submission in June 2012 has not materialised. The commercial driver of this application was to have been a major new foodstore. This use is contrary to local planning policy and it is also noted that foodstore operators are known to be reducing their development programmes given the current economic conditions. The continued uncertainty about what form and when development will be commenced is undoubtedly impacting on the pace and scale of regeneration in the town that had been initiated by Clydebank re-built and partners such as West Dunbartonshire Council. With private sector confidence evaporating, there may well be a case to seek a further "surge" of public investment. This would ameliorate risk aversion and in formal partnership with key private sector interlocute, the pace of the town’s physical and economic revitalisation could once again be forced. Recently announced Government initiatives to support infrastructure development and construction are welcomed and going forward, approaches will be made to the owners to make efforts to tap into funds for affordable housing projects and so initiate development on the site.

West Dunbartonshire Council’s negotiations with Tesco to develop a new store on the Playdrome site continue. It had been envisaged that the receipt from the sale of the Playdrome site would fund a new leisure facility but with on-going delays, the Council is currently considering how to take forward provision of a new leisure facility at Queens Quay site. This site was acquired from Clydebank re-built during 2012.

The Clydebank East Workshops site was prepared during 2011/12. Additional support was provided by the Scottish Government when it became apparent that the project did not fit JESSICA/SPRUCE funding criteria. The workshop build is being procured through Hub West Scotland. This is Clydebank re-built’s only capital project going forward into 2012/13. There is interest from several business owners in the site’s development plots. This is encouraging given the general lack of private sector activity in the town. It is hoped that some private sector investment in new small factories will take place at the site in late 2012/13 and into 2013/14.

The remaining office development plots at Queens Quay and Clyde Gate are attracting little attention from developers, investors or business owner-managers. It is considered unlikely that any private sector interest will be attracted until the economic recovery is well established.

SECTION 3: NON-FINANCIAL AWARDS

12. Please provide details below of any non-financial awards won by the URC. Please note this is for information purposes and will not be used as a measure of URC progress.

<table>
<thead>
<tr>
<th>Awarding Body</th>
<th>Title of Award</th>
<th>Date of Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scottish Awards for Quality in Planning</td>
<td>Commenciation – Clydebank Business Plan</td>
<td>2003</td>
</tr>
<tr>
<td>Glasgow Institute of Architects</td>
<td>Clydebank Public Realm</td>
<td>2003</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Clydebank Regeneration</td>
<td>2003</td>
</tr>
<tr>
<td>Royal Incorporation of British Architects (RIBA) Award</td>
<td>JKS Workshops</td>
<td>2006</td>
</tr>
<tr>
<td>Agenda item 3</td>
<td>25 September 2013</td>
<td></td>
</tr>
</tbody>
</table>

## FINAL VERSION (JUNE) ISSUED 3 SEPTEMBER 2012

**URBAN REGENERATION COMPANIES MONITORING INFORMATION 2011/12**

<table>
<thead>
<tr>
<th>Award</th>
<th>Description</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roses Design Awards</td>
<td>Best Regeneration Project, Bronze, JKS Workshops</td>
<td>2006</td>
</tr>
<tr>
<td>Roses Design Awards</td>
<td>Chairman's Award, Gold, JKS Workshops</td>
<td>2006</td>
</tr>
<tr>
<td>Roses Design Awards</td>
<td>Best Commercial Project, JKS Workshops</td>
<td>2006</td>
</tr>
<tr>
<td>Scottish Design Award</td>
<td>Best Regeneration Project, JKS Workshops</td>
<td>2006</td>
</tr>
<tr>
<td>Scottish Design Award</td>
<td>Landscaping, Clydebank Public Realm</td>
<td>2006</td>
</tr>
<tr>
<td>Investor in People</td>
<td>IIP Status for Clydebank re-built</td>
<td>2006</td>
</tr>
<tr>
<td>The Chicago Athenaeum Museum of Architecture &amp; Design</td>
<td>JKS Workshops</td>
<td>2007</td>
</tr>
<tr>
<td>Civic Trust</td>
<td>Landscape, Advanced Works Phase 1</td>
<td>2007</td>
</tr>
<tr>
<td>Glasgow Institute of Architects</td>
<td>Commendation, the Titan Crane</td>
<td>2007</td>
</tr>
<tr>
<td>Brownfield Briefing Awards</td>
<td>Best recovery of land for heritage/community use, Queens Quay</td>
<td>2008</td>
</tr>
<tr>
<td>Royal Institute of Chartered Surveyor Awards</td>
<td>Highly Commended, Titan Enterprise and Queens Quay</td>
<td>2008</td>
</tr>
<tr>
<td>Glasgow Institute of Architects</td>
<td>Commendation, Titan Crane</td>
<td>2008</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Commendation, Queens Quay</td>
<td>2008</td>
</tr>
<tr>
<td>Saithir Awards</td>
<td>Commendation, Canal Canopy</td>
<td>2008</td>
</tr>
<tr>
<td>Scottish Urban Regeneration Forum</td>
<td>North Canal Bank Improvements</td>
<td>2008</td>
</tr>
<tr>
<td>Civic Trust Award</td>
<td>Titan Crane</td>
<td>2009</td>
</tr>
<tr>
<td>Scottish Government Civic Trust Award for Placemaking</td>
<td>Titan Crane</td>
<td>2009</td>
</tr>
<tr>
<td>The Waterways Renaissance Awards</td>
<td>Commended, Partnership, Canal Project</td>
<td>2009</td>
</tr>
<tr>
<td>The Waterways Renaissance Awards</td>
<td>Runner up, Area based regeneration</td>
<td>2009</td>
</tr>
<tr>
<td>Glasgow Institute of Architects</td>
<td>Cart Street</td>
<td>2009</td>
</tr>
<tr>
<td>Roses Design Awards</td>
<td>Regeneration Clyde Gate</td>
<td>2010</td>
</tr>
<tr>
<td>Investor in People</td>
<td>Investor in People Status for Clydebank re-built</td>
<td>2010</td>
</tr>
<tr>
<td>Scottish Design Awards</td>
<td>Award for the Affordable Housing category for Cart Street housing</td>
<td>2010</td>
</tr>
<tr>
<td>Saithir Awards</td>
<td>Short listed in the Social Housing category for Cart Street Housing</td>
<td>2010</td>
</tr>
</tbody>
</table>

### SECTION 4: EVIDENCE RELATING TO SCOTTISH GOVERNMENT PURPOSE TARGETS AND NATIONAL OUTCOMES

The following pages detail the Scottish Government's Purpose targets and National Outcomes that are potentially relevant to the URCs. Please consider which of these are relevant to the work of your URC (not all will apply to each URC). Click on each National Outcome and Target heading for a web link to a fuller description.

---

28
13. What target URC outcomes (longer term goals) do you have relating to this National Outcome and Purpose Target? Please refer to the supplementary guidance note for example URC outcomes.

14. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achieved in quantitative form where possible (or text if not possible to quantify). Please refer to the supplementary guidance note for example URC outputs.

<table>
<thead>
<tr>
<th>Output Description</th>
<th>Target</th>
<th>Target Date</th>
<th>Achievement to 31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>New industrial business space</td>
<td>870 new workshops &amp; c. 2100 new factories (Clydebank East)</td>
<td>2013, 2013-2016</td>
<td>Sites preparation complete and consents in place and negotiations underway to procure through hubs &amp; Several initial enquiries about self-build plots</td>
</tr>
<tr>
<td>space developed (sqm)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New transport and road</td>
<td>1. Titan View – 1,200 sq.m</td>
<td>All 2012</td>
<td>Complete</td>
</tr>
<tr>
<td>infrastructure (m)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Alexander St</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) pavement improvements - 160 metres</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) road upgrade - 4,000 sq. metres</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Hume St</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) partial upgrade - 20 sq. metres</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) pavement improvements - 20 metres</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of businesses assisted</td>
<td>240</td>
<td>2016</td>
<td>61</td>
</tr>
</tbody>
</table>
1.6 Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs.

**New office space** comprises Titan Enterprise and Aurora House at Queens Quay and Change House at Clyde Gate. Occupancy at Titan Enterprise has slipped over the year due to wider economic circumstances as tenants leave and there are only limited enquiries to back-fill space. Occupancy was around 65%, with some 810 jobs being based in the building at year end. There was minimal interest in accommodation at Aurora House and the building remains completely vacant. The position is the same on the upper 2 storeys of Change House, and there have been no firm enquiries about the developments plots on the wider Clyde Gate property. The childrens' nursery on the ground floor, however, continues to do well with around 75% occupancy and 20 jobs having been created and principally taken up by local people.

**New industrial space** comprises four blocks of small industrial units at John Knox Street. With 25 units extending over a total floorspace of 2060 sq m. Occupancy at the development at year end was around 95%, with approximately 42 jobs based at the workshops.

**New transport and road infrastructure** incorporates provision of new/upgrade roads at Queens Quay, Clyde Gate, John Knox Street/North Etain Place and Hume Street/Alexander Street. The latter project was undertaken in the last year and is part of a progressive improvement of access between the Shopping Centre/transport hub and the eventual major mixed use development on the privately-owned Queens Quay site.

With regard to businesses assisted, this involves CR providing property–related advice and signposting to partner agencies who may be able to provide assistance. This function also includes events aimed at businesses to inform and involve them in the regeneration process.

15. Please detail work underway/future plans that will further help progress on these outcomes and outputs.

It is envisaged that private sector-led development will be undertaken in the period to 2016. In spite of the current economic circumstances, there is clear interest in the serviced development plots at the Clydebank East site. It is expected that much of the site will be developed by 2016, with probably over 2000 sq m of new industrial accommodation in addition to the 870 sq m of small workshops. It is difficult to provide definitive projections on likely job levels but it is reasonable to assume that something of the order of 50 jobs will be based at the location once all development is complete.

With the continuing economic downturn, there is less certainty about development timescales for the office sites at Queens Quay and Clyde Gate. The former can accommodate around 4000 sq m of space but development is only likely to commence after the construction of the new Council owned leisure facility. At Clyde Gate, there may be interest over the next few years in other employment-generating activities besides office development. There continue to be no known plans for any private sector new build office or industrial space provision.

It is understood that Strathclyde Partnership for Transport has a capital funding allocation to upgrade bus facilities in central Clydebank in 2013/14.
17. Use the space below to identify any links or cross-over between this National Outcome / Purpose targets and other National Outcomes / Purpose targets.

The provision of new industrial and office space will provide the employment opportunities, participation and local economic growth which align with National Outcomes 2 and 4. Links to these two Outcomes will result from investment in new bus infrastructure as improved facilities will aid the movement of people in and out of Clydebank for employment, education and training. More efficient public transport will also contribute to the sustainability objectives of National Outcome 12.

National Outcome 2: We realise our full economic potential with more and better employment opportunities for our people.

Related Economic Purpose Target: Participation and Economic Growth

18. What target URC outcomes (longer term goals) do you have relating to this National Outcome and Purpose Targets? Please refer to the supplementary guidance note for example URC outcomes

Potential URC Outcomes

The availability of modern business accommodation will assist in the development and diversification of the local economy, creating and sustaining jobs for local people and for those from further afield. A diverse local economic base will allow access to the jobs market for people with a wide range of skill sets. This is especially important in areas of deprivation such as Clydebank where local peoples education and skill levels tend to be, on average, lower than national levels and where there is an often an economic inability to travel large distances to obtain work.

19. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achieved in quantitative form where possible (or text if not possible to quantify). For job outputs, reference should be made to the SOC and SIC codes provided in the supplementary guidance note. Please refer to the supplementary guidance note for example URC outputs.

<table>
<thead>
<tr>
<th>Output Description</th>
<th>Target</th>
<th>Target Date</th>
<th>Achievement To 31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of new construction jobs created (CR)</td>
<td>60</td>
<td>2016</td>
<td>65</td>
</tr>
<tr>
<td>Number of new gross jobs in CR premises</td>
<td>274</td>
<td>2016</td>
<td>198</td>
</tr>
<tr>
<td>Net number of jobs created in partner agencies</td>
<td>1713</td>
<td>2016</td>
<td>990</td>
</tr>
<tr>
<td>Number of construction jobs created (in partner projects)</td>
<td>180</td>
<td>2023</td>
<td>236</td>
</tr>
<tr>
<td>No of training places created</td>
<td>45</td>
<td>2016</td>
<td>61</td>
</tr>
</tbody>
</table>

20. Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs. To help with calculations on deadweight in relation to job
outputs, please provide an estimate of how many jobs would have been created anyway, without URC intervention (see guidance note).

Construction jobs created: A substantial number of construction jobs have been created as a result of CR’s various capital projects involving environmental upgrading and creation of new public places.

All works contracts have an employment creation/training clause in line with Scottish Government good practice.

Jobs in CR premises and partner agencies: These jobs are based in Queens Quay, JKS Premises, Clydebank College, and Golden Jubilee Hospital.

Training Places created: Clydebank re-built is not a direct training provider. However where possible training places are created through CR contracts and are filled in collaboration with Jobcentre Plus and the Lennox Partnership.

We also host a graduate and work placement on an annual basis.

We also advertise for local residents/community representatives to join the CR and Titan Clydebank Trust Board on an bi-annual basis. We give ongoing training to the Board representatives in regeneration, funding applications, and legal and governance issues.

21. Please detail work underway/future plans that will further help progress on these outcomes and outputs.

Further construction jobs will be created at CR’s forthcoming development projects at:

- Clydebank East Workshops and construction of industrial units on the associated serviced development plots
- Office space or other employment generating uses at Clyde Gate
- Queens Quay Leisure Facility

Further work experience placements will continue to be offered through graduate and work experience placements.

22. Use the space below to identify any links or cross-over between this National Outcome / Purpose targets and other National Outcomes /Purpose targets.

These projects will link into National Outcome 4, “Assisting our young people to be successful learners...” They will also help promote the objectives of National Outcome 11 – “Strong, resilient and supportive communities”

National Outcome 4: Our young people are successful learners, confident individuals, effective contributors and responsible citizens

Related Economic Purpose Target: Participation
23. What target URC outcomes (longer term goals) do you have relating to this National Outcome and Purpose Target? Please refer to the supplementary guidance note for example URC outcomes.

**Potential URC Outcomes**

Increase the confidence and aspirations of local young people, and to ensure access to the right services locally to help them grow and prosper.

24. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achieved in quantitative form where possible (or text if not possible to quantify). Please refer to the supplementary guidance note for example URC outputs.

<table>
<thead>
<tr>
<th>Output Description</th>
<th>Target</th>
<th>Target Date</th>
<th>Achievement To 31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of schools/colleges built</td>
<td>1</td>
<td>2012</td>
<td>1</td>
</tr>
<tr>
<td>No of training places created</td>
<td>45</td>
<td>2016</td>
<td>61</td>
</tr>
<tr>
<td>Number of young people taking part in confidence training</td>
<td>80</td>
<td>2016</td>
<td>87</td>
</tr>
<tr>
<td>Number of school pupils taking part in school projects relating to regeneration &amp; Titan Cranes Projects</td>
<td>3,400</td>
<td>2016</td>
<td>952</td>
</tr>
</tbody>
</table>

25. Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs.

**Schools/Collages Built:** Clydebank College’s new campus is part of the regeneration of Queen’s Quay. With more than 7,000 learners each year, from over 55 countries, the College attracts school leavers and mature students for full-time, part-time and leisure programmes. Some students obtain higher-level qualifications, such as an HNC or HND, which facilitate easy take-up of employment and/or articulation to university courses. Other courses are provided that allow those returning to or already in the workplace to upgrade their qualifications.

**Training Places:** These involve full apprenticeships with contractors on CR projects and other forms of training placement.

**Young People in confidence training:** A number of capacity-building projects with young people in the 16-24 age group have been undertaken for a number of years. These focus on improving knowledge of regeneration initiatives, boosting confidence and enhancing skills that could be transferred to the workplace/training/education. Specific projects include displaying art pieces, operating an end of year art gallery for College students, working on community arts, nature walks and gardening projects.

**School Pupils taking Part:** The schools programme is a major element of the consultative approach adopted by Clydebank re-built including the Titan Crane Education Pack/Materials. The primary and secondary education pack which was designed by teachers, for teachers is proving to be a very popular resource for schools at a local and national level. Both packs were created with the Curriculum for Excellence firmly in mind, and assists in the completion of the experiences and outcomes as stated in the new curriculum. This pack encourages teachers to look at a significant point in Scottish history and explore it in an innovative and interesting way. Packs are available both in hard copy and from our Titan Clydebank website.
26. Please detail work underway and future plans that will further help progress on the outcomes and outputs.

**Schools/College Being built**: Clydebank College is undergoing a merger process that will result in a larger College and extended range of classes available to local people. In 2011/12 the College won awards for its marketing campaign, workforce development and social enterprise.

**Training places**: We will continue to ensure all contracts offer opportunities for young people to be taken on through apprenticeships, take up other forms of training or obtain direct employment or in training.

**Young People**: We will continue to work with our partner organisations to engage with young people in innovative ways that will assist in their long term and positive contribution to the town’s economic, physical and social regeneration.

**Schools Programme**: We continue to develop our schools programme. We do this in a number of ways including:

- hosting workshops on regeneration
- engaging young people in planting projects, regeneration debates, design workshops.

The demand from schools to participate in our schools programme is expected to continue over the Business Plan period.

27. Use the space below to identify any links or cross-over between this National Outcome / Purpose target and other National Outcomes / Purpose targets.

These projects promote targets in National Outcome 2 – realising full economic potential and National Outcome 11 – strong, resilient and supportive communities. Our outdoor projects also promote National Outcome 6 – live longer, healthier lives – where the children are outdoors learning more about their surrounding greenspace.

Our school projects also contribute to the green agenda. Our Canal project included the installation of solar lighting as a feature. This enables us to help young people understand the role of energy efficient lighting whilst being involved in the design of their public spaces.

**National Outcome 6: We live longer, healthier lives**

**Related Economic Purpose Target: Population**

28. What target URC outcomes (longer term goals) do you have relating to this National Outcome and Purpose Target? Please refer to the supplementary guidance note for example URC outcomes.

**Potential URC Outcomes**

- improved lifestyle choices available for all individuals that encourage and promote healthier living

29. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achieved in quantitative form where possible (or text if not possible to quantify). Please refer to the supplementary guidance note for example URC outputs.
Output Description | Target | Target Date | Achievement To 31 March 2012
--- | --- | --- | ---
Health Centres Built (acres) | 0 | 2015 | 0
Public spaces created for play or leisure (hectares) | 0.2 | 2015 | 3.22
Cycle paths created (m) | 600 | 2015 | 1,600
Walking paths created (m) | 600 | 2015 | 1,600

30. Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs.

**Health Centres:** No new health facilities have been built to date but it is envisaged that a new health centre could be constructed by 2015/2016. CR was supportive of the transfer of the HCI facility to the NHS to create the Golden Jubilee Hospital in 2007. Floor space occupancy has dramatically increased since and an extra 1000 jobs have been created. In terms of developing life science synergies, CR has been actively involved in developing the area around the Hospital, creating a new access and entrance to the facility and provision of an adjacent development site, Clyde Gate.

**Public Space:** Around 3.2 ha of public open space can be enjoyed by residents, workers and visitors. This includes substantial provision at Queens Quay, Clyde Gate and the canal side in the town centre as well as smaller destinations such as Solidarity Plaza, opposite the Clydebank Town Hall, and the new square, Titon View, on one of the main access routes to the transport hub on Chalmers Street.

**New or upgraded dedicated cycle routes** have been provided along the South Canal Bank and at Queens Quay. Many of the walkways provided through CR’s activities are utilised by cyclists on informal basis.

**Some 1,200 m of new and upgraded walkways** have been created at various locations. The largest extent is at Queens Quay providing multiple access points to the riverside. Clyde Gate’s provision is also considerable comprising the riverside walkway and the attractive parkland “wedge”. In addition, walkways along the north and south canal banks have been completely renewed and upgrading has also been undertaken in Hume St/Alexander St.

31. Please detail work underway/future plans that will further help progress on the outcomes and outputs.

It is envisaged that a small amount of landscape will be incorporated in the initial stage of the residential development of the Queens Quay East Yard Development. CR has previously provided infrastructure to the East Yard to facilitate its development.

**Cycleways and Walkways:** As part of the Queens Quay East Yard housing development, there is a requirement to extend the riverside walkway. It is not envisaged that there will be extensive additional dedicated cycleway provision through CR’s activities. However, developers will probably be required to make provision as part of planning consent obligations.

32. Use the space below to identify any links or cross-over between this National Outcome / Purpose target and other National Outcomes / Purpose targets.
While there are limited direct connections between activities and this National Outcome, the ongoing provision of a quality public realm and accessibility for different user groups will contribute to the attractiveness of the town as a convenient and competitive place to live, work and do business. This will stimulate economic growth so linking this Outcome with National Outcome 1. There are also clear links to the objectives of National Outcome 10 in the creation of well designed places and in particular, the provision of a new health facility will contribute to the provision of modern services/amenities.

National Outcome 10: We live in well-designed, sustainable places where we are able to access the amenities and services we need.

33. What target URC outcomes (longer term goals) do you have relating to this National Outcome?
Please refer to the supplementary guidance note for example URC outcomes

**Potential URC Outcomes**

- An enhanced sense of place felt by all residents
- Enhanced physical environment with an appropriate mix of facilities and services available locally
- Provision of mix of residential tenures and densities to consistently high standards of design in safe, attractive neighbourhood

34. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achieved in quantitative form where possible (or text if not possible to quantify). Please refer to the supplementary guidance note for example URC outputs.

<table>
<thead>
<tr>
<th>Output Description</th>
<th>Target</th>
<th>Target Date</th>
<th>Achievement To 31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction in derelict land (ha)</td>
<td>2.6</td>
<td>2013</td>
<td>10.7</td>
</tr>
<tr>
<td>Reduction in vacant land (ha)</td>
<td>2.8</td>
<td>2016</td>
<td>Nil</td>
</tr>
<tr>
<td>New Civic Amenities (sq m)</td>
<td>8000</td>
<td>2013</td>
<td>Nil</td>
</tr>
<tr>
<td>Increase Retail Offer (sq m)</td>
<td>8000</td>
<td>2014</td>
<td>1,200</td>
</tr>
<tr>
<td>Facilitate the provision of affordable housing on target sites</td>
<td>90</td>
<td>2013</td>
<td>40</td>
</tr>
<tr>
<td>Facilitate the provision of private housing on target sites</td>
<td>120</td>
<td>2016</td>
<td>Nil</td>
</tr>
<tr>
<td>Facilitate the provision of mid market rental housing on target sites</td>
<td>60</td>
<td>2016</td>
<td>Nil</td>
</tr>
</tbody>
</table>

35. Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs.
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25 September 2013

built. With occupancy at over 95% and in excess of 60 jobs located at the property, this project has been an economic development success story. The Clydebank East site is also located on John Knox Street and following a £0.5 million site preparation, a terrace of small workshops will be built in 2013 and the remainder of the site marketed as self-build development plots for industrial units.

**Increased Retail Offer:** CR, on behalf of West Dunbartonshire Council, provided an upgraded civic space which is already host to an outdoor market with consent for 3 day trading. This space is also available for other commercial uses so bringing benefit to the local economy and offering additional retail and other opportunities for local people.

**Affordable Housing:** CR project managed the construction of 40 award winning flats social housing units, next to Queens Quay.

36. Please detail work underway/future plans that will further help progress on the outcomes and outputs.

**Reduction in derelict land:** There is 1.2 ha site that has been identified for the reuse at the western end of Rothesay Dock, adjacent to the river. This property has potential for a mix of social housing and workspaces, perhaps targeting at the creative industries sector.

**New Civic Amenities:** CR will continue to act as West Dunbartonshire Council’s representative in the building out of the new leisure facility.

**Increase Retail Offer:** CR facilitated the sale of the Playdrome site in the town centre site for a new retail supermarket. There may be scope to undertake further upgrading of the retail environment and to work with the Clyde Shopping Centre owner to undertake new development. CR will support the lead partner, the Council, in on-going activity.

**Housing – all tenures:** CR is working with key players in the Queens Quay locale to bring forward both affordable social housing and owner-occupied provision. The wider economic circumstances are delaying progress but with a 150 unit planning application to be submitted by Barratt for the former College site, it is hoped that development at Queens Quay will at last begin in the next 18 months.

37. Use the space below to identify any links or cross-over between this National Outcome and other National Outcomes / Purpose targets.

The creation of development land for well designed business and civic/amenity use not only provides a positive, multi-faceted response to the objectives of National Outcome 10 but also aligns with Outcomes 1, 2, 11 and 12. The provision of the leisure facility will link with Outcome 6.
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25 September 2013

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URBAN REGENERATION COMPANIES MONITORING INFORMATION 2011/12

Many of Clydebank re-built’s projects have won design awards. These accolades from peers confirm that the activities are well-designed and sustainable and meet with local people’s needs in terms of modern, convenient, easily-accessed, sustainable and safe amenities.

National Outcome 11: We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.

38. What target URC outcomes (longer term goals) do you have relating to this National Outcome? Please refer to the supplementary guidance note for example URC outcomes.

Potential URC Outcomes

Strong and capable communities able to drive forward local progress and shape the future of any area
Effective local partnerships in place to deliver the integrated and strategic development required

39. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achievement in quantifiable form where possible (or in text if not possible to quantify). Please refer to the supplementary guidance note for example URC outputs.

<table>
<thead>
<tr>
<th>Output Description</th>
<th>Target</th>
<th>Target Date</th>
<th>Achievement To 31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of Community events held</td>
<td>6</td>
<td>2015</td>
<td>34</td>
</tr>
<tr>
<td>No of members of Community attending public meetings</td>
<td>360 (CR)</td>
<td>2015</td>
<td>1,917</td>
</tr>
<tr>
<td></td>
<td>225 (Titan)</td>
<td>2015</td>
<td>244</td>
</tr>
</tbody>
</table>

40. Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs.

Community Events Held: The consultation programme started with a series of community workshops held in April 2003 in Clydebank Town Hall. Over the last 9 years there have been 16 community wide consultation events - called Design Forums - where local people came together to plan and discuss their ideas for Clydebank’s future with CR, Partner Agencies, Private Interest and Development Advisors. There has been an additional 18 events comprising joint meetings with Partner Agencies and Community Organisations and specific interest groups.

No of people: The numbers indicated involve people attending Design Forums and other meetings arranged for Community interest which have provided the opportunity to assist in framing and implementing our various regeneration projects. Invitations to our events are sent to over 400 members of the community and business representatives. A notice is also published in the local paper and on our website. Reports of the discussions and conclusions at these events are published and can be downloaded from the website. In addition, there have been a number of seminars / presentations given to community groups, local business community and voluntary organisations.

41. Please detail work underway/future plans that will further help progress on the outcomes and outputs.

We continue to liaise with the community on our activities in a number of ways, including formal presentations, a periodic newsletter and informal call-in visits.
Agenda item 3  
25 September 2013

42. Use the space below to identify any links or cross-over between this National Outcome and other National Outcomes / Purpose targets.

We have an active volunteer programme linked to the Titan Crane heritage facility. In addition to meeting with paying visitors during the opening season, the volunteers (several of whom worked in the local shipyards) are used to support school and other educational visits in order to expand on the learning experience. In time, it is envisaged that ownership of the Crane will be passed to the community, possibly by 2016. This connects directly with National Outcome 2 – realising our... built heritage'. Our community programme also promotes National Outcome 2 – realising our full economic potential – by assisting the community understand and promote economic regeneration and to acquire and operate a community-owned asset.

**National Outcome 12:** We value and enjoy our built and natural environment and protect and enhance it for future generations.

**Related Economic Purpose Targets:** Sustainability.

43. What target URC outcomes (longer term goals) do you have relating to this National Outcome and Purpose Target? Please refer to the supplementary guidance note for example URC outcomes.

**Potential URC Outcomes**
- Preserving historical buildings and natural features of the area
- Environmentally friendly practices instilled into local design
- Provision of high quality, accessible green space and parkland, which can be used by the whole community to enhance the local living environment

44. Please detail your outputs (what is being done) in relation to the above outcomes and provide details of the target and actual achieved in quantitative form where possible (or text if not possible to quantify). Please refer to the supplementary guidance note for example URC outputs.

<table>
<thead>
<tr>
<th>Output Description</th>
<th>Target</th>
<th>Target Date</th>
<th>Achievement To 31 March 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preserving historic buildings (sq m)</td>
<td>485</td>
<td>2012</td>
<td>240</td>
</tr>
<tr>
<td>New high quality green space (ha)</td>
<td>2.1</td>
<td>2010</td>
<td>2.56</td>
</tr>
</tbody>
</table>

45. Use the space below to provide additional detail about progress to 31 March 2012 on the above URC outcomes and outputs.

**Preserving Historic Buildings:** CR has been involved with a number of projects of historic significance: 1) Clydebank's only Grade 'A' listed building in the town is the Titan Crane – this comprised the refurbishment and illumination of the Crane in line with local peoples' expectations. This was completed in 2007 and the Crane is now in its sixth season as a visitor attraction. 2) **Sylvia Way Bridge Canopy** – This bridge extends over Forth and Clyde Canal – a grade 'A' listed scheduled ancient monument – in Clydebank town centre. Following an architectural competition, the 'Swan In Flight' canopy was completed in 2008. 3) **Queens Quay Slipways** - As part of the reclamations of the land at the former John Brown's shipyards, CR retained two of the slipways on the waterside, allowing visitors to see where the great Cunard liners and the hundreds of other ships were launched, including naval vessels such as HMS Hood.

**New High Quality Greenspace:** 1) **Solidarity Plaza:** CR completed this new public square in
<table>
<thead>
<tr>
<th><strong>Agenda item 3  LGR/S4/13/24/1</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>25 September 2013</strong></td>
</tr>
</tbody>
</table>

### URBAN REGENERATION COMPANIES MONITORING INFORMATION 2011/12

- **2006, opposite the Town Hall.**
- **2 Clyde Gate sculpture garden and open space** - lies at the end of Agamemnon Street stretching down to the River Clyde. It is adjacent to the NHS Golden Jubilee Hospital and the Clyde Gate development site.
- **Projects** - located in the town centre, these improvement works have transformed the canalside environment between Kilbowie Road and Argyll Road. This locale provides an attractive setting for local people to linger as well as linking the shopping centre with the transport hub and other main roads in the area. This work included upgrading of the Victorian bandstand.

46. Please detail work underway/future plans that will further help progress on the outcomes and outputs.

**Restoration of Historic Buildings:**
- **1) The Civic Heart Project** comprises the extensive refurbishment of the B listed Town Hall complex, on behalf of West Dunbartonshire Council. The work was well advanced at year end and in addition to restoration work, development of new space is a key feature in order to improve the facility’s income generating potential. The project was completed in July 2012.

47. Use the space below to identify any links or cross-over between this National Outcome / Purpose target and other National Outcomes / Purpose targets.

- The projects outlined relate well to **National Outcome 10** as they all contribute to creating ‘well designed and sustainable places’, where access is improved to necessary amenities and services.

48. Please use the space below to add any additional information relating to how the URC is working towards tackling significant inequalities in Scottish society (National Outcome 7) and the economic Purpose targets of **solidarity** and **cohesion**, if it is not captured elsewhere on this form.

On previous occasions we have held our Design Forum meetings in the afternoon and evening to maximise attendance from all of the Community. We also offer assistance with any travel arrangements and offer childcare provision, if required. Reports from the Design Forum Meetings are sent to all members of the Design Forum, even if they were unable to attend the actual meeting.

We have sought to provide opportunity for vulnerable and other target groups to participate in our activities. Design Forums have been held at different times of day to maximise scope to attend, with availability of transport and childcare, as required. Formal reports of each meeting are issued to all those who are previously attended these meeting so there is wide circulation of what has happened at events.

All of our venues are accessible and our public documents can be made available in Braille, in large print or as recorded versions.

Our buildings are usually accredited “Secure by Design” and the environmental upgrading incorporate features, such as good lighting and CCTV, that aid the perception of safety, regardless of the time of day.
46. Please use the space below to add further information about the work of your URC which relates to any of the other Scottish Government National Outcomes / Purpose targets that is not captured elsewhere on this form.

In terms of National Outcome 14: We reduce the local and global environmental impact, we are striving to minimise any adverse environmental consequences resulting from our activities. There are also cross-overs between this Outcome and Outcome 10 in relation to well designed and sustainable places where people are able to access required services and amenities.

All of our more recent developments seek to obtain, at least a good BREEAM designation. In addition, our housing development, undertaken on behalf of Clydebank Housing Association, at Carl Street achieved a very good eco-homes rating. All of our sites have been designed to encourage access to and from public transport services while we have sought to use responsibly sourced materials and energy efficient fittings.

Our work with school children and young people takes full account of sustainable opportunities and includes the design of solar powered feature lighting at various locations around the town including underpass lighting on all bridges leading to the town centre and in Civic Spaces. Our Canal sidewalks encourage young people to take ownership of their local area and protect it from vandalism and as a secondary benefit look after the natural habitat for the local wildlife.
Local Government and Regeneration Committee

Regeneration Inquiry

Submission from Irvine Bay Regeneration Company

(A) Performance Summary

Leverage
Since 2006 Irvine Bay Regeneration Company has received £14.1M in support from the Scottish Government, this in turn has secured an additional £37.3M in private and other public funds towards key projects and activities in the five towns of Irvine, Kilwinning, Ardrossan, Saltcoats and Stevenston.

Employment
This investment has secured or retained over 400 jobs within the local economy, this equates to 36% of the original target of 1,100 jobs by 2020. Projects currently underway will lead to the eventual creation of over 3,500 jobs.

Construction & Training
An additional 350 jobs have been created within the construction sector with a number of main contracts currently on site. The inclusion of a formal Targeted Recruitment & Training Clause in all major contracts has resulted in the creation of 65 training places receiving a combined total of over 1,000 training weeks in formal SVQ level training.

Business Investment
Irvine Bay has supported over 35 local companies to develop and expand their businesses across a range of sectors and business aspects.

Town Centre Regeneration
The success of Irvine Bay’s town centre work has been recognised with two national awards. This has focussed on Kilwinning and Irvine where nearly 7,000 sqm of public realm has been the subject of major physical improvements and we have also restored eight listed-buildings within key town centre locations.

Physical Regeneration
Our investment has resulted in a reduction of nearly 78,000 sqm of derelict land and buildings within key commercial and industrial locations. In addition we have redeveloped over 5,000 sqm of office space and 25,600 sqm of commercial space within our key business areas.

Community Engagement
Irvine Bay has undertaken on average over 25 consultation events or activities per annum on both general and project specific activity.

The Regeneration Youth programme has resulted in over 4,750 pupils from 36 schools and 3 colleges being involved in our work and to date local pupils have gained over 130 weeks of work experience.
Community Regeneration

Irvine Bay has invested over £500,000 in **24 local community led groups and social enterprises** on a range of local projects such as Glebe Tennis Courts and the recently opened new PRYDE (Youth Employment) project.

We have secured **over £10m in funding** to support local projects such as the redevelopment of Trinity Church and the expansion of Kilwinning Community Sports Club.

(B) Changes to Our Vision & Business Plan

The *Vision* and associated Business Plan for Irvine Bay URC (Irvine Bay Regeneration Company) have changed significantly since the company’s establishment in 2006. The main considerations for these changes have been a response to:

- The continuing recession and the lack of finance for commercial development across Scotland but has been particularly marked in North Ayrshire.

- The deepening of market failure in the Irvine Bay area.

- The squeeze on public finances, and the gap between the original business plan funding aspirations and funding secured.

- The creation of the North Ayrshire Economic Development and Regeneration Strategy and the focus of the North Ayrshire Community Planning Partnership on job creation.

- New opportunities such as the securing of Enterprise Area Status for Irvine i3.

Current Vision

Our vision for Irvine Bay is to create places where people will thrive, businesses will flourish and communities will grow.

Our priorities for our current Business Plan (2012-2017) are:

- To put Irvine Bay on the map as an outstanding location for business
- To attract and support inward investment
- To ensure that high quality business property and infrastructure are available
- To continue to make our town centres better places
- To invest in local communities
- To make the best use of our wonderful waterfront
Our strategy
Working with our funding partners - North Ayrshire Council, Scottish Government, Scottish Enterprise and the private sector - we are implementing a range of strategic interventions that will reverse the economic decline of our five towns, inspire the delivery of quality physical investment and attract inward investment. These interventions will focus upon:

- **Jobs and wealth** – providing modern business infrastructure to attract and retain new business and improve our five town centres
- **Glasgow and city region** – developing a clear role within the wider Glasgow city-region and providing sustainable homes for local people and new residents
- **The coast** – maximising the outstanding natural assets and leisure facilities
- **Enhancing the environment** – improving both the physical design and conditions within our urban areas, while protecting our natural landscapes
- **Changing perceptions** – making Irvine Bay a place that local people are proud to call home; a place that attracts visitors and investors

Our focus
Our current and future projects are all designed to contribute to the success of Irvine Bay, by:

- Contributing to Scotland’s economy at a national level.
- Investing in strategic local projects which will continue to transform the area.
- Working with local communities to bring regeneration benefits.

Following the strategic review in 2012, the current Business Plan focuses upon three groupings of projects:

**National**
Those considered of National significance in economic and regeneration terms such as the successful delivery of the Irvine Enterprise Area, the promotion of opportunities at Hunterston and the proposed National Housing Expo at Irvine Harbourside.

**Strategic Local**
Those considered to be strategically important at a local or sub regional level, and complement the programme to deliver National projects such as the comprehensive redevelopment of Irvine town centre (in conjunction with North Ayrshire Council) and the continuing regeneration of Ardrossan through initiatives such as the marina expansion, development of new office accommodation and the development of the new medical centre.

**Community**
Those projects that can act as a legacy to the work of Irvine Bay by working with established community organisations to create a series assets to both support the work of those community organisations and provide income to support continuing investment in our towns, and smaller projects to support third sector businesses and the work of the Community Planning Partnership in priority neighbourhoods.

**Business Plan**
The original targets for Irvine Bay Regeneration Company’s performance were based upon an original 10 year Business Plan. This was finalised in July 2008. As indicated above this has been reviewed on a regular basis with the current 5-year Business Plan being prepared in 2012.

Figure 1 below sets out the business planning process from inception to today.

The process of monitoring and reviewing the Business Plan has been done in partnership with the Scottish Government, Scottish Enterprise and North Ayrshire Council, with support for this activity being provided by Ernst & Young.

Our 2012 business plan is fundamentally different from the original plan, reflecting the key changes in national economy, public funding and emerging strategies and development opportunities. The key strategic focus has shifted from urban renewal to job creation and in particular exploiting the opportunity of the Enterprise Area. This is the direction of all of North Ayrshire’s partners to the Community Planning Partnership and the Economic Development and Regeneration Strategy, reflecting the response required to address the severe impact of the recession in North Ayrshire.

**(B) Targets and Performance**

**Annual Performance Monitoring**
Irvine Bay completes an Annual Monitoring Information Report for the Scottish Government. This measures its performance against our business planning objectives and outcomes. The figures within this report are independently assessed and scrutinized by Ernst & Young prior to submission.

The output and targets as identified by Irvine Bay Regeneration Company are presented in accordance with the Scottish Government’s National Outcomes. Irvine Bay currently reports on no fewer than 34 Outputs within six National Outcomes.
As indicated in Section B – a number of factors have influenced these targets since their original identification within our original Business Plan.

Table 1 on the following page provides details of some of the changes within the key targets and performance outputs.

**Funding**
Scottish Government has supported Irvine Bay with a total of £14.1M Grant from 2006 to end 2012/13 this includes ‘shovel-ready’ funding of £1.5M.

Other sources of funding received to 31 March 2013 include:

- Direct Private Sector Leverage of **over £7.4M**
- North Ayrshire Council **£8.6M**
- Scottish Enterprise **£10.4M**
- Forestry Commission **£0.98M**
- Awards for All **£0.019M**
- Other public funding (e.g. Historic Scotland) **£10.5M**

Table 2 below provides further details of the Gross Value Added (GVA) as a result of Irvine Bay’s investment. Within the revised Business plan in 2009 a target of £99M GV per annum was identified.

**Table 2: GVA Benefits**

<table>
<thead>
<tr>
<th>Private Funding Source</th>
<th>Timeframe</th>
<th>Amount Secured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual GVA</td>
<td>Work completed by 31 March 2012</td>
<td>£7,080,000</td>
</tr>
<tr>
<td>Annual GVA</td>
<td>Work commenced by 31 March 2012</td>
<td>£209,949,000</td>
</tr>
<tr>
<td>Construction GVA</td>
<td>Work completed by 31 March 2012</td>
<td>£10,677,000</td>
</tr>
<tr>
<td>Construction GVA</td>
<td>Work commenced by 31 March 2012</td>
<td>£177,811,000</td>
</tr>
</tbody>
</table>

Work commenced could lead to these GVA figures following private sector investment being secured. Public sector investment to date has largely been in putting in place the infrastructure, environment and marketing to secure future private investment. Private sector development partners are in place or in negotiations on a number of key projects which account for a significant proportion of the projected GVA performance.
Table 1: Irvine Bay Key Outputs and Targets 2006-2013

<table>
<thead>
<tr>
<th>General Output</th>
<th>Original Target</th>
<th>Revised Target</th>
<th>Date Target was revised</th>
<th>Original target date</th>
<th>Revised target date</th>
<th>Achievement to date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>New/retained jobs</td>
<td>1,100</td>
<td>1,500</td>
<td>3,200</td>
<td>2009</td>
<td>2020</td>
<td>2020</td>
<td>420 The increased target set for jobs is ambitious and takes account of the award of Enterprise Area status in April 2012. Based upon current projections the successful completion of the activity commenced by Irvine Bay will provide in the region of 3,500 new jobs.</td>
</tr>
<tr>
<td>New/Redeveloped Business Space</td>
<td>60,000sqm</td>
<td>43,000</td>
<td>52,250 (incl. additional 10,000 EA)</td>
<td>2009</td>
<td>2020</td>
<td>63,000sqm</td>
<td>In addition to exceeding our original target for new or refurbished business space if completed as scheduled the current programme will provide a further 118,000sqm.</td>
</tr>
<tr>
<td>Reduction in derelict land/buildings</td>
<td>222,000sqm</td>
<td>276,000sqm</td>
<td>555,000sqm</td>
<td>2009</td>
<td>2020</td>
<td>55,800sqm</td>
<td>Work on this target progresses on schedule and if completed the current programme will provide over 500,000sqm of improved land and buildings. The variance on this achievement is associated with the ‘The Ayrshire Hotel &amp; Golf Resort’ which will require significant decontamination of the site. This project has just obtained planning permission, funded by the private sector.</td>
</tr>
<tr>
<td>New homes</td>
<td>1,200</td>
<td>1,200</td>
<td>880</td>
<td>2009</td>
<td>2020</td>
<td>2020</td>
<td>8 This target remains the most challenging to achieve and the achievement reflect the position of the housing sector throughout the UK. Irvine Bay remains confident that if current projects can be delivered as planned this will provide just over 800 new homes. This relates to key projects at Irvine Harbourside, where a development partner is in place, and Ardrossan North Shore where we are in negotiation with a private sector house builder.</td>
</tr>
</tbody>
</table>
Summary of Key Projects
Detailed below are some of the key regeneration projects Irvine Bay Regeneration Company has delivered and is delivering within the local area:

Current programme

I3 - Irvine Enterprise Area
This programme will see investment in the physical infrastructure and business space offer within the recently designation ‘Life Science’ Enterprise Area arguably one of Scotland most prominent business locations. Initial projects include:

Irvine Annickbank Office Pavilions
• Annickbank is a prestige six acre development site, a mile east of Irvine town centre, close to the A78. This is the site for Irvine Bay’s first office campus development (total 8,500 sqm).

Innovation B – Office Redevelopment
• The comprehensive redevelopment of 1,000sqm of office accommodation.

Irvine Town Centre Regeneration
In partnership with North Ayrshire Council this programme will see over £30M invested in the regeneration of Irvine Town Centre. The first of the three project will be completed in November 2013 and include:

Bridgegate Streetscape Enhancement
• This project will see the £2.5M physical enhancement of one of the town’s key public and commercial spaces.

Trinity Church
• This project would see the renovation and redevelopment of the former ‘A’-listed Trinity Church in Irvine to provide a unique new town centre commercial leisure opportunity.

Bridgegate House
• This project will see the comprehensive internal and external refurbishment of the building at a cost to the council of £7M. This will provide both improved office and retail capacity.

Irvine Sports Centre (including Towns House)
• This project would see the £15M redevelopment of a key development site within Irvine town centre to establish a new sports centre and associated facilities.

Irvine ‘The Ayrshire’ (Golf Course and Hotel)
The Ayrshire will be an international quality 18-hole links course, complete with an adjoining hotel, holiday homes and other leisure uses.

**Ardrossan Harbour and North Shore**
This is a major regeneration project, focused on the harbourside and marina area of Ardrossan and seeking to provide facilities attractive to new residents, marina users, and to the hundreds of thousands of ferry users who pass through Ardrossan each year on their way to Arran.

**Ardrossan Medical Centre**
This project will see redevelopment of a derelict ‘B’-listed former police station occupying a key location within Ardrossan Town centre.

**Saltcoats Town Hall**
This project will see the £3.5M redevelopment of the vacant ‘B’-listed former town hall occupying a key location within Saltcoats Town Centre.

**Examples of completed Projects:**

**Stevenston Business Centre** - the demolition of a former bingo hall in Stevenston, to be replaced by a purpose-built 1,000 sq m business centre, providing modern flexible space for new start-up and growth businesses plus a single ground floor retail space. Early tenants include convenience store operator (ScotMid), BPO Collections Ltd and Kilmarnock College. (Key outputs: 930sqm new business space and reduction of derelict land of 1,800sqm)

**Saltcoats Station Building** - redevelopment of a ‘B’-listed Victorian sandstone building to create new commercial space was completed in September 2010. (Key outputs: 250sqm refurbished business space and 8fte gross new jobs)

**Ardrossan 78 Princess Street** – redevelopment of the ‘B’-listed former Jack Millers Building to create an art gallery, studios and office accommodation. Key outputs: 250sqm refurbished business space and 5fte gross new jobs)

**Ardrossan Harbour Inn** – the former Harbour Inn has been demolished and the site landscaped awaiting future development (Key outputs: 125sqm improved public realm)

**Irvine NACCO site** – completion of first phase (9) of 22 offices, along with a reception area, communal meeting space, an exhibition area and a conference room. (Key outputs: 1,000sqm refurbished business space, 20,000sqm improved business realm and 6fte gross new jobs)

**Ardrossan Former Pump House** – redevelopment of former B Listed building into a new restaurant (Key outputs: 35sqm refurbished business space and 28 fte gross new jobs)

**Ardrossan 54-56 Princess Street Retail Units** – conversion of two derelict ground-floor shop units into two new retail units (Key outputs: 190 sq m new retail space and 3 fte gross new jobs)
Ardrossan 93 Princess Street Redevelopment – renovation and extension of two-storey B-listed former bank into new office space (Key outputs: 350sqm office space and 4 fte gross new jobs)

Ardrossan Lyric Theatre – redevelopment of B-listed former theatre to create new office/retail and residential space (Key outputs: 100sqm business space and 8 new homes)

Kilwinning Main Street Redevelopment – programme of public realm and streetscape improvements (Key outputs: 4,000 sqm of a total of 9,500sqm has been completed, 6 trainees and 180 weeks of training completed)

Summary of Scottish Government Shovel-Ready Investment

(1) Ardrossan Medical Centre
This project will see redevelopment of a derelict ‘B’-listed former police station occupying a key location within Ardrossan Town centre.
Projected outputs: Fte Jobs: 10   Construction Jobs: 30    Training places: 5

(2) Irvine Annickbank Office Pavilions – Phase 1
Annickbank is a prestige six acre development site, a mile east of Irvine town centre, close to the A78. This is the site for Irvine Bay’s first office campus development – Phase 1 will provide 1,500sqm of an eventual development of 8,500 sqm.
Projected outputs: Fte Jobs: 100   Construction Jobs: 12    Training places: 2

(3) Irvine Ailsa Road Industrial Estate - Phase 2
Phase 2 of industrial unit development to create a further terrace of 1,200sq m.
Projected outputs: Fte Jobs: 60   Construction Jobs: 10    Training places: 2

(C) Partnership Working and Relationships
Since its establishment Irvine Bay URC has a very positive and successful relationship with its main funders and partner organisations, details of this are provided below:

North Ayrshire Council

Funding – the council continue to provide core funding for the operation of Irvine Bay Regeneration Company and have to date has provided over £8.6M.

Governance – the council maintains two positions on the main Regeneration Company Board and one on the Development Company Board (See section G – Governance). Current representation is from the Chief Executive and Leader of the council.

Strategic Development – Irvine Bay is a formal member of the North Ayrshire Strategic Management Team, the North Ayrshire Community Planning Partnership
and the recently established North Ayrshire Economic Development and Regeneration Board. In addition to regular meetings between the Chief Executives of both organisations, the Executive Team of Irvine Bay hold regular meetings with key service representatives (Director & Head of Service level) across a range of the council’s services and also attend the council’s area committees.

**Project & Programme Delivery** – Irvine Bay and the council have worked, and continue to work, on a number of joint projects. Recent examples include the £30M Irvine Town Centre Regeneration and £3.5M Saltcoats Town Hall Restoration. In a number of cases Irvine Bay has project managed and delivered projects on behalf of the council.

**Scottish Enterprise**

**Funding** – until 2011/12 SE were a core-funder of Irvine Bay Regeneration Fund. In accordance with a change in their national policy, recent support has come in the form of direct financial assistance for specific project activity. To date SE has provided over £10.4M in support of the work of Irvine Bay Regeneration Company.

**Governance** – SE maintains one position on both company boards (See section G – Governance).

**Strategic Development** – Irvine Bay acts as lead organisation on behalf of SE in the delivery of the i3 Business Plan. The Chief Executive of Irvine Bay has held regular meetings with both the Chief Executive of SE and Scottish Development International (SDI). Members of the Executive Team of Irvine Bay hold regular meetings with SE’s main service teams and both SE and SDI have identified main initial contacts for review of all activity.

**Project & Programme Delivery** – Irvine Bay has worked with Scottish Enterprise and more recently SDI on a number specific project, business support and inward investment projects. A recent example being their £210k contribution towards the £0.5M to the refurbishment of vacant office space within Irvine Enterprise Area.

**Other** – Irvine Bay has successfully developed a positive relationship and worked on a number of projects with number of other public and private organisations including Historic Scotland, Heritage Lottery Fund, SportScotland, Ayrshire Chamber of Commerce, Social Investment Fund Scotland and Coastal Communities Fund.
(E) Community Regeneration and Engagement

Historical Activities – Community Regeneration

Irvine Bay was not set up as a community regeneration company, rather as a vehicle to stimulate investment and attract employment to our area. The principal focus for this was our investment in physical regeneration.

However, in delivering our business plan a number of opportunities have arisen for us to engage with community-based organisations whom had identified projects which if delivered would add to the overall regeneration objectives for the area. In many cases the skills and experience of Irvine Bay’s Executive team has been the difference between a project succeeding and failing.

These have ranged significantly in terms of scale, ambition and organisation. Detailed below are three examples of community regeneration projects supported by Irvine Bay:

**Kilwinning Community Sports Club (Total project: £2M. Irvine Bay £200k)**

This project had been an aspiration of the community-managed sports club and through the involvement of Irvine Bay and appropriate funding package and Business Plan was prepared. The project was completed in spring 2013 and has seen the provision of a new club house and full-size artificial football pitch. The facility is used by **over 700 users a week**.

**Pennyburn Regeneration Youth Development Enterprise (PRYDE) (Total project: £620k. Irvine Bay £50k)**

This project involved the conversion of a former pub within one of Kilwinning most deprived communities into a new community and youth training hub.

**European Karate Championship (IRVINE) (Total project: £95K. Irvine Bay £17.5K)**

Held from 1-3 June 2012 this event, held at the Magnum Centre, Irvine, was attended by **725 competitors, support staff and supports** who stayed in the local area for a combined total of **5,800 bed-nights** and provided **£1m investment** in the local economy. Irvine Bay were able to establish the partnership network that brought the community and private sector together to deliver this event.
Historic Activities – Community Engagement

An essential aspect of the work of Irvine Bay is our commitment to working with our communities, and in particular our young people.

We have developed and continue to deliver a ‘Community and Stakeholder Communications Strategy’. This sets out how we will engage and inform our local residents, existing and future businesses, partners and investors. Detailed below are three examples of community regeneration projects supported by Irvine Bay:

**Annual Public Meetings (Average 150 local people)**
Each year since our establishment Irvine Bay has hosted an annual open meeting at which we have highlighted our work over the previous year and updated attendees on our future strategy and Business Plan. These meetings are attended by the general public, community representatives, partner organisation and local businesses.

**Town Regeneration Plans (2008 – 800 local people)**
These plans were prepared in conjunction with a range of local and national stakeholders and set out the key strategic development opportunities within our town centres. These plans were endorsed by North Ayrshire Council and have formed the basis for investment in our towns for the last five years.

**Regeneration Youth**
This programme has seen over 4,750 young people from 36 schools and 3 colleges participate in the work of Irvine Bay.
**Future Activities – Community Regeneration**

As part of our recent strategic review, taking account of the Scottish Government’s national regeneration strategy (and anticipating the forthcoming Community Empowerment Bill) Irvine Bay has refocused that part of our work that supports community regeneration.

Critical to the success of the Scottish Government’s strategy is to grow the numbers and strength of locally controlled, enterprising community organisations and help people to organise and respond to challenges, including support for the ‘third sector’ and social enterprise.

We are seeking to develop structured approach to our community based work, to ensure it fits with the national regeneration strategy and to support the delivery of North Ayrshire’s Community Planning Partnership’s Single Outcome Agreement. Our main focus areas in this respect for the new business plan period are:

► The development of a network of community owned assets throughout the Irvine Bay area that can provide a legacy and an ongoing sustainable income to continue the improvement of town centres

► Providing support for priority neighbourhoods as identified by the Community Planning Partnership

► The facilitation and provision of property advice to established community organisations seeking to develop an asset base

► To support Social Enterprise incubator space (and extend where possible)

► To continue the work of the Education Programme and seek to integrate further with Education Department of North Ayrshire Council.

**Future Activities – Community Engagement**

We will continue to deliver our strategy for consultation strategy and ensure that all stakeholders have the ability and opportunity to comment upon, direct, influence and judge our projects and programmes.
(C) Governance

The current governance structure for Irvine Bay URC includes two main formal elements:

(1) Irvine Bay Urban Regeneration Company (URC); and
(2) Irvine Bay Developments Limited.

These are two separate companies with the Development Company being a subsidiary of formal URC.

Irvine Bay Regeneration Company Board
The main board was established in 2006 and is responsible for setting and overseeing the delivery of the strategic objectives and performance of the organisation.

Membership:  
Douglas Smith  CBRE (Chairperson)  
Cllr Willie Gibson  North Ayrshire Council  
Elma Murray  North Ayrshire Council (Chief Executive)  
David Chalmers  UPM-Kymmene (UK) Ltd  
Alan McSherry  Cameron Land  
Alastair Leighton  GSK  
Derek McCrindle  Scottish Enterprise  
Martin McAllister  Taylor & Henderson (Company Secretary)

Irvine Bay Developments Ltd
The subsidiary company was established in November 2007 and is responsible for the management of projects which have a specific commercial aspect of their delivery.

Membership:  
Douglas Smith  CBRE  
Alan McSherry  Cameron Land  
Kirk Murdoch  Pinsent Masons LLP  
Derek McCrindle  Scottish Enterprise  
Elma Murray  North Ayrshire Council (Chief Executive)

Summary
There have been over 40 meetings of the Board (including general meetings, strategy sessions and funding reviews). With over 80% attendance by members at all meetings.

Board papers are electronically circulated to all members generally one-week in advance of the meeting date. As well as attendance by the Chief Executive, individual members of the Executive Team attend to comment and contribute to specific agenda items.
Annex 1 - A copy of the Board meeting of September 2013 is included for information.

Future Governance
In terms of its Articles the directors of Irvine Bay Developments Ltd are not empowered to do certain things without the authority of Regeneration Company and this requires the Development Company to obtain authority from them to incur capital expenditure etc. Currently the delegated authority of the Development Company is set at a very low level of £50k.

In the past two separate meetings were held of the two companies however because of the low level of delegation many agenda item was repeated at both boards. More recently both boards have effectively met in joint session with joint approvals. However whilst this is inclusive and avoids duplication we will seek to ensure formal scrutiny arrangements between the two companies are clearly identified.
Annex 1

IRVINE BAY REGENERATION COMPANY / IRVINE BAY DEVELOPMENTS LTD
Joint Projects Board Meeting

Friday 6th September 2013: 10:30am – 3 pm
2 Cockburn Place, Irvine

AGENDA

JOINT BOARD MEETING

1. Apologies
2. Declaration of interests
3. Minutes of the meeting held on 7th June 2013
4. Matters arising
5. Chair’s briefing (verbal)

6. Chief Executive report (verbal)
7. Audit Committee report (David Chalmers)
8. Corporate Governance
9. Asset Register
10. Corporate Risk register
11. Project status report
12. Potential response to media enquiries re URCs and the Local Government Committee 25th September

13. Loan Funding – SPRUCE
14. Enterprise Area report
15. Marketing
   a. Irvine Bay marketing strategy
   b. Enterprise Area marketing strategy
   c. Regeneration Youth strategy (education programme)
   d. Marketing delivery plan
e. APM evaluation

16. Enterprise Area – Annickbank

17. Enterprise Area - PAION offer to terminate lease on building 3a (former CeNeS facility)

18. Hunterston Competitive Advantage study

19. Ardrossan North Shore

20. Irvine Harbourside

21. Finance paper

22. A.O.C.B.
‘To identify and examine best practice and limitations in relation to the delivery of regeneration in Scotland’

Thank you for the invitation to comment on the Government’s Regeneration strategy. I offer the thoughts below based on this company’s experiences as an Urban Regeneration Company working in the Craigmillar area of Edinburgh. I have picked out some of the questions the committee put forward in the invitation and structured my comments around those.

It may also be worth noting that the experiences are spread over a number of years, with approximately half of those being in a buoyant economy and half, most recently, being in a severely depressed economy.

**Can physical, social and economic regeneration really be separate entities?**
Parc’s overall regeneration plan, established in the buoyant times of 2003 and 2004, sets out a vision which is mix of physical, social and economic goals. So it includes “Creating a strong focus for community life...” and “Ensuring Craigmillar gains the maximum economic benefit..” but also “Providing a mix of residential tenures and densities to consistently high standards of design”. Although in the longer term this combination of goals is for success, it is our view that progress should be initiated with physical development in order to create a public statement of intent, to change perception, to directly make social and economic improvements and to create the environment in which other social and economic improvements can be delivered and thrive.

PARC Craigmillar therefore has a focus upon the delivery of physical development but, by partnering with CEC, other specialist public sector stakeholders and the community, the remit extends to physical, social, and economic regeneration.

**How can it be ensured that regeneration projects are sustainable in the long term?**
Our experience in Craigmillar suggests that sustainability in regeneration needs
- An area based and long term strategy
- Projects which create demand
- Projects which meet demand
- Committed funding sources
- Momentum

In Craigmillar, even in the early stages, there was evidence of a demand for light industrial units and in response Parc constructed 11 units which were very quickly let on commercial terms. However in housing the demand had to be created in
competition to housing developments across the City. Therefore Parc built homes that were slightly bigger but sold them at slightly lower prices in order to offer better value than the mass home builders’ sites in other areas. This strategy created a demand and led to good sales until the recession hit, but even so has still added over 400 high quality homes to the area.

In comparison, we have yet to build any new shops but the combination of new homes, new schools and the new Council office has now created interest from retailers. Had Parc built shop units in 2007 rather than industrial units, the shops would have remained empty and added to the sense of decline. However today we consider that there is now the potential for building a parade of shops which will be occupied on completion which will add to the sense of progress.

The local community believe that there is now a demand for a good quality café bar in the Craigmillar town centre with this demand coming mainly as a result of the 300 staff in Edinburgh Council’s new office.

These examples demonstrate Parc’s approach to delivering sustainable regeneration through identifying and nurturing demand with strategic investment. They also demonstrate the need for a wide ranging and long term approach and the importance of positive momentum. Each project on its own would have achieved a little, but adding one project to another to another establishes a changed perspective and creates a virtuous circle of demand generation and supply.

**Are we achieving the best value from investment in this area?**

The current approach has moved the focus of funding away from the URCs towards a more widely spread support. It is our view that this will not achieve best value from either the past or new investment.

Parc is no longer in receipt of general funding but successfully bid to the Town Centre Regeneration Fund for the renovation of a key local building which will be used by a local community group for a commercial café operation. However it was the general URC grant funding in 2006 and 2007 which allowed Parc to take the long term view that the building had potential and to speculatively acquire it in 2007. The subsequent TCRF investment was only possible and viable because the earlier wider area investment which created a positive context and demand for the café services.

It is our view that the regeneration of Craigmillar would simply not have happened had it been tackled with project specific funding.

**The impact of the recession**

By the beginning of 2008 Parc was on the edge of self-sufficiency but within 12 months was on the edge of insolvency. Today Parc is in a positive but limited financial position giving an ability to keep moving forward.
The funding agreement with the Scottish Government provided funding through to 2007 and beyond that the business plans projected that the URC would be self-sustaining through profits made from property developments. At the beginning of 2008, Parc had commercial funding arrangements in place for residential development, with the first houses available for sale in early 2008. Discussions were also progressing well with a major food store for a new store in the town centre. The financial projections from these circumstances were very positive. However within a few months the third party lender (Dunfermline Building Society) could no longer provide construction finance, housing sales had dried up and retailers had withdrawn all interest. In the summer of 2009, many of the staff (seconded from The EDI Group) were made redundant leaving only a skeleton team. The focus of work for 2010, 2011 and 2012 was financial survival while still seeking to carrying on with some activities. A careful programme of house sales and land sales brought in cash and the land sales were done only to buyers who could commit to going on site.

Since 2010 84 houses have been built and a further 152 are on site with completion due this year. The White House, a listed Art Deco road house, was refurbished with TCRF funding and is now being returned to community use. An area of derelict land adjacent to the primary school has been “greened”. Loan funding from The City of Edinburgh Council was used for infrastructure works to create further serviced residential plots and the City Council constructed a new local office for 300 staff in the town centre.

This approach has ensured a slow stream of physical development and so has continued to make a visual statement that the regeneration is still progressing. This has combined with the less negative economic circumstances of the past few months to lead to a growing interest in progressing a new retail provision in the town centre. Parc’s financial position has strengthened sufficiently to fund design work and to take forward discussions with retailers. However Parc will have very limited capacity to contribute to the funding of new buildings meaning that raising third party finance will be difficult, although not impossible.

The initial business plan envisaged physical development activities being completed by 2019. While none of the main goals have been dropped and are still being pursued, it is unlikely that they can be completed before 2025 and the overall profit from these activities will be significantly lower.

It is our view that the recession and the still slow economy means that the regeneration work of the URCs is in just as much, and in some cases more, need of support than in 2006 or 2007.

The Smith Institute published an article in 2009 entitled “Regeneration in a downturn”. This argues that

“At difficult times, it is important to remember that regeneration is a long-run game. Projects and principles that were good one year ago are good today and tomorrow. The government should demonstrate that it is committed to long-term regeneration. It is important that in future it does not abandon regeneration areas and projects on the grounds that they have had their turn, they have had their money, or they are too difficult.”
“Many communities that have experienced difficult times for many years have been badly hit by the downturn. It is crucial that everything possible is done to protect the plans that were made for those communities. Many regeneration agencies are concerned about breaking moral commitments to communities if they cannot deliver agreed projects.”
(Source: Page 7, Regeneration in a Downturn, The Smith Institute, 2009)

If prior to 2008 there was an accepted strategic need for funding regeneration in the URC areas how can the need have gone as a result of 4 years of dire economic circumstances? Although there is some slight evidence of a more positive view in the property sector, private sector investment will for a number of years yet continue to seek out low risk projects, which by definition will not include regeneration projects. At a time when the private sector is beginning to seek opportunities Government support is an effective way of lowering the risk of projects thereby making them attractive to the private sector. It is therefore our view that government support for the activities of the URCs over the next few years will be an efficient way of ensuring that these areas are not left behind again as the economy recovers.

Parc Craigmillar URC regeneration targets

The first business plans for the regeneration were prepared in 2002 and 2003 and these set out a vision, aims and objectives which have remained unchanged to today. The vision, aims and objectives are included at Appendix 1.

By 2005 the objectives had been expanded into a detailed list of targets covering physical and economic objectives in three broad time periods. These are set out at Appendix 2.

Business Plans were prepared each year and reviewed with The City of Edinburgh Council (CEC). At that time CEC had a Companies Monitoring Unit and the Business Plans were reviewed through them. No major changes took place until 2009 when CEC and Parc Craigmillar acknowledged that the recession meant that there was a great deal of uncertainty about what could now be achieved and when.

The Business Plan prepared at the end of 2009 no longer covered the planned programme to 2019 but was a short term plan covering 2009 to 2012 as a means of ensuring survival and some degree of progress. The Business Plan is attached at Appendix 3 but attention is drawn to the comments on Pages 5 and 6 where the thinking behind the short term approach is set out. The Plan was presented to and accepted by CEC.

In 2011 the Directors reviewed the achievements along with the vision, aims and objectives and concluded that these were still appropriate and still achievable but that the detailed targets (i.e those set in 2005) were no longer realistic. The paper listing the achievements at Nov 2010 is attached at Appendix 4.

In 2011 the URC directors reviewed the vision, aims and objectives and concluded that they were still appropriate and still achievable but that the detailed targets (i.e
those set in 2005) were no longer realistic. The Board accepted that in the context of the company’s resources and the wider economic circumstances a short term plan remained the best way forward.

The URC has not commissioned any third party reviews of achievements. An external review was carried out in 2006 as part of a European funded Large Urban Distressed Areas project (Fifth Framework, Programme of the European Union.) This report is attached.

**Governance of Parc Craigmillar Ltd**

Parc Craigmillar Ltd is 50% owned by the City of Edinburgh Council and 50% by The EDI Group Ltd. The latter company is 100% owned by CEC and carries out property development activities on behalf of CEC. In substance Parc is wholly owned by CEC.

All Parc management has been carried out by employees of EDI under a management services agreement.

The Board of Directors meets monthly. Its make up has fluctuated but has always included EDI staff, Council officers, Councillors and community representatives and usually three of each. Currently the Board consists of one EDI staff member, one Council officer, three Councillors and three Community representatives. In addition, Council officers routinely attend Board meetings in an observer role.

Outwith the formal Board meetings, there are regular meetings with Council officers to discuss current issues and strategic plans. For example, for the last few years there has been 4 to 5 meetings each year to co-ordinate housing strategy and 4 to 5 meetings each year on financial strategy.

In the early years of Parc, the Council monitored the Business Plan and performance through its Council Companies Unit. When this unit was dissolved the reviews took place at the Board of an intermediate holding company attended by Councillors and senior Council officers. CEC is currently reviewing the reporting arrangements for all its arms-length companies and it is proposed that Parc will report bi-annually to the Council's economy committee.

I trust this information will be useful to the Local Government and Regeneration Committee in their deliberations.

Yours sincerely

Eric Adair
Director
Craigmillar Joint Venture Limited

A Joint Venture between

[EDI Group logo]

And

[Edinburgh Council logo]

A Business Plan for the Regeneration of Craigmillar
1.0 Introduction

1.1 In 1999, the City of Edinburgh Council commissioned a major planning and consultation process in Craigmillar. This resulted in the production of the “Development Framework for the Regeneration of Craigmillar”; a blueprint for the regeneration and redevelopment of the area, and its positive linkage to the rest of the City. The Framework was approved by the Council Executive in June 2001.

1.2 The Framework identified six key themes

- A new heart for Craigmillar
- Education and Lifelong Learning
- Economic Development
- Young People
- Access and Movement
- Living in Craigmillar

1.3 The preferred method for delivery of the vision identified in the Framework was the creation of a Craigmillar Joint Venture Company, whose role would be to harness the resources, skills and expertise of both the public and the private sectors in a regeneration process. The Joint Venture Company was formed between the City of Edinburgh Council and The EDI Group.

1.4 Both parties agreed a two tier approach: the first stage dedicated to preparing the business case outlining the JVC’s responsibilities, and an agreement, the second stage would be the implementation of the framework strategy.

1.5 This Business Plan sets out the targets for the creation of a new Craigmillar community, over its fifteen-year time frame, and identifies how the Joint Venture Company together with other development participants in the area will seek to deliver them.
2.0 Vision, Aims and Objectives

2.1 Vision
The Vision is for Craigmillar to maintain a sustainable, welcoming and balanced community where people want to live and work, and be part of the city of Edinburgh.

2.2 Aims
The Aims of the company are:
- To deliver a holistic approach to regeneration in Craigmillar reflecting the agreed key themes
- To ensure Craigmillar gains maximum benefit from Edinburgh's economic development over the next 15 years
- To create a high quality environment, both built and natural, that is robust, safe, and secure
- To work in partnership with the local community

2.3 Objectives
The Objectives of the Company are:
- To establish a new heart in Craigmillar as a focus for community life and shared sense of progress and achievement
- To attract financial and commercial investment to Craigmillar
- To provide the best facilities encouraging learning for all age groups
- To provide a mix of residential tenures and densities, creating a more sustainable and viable community
- To improve transport links and transport choice
- To provide for attractive community, leisure and play facilities, with access to open spaces and parkland
3.0 **Company Structure**

3.1 The Craigmillar Joint Venture Company is a joint venture between The EDI Group Limited (EDI) and City of Edinburgh Council (CEC)

3.2 The JVC will be a property development, investment and management company, with the objective of regenerating the wider Craigmillar area. In its structure, the company is a 50 : 50 joint-venture between The City of Edinburgh Council and The EDI Group Limited, with equal shareholding, investment, and return.

3.3 There will be eight company directors, four from EDI and four from CEC. These are as follows:

<table>
<thead>
<tr>
<th>The EDI Group Ltd.</th>
<th>City of Edinburgh Council</th>
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</thead>
<tbody>
<tr>
<td>Cllr Ian Perry</td>
<td>Cllr Jack O Donnell</td>
</tr>
<tr>
<td>Ian Wall</td>
<td>Cllr Sheila Gilmour</td>
</tr>
<tr>
<td>John Mark Di Ciacca</td>
<td>Andrew Holmes</td>
</tr>
<tr>
<td>Derrick Turner</td>
<td>Keith Anderson</td>
</tr>
</tbody>
</table>

3.4 The chair rotates annually between the two parties and has no casting vote in consequence of which the company proceeds only by agreement.

3.5 The Company has the power to co-opt additional directors should this be considered beneficial.

3.6 Both shareholders, along with all the other partner organisations involved are looking also for a return less easily measured in financial terms. The company will monitor a wide range of regeneration performance indicators in order to measure progress.
A Business Plan for the Regeneration of Craigmillar

January 2005
1.0  Introduction

1.5  In 1999, the City of Edinburgh Council commissioned a major planning and consultation process in Craigmillar. This resulted in the production of the “Development Framework for the Regeneration of Craigmillar”, a blueprint for the regeneration and redevelopment of the area, and its positive linkage to the rest of the City. The Framework was approved by the Council Executive in June 2001.

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- Economic Development
- Young People
- Access and Movement
- Living in Craigmillar

1.7  The preferred method for delivery of the vision identified in the Framework was the creation of a Craigmillar Joint Venture Company, whose role would be to harness the resources, skills and expertise of both the public and the private sectors in a regeneration process. The Joint Venture Company was formed between the City of Edinburgh Council and The EDI Group.

1.8  Both parties agreed a two tier approach: the first stage dedicated to preparing the business case outlining the JVC's responsibilities, and an agreement, the second stage would be the implementation of the framework strategy.

1.9  This Business Plan sets out the targets for the creation of a new Craigmillar community, over its fifteen-year time frame, and identifies how the Joint Venture Company together with other development participants in the area will seek to deliver them.
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2.4 Objectives

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- To attract financial and commercial investment to Craigmillar
- To provide the best facilities encouraging learning for all age groups
- To provide a mix of residential tenures and densities, creating a more sustainable and viable community
- To improve transport links and transport choice
- To provide for attractive community, leisure and play facilities, with access to open spaces and parkland
2.4 **Targets**

The Targets set by the company are structured according to the six key themes of Regeneration. They consist of a thematic aim, a set of objectives, and planned targets measured in cycles aligned to the 3 phases of the regeneration.

2.4.1 **A New Heart for Craigmillar**

**Aim**

'Creating a strong Focus for Community Life and a shared sense of progress and achievement'

**Objectives**

- Develop an integrated town centre with
  - 300,000 sq.ft. of retail, leisure and office space
  - Community leisure facilities for all ages of the community
  - 250 residential units
- Create a centre of innovative design, unique to Craigmillar, but part of Edinburgh

**Planned Targets**

**Year 1-4**
- Commence Town Centre
- Completion of phase 1 of Cairntows Park
- Completion of land assembly for future development
- Pedestrianisation of Town Centre

**Year 5-10**
- Completion of Supermarket and small office units
- Completion of phase 2 Cairntows Park
- Completion of community library
- Completion of community leisure facilities
- Completion of 178 residential units
- Completion of civic spaces
- Subject to funding, construction of new Bypass road

**Year 11-15**
- Completion in town centre of commercial units and office space
- Completion of Phase 3 of Cairntows Park
2.4.2 Education and Lifelong Learning

**Aim**

‘Providing the best standards of modern learning housed in the best facilities serving all age groups’

**Objectives**

- Provision of a newly built Education Campus / Centre of Excellence providing cultural, learning and sports facilities
- Provision of a new Secondary School within the new campus
- Provision of 3 landmark designed schools and nurseries
- Provision for comprehensive childcare from 0-16
- Provision of new Library and informal learning centres
- Creation of physical infrastructure which positively encourages learning

**Planned Targets**

**Year 1-4**

- Completion of new St. Francis Primary school and nursery
- Completion of new Niddrie Mill Primary school and nursery

**Year 5-10**

- Completion of Community High School
- On site for building of new Secondary School
- Completion of new Library
- Completion of complementary ICT/Lifelong Learning Suites
- Completion of Careers/Training Suites
- Formal creation of Education Campus / Centre of Excellence

**Year 11-15**

- Completion of new primary school and nursery in ‘Greendykes’
2.4.3 Economic Development

Aim

'Ensuring Craigmillar gains the maximum economic benefit from the physical and social changes which will take place over the next 10-15 years'

Objectives

- Refurbish existing provision and create new office, retail and leisure facilities in Craigmillar totalling 300,000 square feet.
- Attract 6,000 job opportunities in Greater Craigmillar area
- Provide clear and quick transport links to city centre
- Provide for Lifelong learning and ICT initiatives
- Provide a social infrastructure attractive to potential employers
- Establish and sustain 75 new and existing businesses
- Introduce 2 large employers to Craigmillar
- Establish a charter with developers to co-ordinate local business and workforces within the development programme

Planned Targets

Year 1-4

- Complete land assembly of town centre site
- Creation of 25,000 sq. feet of office space at Cairntows Park
- Establish 10 new businesses in Craigmillar
- Establish linked job training schemes with local and city wide providers
- Attract 1,000 jobs to the area
- Introduce 1 large employer to Craigmillar
- Provide infrastructure and land segregation for tramline 3

Year 5-10

- Creation of 50,000 sq. ft. of office space
- Establish 65 new businesses in Craigmillar
- Establish Community ICT centre
- Attract 4,000 jobs to the area
- Introduce 1 large employer to Craigmillar
- Introduce tramline 3 as a major transport link to the area

Year 11-15

- Attract 1,000 jobs to the area
- Sustain 75 new and existing businesses in Craigmillar

The Statistical Analysis of the job opportunities attracted reflect the wider regeneration activity in Craigmillar and are in the Economic Development Strategy, as agreed by the City of Edinburgh Council, Craigmillar Partnership and the Craigmillar Joint Venture Company. These will be measured within the Regeneration Outcome Agreement currently being prepared by the Partnership in conjunction with Communities Scotland and the Capital Building Partnership.
2.4.4 Young People

**Aim**

'Encourage every young person in Craigmillar to have aspiration, skills, self-esteem and confidence to realise their goals'

**Objectives**

- Create 3 facilities with a specific emphasis on youth development
- Create 75 apprenticeships for young people
- Provide a comprehensive childcare infrastructure for Craigmillar
- Provide an appropriate play facilities for children
- Provide for formal and informal facilities for young people
  - In ICT and lifelong learning
  - In social, cultural and leisure provision

**Planned Targets**

**Year 1-4**

- Creation of one all weather pitch at Castlebrae School
- Creation of integrated sports pavilion with potential for expansion if required through development of community activity
- Provision of 2 new primary schools with comprehensive 0-12 facilities
- Creation of 25 apprenticeships
- 2 open spaces for provision for young people and children within housing developments

**Year 5-10**

- Creation of arts, ICT, Learning leisure and sports facilities within campus of new Secondary school
- Creation of 50 apprenticeships through building and maintenance programme
- 10 dedicated play areas for children
- 5 open spaces for the provision of children and young people within the housing developments

**Year 11-15**

- 3 open spaces for the provision of children and young people within the housing developments
2.4.5 Access and Movement

Aim

'Providing maximum transport choice and safety for the people of Craigmillar both in terms of transport mode and linkages'

Objectives

- Provide a comprehensive public transport system linking Craigmillar to city centre, and to local retail and employment facilities
- Provide safe roads within Craigmillar
- Provide an appropriate lighting and open spaces in new developments to ensure safe movement
- Provide safe and close access to all facilities for pedestrians and cyclists
- Encourage use of public transport and greener choices in travel
- Provide safe access during construction of new buildings
- Take more through traffic out of Craigmillar

Planned Targets

Year 1-4
- Development of traffic calming system at Craigmillar junction and along Niddrie Mains Road
- Improving access and landscaping on Greendykes Rd. for pedestrians and cyclists in preparation for tramline 3

Year 5-10
- Provision of an access walkway to Holy Rood Secondary School from Niddrie Mains/Town Centre area
- Provision of public services road from the ERI to Greendykes/Craigmillar
- Provision of a 'Meadows' minimising the need to travel by car
- Provision of a pedestrian/cycling route linking South Craigmillar with S. Edinburgh and East Lothian
- Subject to funding, the provision of the new Bypass road

Year 11-15
- Extending the Innocents cycle route into Craigmillar
- Creating a series of landscaped walkways within new building development and town centre
- Creation of new bus interchanges
2.4.6 Living In Craigmillar

**Aim**

'Providing a mix of residential tenures and densities to consistently high standards of design in safe, attractive neighbourhoods with convenient access to open space and play facilities'

**Objectives**

- Create over 3,200 new houses of mixed density and tenure in Craigmillar
- Ensure 536 new socially rented houses
- Provide a common housing management service for Craigmillar
- Provide a common environmental management service for Craigmillar
- Provide a new landscaping and recreational open space infrastructure
- Integrate Craigmillar with natural infrastructure of the city of Edinburgh
- Provide a healthy safe and attractive place to live

**Planned Targets**

**Year 1-4**

- Provide an estimated 700 new houses
- Create a 'One Stop Shop' housing management service
- Create an all encompassing environmental task force for Craigmillar
- Completion of sports and play area with residential premises in Castlebrae School
- Completion of landscape initiative around Niddrie Burn in Greendykes

**Year 5-10**

- Provide an estimated 2200 new houses
- Commencement of landscaping in Town Centre and around new Education Facility
- Creation of a Community Woodland linking Craigmillar to the Wisp
- Completion of new 'Meadows' between Hospital, Bio Tech Park and Housing in Craigmillar

**Year 11-15**

- Provide 300 new houses
- Completion of all landscaping in Niddrie Mains with Play areas
- Creation of a public Park linking areas to North and South of Niddrie Mains Road
- Completion of landscaping and public space environment in Town centre and Education Centre
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<td>14</td>
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## Appendices

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1. Background

PARC is a joint venture company formed by the City of Edinburgh Council (‘CEC’) and the EDI Group in 2003 to deliver a 15 year regeneration programme in Craigmillar, Edinburgh. The area was identified as the fourth most deprived ward in Scotland (Scottish Government Index of Deprivation 2004).

As a result of a consultation process 1999-2001, the Council agreed the principle themes of holistic regeneration for the area, and approved the creation of a joint venture company (PARC) with equal shares as the most appropriate delivery mechanism. The company comprises a board with equal numbers of director’s from each shareholder, and directors appointed to represent community and wider regeneration action interests. There are places for 12 directors in total.

The company became an Urban Regeneration Company (‘URC’) in 2004 sponsored by the Scottish Government and to act as a ‘Pathfinder’ project in seeking best practice for large scale regeneration programmes throughout the country; in 2009 PARC Craigmillar was awarded, by the Scottish Government, the status of Scottish Sustainable Community Initiative (SSCI).

The Company has received substantial investment from its stakeholders to date, including £22m from the Scottish Government and £8m loanstock from EDI.

To date substantial progress has been made including:

- two new primary schools (including nurseries);
- 177 homes, (with over 20% social housing);
- a new all weather flood lit field turf pitch, allotments, infrastructure works, business units, landscaping and tree planting, procurement charter, land assembly initiatives, and the support of community development initiatives.

Since mid 2008, the economic recession has had a major impact on the programme. Specifically:

- residential sales of housing developments have slowed significantly and were it not for the Government shared equity scheme ‘Lift’, the sales would have been even lower. This has substantially delayed projected housing sale receipts, and reduced their total expected value, impacting on PARC’s ability to meet borrowing commitments;
- the expected land sale to Morrisons for the development of a new supermarket site which would have realised around £11m, has fallen through, and prospects for other land sales over this period have been damaged;
- funding sources for development have tightened immeasurably. PARC has also faced challenges in continuing to draw down development funding from funding sources that were already in place, namely the Dunfermline Building Society;
- PARC has been unable to pay its running costs and part of its funding costs, such that management costs and loan interest owed to EDI amount to around £2.4m at September 2009;
- Taken together, all the above have inevitably had a fundamental impact on the ability of PARC to deliver its current Business Plan 2009-19 within the timeframes that had been envisaged.

In response, PARC has had to revisit its Business Plan and re-assess it on a root and branch basis; this process is underway. This document describes the revised Business Plan that has been developed to date and the process for continuing to build and develop it further.

2. Vision and Strategy

It is important to be absolutely clear that the vision and overall strategy for PARC remains firmly in place.

The vision for Craigmillar remains to maintain a sustainable, welcoming and balanced community where people want to live and work and be part of the City of Edinburgh. To achieve the vision the Company has adopted six strategic themes as laid out in the City of Edinburgh Council’s ‘Development Framework for the Regeneration of Craigmillar’, namely:

A New Heart for Craigmillar – Creating a strong focus for community life and a shared sense of progress and achievement.

Education and Lifelong Learning – Delivering a high standard of modern learning environments, housed in the best facilities serving all age groups.

Economic Development – Ensuring Craigmillar gains the maximum economic benefit from the physical and social changes that will take place over the next 10-15 years and is connected to the opportunities within the wider Edinburgh economy.

Young People – Encouraging every young person in Craigmillar to have aspiration, skills, self-esteem and confidence to realise their goals.

Access and Movement – Providing maximum transport choice and safety for the people of Craigmillar both in terms of transport mode and linkages.

Living in Craigmillar – Providing a mix of residential tenures and densities to consistently high standards of design in safe, attractive neighbourhoods with convenient access to open space and play facilities.

And the desired outcomes of the Company remain to deliver:

- 2,200 houses on its own land;
- A new secondary school and two primary schools;
- A refurbished town centre with 300,000 sq ft office retail and leisure space;
- 150 acres of parks;
- A new community high school and public library and community facilities;
- Improved public realm; and
- To act as catalyst for wider action regeneration initiatives.
However it would be unrealistic to pretend that these outcomes can all be delivered over the timescales that had previously been planned. Equally, in the current economic environment, it would be unrealistic to assume that every aspect of the previous plans could be delivered without amendment or compromise. Planning with any degree of certainty is clearly challenging, and so the approach taken has been to:

- re-build the Business Plan recognising the much tougher and uncertain economic environment;
- develop a short term plan for immediate implementation that is realistic in the current environment and therefore achievable. Clearly any such plan has to be consistent with the direction of travel to achieve longer term objectives. This short term plan is explained in Section 3;
- start to revisit the longer terms objectives, to determine how these are to be achieved and to build on the short term plan accordingly. The approach for addressing this and the relevant factors and issues are set out in Section 4;
- ensure that all plans are financially robust and that some degree of tolerance and flexibility is built into such plans to provide some resilience against unexpected events. The financial plans developed to date and the approach to risk is set out in Section 5;
- maintain the support of all the key stakeholders and have appropriate mechanisms in place to consult appropriately; this is covered in Section 6.3 below.
3. Short term objectives and plans

3.1 Objectives and constraints

The objectives of the immediate short term plan for 2009-12 are to continue to progress the regeneration programme for PARC, and at the same time try to strengthen the current financial position of PARC so that it is better placed to take forward future development.

PARC currently has very limited ability to borrow for development in the commercial marketplace and, indeed, needs to continue to work hard to satisfy its existing lenders that it should be able to continue to draw down development funding already secured to complete current developments. This inevitably means that the majority of the activity planned for this period must be self funding.

In the last 18 months, PARC has not been in a financial position to pay the management costs of running the Company’s activities as they have been incurred; similarly loan interest costs of the £7.9m of loan funding provided to PARC by EDI have not been met in recent times. As a principle underpinning this short term plan, management and funding costs cannot continue to be rolled up for payment at some point in the future, and in this short term plan the finances must at least break even even before taking account of any potential land sale receipts.

The short term plan is built around three key areas:

- Housing;
- Infrastructure and public realm;
- Inward Investment and land sales.

3.2 Housing development

Key aspects of the plan:

- Sell the remaining properties in Wauchope 7 and Greendykes B for home ownership
- Price properties competitively and introduce financing options to unlock lack of mortgage availability
- Commence developments at Wauchope Phase 2a and Wauchope Phase 8, bringing number of houses for affordable rent built by Parc to over 100 in total

Wauchope 7 is a completed development, and Greendykes B will be completed by November 2009. The market for private sector residential sales has been very slow in the last 18 months and this has had a major impact on the housing developments at PARC. Dunfermline Building Society, who have funded these developments, have been concerned at the prospects of recovering their funding and have kept a close eye on the number of sales being achieved and the rate of payback of their funding. There remains £1.1m of further funding to be drawn down from Dunfermline to complete the Greendykes B development.
So a strong focus over the next 18 months will be to sell all the properties on these two developments, so that the Dunfermline can be repaid and so that the Company can then create the headroom in which to be able to borrow for future development once the lending markets for such development have improved. Sales of properties on Greendykes B and Wauchope 7 to Registered Social Landlords are under negotiation. These properties could provide 18 homes for affordable rent and 12 for low cost home ownership / mid market rent.

It is recognised that a critical factor holding back sales has been the lack of mortgage availability, particularly for those potential purchasers unable to put down a substantial deposit. Therefore work is underway to develop initiatives, to be underpinned by CEC, that will help PARC compete in the marketplace with other housing developments and will help unlock potential sales. The intention is to introduce such schemes by the end of 2009.

Finally, new developments are to be commenced at Wauchope 2a (starting October 2009) and at Wauchope 8 (planned start Spring 2010). Wauchope 2a will create 26 units, with 15 for affordable rent and 11 for low cost home ownership, and is to be fully funded by CREHA. Wauchope 8 will result in 46 units for affordable rent and mid market rent / low cost home ownership, to be fully funded by Linkwide Housing Association, and a further 12 townhouses for sale to the private sector, the funding for which of circa £1.2m will have to be met by a combination of commercial funding and internal PARC resources.

The importance of maintaining an appropriate mix of tenure in development in PARC is keenly understood, hence plans to see, after concluding the sales to RSLs currently being negotiated, all remaining properties at Wauchope 7 and Greendykes B for owner occupation.

On completion of these developments Parc will have built 100 social housing homes, compared to a target of 352 houses.

In addition Castle Rock Edinvar Housing Association will have contributed a further 50 social housing homes from their two developments at Craigmillar Primary School and Greendykes A.

3.3 Infrastructure and public realm

Key aspects of the plan:

- Completion of essential infrastructure works, primarily drainage related, to upgrade and repair existing systems and build capacity for future development in and around the town centre
- External renovation of the iconic White House building, and securing of an appropriate use and tenant
- Funding of the works to be met from successful Town Centre Regeneration bid of £2m, plus contributions from Historic Scotland and Scottish Water
Infrastructure work forms a vital part of the regeneration process as much of this expenditure is effectively enabling works to allow current and future development in the town centre. Without such work, much of the planned future development cannot take place.

PARC has secured £2m of grant from the Scottish Government to support “Creating a New Heart (Town Centre) for Craigmillar”. This grant will be spent on two areas:

**The White House:** £580k is to be set aside for the White House, which will leverage a further c£120k grant (the final grant will be based on 25% of the grant eligible costs) from Historic Scotland. The expenditure will protect the fabric of the White House by making it wind and water tight, and by restoring its exterior to significantly improve its appearance and thereby make it more attractive for an end user, as well as improving the image of the high street. These works have to be agreed with Historic Scotland to take advantage of their grant.

Parallel to the renovation works, work will be carried out to determine a suitable future use for the building, and also to identify a suitable tenant/user so that the interior of the building is refurbished as soon as possible and the building occupied and used.

**Infrastructure:** The balance of the grant, namely, £1,420k is to be invested on infrastructure and public realm works, specifically remediating sites in the Town Centre for business use, and to provide temporary access and parking for them. The main site is earmarked for new Council offices; however other sites will benefit from these enabling works.

In addition essential drainage repair and upgrade works will be undertaken, which will help build capacity for current and future development in and around the town centre. A proportion of this work will be refunded by Scottish Water.

### 3.4 Inward investment and land sales

Key aspects of the plan:

- Develop new Council Offices in Craigmillar as a flagship development to help attract in further inward investment and stimulate land sales, as well as relocate 350 jobs into the area
- Continue to develop new inward investment and land sale opportunities for both the commercial and residential markets
- Use land sale receipts to repay unpaid management and funding costs, and to build funds to support future PARC developments and community assets

The construction of new Council Offices in the Town Centre sends an important signal of confidence in the regeneration underway, and will provide an important catalyst for further inward investment. The construction is planned to take place in 2011, with the building occupied in 2012, with 350 Council staff including a significant proportion being relocated into the area. The project would be fully funded by the Council, with a total cost of around £9m.

The management team will continue to research out and develop new land sale and inward investment opportunities such as resurrecting a potential sale to a supermarket, a
second phase to the Council offices to incorporate the provision of NHS services locally, NHS offices and a care home. Sales of land to the private sector for residential development will also not be discounted, should the market start to turn; such sales of land for residential development had always been planned but had been scheduled for later in the regeneration process in order to maximise their value.

No land sale receipts have been factored into the financial forecasts. However they will form the key component for building up funds to support future development, as well as paying off existing management and funding cost liabilities.
4. Approach to achieving longer term goals

4.1 Overall approach

To achieve the long term vision for PARC, given the economic setbacks of the last 18 months, will require patient determination and a flexibility in approach. That flexibility will be critical because it is not possible to project far into the future with any degree of certainty the financial resources that can be generated from PARC, and therefore both the timing and quantum of the build up of funds to support future developments is unclear.

It follows that, whilst the goals of the PARC regeneration plan remain in place, the timing of their achievement and exactly how they might be achieved needs to be reassessed; the forward plans that are developed accordingly have to reflect some degree of flexibility.

So for example, if commitments are made to delivering specific community assets based on forward projections of funding that might be available, then contingency plans may need to be put in place such that if there is any shortfall in funds (for example because insufficient land sales materialise or anticipated profits on housing development are not realised), then other sources of funding are already identified and available that can close the funding gap. Alternatively, it may be that priorities are created for community assets and built into the plan such that such assets are developed as and when funding allows and in the priority order determined.

Developing longer term plans in these ways should make the plans more robust and enable to withstand adverse economic and financial events.

The approach will be to continue to build on this current short term plan, to develop it into a plan that progressively begins to incorporate future aspirations and goals, and translates these into achievable outcomes. The Business Plan will therefore very much be a live document.

4.2 Housing

An underlying principle for the PARC regeneration has been that housing development should follow a mixed tenure model. With the private sector market in such difficulty, it would be tempting for financial reasons to revert to purely social housing development in order to be able to sell the housing assets already built and to more easily realise the value of future residential development. However this would impact negatively on many fundamental aspects of the regeneration plan, including the prospect of raising sufficient funds to enable the construction of future community assets and amenities.

Therefore the development of private and social housing going forward together will continue, but the means through which this is achieved will be reviewed.

PARC will engage with stakeholders and the market to ascertain the appetite for funding owner occupied housing in Craigmillar. This will take into account:
1. the existing commitments and proposals of developers of other sites in relation to the perceived size of the market for low cost home ownership and newer tenures being piloted (i.e. mid market rent),

2. the phasing strategy given the limitations anticipated in Housing Association grant and private finance for home ownership (including low cost provided by Registered Social Landlords),

3. the choice of sites to maximise marketability, given developments completed to date and supporting proposals:
   a. Wauchope Neighbourhood consolidating on the appeal of the primary schools campus,
   b. Town Centre building on the developments funded by the Town Centre Regeneration Fund and the Council Offices,
   c. Greendykes Neighbourhood capitalising on the Niddrie Burn River Restoration, links to the Hospital / Bioquarter, potential District Heating,

4. terms which may stimulate developer interest.

The aim would be to complete this exercise by the end of the year and that proposals arising from it should feature in the revised Business Plan early in 2010.

4.3 Community assets and broader regeneration goals

Community assets

The community assets planned for the future are typically large capital expenditure items, which were to be funded from land sale receipts and profits from sales of residential development. For example the new secondary school / public library in the town centre which at 2008 estimates would cost £30m excluding the cost of fixtures, fittings and equipment.

The impact of the economic recession on the financial plans for PARC as summarised in Section 1 above, means that planned community assets will not be delivered within the timescales set out in the Business Plan 2009-19, and in particular that the new Community High School cannot be funded and completed from PARC resources by 2014.

Building up funds to pay for such assets is likely to take a number of years, and the sources of such funding need to be revisited. Clearly, it is not possible at this stage to determine the quantum and timing of such funds that can be raised within PARC.

The following steps need to be taken:

- Realistic land sale targets set into the future, with specific values and timescales within which those targets will be achieved;
- A prioritisation of community assets which will determine the order in which community assets will be developed as and when the funds become available, ensuring that any such prioritisation is consistent with the Masterplan and follows a logical order;
• Work undertaken to consider if there are alternative sources of funding that might be obtained to part fund specific community assets which may help to close funding gaps.

A plan will then be built which sets out the community assets to be constructed and an indicative timescale of when the funds might be expected to be in place. Trigger points would be established whereby certain amounts of funds are secured, further action can be taken to take forward the development of specific community assets.

**Broader regeneration goals**

**Strategic Open Spaces**
Parc has also to deliver the strategic open spaces in conjunction with the other related developments, of which the Niddrie Burn River Restoration project is the most important. This project is now being led by Scottish Enterprise and the City of Edinburgh Council and fully funded by SE/third parties. Parc is no longer contributing to the cost.

Planning consent for the NBRR has been granted subject to the necessary legal agreement. This releases a financial contribution from SE which Parc and CEC will use to develop the North Meadows as the first phase of the Strategic Open Spaces. The intention is to both provide an amenity area but also a path to the ERI and Bio Quarter. Given the delay in the provision of the bus link across the NBRR this path is seen as critical to provide a more direct link to this major employment area and its facilities, for pedestrians and cyclists, with Craigmillar and Greendykes in particular.

The design for the North Meadows has been subject to consultations and is agreed in readiness for a planning application to be submitted once the funding is released by SE.

The provision of the remaining Strategic Open Spaces, i.e. the Community Woodland, incorporating an Arboretum, is longer term, given the need to tie in with adjacent developments by third party developers which are not expected to be progressed during the next two years. Discussions will however be progressed with other agencies, e.g. The Forestry Commission, to ascertain whether funding can be secured.

**Facilitating development by Third Party developers**
Parc has an enabling role in facilitating development by third party developers on their own land. This activity ranges from leading with surveys and consultations on a Craigmillar wide Drainage Strategy and the development of Low Carbon Strategies to physically organising the tying in of infrastructure connections and contributing land to allow adjacent developers to progress their proposals. Land transfers will facilitate 117 houses being built by CREHA on two sites, including 50 homes for those with a Right to Return.

The Low Carbon Strategy has been developed to the stage of a feasibility study for a District Heating pilot scheme to serve some 350 new and existing properties in Greendykes. Should funding be secured for this Parc would take this forward, through the necessary consultation and planning stages, in conjunction with CEC. As a Scottish Sustainable Community Initiative Parc will continue to promote sustainable solutions and participate with the Scottish Government in the dissemination of good practice.
5. Financial plans and risk management

5.1 Financial summary

In building the financial projections, the focus has been on ensuring that all plans are financially robust and that some degree of tolerance and flexibility is built in to provide some resilience against unexpected events.

Summary financial projections for the period 2009-13, together with key assumptions, are set out in Appendix 1. These projections are supported by very detailed budget projections covering all income and expenditure streams for PARC, so that activities can be managed and controlled tightly from month to month.

The projections show that losses will be made for 2009/10 and 2010/11 as the management and interest costs incurred by the Company cannot be covered by the development activity and the relatively small gross surpluses from selling housing stock over this period. However, the interest costs will be eliminated by 2011/12 as the Dunfermline debt is paid off as the current housing units are sold; the management costs are referred to in Section 6.2 below.

The Company will be in a stronger position to secure new development funding once the Dunfermline debt has been repaid, lending markets have eased and some land receipts have been realised as the financial position of the Company will be more robust. The Company remains underpinned by the £7.9m of loanstock invested by EDI.

The cash position of the Company will remain very tight over the period 2009-12, and under current projections is in deficit at the end of 2010/11. Further work is being undertaken to ensure that the cash projections are robust on a detailed monthly basis and can be managed.

One of the financial principles of the plan has been that management and interest costs should be paid as incurred and not continue to be rolled up. The projections reflect that both management and interest costs due to EDI will be paid on a monthly basis from October 2009 as they fall due; the accumulated liability of circa £2.4m due to EDI will be repaid as funds allow at some point in the future but no such repayment has been factored into the cash projections.

The formal JV agreement sets out that EDI and CEC should receive a return of 20% IRR (but with CEC waiving this in return for community assets). This target will need to be reviewed as part of the planning process. The projections are underpinned by a number of assumptions, the critical ones of which are set out in Appendix 1.

Finally, the developments at Wauchope Phase 2a and Phase 8 are not currently reflected in the Profit and Loss and cash flow statements because they are being primarily funded by housing associations. However the projections are currently being amended to include these income and expenditure flows.
5.2 Risk assessment and mitigation

The primary risk is that key assumptions underpinning the plans prove inaccurate. The assumptions around housing sale numbers, values and timing, are particularly critical in terms of the impact on the financial projections.

A separate exercise will be carried out to identify key risks underpinning the PARC Plan, and risk mitigation actions will be put in place accordingly. EDI will lead this process, as part of their management support to the business.
6. Management and community engagement

6.1 Governance

The Company is a Joint Venture owned by two shareholders, the City of Edinburgh Council, and The EDI Group. The current Board of Directors comprises:

City of Edinburgh Council
Cllr. Michael Bridgman, Cllr. Paul Edie, Steve McGavin

The EDI Group
Cllr. Tom Buchanan, Eric Adair, Will Reid.

There are places on the board for community directors to advise on wider issues. Currently two community directors sit on the PARC Board. These are:

Norrie Davies (Craigmillar Partnership)
Jim McCaffery (Lothians Health Board)

The Board meets on a monthly basis.

6.2 Management support

Since inception, management support has been provided by EDI. The support involves all aspects of running the business including:

- Management of the Company in all its aspects;
- Leading all planning activity;
- Managing all development activity from development of schemes through to letting of contracts and managing all construction development activity;
- Selling of residential property and sales to housing associations;
- Providing all financial management and legal support to the Company;
- Engaging with all stakeholders.

The annual cost of providing this support to PARC, including related overheads, is £750,000 per annum. This cost has been reduced from £1.1m in 2008/09, reflecting a lower level of activity projected over the coming few years and also reflecting efficiency savings made. The management support and cost will continue to be reviewed to ensure it is commensurate with the level of activities being delivered at PARC.
6.3 Community and stakeholder engagement

PARC recognises the critical importance of community engagement in helping shape and deliver the regeneration plans, and therefore works closely with the Craigmillar Partnership, responsible for the Social and Community Regeneration Initiatives in the area and is represented at every Partnership meeting. This ensures continuity of work, and a Partnership approach to PARC’s work in Craigmillar.

PARC also:

- Works in partnership with other developers with land holdings or investments in Craigmillar, to deliver a programme of regeneration matching the requirements of the approved Design Framework for the area;
- Works with companies who have successfully tendered for work in the Regeneration Programme, encouraging these companies to invest in the local community through employment and sub-contractual opportunities;
- Piloted pre planning application consultation agreements with great success;
- has been active in the Community through its continued presence at formal and informal local meetings, and its involvement with specific groups such as young people, school pupils and elderly groups;
- PARC has supported the local independent monthly newspaper as a vehicle of communications.

It has been agreed that the rationale for and outline of the short term Business Plan will be explained to the Community Council on 27th October and then the process for consultation for the ongoing process of developing the Business Plan further into the medium and longer term will be outlined. This process will be through the setting up of a joint working group of members drawn from the Community Council and the Community Regeneration Forum, with whom the consultation process will take place on an ongoing basis, helping to inform the further development of the Plan.

Engaging with relevant CEC Departments is also vital to ensuring that the regeneration plans remain coherent and clearly understood and that progress is understood by all. This is an area that PARC wishes to improve over the next year.

As well as the Council, the Scottish Government is a cornerstone of support for PARC and a major and continuing investor. The Government has been extremely supportive of the regeneration project, and PARC will strive to maintain that support through close collaborative working.
# Profit and Loss Statement

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<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
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<td>5,486</td>
<td>2,992</td>
<td>151</td>
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<tr>
<td>Development for Housing Association</td>
<td>16</td>
<td>51</td>
<td>19</td>
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<td>Construction Council offices</td>
<td>-</td>
<td>350</td>
<td>8,560</td>
<td>-</td>
</tr>
<tr>
<td>Town centre grant income</td>
<td>200</td>
<td>900</td>
<td>200</td>
<td>200</td>
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<tr>
<td>Other sales and receipts</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Total Income</strong></td>
<td>8,825</td>
<td>6,787</td>
<td>11,771</td>
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<tbody>
<tr>
<td>Private housing build costs</td>
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<td>Costs of construction Council offices</td>
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<tr>
<td>Other developments and infrastructure</td>
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<td>913</td>
<td>99</td>
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<tr>
<td><strong>Total Expenditure</strong></td>
<td>9,258</td>
<td>7,105</td>
<td>9,713</td>
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**GROSS PROFIT / (LOSS)**

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<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
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<tbody>
<tr>
<td>Management costs and overheads</td>
<td>514</td>
<td>746</td>
<td>748</td>
<td>250</td>
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<tr>
<td><strong>PROFIT / (LOSS) BEFORE INTEREST AND TAX</strong></td>
<td>(948)</td>
<td>(1,064)</td>
<td>1,310</td>
<td>(51)</td>
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<table>
<thead>
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<tr>
<td>Bank funding costs / interest receivable</td>
<td>(293)</td>
<td>(106)</td>
<td>10</td>
<td>46</td>
</tr>
<tr>
<td>EDI loan stock interest</td>
<td>(277)</td>
<td>(281)</td>
<td>(281)</td>
<td>(281)</td>
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<tr>
<td><strong>PROFIT / (LOSS) BEFORE TAX</strong></td>
<td>(1,518)</td>
<td>(1,452)</td>
<td>1,038</td>
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| Taxation                                              | 425     | 406     | (291)   | 80      |

**PROFIT / (LOSS) AFTER TAX**

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<tr>
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<tr>
<td></td>
<td>(1,093)</td>
<td>(1,045)</td>
<td>748</td>
<td>(206)</td>
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### Balance Sheet

#### Fixed Assets

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<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
</tr>
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<tbody>
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<td>Commercial Properties</td>
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#### Current Assets

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#### Creditors due within one year

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#### CAPITAL AND RESERVES

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<td>(939)</td>
<td>(1,984)</td>
<td>(1,236)</td>
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# Parc Cragmillar Forecast Summary Annual Cash Flow

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<td>£'000</td>
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</table>

11 November 2009 - 09:36

## Cash Flow Statement

### INCOME
- **Private housing sales**: 7,430 5,486 2,992 151
- **Development for Housing Association**: 1,100 5,010 1,216 -
- **Construction Council offices**: - 350 8,560 -
- **Town Centre grant income**: 1,500 620 - -
- **Other sales and receipts**: 1,218 - - -

**TOTAL INCOME**: 11,248 11,467 12,768 151

### EXPENDITURE
- **Private housing build costs**: 3,043 1,347 497 -
- **Development for Housing Association**: 1,084 4,960 1,197 -
- **Costs of construction council offices**: 696 805 6,749 -
- **Other developments and infrastructure**: 1,585 861 146 145
- **Operating Costs**: 514 746 748 250

**TOTAL EXPENDITURE**: 6,922 8,719 9,337 395

Operational cashflow before funding & interest: 4,326 2,748 3,431 (244)

BORROWING & EQUITY
- **Repayment of bank funding**: (3,559) (3,092) (480) -
- **CEC Loan Stock**: 600 - (600) -

**FUNDING**: (2,959) (3,092) (1,080) -

**NET CASHFLOW BEFORE INTEREST**: 1,366 (344) 2,351 (244)

Bank funding costs / interest receivable: (293) (106) 10 46

EDI Loan Stock Interest: (162) (281) (281) (281)

**INTEREST AND RETURNS**: (455) (388) (272) (236)

**NET CASHFLOW**: 911 (732) 2,079 (480)

Opening cash balance: (538) 373 (359) 1,720

CLOSING CASH BALANCE: 373 (359) 1,720 1,241
Review: November 2010

What were we trying to do?

1.1 Vision, Strategic Themes and Outcomes of the Company

1.1.1 The Vision is for Craigmillar to maintain a sustainable, welcoming and balanced community where people want to live and work and be part of the City of Edinburgh

1.1.2 Strategic Themes

Six strategic themes have been set out in the City of Edinburgh Council’s ‘Development Framework for the Regeneration of Craigmillar’, namely:

**A New Heart for Craigmillar** – Creating a strong focus for community life and a shared sense of progress and achievement.

**Education and Lifelong Learning** – Delivering a high standard of modern learning environments, housed in the best facilities serving all age groups.

**Economic Development** – Ensuring Craigmillar gains the maximum economic benefit from the physical and social changes that will take place over the next 10-15 years and is connected to the opportunities within the wider Edinburgh economy.

**Young People** – Encouraging every young person in Craigmillar to have aspiration, skills, self-esteem and confidence to realise their goals.

**Access and Movement** – Providing maximum transport choice and safety for the people of Craigmillar both in terms of transport mode and linkages.

**Living in Craigmillar** – Providing a mix of residential tenures and densities to consistently high standards of design in safe, attractive neighbourhoods with convenient access to open space and play facilities.

1.2 Planned Outcomes

1.3.1 The planned outcomes of the Company are:

- To deliver 1,800 houses on its own land
- To deliver new secondary school and primary schools
- To deliver 300,000 sq ft office retail and leisure space in the town centre
- To deliver 150 acres of parks
- To deliver a new library and community facilities
- To deliver improved public realm
- To act as catalyst for wider action regeneration initiatives

How were we aiming to do this?

(the operational and financial model)
With most of the land in Craigmillar owned by CEC capital receipts could be generated through residential development, land sales and commercial developments. These receipts would be sufficient to pay for infrastructure and community assets such as schools. Grant funding would pump prime the process. Traditional property development loans from banks would be used in later phases.

PARC would establish master plans, directly carry out infrastructure work and initial phases of residential development. This would set the quality of work required and demonstrate viability. Thereafter PARC would sell land to private residential developers. Parc would directly undertake the town centre and commercial developments, using EDI’s experience. It would initiate the green space development for long term partners to complete.

What have we managed to do?

- **A New Heart for Craigmillar**
  - Town Centre Masterplan agreed
  - Some public realm improvements
  - The White House renovation
  - ENCOL and Library
  - Some retail units now in CEC control

- **Education and Lifelong Learning**
  - Two new primary schools built
  - Library committed

- **Economic Development**
  - Peffermill Parc built and fully rented – 50 jobs
  - ENCOL – net increase of approx 200 jobs

- **Young People**
  - Multipurpose pitch opened
  - Primary school pitches open to public
  - Some bursary funds for High School pupils

- **Access and Movement**
  - Shared surface installed
  - City Car Club set up
  - Bus and cycle route map being produced

- **Living in Craigmillar**
  - 237 new homes built with good market value established
  - 58 under construction
  - Parks / Green space plan completed

What is the state of the regeneration model?

The model of financing the regeneration using growing land and property values is broken:

- The recession broke the positive cycle so that receipts were no longer flowing at sufficient levels to recycle into the next stages. Financially the momentum has gone and Parc is short of funding to carry out infrastructure works.
• Land values have dropped and growth expectation is lower so the overall level of receipts will be much lower and will be realised over a longer period.

• Banks now view regeneration funding as too high risk so there are major problems in finding development funding

• The current state of residential development is delaying the realisation of land values from the point of initial land sale to at best the sale of the house to the owner or even in to a revenue stream in the form of rental income

What is currently happening in Craigmillar

• Strong enquiry to acquire Cairmtows Park for resi – 90 ish units

• Strong enquiry to acquire Niddrie Mill primary for resi – 45 units

• Negotiations with Crudens to commence Phase 2b – 93 units

• Private sector interest in Taylor site – commercial and retail

• Food store operator doing feasibility work

• ENCOL / Library building due on site in April

• The White House to reopen for community access.

• Private sector interest in creating a local heat generation plant.

• The Boitech developments

• The Niddrie Burn work

• Car park at ERI
What can happen in the next few years?

Residential
- Sell some land to house builders for a capital receipt (Receipt)
- Assess the potential for a rental development. (Time)
- Plan for a programme of land sales for residential development (Time)
- De-risk sites by doing infrastructure (Expense)

Parks / Green space
- Draw up a plan and programme for the parks works
- Get Niddrie Mill burn restoration completed (CEC expense)
- Do the meadows work and pedestrian links (Expense)
- Get agreement with ?? on the urban woodland scheme (Time and Expense)

Town Centre
- Work on ... and ... and get one of them signed up (Receipt)
- Rethink the town centre plan and how to get it done (Time and Expense)

Education
- Get Secondary School position clarified.

Jobs and community
- Economic growth to be targeted
- Attract new employers to create local jobs
- Co-ordinate bio-tech with Parc

Governance and Management challenges

Does Parc Craigmillar Ltd as a URC need to exist?
- If so does it fir within the new City Development ALV model?
- If not how is the regeneration taken forward?

What is the role of the Parc Board?
- Is it a steering group / liaison group?

What is the role of the Zone Manager?

Does the Parc team (current EDI staff) continue to exist?

Produce a new business plan with wide CEC buy-in
Progress on Key Business Plan Objectives

Theme 1  A New Heart for Craigmillar

Objectives

Develop an integrated town centre incorporating:
- 300,000 sq.ft. of industrial, retail, leisure and office space (NO 1)
- Community leisure facilities for all ages of the community (NO 6)
- A mixed use Town Centre with appropriate residential developments (NO 10)
- Create a new and coherent high street for Craigmillar which will become the heart of the community. (NO 10)

2009 / 10 Outputs

- Town Centre Masterplan approved and Outline Planning Consent granted
- Town Centre regeneration fund grant award
- Contract for White House refurbishment awarded.
- Contract for town centre site clearance awarded
- Secured commitment for a 4,500 m2 office from Edinburgh Council
- White House acquired to preserve fabric
- Acquisition of town centre retail units to facilitate future replacement

Theme 2  Education and Life Long Learning

Objectives

- Provision of a Secondary School providing cultural, learning and sports facilities (NO 4)
- Provision of Primary Schools with community facilities (NO 4)
- Provision of new Library and informal learning spaces (NO 4)

2009 / 10 Outputs

- Secured commitment for a new library from Edinburgh Council

Earlier Outputs

- New St. Francis Primary school and nursery and Niddrie Mill Primary school and nursery shared campus (opened 2008)
- Won the Glasgow Institute of Architects award in the education category.
### Theme 3 Economic Development

#### Objectives

- Refurbish existing or create new office, business, industrial, retail and leisure facilities up to a total of 300,000 square feet. (NO 1)
- Work pro-actively with other key agencies to provide access for local people to a projected 6000 new employment opportunities in the Greater Craigmillar area. (NO 1)
- Provide for Lifelong learning and ICT initiatives (NO 1)
- Establish a charter with developers to co-ordinate local business and workforces within the development programme (NO 1)
- Develop Business Incubator Units and quality business accommodation to support business growth (NO 1)

#### 2009 / 10 Outputs

- Secured commitment for a new office development employing 350 from Edinburgh Council

#### Earlier Outputs

- Completion of 16,000 sq ft of business Units at Peffermill Parc and full letting employing c 50 people
- 5 pupils supported through bursary scheme to date. In 2008 two pupils received ICT support whilst in year S6
- 51 local people employed on PARC construction sites.
- 4 local businesses providing services to construction sites.

### Theme 4 Young People

#### Objectives

- Create facilities with a specific emphasis on youth development (NO 4)
- Providing access to apprenticeship/training programmes through other parties (NO 4)
- Provide appropriate play facilities for children (NO 6)
- Provide for formal and informal facilities for young people in ICT and lifelong learning and in social, cultural and leisure provision. (NO 4)

#### 2009 / 10 Outputs

- Floodlighting added to multipurpose pitch

#### Earlier Outputs


• Completion of 16,000 sq ft of business Units at Peffermill Parc and full letting employing c 50 people
• Castlebrae Multi Purpose all weather pitch (FIFA Approved)
• Community access to all weather and grass pitches at Niddrie Mill and St Francis and other community facilities in shared campus
• Castlebrae School Bursary with 5 pupils from Castlebrae School accessing bursaries.

Theme 5 Access and Movement

Objectives

• Work with CEC and Lothian Buses to provide for a comprehensive public transport system linking Craigmillar to city centre, and to local retail and employment facilities (NO 1, 10)
• Provide safe, attractive streets and shared spaces within Craigmillar (NO 10)
• Provide safe and close access to all facilities for pedestrians and cyclists (NO 10)
• Encourage use of public transport and greener choices in travel. (NO 10)

2009 / 10 Outputs

• Completion of new signalised pedestrian crossings on Niddrie Mains Road

Earlier Outputs

• 2,000 m of shared surface road installed
• City Car Club facility provided

Theme 6 Living in Craigmillar

Objectives

• Create an estimated 1,800 new houses of mixed density and tenure in Craigmillar, Facilitate delivery of 1,400 houses by other developers to agreed design standards (NO 10)
• Ensure the delivery of over 500 social houses in Craigmillar to provide for residents with a ‘right to return to Craigmillar’ (NO 10)
• Provide a common housing and environmental management service for Craigmillar (NO 10)
• Integrate Craigmillar within the City of Edinburgh (NO 10)
• Improve sports and arts provision (NO 10)
• Provide new parkland for recreation and leisure (NO 12)
• Provide new landscaping and recreational open space (NO 12)
2009 / 10 Outputs

- Completion of 2 residential phases of 114 houses including 54 affordable
- Construction of 5th phase of 26 affordable houses commenced.

Earlier Outputs

- Completion of 2 phases totalling 97 houses including 65 affordable (LCHO, mid and social rent).
- 36 homes occupied by those with ‘right to return’.
- Phase 1 sold out.
- Urban Design framework approved,
- Completed feasibility study for comprehensive Combined Heat and Power (CHP) system for Craigmillar with potential to service existing housing.
- PARC Craigmillar designated by Scottish government as a Scottish Sustainable Community Initiative.
Craigmillar, Edinburgh, UK

E-Compendium: Good Practice Case Studies
Introduction

The purpose of the e-compendium case studies is to provide information about the experiences of large urban distressed areas in Europe. All of the case studies are linked to the LUDA project, either as partner cities or as reference cities. This case study focuses on Craigmillar in Edinburgh. Edinburgh is one of the six partner cities in the LUDA project and Craigmillar is a large area which is undergoing regeneration and renewal.

This case study gives a brief outline of the area’s history; the challenges it faces and the potential it has for redevelopment. The case study then discusses the current approach to regeneration in Craigmillar, and gives a detailed account of one part of the process. In this case, this focuses on the preparation of the area’s community development framework.

The e-compendium is designed to be used online. The text includes interactive links which allow you to move around the document, to link to other handbooks, or to open websites. Links are shown as coloured text. You can also find the links by looking for icons in the page margins, as shown here.

If you prefer to read this handbook like a normal book, then you can print it out. Please note that all of the handbooks are designed for double-sided printing.

Acknowledgements

This handbook was prepared by the School of the Built Environment at Napier University, Edinburgh with assistance from the City of Edinburgh Council. It is based on material produced during the course of the LUDA project. Photographs were supplied by Charlie Shaalan at the City of Edinburgh Council, and Adrian Welch, www.edinburgharchitecture.co.uk.
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<td>2. History &amp; Background</td>
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<td>3. Challenge</td>
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<td>4. Potential</td>
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<td>5. Approach</td>
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<td>6. Tools &amp; Methods</td>
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<td>8. Results</td>
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<td>9. Further Information &amp; Links</td>
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1. Overview

Craigmillar is a large housing estate located on the south-eastern periphery of Edinburgh, approximately 5km from the city centre. It covers 6.9 km² and is home to around 7100 people. The area was first developed in the 1920s, and was developed further in the 1960s when high rise, mono-block style social housing was constructed. Today the area is one of the most deprived areas in Scotland. A community-led regeneration process is currently developing ‘a new heart’ for Craigmillar.

2. History and background

Craigmillar is a deprived community within Edinburgh. The area was first built in 1929 and grew because it was close to jobs in local coal mines and breweries. With the loss of the mines and the closure of the breweries during the late 1960s and the 1970s, the area soon had growing rates of unemployment. Other problems soon followed—for example, drugs misuse, rising crime rates and poor education. The environment also suffered and houses were not properly cared for or maintained. In addition, problem families from other parts of the city were relocated to Craigmillar, and the area’s reputation declined. Recent government statistics show that Craigmillar is the fourth most deprived area in Scotland (fourth out of 1,222 areas).

Craigmillar is geographically disconnected from the rest of the city, separated not only by distance, but also by topography. Arthur’s Seat—a large hill, and one of the most famous landmarks in Edinburgh—separates Craigmillar from the city centre, forming a visual and psychological barrier. Economically, the area is not doing well. In Craigmillar, the average annual income per household is £10,500, well below the Scottish average (£20,000 per year) and the Edinburgh average (£30,000 per year). The economic problems of the area have a significant
social impact and can be linked to: poor educational aspiration and attainment; indifference to work; and, the general social malaise that comes from not having paid work.

3. The Challenge

The challenges faced by Craigmillar are significant. The area is large, most of the homes there are owned by the public sector (social housing), and there are relatively few employment opportunities within the Craigmillar itself. The scale of the problem has acted as a catalyst for community-led urban regeneration. The result is that stakeholders are collaborating with one another in a variety of ways. This includes: tackling urban distress; consensus building; and, taking development proposals forward. This process has been supported by the following:

- A major consultation process about the regeneration of Craigmillar.
- An extensive public participation exercise, involving community meetings, workshops, and meetings, to develop a consensus about how to regenerate and to consider the development options available.
- The development of a community forum to represent community views and opinions about the development options available.

These exercises took place between 1998 and 2001. The process culminated in the publication of the Craigmillar Development Framework (CDF) in 2001. The framework makes:

"While it is now accepted that physical regeneration is insufficient in itself to achieve sustainability, the linked social ingredients needed to revitalize communities are often difficult to pinpoint. Putting new heart into the community is often used in this context to describe measures which are capable of delivering sustainable regeneration" (CDF, 2001: 29)

The CDF says that there is currently no heart to Craigmillar, the area is disconnected from other places, it is excluded from other developments and under-represented in terms of employment opportunities, health, education and housing. Despite these weaknesses the framework states that there are opportunities to develop a new heart for Craigmillar. In order to do this, the CDF sets out what the stakeholders need to do to tackle urban distress and secure the regeneration of their area. This provides a platform upon which to build a programme of actions. The programme sets out what needs to be done, by whom and when. The programme also provides an opportunity to monitor the impact of the development and evaluate the effects of the regeneration on the community.

4. Potential

The Craigmillar area has considerable potential. Edinburgh is a buoyant city, and there is continued demand for new housing in the capital, although there is little available development land. Craigmillar has the space to deliver new housing to meet this need. New developments near to Craigmillar have also changed the employment context by creating many thousands of new jobs. The relocation of the main city hospital close to Craigmillar will bring around 12000 new jobs to the area once the associated media park is completed. The area is also benefiting
from new retail developments, again bringing new job opportunities to this part of Edinburgh. Taking advantage of these opportunities will help Craigmiliar to grow and diversify, attracting new residents, increasing the social mix, and linking the community to local employment.

A fine Art Deco school building in Craigmiliar. The building is now used as a business centre, occupied by a range of small firms. The architectural value of the building means that it cannot be demolished, although it costly to maintain and its future is in doubt. Photo: Adrian Waich, www.edinburgharchitecture.co.uk

5. Approach

Following a SWOT analysis to describe the distress in Craigmiliar, the next stage was to develop a vision of the ‘new heart’. Stakeholders with a long-term commitment to the area participated in a process of generating future scenarios for Craigmiliar. Each scenario describes a slightly different future and involves different development options. In order to achieve sustainability in the regeneration programme, a sustainability assessment was carried out for each scenario. This meant that sustainability was taken into account when choosing the preferred development scenario.

6. Tools & Methods

The vision

The vision for Craigmiliar is of a place with a new heart. The heart is intended to create a strong focus for community life and contribute to a sense of place. Here, lifelong learning is seen as the basis for a strong local economy—training people and helping people develop skills throughout their lives. Young people are also supported through services that promote wider access and mobility, and which offer a mix of housing opportunities.

The scenarios, development options and evaluation

The scenarios for the new heart for Craigmiliar are as follows:
To allow market forces to drive the vision;
To decentralise service provision from the city to the community and adopt a
neighbourhood strategy to distribute them;
To concentrate development on a given area, link neighbourhood together and
connect them together as a district of Edinburgh; or
To develop Craigmillar as a satellite town.

These scenarios were developed into a series of development options. Once they had been
finalised, these options were evaluated using the following criteria:
- the links made with the community;
- the proximity of the services developed proposed;
- the impact on the profile of the community and Craigmillar’s external image;
- cost;
- contribution to long-term regeneration of the community.

The results of the evaluation are set out in Table 1 below. The evaluation uses a nominal
scoring system which awards 1 point for a negative impact, 5 points for a neutral impact and
10 for a positive impact. All of the criteria are equally weighted. Once the scores were agreed,
a matrix was used to compare the results.

The ‘market forces’ scenario had the lowest score with 20 (equal to 40%), while the
‘concentration’ scenario received the highest score of 35 (70%). The concentration scenario
was thus the preferred development option for Craigmillar. The benefit of this option comes
from the emphasis on maximising links, raising Craigmillar’s profile, and adding value to the
regeneration process. For these three criteria, the concentration scenario was awarded the
maximum score.

Table 1: Development Option Evaluation Score:

<table>
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<th>The preferred development option</th>
<th>LINKS</th>
<th>PROXIMITY</th>
<th>PROFILE</th>
<th>COST</th>
<th>CONTRIBUTION</th>
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The ‘concentration scenario’ was adopted as the preferred development option for Craigmil-
lar. This reason is not only because this has the highest score in the evaluation exercise, but
because it provides an opportunity to re-connect Craigmillar to the city.
The Urban Design Framework

An urban design framework for Craigmillar was completed in 2004. It tries to advance the theme of social inclusion set out in the development framework, transforming it from a two dimensional vision into a three dimensional one. The Urban Design Framework (2004-14) states:

"the vision for Craigmillar’s future puts good design – urban, landscape, architecture and its sustainability – at its core. Furthermore, what also emerges is what lies at the heart of the vision and what represents its core value is ‘feasibility’. Or, ‘the creation of an ordinary decent place to live – well planned – requiring good design practice, able to adapt to social change’.

These design principles are set out under five main headings:

- Distinctiveness: creating Craigmillar as a place in its own right
- Sociability: making Craigmillar a place where interaction is easy and natural
- People-oriented: designing a place which is of a human scale and gives people priority
- Sustainable: a development that minimizes land-take, resource consumption and impact on the environment.
- Quality: high quality urban design, landscape, architecture, layout and settlement pattern.

Although these principles are listed individually, the framework makes it clear that they are inter-linked and connected in every way. Holistic thinking means that each element is considered alongside the others as part of an internal whole.

The design concept for the regeneration of Craigmillar is set out in Figure 1. As can be seen, the new heart for Craigmillar is represented as the ‘community core’, with a town centre and 3 neighbourhoods supported by local centres.

A distinctive, sociable and people-oriented development

The design concept generates what is referred to as: ‘a distinctive, sociable and people-oriented development’. It will be achieved through a 15 year investment programme which is expected to create:

- a community of approximately 15,000 people
- 3,600 houses,
- 4 new schools,
- 300,000 square feet of office, retail and leisure space,
- new informal public park and formal open spaces
- new library
- new complementary leisure and sports provisions
- new transport provision including a tram link, bus and rail links
- proper facilities for young people
- 1500 new job opportunities, 100 apprenticeships
- new housing management and environmental management structure.

Work has already begun on the regeneration of Craigmillar, and some of these outcomes have already been achieved. Over the past few years, the first new homes, schools and other services have been constructed in the area.

![A new medical centre in Craigmillar. Photo: Charlie Shanlin, City of Edinburgh Council](image)

7. Innovation

The development and urban design framework of this community-led urban rehabilitation are clearly innovative and raise many challenges. The strong commitment to stakeholder involvement, collaboration and consensus building are evident in the socially inclusive partnerships promoted to develop a new heart for Craigmillar. This in turn has provided the community with a vision of the new Craigmillar through the scenarios and development options presented. It is also innovative in terms of the way in which the preferred development option was selected, and the way this option became the basis for the urban design framework.

8. Results

The main achievement so far is the success of the visioning and scenario building exercise. This has engaged citizens and encouraged the public to participate in the planning and development of the Craigmillar area. The result is a consensus about the future of Craigmillar—the vision and the preferred development option.
9. Further Information and Links

If you are interested in the strategies produced as part of the Craigmilar regeneration process, here are the three main references to help. Unfortunately none of these is available via the web.


Edinburgh City Council (EDC) (1063) Interim Planning Framework for Craigmilar, EDC, Edinburgh.


If you are interested in finding out more about Craigmilar, you can contact the City of Edinburgh Council (www.edinburgh.gov.uk) or browse Craigmilar.net http://www.craigmilar.org.uk
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LUDA is a research project of Key Action 4 City of Tomorrow & Cultural Heritage from the programme Energy, Environment and Sustainable Development within the Fifth framework Programme of the European Union. http://www.luda-project.net
Introduction

We welcome the opportunity to provide evidence to this timely and interesting inquiry. In doing so, we have directed our response at those questions we are best placed to answer.

SE’s primary role is to help increase Scotland’s sustainable economic growth. Working in partnership with the public and private sector we support companies and sectors and enhance Scotland’s business environment to ensure that Scotland can take full advantage of economic opportunity. Our contribution to regeneration rests on our ability to identify and stimulate growth opportunities and secure their exploitation through fully utilising Scotland’s assets.

In parts of Scotland assets such as people and land are significantly under utilised. Major regeneration initiatives such as Clyde Waterfront, Clyde Gateway and Dundee Central Waterfront are directly tackling these issues. SE continues to be an active, positive partner in regeneration.

Strategy and Policy Issues

1. How can the linkage between the various strategies and policies related to regeneration be improved?

With the increasingly limited resources available to the public sector, it is essential to focus on those activities which have the greatest potential impact. As such, clearer prioritisation of Scotland’s public sector resourcing of regeneration would be an important step forward. The different relevant strategies and policies – Regeneration Strategy, National Planning Framework (and strategic and local development plans), Infrastructure Investment Plan, Agenda for Cities and Community Planning – should be effectively co-ordinated around these priorities.

Clear priorities are not only important for maximising the impact of public sector spend. They also send a strong message to the private sector about where public investment is most likely to enhance the conditions for the private sector, making the returns on investment sufficiently attractive. Clear strategic priorities, backed up by commitment to action and investment, provides the long-term certainty the private sector requires to invest. This, in turn, is essential in securing the long-term sustainability of regeneration (as discussed in our response to question 6 below).

SE’s contribution to enhancing areas in need of regeneration is not limited to our investment in regeneration initiatives. Our work in supporting Scotland’s companies and sectors to grow can have a significant impact on opportunities accessible in areas that are currently disadvantaged. For example, the National Renewables Infrastructure Fund (NRIF) has the potential to stimulate significant investment and job creation in Dundee, North Ayrshire and central Fife. In tourism, taking advantage of assets in markets such as adventure sports is contributing to the regeneration of rural areas. It is important therefore to ensure that joined up working is not restricted to strategies and policies directly badged as “regeneration”.

2. Can physical, social and economic regeneration really be separate entities?

A focus on physical development, in isolation of business and people development will not lead to effective long-term regeneration. We need to improve the linkage between these components, in particular linking growth generating activities with the capacity of people and business to take advantage of them.

However, the relative focus on physical, social and economic aspects of regeneration may vary between places and across time according to the needs of an area. For example, in the Dundee Central Waterfront, an extensive period of focus on physical regeneration is required before the major
economic regeneration opportunities emerge, reflecting the lengthy timescales for master planning, land acquisition and preparation, re-alignment of roads etc. Given the uncertain economic climate, it is difficult to estimate the specific skills required by the businesses that will eventually locate at the waterfront until later in the process. As the major new source of future employment for the wider area, and a part of Dundee with few current residents, work on social and skills-related regeneration will also have a different geographic focus, targeting those communities in the Dundee city region with the greatest need and potential to benefit from the Waterfront development.

3. **Are we achieving the best value for investment in this area?**

As outlined in our answer to question 1, focusing our limited public sector resources where we can make the greatest impact is crucial to achieving best value.

**Partnership Working**

6. **How can it be ensured that regeneration projects are sustainable in the long term?**

The relationship between public and private sector investment is pivotal in securing sustained regeneration. Across different components of regeneration, the public sector is only ever in a position to pump-prime change. It requires engagement with the private sector, to stimulate market demand, for this change to be sustained. Provision of business infrastructure is only sustainable if businesses are willing to occupy it, town centre enhancement will only bring regeneration if businesses locate there, and increasing the capacity of individuals will only improve their prosperity if they can secure a job as a result.

In short, regeneration will only have a long-term sustained impact where it succeeds in adjusting the market. Insufficient attention has, at times, been given to this requirement when prioritising resources and designing approaches to regeneration. In determining strategic priorities, we need to develop understanding of where there is a realistic prospect of changing the investment patterns of the private sector. This is not to say we “write-off” places, but that we need to better understand the lessons from successful regeneration, the triggers that have been most important in securing turn-around.

**Practical Issues**

8. **What role should CPPs play in supporting the community in regenerating their communities?**

Others are better placed to comment on the role of CPPs in community engagement and empowerment. However, we are keen to highlight one related practical issue. CPPs have a key role in linking economic and social regeneration. Close partnership working is required to ensure that new employment opportunities are communicated and mechanisms are put in place to help employers recruit and to help partners build the capacity and employability of individuals. But, as the Dundee Waterfront example (see question 2 above) illustrates, we would caution against taking too narrow a focus on a local area. For important aspects of service provision to alleviate and prevent deprivation (e.g. community safety or child care), a focus on local services is absolutely appropriate. In seeking to improve prospects in the employment market, it is important that any approach builds connections between an area and its wider labour market (e.g. transport, awareness of opportunities, confidence to widen horizons) rather than inadvertently re-enforcing geographic limits.

In this context, the refreshed Scottish Government employability framework, *Working for Growth*, is welcome in highlighting the importance of “bringing the employability and economic development objectives closer together” and urges local employability partnerships to consider “where cross-boundary working with other partnerships can serve to better reflect the realities of travel to work areas and the recruitment practices of employers”.

10. **How can the outcomes of regeneration truly be captured and measured?**

For delivery of regeneration in Scotland to be more effectively joined up across different functions and parts of the public sector, it is important that measurement of its outcomes and impacts is aligned to the Scottish Government’s overall purpose of increased sustainable economic growth, and the National Performance Framework designed to capture progress.
Because of the often complex, linked interventions which contribute to regeneration, understanding the difference made is more effectively done across a programme of interventions rather than for individual projects. Assessing outcomes must also reflect the long-term nature of the change which regeneration is trying to secure.

Combining these points, the targets and indicators in the National Performance Framework provide the measures that can be used to assess the difference made to a community by a prolonged programme of investment. While GDP-related measures of growth may be difficult to apply to a local area, other SG Purpose Targets such as increased economic participation or increased population growth provide tangible measures of contribution to sustainable economic growth. Use of a basket of the most appropriate National Indicators, such as increase in number of businesses, improvement in level of educational attainment, reduction in the proportion of individuals living in poverty, would allow areas to capture and assess the rich mix of outcomes secured through regeneration.

**Conclusion**

We trust this submission is of interest to the Committee and we look forward to seeing the results of their inquiry. Should the Committee wish further information on any of the issues covered above we will be happy to provide it.
1. How Scottish Enterprise sets its regeneration objectives

Setting the Organisation's Objectives

Since the Scottish Government’s re-organisation of economic development in 2007, SE’s primary role has been to help increase Scotland’s sustainable economic growth, aiming to maximise our contribution to the Government's Economic Strategy. Working in partnership with the public and private sector we support companies and sectors with growth potential and enhance Scotland’s business environment to ensure that Scotland can take full advantage of economic opportunity.

Our primary focus as we set organisational objectives is, therefore, the impact of our activities on sustainable economic growth, measured by their projected impact on:

- productivity,
- gross value added (GVA),
- employment,
- and reduction in CO₂ emissions.

Within this overall appraisal framework, our investment decisions are further shaped by the strategic priorities of the organisation, set by the SE Board in discussion with the Scottish Government. The current strategic priorities are set out in the objectives layer of the measurement framework¹, alongside our focus on Scotland’s growth sectors and our contribution to the equity component of the Government Economic Strategy, including regional equity/cohesion.

SE does not, therefore, have explicit objectives aimed at regeneration. We do, however, have objectives which reflect our contribution to regeneration – our ability to work with partners to identify and stimulate growth opportunities and secure their exploitation in pursuit of Scotland’s sustainable economic growth. As well as a major contribution to the economic growth and employment aspirations that are crucial to regeneration, we also have a supporting role in meeting outcomes more closely related to social and environmental regeneration (see Annex 2).

Setting the Objectives for Individual Projects

For those projects which may be considered strategic regeneration projects, our investment decision will be made within the framework of our overall organisational objectives, as set out above.

In all cases, we will be one among a number of partners shaping each individual project and its objectives. Any individual project will, therefore, have defined objectives that arise from aligning the interests of all involved partners.

While our primary interest is in maximising the sustainable economic growth potential of a project at the Scotland level, we recognise that other partners may, for example, have a greater focus on the interests of a particular region, the prospects of a particular group or the growth of a particular industry.

In pursuing the maximum economic growth potential of a project, our commitment to sustainable economic growth means that we are particularly keen to work with partners to explore potential for a project to contribute to increasing employment and business opportunities for people in areas facing significant challenges, for groups (such as young people) which have experienced particularly high levels of unemployment, or to accelerate the transition to a low carbon economy.

¹ Annex 1
In negotiating the setting of project objectives with partners, we are also keen to ensure that the objectives are fit for purpose. Well articulated objectives are crucial to:

- Aligning the interests of partners around the successful achievement of agreed outcomes
- Identifying outcomes by which the ultimate success of the project can be measured
- Providing the means to judge the progress of the project during delivery to allow for adjustments to the approach being taken
- Enabling the contribution of the project to wider national, regional or local outcomes to be assessed.

2. SE’s Current Regeneration Activity

Many of SE’s economic growth projects, such as our work with growth companies, make a valuable contribution to regeneration – creating jobs is a principal driver for regenerating communities. This response, however, focuses on physical regeneration.

SE supports national regeneration projects, in partnership with the Scottish Government and Local Authorities by continuing to work on the Clyde Waterfront and Dundee Central Waterfront Programmes. The SE focus on growth sectors shapes our role within these projects. For example, on the Clyde Waterfront, we focus on opportunities for financial services at the International Financial Services District, for creative industries at Pacific Quay and for tourism at the SECC Hydro Arena; similarly on the Dundee Waterfront, there are opportunities to grow the creative industries and tourism sectors through development of the V&A.

SE invested significantly with Government to establish the more employment-focussed Urban Regeneration Companies (Clyde Gateway, Irvine Bay, Riverside Inverclyde and Clydebank Rebuilt). Although SE no longer contributes towards URC core costs, we continue to work closely with them on an ongoing basis and we have senior staff in Board positions on each of the four URCs. The Clyde Gateway URC is regenerating the East End of Glasgow and its work is important in preparing the area for the 2014 Commonwealth Games and ensuring that there is a regeneration legacy for the communities in East Glasgow.

In addition to the URCs, SE works in partnership with Local Authorities on a range of initiatives with regeneration outcomes, where there is an economic development case for our involvement. For example in Fife (over a range of sites), with East Ayrshire Council (Johnny Walker/Diageo closure), West Dunbartonshire Council (Strathleven Dev Co), North Lanarkshire Council (Ravenscraig and Gartcosh), North Ayrshire Council (Hunterston), and Aberdeen City and Shire (Energetica Initiative).

In April 2008 responsibility for local regeneration passed from SE to Local Authorities. An agreed list of existing active projects was taken forward by SE during that period with any unallocated regeneration budget transferred to Local Authorities via Government. SE honoured this agreement in full.

SE continues to work closely with all local authorities in our area through our active involvement in Community Planning Partnerships. This provides the forum to identify new opportunities where we can contribute to the economic development and regeneration of an area. We are also working closely with Scottish Cities Alliance as their members develop City Investment Plans to focus on the key infrastructure investment priorities for their cities.

SE has supported the Scottish Government in developing Business Cases for funding for the major infrastructure investment to be raised via Tax Increment Finance (TIF) Initiatives across Scotland. SE was also a key partner in the process to agree and designate Scotland’s Enterprise Areas and is actively promoting key sector opportunities in these Areas to help indigenous companies and inward investors to grow there. Many of these Enterprise Areas are in areas in need of regeneration, including Irvine, Dundee and Broxburn.

Lacking the resources and infrastructure of Scotland’s cities and the central belt, SE recognises the importance of encouraging growth in rural areas which will deliver regeneration benefits for rural communities. SE delivers a rural property support scheme to help companies in rural areas with capital investment projects to grow their businesses, and is also delivering infrastructure projects.
across rural areas aimed at improving the competitiveness of these locations. This has included: investment in developing much needed business accommodation in Selkirk, Dumfries, Gretna, Lockerbie and Annan; and support for tourism infrastructure development in Loch Lomond, Royal Deeside and Cairngorms, Glentress and Abbotsford in the Scottish Borders, and Alloway and Girvan Harbour in Ayrshire.

Working with partners, SE will continue to seek to maximise community benefits in its capital investment programmes wherever possible.

3. How Scottish Enterprise evaluates its regeneration outcomes

SE evaluates regeneration outcomes in the same way as it does all other outcomes from its interventions. It has a dedicated Appraisal & Evaluation (A&E) team which works with colleagues throughout the project life cycle, embedding ‘ROAMEF’:

In this way, the A&E team manages programme evaluations and ensures that findings, learning points and recommendations are fed back and influence the development of successor programmes. This evidence helps clarify the rationale for SE’s interventions and their objectives which will be SMART (specific, measurable, achievable, realistic and time-bound). The A&E team works with project managers to develop rationales and objectives and to appraise project options for realising them. It also advises on monitoring and evaluation planning to ensure that evidence is collected during and at the end of projects which is used in project management and subsequent new project development.

A&E team members specialise in key sectors and themes such as business infrastructure. Evaluation is typically conducted at project end and/or a few years after the end of a project. The earlier evaluation tends to be formative, focusing on delivery processes and outputs, while the later evaluation focuses on outcomes and benefits through consultation and survey work with beneficiaries and stakeholders. Where appropriate, economic impact assessment is conducted of net job and GVA (gross value added) benefits to Scotland directly attributable to the programme, considered in relation to its costs.
Regeneration outcomes are evaluated in the same way as other outcomes, through consultation or surveying of beneficiaries, to the extent that these people, companies or organisations are identifiable and willing to discuss their experiences. They are asked a series of questions about the benefits of a particular regeneration-related project, both quantitative (e.g. jobs created or safeguarded) and qualitative (e.g. improvements to community services, inclusion, safety, access to opportunities, confidence etc), which are directly attributable to the project (compared to what might have happened anyway without the project). In regeneration projects these qualitative benefits tend to be at least as important as the quantitative ones and a range of techniques are used by evaluators to identify, assess and report them.

Evaluation reports set the findings on project benefits and costs within the context of the rationale, strategic and economic cases for the project, and provide conclusions and recommendations which are usually discussed by the project team and wider stakeholders, focusing on learning and actions for the future. The A&E and project teams work up an Evaluation Action Plan which sets out how recommendations (if accepted and practical) can be adopted into the current or future projects, and this is formally revisited 6 months on to check on progress. Evaluations are also made available on the public [http://www.evaluationsonline.org.uk/evaluations/Index.do](http://www.evaluationsonline.org.uk/evaluations/Index.do) website, publicised on the SE intranet and disseminated through sessions involving interested parties (internal and external to SE) as appropriate.
Annex 1

SCOTTISH ENTERPRISE MEASUREMENT FRAMEWORK

**Growth in Productivity, GVA and employment**

**Reduction in CO2 emissions**

**Performance by supported businesses:**
- Forecast/actual increase in turnover/revenue
- Forecast/actual increase in international turnover/revenue
- Forecast/actual jobs created/sustained
- Amount of capital raised
- Resource efficiency/reduced CO2 emissions

**Performance of target sectors:**
- Economic growth
- Employment growth
- Increased turnover/revenues
- International revenues
- Inward investment
- Revenues from innovation
- Research & development growth
- Resource efficiency/reduced CO2 emissions

**Indicators of competitiveness:**
1. Productivity
2. Wage rates
3. Levels of innovation
4. New firm formation

**Assessment of how much differential growth can be attributed to policy actions, both in terms of specific policies and more generally.**

**Improved company performance:**
- Increased turnover/revenues
- International revenue growth
- Employment growth
- Capital raised

**Investment leverage in terms of:**
- Capital investment (incl. risk capital)
- R&D (including via collaboration)
- Inward investment/FDI
- Infrastructure investment

**Improved sector performance:**
- SE contribution to sector growth
- Contribution to sector performance from SE projects
- International revenue growth
- Employment growth

**The transition to the low-carbon economy:**
- Low-carbon impact of SE actions
- Contribution from projects that address major low-carbon opportunities
- Value of SE-backed resource efficiency actions

**Helping businesses to increase growth, by improving:**
- Strategy & leadership
- Exports & internationalisation
- Innovation
- Investment
- Business efficiency, including reduced CO2 impact

**Helping to increase investment to increase economic growth, through:**
- Risk capital (SE)
- Inward investment
- Investment in R&D
- Capital investment
- Investment in infrastructure

**Helping sectors to grow, through:**
- Increased productivity and competitiveness
- Increasing and sustaining employment
- Improving investment and infrastructure

**Helping to build a low-carbon economy across Scotland**
- Addressing the economic development opportunity and challenge across all aspects of SE’s operations

**Strategic Priorities**
- Developing Scotland’s lead position in offshore renewables
- Improving the performance of growth companies
- Developing Scotland’s international trade & investment
- Promoting innovation as a driver of growth
- Transition to a low-carbon economy

**The Sectors we focus on**
- Energy - Renewables
- Energy - Oil and Gas
- Creative Industries
- Financial Services
- Food and Drink
- Life Sciences
- Technology and Advanced Engineering
- Tourism
- Also: Chemicals, Construction, Forestry & Timber, Textiles, Universities

**Our contribution to the ‘Equity’ agenda of the Government’s Economic Strategy**
- Regional equity
- Co-operatives and social enterprise
- Equal opportunities

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## Annex 2

### OUR ACTIVITIES: LINKS TO SCOTTISH GOVERNMENT OUTCOMES AND TARGETS

The Government Economic Strategy sets out high-level targets for increasing sustainable economic growth. These targets, along with 16 national outcomes, have informed the development of our Business Plan. This diagram highlights the areas where our activities contribute to National Outcomes and Purpose Targets as part of the National Performance Framework.

<table>
<thead>
<tr>
<th>NATIONAL OUTCOMES</th>
<th>OUR ACTIVITIES LINKS TO OUTCOME AND TARGETS</th>
<th>PURPOSE TARGETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. We live in a Scotland that is the most attractive place for doing business in Europe</td>
<td>Supporting globally competitive companies with growth &amp; internationalisation opportunities</td>
<td>Increase Scotland’s Economic Growth (GDP) To match the growth rate of small independent EU countries by 2017</td>
</tr>
<tr>
<td>2. We realise our full economic potential with more and better employment opportunities for our people</td>
<td>Building globally competitive sectors utilising Scotland’s existing capabilities</td>
<td>Productivity To rank in the top quartile for productivity amongst our key trading partners in the OECD by 2017</td>
</tr>
<tr>
<td>3. We are better educated, more skilled and more successful, renowned for our research and innovation</td>
<td>Establishing a globally competitive business environment</td>
<td>Participation To maintain our position on labour market participation as the top performing country in the UK To close the gap with the top five OECD economies by 2017</td>
</tr>
<tr>
<td>4. Our young people are successful learners, confident individuals, effective contributors and responsible citizens</td>
<td></td>
<td>Population To match average European (EU15) population growth over the period from 2007 to 2017. Supported by increased healthy life expectancy in Scotland over the period 2007-2017</td>
</tr>
<tr>
<td>5. Our children have the best start in life and are ready to succeed</td>
<td></td>
<td>Solidarity To increase overall income and the proportion of income earned by the three lowest income deciles as a group by 2017</td>
</tr>
<tr>
<td>6. We live longer, healthier lives</td>
<td></td>
<td>Cohesion To narrow the gap in participation between Scotland’s best and worst performing regions by 2017</td>
</tr>
<tr>
<td>7. We have tackled the significant inequalities in Scottish society</td>
<td></td>
<td>Sustainability To reduce emissions by 80 per cent by 2050</td>
</tr>
<tr>
<td>8. We have improved the life chances for children, young people and families at risk</td>
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<td></td>
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<tr>
<td>9. We live our lives safe from crime, disorder and danger</td>
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<tr>
<td>10. We live in well-designed, sustainable places where we are able to access the amenities and services we need</td>
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<td></td>
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<tr>
<td>11. We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others</td>
<td></td>
<td></td>
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<tr>
<td>12. We value and enjoy our built and natural environment and protect it and enhance it for future generations</td>
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<tr>
<td>13. We take pride in a strong, fair and inclusive national identity</td>
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<tr>
<td>14. We reduce the local and global environmental impact of our consumption and production</td>
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<tr>
<td>15. Our people are able to maintain their independence as they get older and are able to access appropriate support when they need it</td>
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<td></td>
</tr>
<tr>
<td>16. Our public services are high quality, continually improving, efficient and responsive to local people’s needs</td>
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<td></td>
</tr>
</tbody>
</table>

**Key:**
- ▲ Major contribution
- Δ Support contribution
Local Government and Regeneration Committee

Regeneration Inquiry

Submission from Raploch Urban Regeneration Company

1.0 Background

1.1 Raploch Urban Regeneration Company Limited (RURC), which has charitable status, and Raploch URC Landholdings Limited were incorporated in 2006. The principal activity is the development of the Raploch area into a community where people choose to live, work and visit with new homes, education and health facilities, within an economically sustainable environment.

1.2 There are two main strands to the work carried out by the Raploch companies:

- A masterplan, involving the community, was put in place for the Raploch area mapping out the strategy for development over the next few years. Several parcels of land in Raploch were transferred from Stirling Council to the regeneration company with the intention of selling to developers to build a mix of social and private housing.

- Community Enterprise is a training centre to provide personal and vocational training to adults and young people in Stirling; many from socially challenging backgrounds. Big Lottery has funded an initiative called Altered Lives Big Adaptations (ALBA) over five years from June 2011 and Employability programmes such as Get Ready For Work and Training For Work programmes are provided for Skills Development Scotland. Trainees are given experience on commercial contracts focussed mainly on grounds maintenance, landscaping and construction, which also generates income for the company. In addition, the centre provides training such as Construction Skills, health and safety and the European Computer Driving Licence to individuals (often funded by Individual Learning Accounts) and to organisations.

1.3 The original intention was that these two activities would complement each other with trainees from the Community Enterprise being given experience of working on the construction sites with some going on to secure full time employment with the developers under the Community Benefit Clause of the Regeneration Agreement.

2.0 Impact of the economic downturn - summary

2.1 The economic downturn from 2008 hit both arms of the business hard with the slow-down in the housing market meaning that developers wouldn’t commit to building houses that couldn’t be sold quickly and a reduction in jobs being available for the trainees to progress to.

2.2 This in turn impacted on the finances and cash flow of the regeneration companies; their main source of income being sale of land to developers,
which was not being realised. In March 2012 Stirling Council agreed a number of measures, which included pausing physical development, undertaking a review of the Raploch regeneration initiative and requesting that the Raploch companies reduce operational running costs and overheads, where possible. As a result, all five members of the senior management team have gone through voluntary severance or securing alternative employment. In addition, the Board has gradually reduced from 16 Directors to three. The loss of key personnel has meant that a lot of knowledge and expertise has also gone, which has made gathering detail and evidence for this inquiry somewhat challenging.

3.0 Positive Aspects

3.1 The following paragraphs set out the positive aspects and issues that have been found with the regeneration initiative.

3.2 The Regeneration project has been critical in delivering a number of key infrastructure projects, which have improved the environment of the Raploch area. In particular, the improvements to Drip Road (the main road through the centre of Raploch), which has been heavily traffic calmed, and the upgrading of the Stirling Western Access road to accommodate traffic that previously passed through Raploch has led to significant environmental improvements through traffic reduction. The creation of the Raploch Community Campus has re-provisioned three primary schools and a nursery from out-of-date buildings into brand new, modern purpose built facilities. The Campus also includes a range of Community facilities and has brought Forth Valley College into the area with the creation of its hospitality and beauty base at the Campus.

3.3 While housing development has been slower than anticipated, a total of around 160 new housing units have been created which have provided a more balanced mix of tenure and type than was previously the case. A recent planning approval will see another 88 units developed over the next two years. The presence of new housing will have changed the demographic in the area, with a higher proportion of the population in employment, and a younger age range of population.

3.4 The regeneration label has probably been a key factor in attracting and establishing El Sistema/ Big Noise to set up their first Scottish base in Raploch. The initiative has been very popular in the local area attracting national television last summer with the Big Noise Concert forming a key part of the pre-Olympic events in Scotland. The consultation for the current Masterplan refresh would suggest that the Big Noise project receives universal support from across the whole Raploch community.

3.5 Developments around the fringes of the existing Regeneration Masterplan area have also provided opportunities, which in the long term can uplift both the perception and vibrancy of the area. These include a) the completion of development on Castle Business Park with the expectation that all office space on the site may be let by the end of 2013; b) the new Stirling College as
part of Forth Valley College at Kildean; and c) the acquisition from the Crown Estate of around 30 acres of prime business development land at Kildean for future business park development.

3.6 A grant of £1m was successfully secured from Scottish Government from the Town Centre Regeneration Fund for the development of brownfield sites; a modular building was purchased as the company’s headquarters and a sustainable building for mixed-use residential and retail was developed.

4.0 Issues

4.1 The Business case for the Regeneration Initiative was fairly simple. Grant funding would provide initial physical infrastructure and the wherewithal to set up a company at arms length to Stirling Council. The company would be “gifted” land from the Council and then use the proceeds from the development of that land to pay for a) company running costs, b) further infrastructure improvements within the area and c) a level of social regeneration through both job opportunities via housing construction and through supported employment and training schemes. However the model was wholly dependent on:
   - Developing the land sites (for housing) within a given timeframe; and
   - Estimated land values based on pre-credit crunch land values.

With land receipts trickling rather than flowing in, and at a fraction of the anticipated level, the model became unworkable. Lower levels of land receipt meant a greater proportion of any funds received were swallowed up in running costs of the URC.

4.2 With a failure of the business model to deliver the expected receipts came an inability to deliver the hoped for infrastructure improvements. The intention had been to use funds to upgrade existing built elements so that the quality of the environment between new and old would be similar. This has not been possible, with evidence from recent consultation events suggesting that there is a split between new and old, and north and south of Drip Road, with the potential that the community may not feel unified.

4.3 The URC Company was initially set up with a number of directors from a range of public sector bodies. This reflected the breadth of the organisation that it was hoped would be able to engage in the project and encompassed the Local Authority, Health Service, Scottish Enterprise, and the Raploch Community Partnership. Forth Valley College were also represented on the Board at a later date and a variety of individuals have sat on the Board in recent times. However, as the economic downturn meant that the prospects for the regeneration company became less certain, the number of bodies represented on the board has diminished, with the Board now consisting of three directors, two of whom are Stirling Councillors.

4.4 With reduced budgets to and re-organisations within public bodies, individuals within them become focussed on their own interests meaning that joint working on initiatives is not always a key priority. The myriad of local and
national government strategies and a lack of co-ordination between both tiers coupled with reduced resources means that delivery was and will continue to be restricted.

4.5 A general perception is that the regeneration process requires a certain level of momentum to win over the hearts and minds of the local community. With a business model based on downturn and a stagnant economy, the regeneration project has largely ground to a halt, although a recent planning decision to approve 88 new housing units does provide an opportunity to inject momentum again. Without development visible progress is difficult to see, even with some success still being achieved on the community employment and training side.

Issues (cont’d)

4.6 In setting up the RURC, Stirling Council entered into a legal agreement (the Development Agreement) with RURC and RURC Landholdings which set obligations on both parties to procure development and meet the regeneration objectives (obligations of the RURC) and to transfer landholdings, some straight away and some at a future point in time. The RURC then entered into a separate Regeneration Agreement with developers R3 (Cruden Homes and Taylor Wimpey) to undertake development. The structure became problematic because:

- The Development and Regeneration Agreements were not “back to back” meaning that the RURC was exposed to certain risks over which it had no control;
- The Regeneration Agreement was very inflexible making no allowance for a possible break should circumstances change (which they have). Generally the agreement is seen as being too “developer friendly”; and
- The programmes included within the agreements became undeliverable due to economic conditions and therefore obligations could not be met.

4.7 Initial work on some of the main sites was undertaken to clear the sites for future development. With development then not happening, physically unattractive sites have remained in situ, or have required ongoing land maintenance which has again eaten into the RURC’s resources. In some cases blocks of building have been emptied ready for demolition or redevelopment, with the exception of one or two residents who are to be provided with new specialist housing. However, the slow progress of housing development has left these near empty blocks in situ for far longer than was anticipated and they are an eyesore.

4.8 With RURC set up, Stirling Council remaining a landowner and the Cowanes Trust also remaining as a landowner of some import in the Raploch area, there is sometimes a lack of clarity (for the community) as to who owns, and therefore who is responsible for each site. This is of particular concern where sites cause problems. Similarly there have been occasions where assets in the RURC ownership have not always been designed to what Stirling Council would see as an “adoptable standard”. The result is that the
assets, remain as RURC’s assets (including elements of road and civic infrastructure) and the problem of the RURC.

4.9 With sites sometimes being uneconomic to develop, R3 have, on occasions sought to bring forward development proposals which, have not always been deemed to be consistent with the original Raploch masterplan. This is particularly the case where ground conditions are less favourable and where a greater critical mass than originally envisaged may be required to make a development feasible. Tensions between momentum of the regeneration and moving away from the original design principles have therefore been created.

5.0 Consultation

5.1 Community involvement has been key to the regeneration of the Raploch area and over the years there have been many consultation exercises and public meetings, working in partnership with Stirling Council, the Community Council, the Raploch Community Partnership and other public sector agencies and local businesses.

5.2 The Raploch Community Partnership received funding to carry out annual residents’ surveys over a three-year period from 2009 to 2012 as part of the Community Liaison, Engagement and Research project (CLEAR). A number of questions were asked around the residents’ attitudes and opinions towards the regeneration project and their subsequent satisfaction with the area during times of change. A number of interesting outcomes were produced but what will be important is to put in place an action plan on how the community and local agencies can work together to tackle the key issues and improve satisfaction levels.

5.3 In 2013 Chris Ball, a PHD student at the University of Stirling used Raploch as a case study to examine the ‘whole of government’ approach to urban regeneration and the link between the theory in academic studies and practice. He spoke with key partners involved in the regeneration and concluded that the approach was complex and there were a number of challenges involved in this process related to organisational boundaries and accountabilities and issues with loss of control and the contingencies when the initiative entered a crisis situation.

6.0 The Future

6.1 The future of the regeneration of the Raploch area and the Raploch companies is uncertain.

6.2 Stirling Council has commissioned a firm of architects to review the Raploch Masterplan, which will form the basis of a report to the Council in June 2013.

6.3 Given that there is no senior management team at RURC, an interim manager has been appointed for a few months on a consultancy basis to fulfil the role of Corporate Manager and to make recommendations on the way forward for
the Raploch companies. The report is due to be presented to Stirling Council in September 2013.

6.4 One-off funding from central government has been critical in enabling changes to be made. However, it is difficult to see how regeneration and employability initiatives can be sustainable without funds being made available through annual revenue budgets. The uncertainty over the future of social housing from 2015 and reduced subsidies to build social housing will further impact on the ability to develop regeneration areas and invest in housing for the future.

6.5 It is critical that Scottish Government takes a lead in putting the strategies and frameworks in place to share best practice but also to work with Local Authorities and urban regeneration companies on an ongoing basis to assist in the funding and implementation of initiatives to grow the economy.
Local Government and Regeneration Committee

Regeneration Inquiry

Submission from Blue Sea Consulting

Our company are specialists in Marine and Marine Leisure led regeneration and Stuart McMillan asked us to submit our responses to your call for evidence, despite the time period for consultation being closed.

Our comments to the questions re as follows;

Strategy and Policy Issues

1. How can the linkage between the various strategies and policies related to regeneration be improved?

A – In general terms regeneration projects are seen as large scale and ignore the regenerative potential of small catalytic schemes. Often small projects lead in the longer term to an increase in activity and the increased activity leads to commercial opportunity. E.g A car park next to a canal, river or loch, strategically placed in an attractive location, can create an access point. The access point can encourage cycling, canoeing, fishing or simply hikers. The increased activity can in turn generates requirement for services such as catering, supplies and later even accommodation.

2. Can physical, social and economic regeneration really be separate entities? The Committee would find it useful to hear about projects distinctly focussed on one or more aspects, and the direct and indirect outcomes of such activity.

A – In our experience the best regeneration projects have direct or indirect impacts in terms of physical, social and economic regeneration. It is unlikely that a physical regeneration project will not bring with it economic and social gains. For this reason we believe that any regeneration led scheme should consider the knock on benefits it is likely to bring and how they may best be maximised.

3. Are we achieving the best value from investment in this area? If not, how could funding achieve the maximum impact? Could the funding available be used in different ways to support regeneration?

A – In some instances projects fail to set clear criteria for growth, economic impact or social gain. This lack of clarity can lead to poor direction and as a result overspend or returns that are not maximised. Other projects, in our experience fail to maximise returns through a failure of the procurement process to gain best value (as opposed o cheapest price) and through poor initial criteria fail to rigorously control overspend.

A – Best returns are generally optimised by taking more care in setting out the terms of the project, the short and long terms targets and looking at the whole project in terms of delivery to ensure any tender clearly identifies supporting information that will be required. Finally a commercial approach to project management will give a better value outcome by reducing overspend and overrun.

A – A clear approach to different levels of funding related to the type of project could generate better returns;

i. Small catalytic community run projects require a higher percentage of funding to get them off the ground and may show low short term returns, however with some support the longer term returns can look very good
ii. Small to medium sized projects should be measured in terms of overall return, and when they exceed that return (financially) there should be claw back clauses. There should be claw back clauses for projects that fail to meet the full terms of the agreement in respect of social and physical requirements

iii. Larger regeneration projects should be along the lines of;
   a. Joint venture partnerships with returns to both parties in proportion to the grant/support received
   b. Have social and physical gains clearly outlined with targets and claw back for failure to deliver
   c. Is the project sustainable in the long term, with a business plan that allows for repair to historic structures and maintenance of social responsibility?
   d. Projects with the widest sustainable economic benefit should get the highest percentage of support

**Partnership Working**

4. What delivery mechanisms, co-ordination of, and information on the funding that supports regeneration are required, to facilitate access by all sections of the community?

   A – Smaller projects, such as community delivered schemes, need commercial support in terms of advice and project management. Medium and large scale projects need to be well monitored to ensure the funds are allocated as per the project plan and “best-value” is being delivered.

   A – Currently the public agencies don’t appear to fully understand the flexibility and versatility of regeneration schemes and don’t look to maximise the overall impacts. Often they should consult with the wider private sector to get the best results, rather than dictating unrealistic terms purely because of inflexible funding schemes not always designed by authorities that understand the particular market. The public agencies should avoid shoe horning projects into particular funding regimes and rather look to modify funding schemes to meet the best objectives.

   A – The way funding schemes are promoted to the market should reflect the type of organisation that is likely to use them. Where applications are to be made by smaller bodies, the public sector should ensure good trained agents are on hand to advise the best way to apply. Schemes intended for use on larger projects should have very clear information on the obligations incumbent on using such finance and the degree of return expected.

5. Should funding be focussed on start up or running costs? What is the correct balance between revenue and capital funding? Please indicate reasons for your views

   A – Start-up funding can be good in isolation on certain projects that can quickly generate income, but can’t raise the capital to get off the ground, however many projects could benefit from a tapered support scheme over a defined “growing” period. This taper funding could be in terms of soft loans, grant or a mix of both. Too often projects gain a large injection of capital only to fail, because of an unrealistic expectation of instant results. Grant should look at how the project will
balance and phase growth, and discourage the development of a scheme that is large only because large grants were available. It is more healthy to phase a regeneration project and nurture it over a realistic timeframe to sustainable maturity.

A project/business tends to be stronger when it grows to meet demand rather than starting off large and having to unrealistically generate demand (normally at the cost of margin or quality)

6. How can it be ensured that regeneration projects are sustainable in the long term?
   A – Ensure business plans are comprehensive and explore the potential long term operational and maintenance requirements. Set realistic ambitions and forecasts. Monitor performance to the aims of the business plans. Incentivise on budget, maintenance and performance targets. On larger projects ensure a well-structured non-executive board is in place. On smaller projects create a business audit programme.

Practical Issues

7. What actions could the Scottish Governments forthcoming community capacity building programme include to best support communities to do regeneration themselves?
   A. Produce a Scotland wide programme that identifies opportunities that support the development of schemes that promote the Scottish Governments wider ambitions. Encourage volunteers with relevant backgrounds to champion schemes that benefit communities and help them to achieve both funding and sensible long term business models.

8. What role should CPPs play in supporting the community in regenerating their communities?
   A – CPPs should be proactive and identify projects that could aid regeneration and or be catalytic in creating change and growth in a community. They should understand what role commerce may play in such developments and aim to support partnerships between commerce, public sector, third sector and community organisations. Above all CPPs should understand the importance of sustainability and growth potential and seek to support responsible projects.

8. How can CPPs best empower local communities to deliver regeneration? Please provide any examples of best practice or limitations experienced that you think the Committee would find useful in its scrutiny.
   A. Having industry and experienced champions has been seen to focus communities on helping themselves and identifying partners. It is often important that responsible and realistic groups are tasked with shortlisting aims and opportunities for growth and ensuring that stakeholders understand and agree with any ambitions set down. Above all communities need to be coached in how to help themselves for long term and sustainable growth and development. A number of small, successful and sustainable, catalytic developments are often more achievable and rewarding than chasing bigger ambitions that require unrealistic degrees of funding.

10. How can the outcomes of regeneration truly be captured and measured? What are the barriers to capturing outcomes and how should the success of regeneration investment be determined?
    A – As already identified the benefits of regeneration fall into the headings of;
    i. Economic Impact
ii. Social Improvements and benefit
iii. Structural and infrastructure improvements

- To measure any effect the current baseline has to be established by survey and the scrutiny of existing data. All parties to the project must approve and agree the derived baseline and if at all possible such baselines should be established using criteria that allow direct comparison with other similar projects.
- Targets and timescales must be set down against agreed criteria and agreed with all stakeholders
- Periodic reviews should take place against the laid down parameters and where possible they should also be compared with similar projects.
- Targets that have meet set should be annually audited through identical data collection models.
- The results should be compared to a project on the status quo (i.e if no regenerative project had been embarked on). This should highlight the gains made each year in each of the areas of i-iii above.
Further suggestion for Government action for allotments:

Following our initial submission of evidence to the Local Government and Regeneration committee and also our response to the Consultation on the Legislative Framework Governing Allotments, SAGS would like to make some further suggestions for possible Government action in this area.

1. Publicity
We have found that many people, professional and lay, do not realize the potential of allotments to contribute across the range of Council activities.

**Suggestion:** Scottish Government produces a policy document that raises awareness of what allotments can provide and what support could be offered. Although allotments are supported by the Food and Drink Policy Unit, if input is requested from the health & well being, education and justice sector then public bodies for example the NHS and organisations such as housing associations would become aware of the relevance to their activities.

Allotments and community gardens should be an integral part of any regeneration master plan and community empowerment strategy.

2. Land
At the moment about 1 in 700 people across Scotland have access to an allotment plot. To provide an allotment plot for 1 in 100 people requires in the region of 44,500 new plots. If we assume a mixture of standard plots (250 sq m) and half plots then this would require about 600 ha (equivalent land area to roughly 8.5 golf courses).

Ideally everyone should have access to a plot within walking distance of their dwelling but in some regeneration areas the potential land may be contaminated.

The Cabinet Secretary Nicola Sturgeon reported at the SURF conference on May 29\textsuperscript{th} that as part of the latest funding 200ha of land had been remediated. Glasgow needs about 50ha to fulfill the aim of 1 plot per 100 people so even if all these were provided on contaminated land, the area required is still only a quarter of what has been reclaimed already.

**Suggestion:** An estimate is made of the access to land that may need remediation to be suitable for growing and that is included in the Infrastructure budget.

3. Funding
Once allotment sites have been set up they can be self-sustaining and do not need additional resources. They can cover maintenance etc through open days with plant and vegetable sales.

The cost to the Council of creating a new site varies, depending on the infra structure that is offered. It could be zero if plot-holders are just leased the land to £1,500 per plot for a very well serviced site.

If an interest free loan system is set up with payback over 25 years then new site associations could decide what they required for their site.

**Suggestion:** Given the contribution allotments make to the health, education,
community and other budgets and also the skills that could be gained in creating a site there should be a number of funding streams that could support an interest free loan scheme for new sites.

4. Forming and developing Allotment Associations.
Members of new sites often have no experience in setting up an association, management techniques and conflict avoidance. Professionals in housing and health organizations as well as the Community Learning Development Service have access to these skills.

Suggestion: Scottish Government uses the SOA to encourage Councils to set up local learning hubs in anchor organisations (development trusts, housing associations etc) that would support new groups together with a network of the allotments associations to share expertise and good practice.

5. Raise Horticultural Skills.
It has been found that new plot-holders often do not have the requisite gardening skills and are discouraged in their first year. To remedy this situation, Glasgow plot-holders offer initial training courses in the Bellahouston Demonstration Gardens. Continuing this into the professional area, the Royal Horticultural Society has identified a lack of horticultural skills and training where 70% of horticultural businesses cannot fill their vacancies. www.rhs.org.uk/News/Horticulture-Matters. Allotments, especially those with school and community plots provide an introduction to gardening and could be used to encourage young people to enter the horticultural profession.

Suggestion: The Scottish Government produces a policy to encourage the growth of horticultural awareness and skills. There should be a pipeline of courses and practical guidance from allotments through the college system to support the horticultural economy (£9Billion in the UK) and also disseminate awareness of the pests and diseases.

Judy Wilkinson
On behalf of the Scottish Allotments and Gardens Society
www.sags.org.uk
Local Government and Regeneration Committee

Regeneration Inquiry

Submission from Orkney Islands Council

1. Orkney as the UK’s smallest Local Authority and one of the UK’s most remote communities has a much envied abundance of natural resources as well as huge potential to grow sectors like renewables, archaeology, tourism, food and drink, oil and gas and the potential for an inter-continental transhipment hub. However, there are also key barriers to maximising these opportunities, as well as key challenges that need to be overcome in order to sustain, and in places regenerate, our islands and economy.

2. In respect of published deprivation statistics and the traditional approaches to defining areas of great need of regeneration Orkney is unlikely to score highly compared to the standard measures of regeneration which focuses on more urban models. However, the fragile nature of many of Orkney’s smaller islands and the logistical and financial pressures which face those wishing to invest in development and economic activities in Orkney present additional challenges to regeneration. There are also growing indications of a risk of a building up of barriers to new development and investment into Orkney arising from the wider economic climate which indicates some sectors edging toward a tipping point which could spiral into worsening circumstances if early action is not identified to promote investment before longer term decline sets in.

3. Some of the key constraints are around infrastructure. For example, the main electricity transmission cable from Orkney to the Mainland of Scotland is currently operating at maximum capacity and this is restricting the islands’ ability to maximise our renewable energy potential, both at an individual household level and on a much larger commercial scale. The costs associated with connecting to the network, and the penal transmission charges that are imposed, must be addressed before Orkney can maximise its potential to contribute to national renewable energy targets. Maximising this potential is also key to helping sustain and drive growth in Orkney so more needs to be done at a local and national level to accomplish this. There are also geographic limitations to the scale of projects that can be developed in Orkney which can lead to increased overall per unit cost and more limited capacity to weather financial barriers than in areas with much larger markets and supply chain opportunities.

4. Orkney has always had an entrepreneurial pedigree and has consistently punched above its weight in various industry sectors. That continues today with Orkney being in a world leading position in the development of marine renewable energy.

5. Orkney businesses have established international markets in the design and manufacturing of jewellery, in arts and crafts, and food and drink. However, increasing global competition, and the factors associated with distance from the popular supply and demand markets, represent increasing barriers to growth and threaten the very survival of our many small producers.
6. Orkney’s popularity and reputation as a must visit tourist destination continues to grow but tourism in Orkney is a very seasonal activity with seasonal and part-time employment at the lower end of the wage structure. Less seasonal and higher paid jobs will be necessary in order to maintain a stable and sustainable local economic community.

Town Centre Regeneration

7. Turning to our key town centres - there has long been a presence of national retailers in Orkney, nearly all in the main town of Kirkwall. Up until the 1990s, the major national chains were based right in the heart of the town centre with their stores located on the main shopping street. This offer helped to boost footfall, drew people to the town centre to do their weekly shopping as well as other shopping. In the years before the emergence and rapid growth of internet shopping, most shopping was done within the islands’ internal markets, with mail order catalogues providing a wider range of products to those who desired greater choice. With the development of new larger supermarkets on the edge of the town centre and retail hardware services also growing on the nearby Hatston Industrial Estate, the retail focus has moved out of the town centre to a much wider area.

8. The closure of the Kirkwall Woolworths store had a major impact on the main shopping street and the outdoor goods chain that replaced it for a number of years didn’t attract anywhere near the same level of footfall. This significant drop in consumer footfall also affected the surrounding retail goods and services outlets, and the expanding edge of town supermarkets continue to benefit from that. Online shopping, as it is everywhere in the UK, represents a major competitor to Orkney’s retailer sector and coupled with the above mentioned events and changing consumer demand patterns, presents a real and significant challenge to Orkney’s two town centres and our rural and island villages.

9. Orkney is a car centric society. With a small and dispersed population, public transport services cannot offer a suitable alternative to the car, and the free parking and perceived greater choice offered by the larger edge of town retailers has enabled them to capture an increasing share of consumer spending. This has led to calls for free parking within the town centre and the Council is now rolling out a programme of time-limited free parking in town centre car parks.

The Future of Our Town Centres

10. As mentioned above Orkney’s town centres have undergone many changes over the years. The vibrancy and viability of our town centres is key to preserving the Orkney community, its heritage and culture, all of which combine to make Orkney such an attractive place to live and work. Orkney’s town centres are fragile - National patterns of centralised shopping and the establishment of national multiples locating outwith town centres have presented challenges to Orkney’s traditional town centres. Whilst on the surface these centres maintain a healthy appearance, there are indications of fragility. Initiatives are underway to address this, including investment in both Stromness and Kirkwall town centres by both
the private and public sectors. There is a need to continue this works and it is important that future Scottish Government regeneration strategies respond to these needs.

11. For example, placemaking is a concept that the Council is pursuing in relation to improving, sustaining and regenerating our key town centre. The Town Heritage Initiative (THI) which is nearing completion in the historic town of Stromness, with support from the Heritage Lottery Fund, Historic Scotland and the European Regional Development Fund has greatly improved the ‘place’ that is Stromness town centre. Buildings have been repaired and restored to their former glory, the main street has a newly refurbished traditional paved surface and the town centre now looks much more traditional and attractive.

12. New offices have been created for business from a previous derelict building and many other buildings have been restored and/or adapted, all of which aims to re-vitalise to the town centre. However this physical regeneration has to be combined with economic regeneration, and with the current challenging economic climate that is not easily achieved. Nevertheless, businesses are beginning to utilise the commercial buildings that have been renovated and created.

13. The act of regeneration can also itself provide some short-term disruption to businesses and the community as streets are often closed for short periods to undertake public realm and/or major building works. Therefore it is vital to work alongside the business community throughout the process, keeping them informed of what is planned and the impacts it may have as well as trying to keep business operating as usual during as much of the process as possible. Clear communication and consultation with all stakeholders is key to maintaining a functional town centre through any major works. This is a key issue for the planning and delivery of future regeneration projects and it is essential that future strategies and funding opportunities recognise this need for engagement and support to surrounding businesses.

14. Due to the success of the THI project in Stromness Orkney Islands Council is pursuing a similar project in the main town of Kirkwall. It will be smaller in scale but utilising the experience gained during the previous project, will deliver similar benefits. The Council is working closely with the newly established BID team, to the extent that the project managers for both projects will be sharing an office. Consultation has taken place on the proposals for the town centre with the public and key town centre partners and stakeholders. This proved a very worthwhile exercise and many good ideas have come forward from various quarters.

15. One of the key challenges is tying in funding to push forward the softer aspects of regeneration. Funding for placemaking for example is limited, and funding for economic regeneration to tie in with the physical works is difficult to attract. The Scottish Government’s £2 million fund for utilising town centre buildings to provide residential accommodation might help with this, but better signposting to available funding streams would be very helpful.

16. The Council in partnership with Orkney Housing Association has begun the process of re-introducing housing to the town centre and similar schemes will be
pursued when appropriate land or buildings are identified and funding is made available.

Sustainability and Regeneration of Orkney’s Islands

17. Orkney is an archipelago of 70 islands, 17 of which are inhabited. The populations of the islands range from a single family up to around 17,000 on Mainland Orkney. Each island has its own distinct characteristics and unique challenges, which requires the sustainability and regeneration of the islands to be addressed on an individual island basis rather than on a broad-brush one-size fits all approach.

18. This can be challenging and very resource intensive in areas such as public transport, health care and education, where providing lifeline services to small and disparate communities can require unique solutions. For example, utilising the world’s shortest scheduled flight, children from the island of Papa Westray are flown daily to the island of Westray to attend school. As the UK’s smallest Local Authority, challenges like these can stretch services, finances and human resources.

19. Orkney Islands Council works closely with partner agencies in the health, development and voluntary sectors to try to maximise the services that are offered, and we work jointly as much as possible. In this respect our small size is beneficial as partner agencies and the individuals within them know and work with each other quite often.

20. One of the key ways of trying to encourage and stimulate communities to improve their island or community and its sustainability, including providing services that the Local Authority and its partners cannot provide affordably, has been community empowerment through Islands Development Trusts and a recent pilot programme to engage more closely with Community Councils in relation to the delivery of some services more locally.

21. A number of island Development Trusts, with the support of the Council and Highlands and Islands Enterprise, have acquired commercial scale wind turbines to provide the Trusts with income streams. A group of 5 islands came together to each purchase an Enercon E44 900kW wind turbine to generate electricity and feed it into the National Grid. These turbines then provide an income which goes towards repaying the capital loans on the turbines, but also provides the island with an additional revenue stream that it can use to improve services and facilities.

22. However, the lack of capacity within the subsea cable that connects Orkney to Mainland Scotland has prevented a number of these turbines from producing the energy that they are capable of, thus reducing the projected income flowing into the Development Trusts. This in turn reduces their ability to re-invest that income in their islands and, in some cases, may even jeopardise their ability to meet the repayment terms on the loans taken out on the turbines. If our islands are to maximise their potential they need to have the infrastructure to be able to support them.
23. This is not restricted to national grid capacity. Broadband, mobile phone signal and transport links are all vitally important to sustaining rural and island areas. Most of these areas are out with the immediate control of the Council and even areas like replacement of internal ferries require engagement with external partners and agencies to identify appropriate mechanisms for investment. The continuation and enhancement of lifeline ferry and air services to isles communities are essential to any future regeneration opportunities and must be considered in any proposals and strategies for islands as these are developed.

24. The Council, with support from Highlands and Islands Enterprise, has just launched a pilot project on two of its outer islands designed to give the Community and Community Council in particular more direct involvement in local island based services. If the pilot proves successful similar schemes could be rolled out on other islands. The key outcomes of the pilot are; to create efficiencies in terms of resource and/or cost; increase employment opportunities; up-skill the island based labour force; and improve access to services through building capacity to manage and deliver local services.

25. Feedback from various participants of the feasibility study carried out to inform the project highlighted that a significant aspect of the success of the project would depend on the level of support provided to the Community Councils in taking this project forward. Consequently, the main cost of introducing the early stages pilot project was identified as staff resources.

26. Physical, social and economic regeneration are key and all very much linked. If there are no jobs or means of making a living, then people have to leave the island in search of work. This increases the fragility of the community, especially in areas like healthcare and education where a critical mass is required to maintain services. If employment can be provided more people are drawn there to live. If an island’s population and wealth are growing, the physical regeneration is then more sustainable.

National Funding

27. Orkney has succeeded in in attracting European Regional Development Fund (ERDF) funding for a number of high profile regeneration projects which have contributed to ensuring that there are continued opportunities for inward investment and economic development. These vary from new piers and infrastructure to support the growing renewables industry, to a grant towards the redevelopment and restoration of a key building within the Stromness Conservation Area in support of the Town Heritage Initiative. Regeneration relies on a range of funding mechanisms being available and it is important that future funding opportunities and strategies recognise the needs of island communities, and support early action to pre-empt more substantial regeneration requirements.