

Report

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Report to:	Enterprise Services Committee
Date of Meeting:	21 August 2012
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Scottish Government Vacant and Derelict Land Fund Programme 2012 to 2014
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ inform Committee of the progress that was made during 2011/2012 in implementing the agreed South Lanarkshire Delivery Plan for the Scottish Government's financed Vacant and Derelict Land Fund (VDLF) and to agree the two year VDLF programme for 2012 to 2014.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the good progress achieved during 2011/2012 in delivering the agreed Vacant and Derelict Land Fund Programme in South Lanarkshire is noted;
and
- (2) that the allocation of funds in the 2012 to 2014 Scottish Government Vacant and Derelict Land Fund Delivery Plan, as set out in paragraph 5.1, be approved.

3. Background

3.1. The Scottish Government allocation to South Lanarkshire for the Vacant and Derelict Land Fund for financial year 2011/12 was £1,558,760. At least 50% of this allocation was stipulated as having to be directed at projects which assisted the Clyde Gateway Urban Regeneration Company to achieve its long term economic objectives.

3.2. A Local Delivery Plan was produced to deliver the key objectives of the Vacant and Derelict Land Fund (VDLF) which are to:

- ♦ tackle long term vacant and derelict land
- ♦ stimulate economic growth and wealth creation
- ♦ promote environmental justice and improved quality of life, with a particular focus on innovation in temporary and longer term greening techniques

3.3 The Council acknowledges that vacant, derelict and contaminated land acts as a major constraint to regeneration and impacts on the quality of life of many residents. The Council implements a programme of remediation of vacant, derelict and contaminated land sites, using a combination of its own resources and external funding from the Scottish Government. The section below examines progress made in implementing this programme.

4. Progress Achieved in 2011/2012

4.1. *Scottish Government Vacant and Derelict Land Fund* - The 2011/12 Local Delivery Plan identified the key priorities for the one year programme as:

To tackle long term vacant and derelict land and stimulate economic growth and wealth creation in key locations within:

- ◆ Clyde Gateway
- ◆ Town and Village Centres
- ◆ Settlements within the worst 15% of the Scottish Index of Multiple Deprivation

The approved delivery plan for the one year programme was set a budget by the Scottish Government of £1,558,760. The expenditure achieved amounted to a total of £1,563,690. The overspend of £4,930 will carry forward into the 2012 to 2014 programme. Supported projects were as follows:

4.2 *Rutherglen Low Carbon Zone comprising the former 'Monogram' site, Cambuslang Road, Farmeloan Road, Downiebrae Road and Cuningar Loop*

Expenditure amounted to £221,873. Significant progress was made across this portfolio of business and industrial development projects. Rutherglen Low Carbon Zone Masterplan has been developed to a detail design stage and a planning submission for the Masterplan and first phase office development has been submitted. This has been supported by the completion of site investigation works and preparatory works.

Downiebrae Road has also progressed to detail design works with Phase One due to commence on site in September 2012. The investment required to improve this key route in the area is currently estimated at more than £1.5 million.

Working with Forestry Commission Scotland at Cuningar Loop, proposals have been fully developed to create a greenspace and active leisure site with new pedestrian and cycle bridge. The development has progressed to a planning submission and works are to commence on site in 2013.

4.3 *Clyde Gateway Support: National Business District, Shawfield, Rutherglen*

Expenditure amounted to £302,718. The output from this project was a market based Masterplan (Infrastructure and Development Framework) created in collaboration with all associated partners. A planning submission for the 60 hectare Shawfield 'supersite' and Phase One site was submitted on 25 June 2012.

As part of this project, a costed remediation strategy is proposed. This has now been prepared and progressing to procurement with a view to remediation works commencing on site in 2013. The proposed, separately funded, Shawfield 'Smart Bridge' over the River Clyde has also progressed to detail design and planning submission.

4.4 *Clyde Gateway Support: Cathcart Place Industrial Area, Bankhead, Rutherglen*

Expenditure amounted to £351,001. Support from Scottish Government has enabled the final phase of this project to be completed with the creation of 500 square metres of industrial/business space and 600 square metres of industrial yardage.

VDLF has been invested in site remediation, including treatment of hydrocarbons and abnormal site conditions. It is anticipated that the job opportunities created by this project will contribute to the long term outputs of the Clyde Gateway regeneration project

4.5 *Clyde Gateway Support: Burgh Business Centre, King Street, Rutherglen*

Expenditure amounted to £275,020. Vacant and Derelict Land Fund support has been instrumental in completing this key project at the heart of the Clyde Gateway URC area in South Lanarkshire.

In overall terms, a £2 million investment utilising, VDLF, ERDF and SLC funding has created an opportunity for SME's in the area to be accommodated within one of SLC's integrated network of managed business centres.

Providing almost 1000 square metres of business space, it is anticipated that the facility will accommodate up to 12 enterprises and provide employment for up to 20 people.

4.6 *Clyde Gateway Support: 72 Cathcart Road, Rutherglen*

Expenditure amounted to £400,000. This expenditure relates to the acquisition of a vacant and derelict 19th century building which was formerly used as a laundry known locally as 'Cathkin Clean'.

Due to the long term nature of the use and the type of activities which took place on the site it is anticipated that it will have significant levels of chemical contamination.

Initial proposals include the demolition of the property, site investigations carried out, remediation proposals prepared and implemented to create an opportunity to provide high quality business and industrial space in the area thereby assisting Clyde Gateway to meet its long term outputs and regeneration objectives.

4.7 *Rural Industrial Sites : Caldwellside, Lanark*

Expenditure amounted to £13,078. This expenditure, primarily on site investigation and feasibility work, relates to the creation of industrial plots and bespoke facilities for start up and growth sectors of the rural business market. It links to the Council Plan 'Connect' the Single Outcome Agreement and achieves the Scottish Government's purpose target of Participation and Economic Growth. It also complements the current Scottish Rural Development Programme.

5. Proposed Programme for the period 2012 to 2014

- 5.1. *Vacant and Derelict Land Fund 2012 to 2014* - The Scottish Government has recently informed the Council that they intend funding a 2 year Vacant and Derelict Land Fund Programme with resources shared among five local authority areas. South Lanarkshire share is £2,433,845. A condition of the grant is that 100% of allocated funds must be spent supporting projects associated with the Clyde Gateway Urban Regeneration Company area. The formal award letter confirming the grant was received on 25 June 2012. It is proposed that this funding will be allocated as follows:

- *National Business District, Shawfield, Rutherglen.*
Shawfield is identified within Clyde Gateway's Business and Operating Plans as the URC's main employment growth location.
This work, currently being undertaken by Clyde Gateway URC, aims to implement appropriate remediation solutions, regional SUDS and infrastructure creating the basis for a new inspirational employment location.
It includes the construction of a new river crossing - the "Shawfield Smart Bridge" linking the National Business District with Dalmarnock Rail Station and the Commonwealth Games National Indoor Sports Arena on the Glasgow City Council side of the River Clyde.
Project cost - £15,759,000 Proposed VDLF grant - £1,792,845

- *Rutherglen Low Carbon Zone - Farmloan Road, Rutherglen*
This work, currently being undertaken by Clyde Gateway URC, is focussed on the Farmloan area of Rutherglen in a key location within Clyde Gateway, adjacent to Rutherglen rail station, Junction 2 of the M74 and the Commonwealth Games Athletes Village development.
The Masterplan proposal creates 7 serviced plots that de-risk the site, making it an attractive proposition for private investment. The infrastructure will enable the plots to be developed in a flexible, phased and sustainable manner.
In overall terms, the development will focus on the provision of high quality business space within a sustainable Low Carbon Zone development
Project cost - £1.5 million Proposed VDLF grant - £224,000

- *Downiebrae Road and Cuningar Loop, Rutherglen.*
Clyde Gateway has been working in partnership with the Council and Forestry Commission Scotland to develop proposals to create a Commonwealth Games Legacy Project at Cuningar Loop. The project forms part of the wider Cuningar Loop Masterplan.
The site has sufficient capacity for the future development of a wildlife conservation based visitor attraction.
As part of this project SLC and Clyde Gateway will carry out infrastructure investment at Downiebrae Road to increase vehicular capacity and secure future development for the site along with linking the Cuningar Loop Legacy Project area with the Commonwealth Games village via a pedestrian and cycle footbridge.
Project cost - £3,663,000 Proposed VDLF grant - £417,000

6. Employee Implications

6.1. None

7. Financial Implications

7.1. The programme costing £2.434 million will be funded in its entirety from the Scottish Government Vacant and Derelict Land Fund 2012 to 2014 Programme allocation.

8. Other Implications

8.1 The risks associated with all projects are focussed on the potential for cost overruns or delays to the programme. These risks will be managed by Community and Enterprise Resources in consultation with Clyde Gateway URC.

8.2 All of these proposed developments within Clyde Gateway are being planned with the highest environmental standards and lowest levels of carbon production in mind.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. This report does not introduce a new policy, function or strategy and, therefore, no impact assessment is required.
- 9.2 The vacant and derelict land programme is monitored by a Corporate Working Group comprising officers from Community and Enterprise and Housing and Technical Resources. The Local Delivery Plan was prepared in consultation with these Resources.

Colin McDowall

Executive Director (Community and Enterprise Resources)

19 July 2012

Link(s) to Council Objectives/Values/Improvement Themes

- ◆ Support the local economy by providing the right conditions for growth, improving skills and employability.
- ◆ Strengthen partnership working, community leadership and engagement.

Previous References

- ◆ Minute of Enterprise Resources Committee of 15 June 2011

List of Background Papers

- ◆ Scottish Vacant and Derelict Land Fund – South Lanarkshire Local Delivery Plan
- ◆ 2012-2014 - March 2012

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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