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Report to:	East Kilbride Area Committee
Date of Meeting:	25 May 2011
Report by:	Executive Director (Enterprise Resources)

Subject:	Regeneration Services Activity in the East Kilbride Area Committee Area
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update on Regeneration Services' activities in the East Kilbride Area Committee area

2. Recommendation(s)

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

- (1) that the contents of the report be noted.

3. Background

3.1. As one of four services within Enterprise Resources, Regeneration Services is a multifunctional, cross cutting service committed to the regeneration of the communities of South Lanarkshire. It aims to promote employment, social inclusion, physical development and sustainability through working in partnership with local communities, voluntary sector bodies, the private sector and other public organisations. Regeneration Services is responsible both for direct service delivery to businesses and residents as well as for services to other Council Resources. Within the Service there are four teams with responsibilities as outlined below:-

- ◆ **Regeneration and Inclusion** leads on the employability support and delivery programmes aimed at supporting people into work as well as the More Choices, More Chances programme designed to support 16/17 year olds into positive destinations. The team also has responsibility for external funding and development and support to the voluntary sector
- ◆ **Community Regeneration and Rural Development** manages the Fairer Scotland Fund programme and supporting work aimed at tackling poverty in South Lanarkshire. The team also manages the LEADER programme which provides support to rural communities and leads the Council's tourism support and development processes
- ◆ **Business Support and Property Information** undertakes business development, manages the development and implementation of asset management strategies and processes and is responsible for managing the Council's non-operational lease portfolio

- ◆ **Property Development** carries out significant physical regeneration in towns and villages, implements commercial and industrial infrastructure projects and leads on derelict land reclamation and town centre management. It also manages the Council's capital receipt programme and negotiates acquisitions and disposals of heritable property

4. Regeneration Services - Update on Key Areas of Activity

Community Regeneration and Rural Development

Tackling Poverty

- 4.1. Within the geographical approach adopted by South Lanarkshire in tackling poverty and disadvantage, the focus for support and programmes aimed at supporting people into work, improve their life chances and tackle challenging issues has previously drawn largely on funding provided by the Scottish Government – the Fairer Scotland Fund. This fund was subsumed into the Council's budget with effect from 1 April 2010.
- 4.2. In recognition of the importance of maintaining support for the most disadvantaged people and communities in South Lanarkshire, the Council has committed to retaining a focus on supporting those most in need. The Tackling Poverty Programme will deliver £4.9 million of services, supports and programmes across an agreed range of priorities which include Employability; Early Years/Early Intervention; Vulnerable Families; Financial Inclusion and Health Improvement.
- 4.3. The Programme is mainly concentrated on those datazones ranked in the most deprived 15% across Scotland. In the Scottish Index of Multiple Deprivation Report of 2009, there are no datazones within East Kilbride that fall within the worst 15% datazones in Scotland. However, there are components of the programme that will be supporting key client groups such as those experiencing unemployment as a result of the current recession. EK Works and particular services supporting young people attending Kittoch School are examples of current support.
- 4.4. All of the programmes funded through the Tackling Poverty Programme make substantial contributions to the targets within South Lanarkshire's Single Outcome Agreement.

Regeneration and Inclusion

Routes to Inclusion

- 4.5. The challenge to reduce unemployment remains high on the agenda. There are currently 2,039 unemployed people in receipt of Jobseekers Allowance with an unemployment rate of 4% - the South Lanarkshire figure is 4.7%, Scotland is 4.1% and the UK rate is better at 3.8%. The Council and its partners, notably Scottish Government, Jobcentre Plus/Department of Work and Pensions (DWP) and Europe are making significant investments to ensure all the measures are in place to support people who want to return to work. To support these efforts the Council continue to lead the delivery of the ambitious third phase of the European Community Planning Partnership (CPP) programme. The key services were procured and delivery started. This investment is matched by the Council and represents over £2 million investment in key client groups and employment sectors across South Lanarkshire.

- 4.6. This investment will see the continued delivery of successful projects and initiatives including the introduction of a youth variation of the successful Connect 2 called Youth Connect and the expansion of the Youth Jobs Fund to offer the best start to working life for our young people.
- 4.7. The focus remains on supporting individuals who may find difficulty in securing employment, including people with health problems including mental health and well being or addictions, parents (including lone parents) and people with no or limited qualifications or literacy/numeracy problems.
- 4.8. In the 2010/11 financial year in the East Kilbride Area Committee area, there have been 1,959 people engaged on Council-funded employability programmes, of this 594 (30%) have progressed into employment with 154 entering training and education. Key initiatives to support employability include:-
- ◆ **EK WORKS** – a new town-centre based initiative to identify, engage and progress people into work. Since April they have engaged 1,637 people with 400 securing employment with a further 61 entering training and education.
 - ◆ **Future Jobs Fund** – in the second phase of the contract, 78 people from the area secured employment (from the start in October 2009, to date, 1,200 South Lanarkshire residents have benefitted from this £7.8 million, 18 month DWP contract offering 6 month wage subsidy / community benefit programme).
 - ◆ **Connect 2** – continues to deliver good outcomes for local people with significant barriers and issues. The most recent programme recruited 11 people onto the Social Care training programme.
 - ◆ **Inclusiveness** – delivered by South Lanarkshire College based in East Kilbride this innovative and successful programme has been targeting key economic sectors and disadvantaged client groups e.g. people with health issues or lone parents and has recruited 57 people with a further six entering training and education. The remaining group are continuing with their training.
 - ◆ **Youth Jobs Fund** – designed to offer the dual benefit of helping young people, who in the current economic climate are struggling to find a job, and supporting small businesses with their recruitment needs. This provides a 50% wage subsidy for 50 weeks. 118 young people engaged in this initiative with 72 working in a wide range of local companies.

Community and Voluntary Sector

- 4.9. The new single voluntary sector Interface, Voluntary Action South Lanarkshire, continues to take the necessary steps to establish the new organisation. The Memorandum of Association for the company, the draft staffing structure and the job matching process have all recently been agreed. There is a real commitment to having more development staff out working with community and voluntary sector organisations on the ground across South Lanarkshire, providing guidance and support across a wide spectrum of activity including governance, training, finances, funding applications, volunteering opportunities and much more. It is anticipated that Voluntary Action South Lanarkshire will be fully ready to deliver all of these services from early in 2011.

- 4.10. Part of the improvement in services to the sector is to understand its true size and scope. Employing three people through the Future Jobs Fund, Voluntary Action South Lanarkshire is developing a comprehensive database on the sector across South Lanarkshire capable of being interrogated. When completed over the next 18 months, this will be a real asset for those in the sector and public organisations looking to access information on the voluntary sector.

Tourism

- 4.11. The Spring campaign has now been launched. The campaign will run from 7 March to 31 May utilising offline and online media to encourage visitors (day visitors from the West of Scotland in particular) to enjoy 'great days out on your doorstep'. The aim is to achieve similar results to last year's Spring Campaign which included 50,172 web visits, 200,076 page views, 1,000 new registrations on the www.visitlanarkshire.com website and 6,002 downloaded vouchers. The visitor traffic on the visitlanarkshire.com website has been encouraging with over 24,000 people exploring offers and many downloading vouchers to be used over the campaign period.
- 4.12. The Great Days Out 2011 has now been launched. The guide features over 30 South Lanarkshire visitor attractions and leisure facilities. Other guides in the pipeline include Cycling in Lanarkshire, Walking in Lanarkshire (re-print) and Riding in Lanarkshire guides.
- 4.13. Working in partnership with organisations such as New Lanarkshire Limited, VisitScotland, Lanarkshire Accommodation Association and Lanarkshire Visitor Attraction Association a number of successful initiatives have been delivered. These have included:-
- ◆ a Lanarkshire familiarisation trip for staff of local hotels and attractions in February. The trip included a guided ranger talk at Chatelherault and a tour of Hamilton Mausoleum. Representatives from 16 tourism related businesses and organisations took part on the tour
 - ◆ a scheme to encourage more businesses to sign up to VisitScotland's Quality Assurance (star grading) Scheme. The Scheme will hopefully encourage business to increase the quality and efficiency of their operations and will also assist us in achieving some of the goals outlined in the Lanarkshire Tourism Action Plan relating to quality improvement
- 4.14. South Lanarkshire now has 4 attractions with the VisitScotland 5 star grading: Chatelherault, Low Parks Museum, National Museum of Rural Life and Scotkart.
- 4.15. The International Children's Games (ICG) 'micro-site' on the Council's website continues to attract visitor traffic. The 'Win a VIP trip to the Lanarkshire ICG' has attracted over 600 entries from as far afield as Australia. A programme of direct electronic emails to the confirmed ICG head of delegations is also underway encouraging visitors to come and stay for the duration of the games and beyond.

Business Support and Property Information

- 4.16. Business support measures play a vital role in the Council's response to the economic downturn and include working with Business Gateway; measures to support businesses through programmes such as the West of Scotland Loan Fund, Rural Capital Grant, training and consultancy grants; promoting the Small Business Rates Relief Scheme to ensure maximum uptake and hosting targeted events such as Meet the Buyer, the Good Food Show and Lanarkshire Business Excellence Awards.

- 4.17. The Supplier Development Programme has been focusing on developing closer links between local businesses and the public sector, including South Lanarkshire Council's procurement team, and has organised a number of successful events giving businesses the opportunity to highlight their concerns directly with procurement staff.
- 4.18. During 2010/2011 Business Support, through the various schemes detailed below, was provided on the following basis for the East Kilbride area and year end targets in respect of the Business Gateway Contract were delivered.

Initiative	No of businesses assisted	No of Jobs Created or safeguarded	Additional Sales
West of Scotland Loan Fund	5	96	£2,793,898
Lanarkshire Sustainable Business Programme	44	244	£3,723,000
Lanarkshire Property Advice Service	202 enquiries 32 satisfied within the East Kilbride Area		
Lanarkshire Business Training Support	20	85	£3,406,000
Totals	271	425	£9,922,898

- 4.19. Business Support now includes the team responsible for the management of the Council's industrial and commercial property portfolio and within the East Kilbride Area during 2010/2011 the team concluded 34 leases with a value of £432,178 per annum under delegated powers.
- 4.20. The Lanarkshire Business Excellence Awards took place on 11 March 2011 with a number of South Lanarkshire based businesses winning awards in the various award categories, including Summit Restaurants Ltd for Excellence in People Development.

Property Development

- 4.21. The Property Development Team continue to support partners and the community with the promotion and implementation of a number of important projects designed to enhance and promote the attractiveness of East Kilbride as a place to work, live and conduct business.
- 4.22. The marketing of serviced industrial land at Langlands Industrial Estate continues, including a large plot of 15 hectares originally designed for the relocation of Rolls Royce, to safeguard hundreds of local jobs before they reviewed their investment strategy in the face of the global economic recession. The site is suitable for a large single user or subdivision to attract inward investment and facilitate expansion of indigenous companies alike. Notwithstanding the prevailing economic slow down, marketing of these opportunities will continue to ensure that East Kilbride, as a location for business, will be at the forefront as economic recovery becomes established.
- 4.23. East Kilbride town centre has undergone a change in ownership with major property investor DeLancey taking over control from PropInvest at the start of 2011. DeLancey have a track record in strategic management and improving property

investments and have successfully improved the fortunes of retail centres in Bournemouth, Bath, Portsmouth and Wandsworth, among others, through rationalisation of tenants, target marketing, achieving new lettings and growing the value of investments. Initial discussions have taken place with the new owners who are preparing their strategy for East Kilbride where they will seek to make a number of improvements. Dialogue will continue with DeLancey to ensure they attempt to fulfil their objective to improve East Kilbride centre to compete with the likes of Silverburn.

- 4.24. The Whitelees Windfarm Renewable Energy Fund, (REF) has been in existence since being approved at the Enterprise Resources Committee in 27 June 2007. The REF is financed from payments from Scottish Power, who operate the Whitelees Windfarm, and the allocation of funds is managed and administered by the Property Development Team. A total Fund of £543,821.93, including interest, has been raised since its inception. The Section 75 legal agreement required by the planning consent for Whitelees places an obligation on the Council to jointly prepare and implement an access strategy associated with the windfarm area and funded from the REF. Accordingly, £265,248.43 was set aside to undertake these works.
- 4.25. At the time of writing, Whitelees REF has committed funds of £192,317.10 towards projects from an available budget of £278,573.50. The fund is intended to support community initiatives being undertaken within the defined area whose amenity is influenced by the Windfarm and has assisted 14 different local groups on 17 different projects to date. Some of the larger projects include the building of a new children's playpark in Strathaven town park by the Adams Community Trust, upgrading of tennis courts by Strathaven Tennis Club, environmental improvement works to public open space by West Mains Neighbourhood Watch, refurbishment and improvement of East Kilbride Scouts' hall and contribution towards the establishment of a new operating base by East Kilbride Shopmobility.
- 4.26. Despite the continued shortage of development funding and the recession in the property market, work continues in marketing surplus assets to developers and associated agents. Some £80 million has been achieved by the team in Capital Receipts since 2000. A marketing schedule has been prepared and circulated to developers, agents and interested parties, identifying a variety of sites and properties which are surplus and available for sale and seeking expressions of interest. A range of sites of various size and locations are being market tested with closing dates, to assess the current climate and inform the future marketing programme. In addition, there is a pilot "Community Asset Transfer scheme" in progress looking at the demand for surplus property from parties, including community groups, to minimise liability for vacant property which may have a very limited market value.
- 4.27. The Property Development Team concluded negotiations in respect of 4 property disposals worth £213,453; 2 acquisitions worth £122,500 and additional land transactions worth £38,500 between 1 October 2010 and the present.

Concluding Remarks

- 4.28. Within the comprehensive portfolio of Regeneration Services it is clear there are a number of programmes and services that make significant contributions to supporting both South Lanarkshire's economy and its people. All areas of the Service continue to make substantial contributions to the delivery of the values and priorities of the Council Plan, "**Connect**" and to the objectives of the Single Outcome Agreement.

5. Employee Implications

5.1. There are no employee implications.

6. Financial Implications

6.1. There are no direct financial implications arising from this report with all activities being met from within existing budgets held by Enterprise Resources.

7. Other Implications

7.1. There are no direct risks associated with this report which is provided for information only. The services and projects to which it refers together with related funding proposals have been considered and approved by the Enterprise Resources Committee or by the Executive Committee as required. The relevant Committee reports with specific recommendations outlined potential risks on an individual programme or project basis.

7.2. There are no significant sustainability issues in connection with the recommendations contained within this report.

8. Equality Impact Assessment and Consultation Arrangements

8.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and, therefore, no impact assessment is required.

8.2. Partners, local communities, service users, employers and local delivery organisations have been consulted in the design and development of the relevant components of Regeneration Services' projects and programmes.

Colin McDowall

Executive Director (Enterprise Resources)

3 May 2011

Links to Council Objectives and Values

- ◆ Tackling disadvantage and deprivation
- ◆ Supporting the local economy by providing the right conditions of growth, improving skills and employability

Previous References

- ◆ East Kilbride Area Committee - 6 October 2010

List of Background Papers

- ◆ None

Contact for Further Information

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

Stephen Keating, Property Development Manager, Regeneration Services

Ext: 5191 (Tel: 01698 455191)

E-mail: stephen.keating@southlanarkshire.gov.uk