

**NORTH LANARKSHIRE COUNCIL
REPORT**

To: POLICY & RESOURCES (REGENERATION & INFRASTRUCTURE) SUB COMMITTEE		Subject: Vacant and Derelict Land Fund Update
From: HEAD OF PLANNING & REGENERATION		
Date: 5 th September 2013	Ref: 1733/DG	

1 Purpose of the Report

1.1 The purpose of this report is to update committee on the implementation of North Lanarkshire's 2012/13 and 2013/14 Vacant and Derelict Land Fund (VDLF) Programmes.

2 Background

2.1 The VDLF Programme is a ring-fenced capital grant allocation which provides financial support from the Scottish Government to assist with the regeneration of registered vacant and derelict land sites across selected local authority areas.

2.2 In the past, VDLF Programmes have been funded over a number of financial years and have focused on the implementation of a range of remediation initiatives including greening, housing, town centre regeneration and economic development projects.

2.3 However, under the most recent programmes, grant funding has been approved for one financial year only and the formerly broad remit of this fund tapered to focus on land remediation projects with economic development outcomes.

2.4 Funding provided through the VDLF Programme is subject to the submission (and approval by the Scottish Government) of a Local Delivery Plan (LDP) which sets out local authority investment proposals to meet the aims and objectives of this funding programme.

3 2012/13 VDLF Programme

3.1 Under the 2012/13 Local Government Finance Settlement, North Lanarkshire Council were awarded a one year VDLF grant allocation of £1,702,855 from the Scottish Government subject to the submission and approval of a 2012/13 LDP.

3.2 The 2012/13 LDP was submitted to the Scottish Government on the 6th of March 2012 and was formally approved on the 19th June 2012. The approved LDP included the following three projects:

- advanced infrastructure works at Grove Wood (Strathclyde Business Park) to enable the future development of this site for industrial use;
- advanced infrastructure works at York Road (Chapelhall) to enable the future development of this site for industrial use; and
- ground treatment and remediation works at Stane Gardens (Shotts) to enable this site to be re-established as community greenspace.

- 3.3 In addition to this, the following project was also approved as part of a revised LDP submitted to the Scottish Government on the 21st August 2012:
- ground remediation and advanced infrastructure works at Condor Park (Eurocentral) to enable the future development of this site for industrial use.

- 3.4 All works supported through this LDP have now been completed and the 2012/13 VDLF grant award spent in full.

4 2013/14 VDLF Programme

- 4.1 Under the 2013/14 Local Government Finance Settlement, North Lanarkshire Council were awarded a one year VDLF grant allocation of £1,564,156 from the Scottish Government subject to the submission and approval of a 2013/14 LDP.

- 4.2 In addition to this, NLC requested that a 'recycled receipt' of £80,741, received as a return from previous VDLF investment, be reinvested through the 2013/14 LDP increasing the total amount of VDLF grant available to £1,644,897.

- 4.3 North Lanarkshire's 2013/14 LDP was submitted to the Scottish Government on the 22nd February 2013 and was formally approved on the 9th May.

- 4.4 A detailed summary of the projects included within the 2013/14 LDP submission is provided within Appendix 1: This includes:

- details of the vacant and derelict land sites to be improved or remediated;
- an outline summary of the approved project proposals and list of grant recipients to take forward the planned remediation/improvement works;
- the approved VDLF grant allocation for each project and anticipated total project cost;
- an update on project progress;
- anticipated outputs arising from the approved project activity; and
- identification of VDLF funding required to procure independent QS (Quantity Surveyor) cost certification support as part of the financial management procedures of this grant award.

- 4.5 In addition, Appendix 1 also outlines proposed revisions to be made to VDLF grant allocations for approved LDP projects in order to better reflect budget requirements for these initiatives. These proposed revisions include:

- increasing the VDLF grant allocation for works at Condor Park (Eurocentral) from £300,000 to £322,897 to meet an increase in estimated project costs following tendering of contract works;
- omitting the £20,000 VDLF grant allocation for ground investigation works at Colzium Estate as this is no longer required due to the failure to secure first stage approval for external funding for this project from the Heritage Lottery Fund; and
- decreasing the VDLF grant allocation for QS cost certification support from £9,897 to £7,000 in line with finalised contract costs for these works.

5 Reserve Projects

- 5.1 NLC are currently working in partnership with Scottish Enterprise and Fusion Assets (NLC's arms length economic regeneration company) to develop proposals for the redevelopment of a 2.9ha vacant and derelict land site at Gartcosh Business Interchange (Site 1) for industrial use and, as previously reported to committee, have submitted a first stage application to the Scottish Government's 'Regeneration Capital Grant Fund' to support these works.

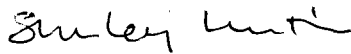
- 5.2 Approval is sought from committee to include this proposal as a 'reserve project' within the 2013/14 LDP so that it can, if required and subject to Scottish Government approval, make use of any VDLF underspend from other approved projects in order to advance these works.

6 Additional Works

- 6.1 In addition to projects included within the 2013/14 LDP, works are currently being progressed to redevelop a registered vacant and derelict land site north of West Canal Street (Coatbridge) to help meet NLC Local Authority Housing requirements.
- 6.2 However, in taking these works forward, shallow mine workings have been found within this site which require to be 'grouted' before construction works can be progressed.
- 6.3 Because of the restricted nature of the current VDLF Programme, these grouting works cannot be included within the 2013/14 LDP. As such, approval is sought to provide a £70,000 contribution to these works through Planning & Regeneration's 'Physical Regeneration Projects' budget (XR502) which will enable these works to be advanced and help meet key service measures for remediating and improving vacant and derelict land.

7 Recommendations

- 7.1 It is recommended that committee:
- i) note the completion of the 2012/13 VDLF Programme for North Lanarkshire;
 - ii) note the progress made towards the implementation of the 2013/14 LDP as outlined in Appendix 1;
 - iii) approve revisions to be made to LDP project budgets as outlined in 4.5;
 - iv) approve the inclusion of the proposed industrial redevelopment works at Gartcosh Business Interchange (Site 1) as a reserve project within the 2013/14 LDP; and
 - v) approve the allocation of £70,000 from the Physical Regeneration Projects budget for grouting works at the registered vacant and derelict land site north of West Canal Street (Coatbridge).



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Local Government Access to Information Act: for further information please contact David Greer, Planning and Regeneration, (01698 302121)

Appendix 1: 2013/14 VDLF Local Delivery Plan

Project	Project Proposal	Grant Recipient	Est. Total Project Cost	Approved VDLF Grant Allocation	Revised VDLF Grant Allocation	Project Update	Anticipated Project Outcomes Supported
Grove Wood (Strathclyde Business Park)	VDLF to be used to support the construction of the first industrial unit within the planned industrial business park at Grove Wood (Strathclyde Business Park) in order to 'kick start' this development and encourage external investment.	Fusion Assets	£675,000	£525,000	£525,000	Consultants has been appointed to take forward the design works for the initial industrial unit at Grove Wood and Fusion Assets are currently in the process of procuring a private sector partner to support the wider development proposals for this site.	<ul style="list-style-type: none"> - 1,152 m² industrial business pace created - 6.1 FTE construction jobs created - 36.5 FTE gross jobs created
Condor Park (Eurocentral)	VDLF to be used to enable the completion of advanced infrastructure works at Condor Park, Eurocentral, in order to create a 'development ready' industrial site with capacity to attract private sector investment.	Fusion Assets	£322,897	£300,000	£322,897	The proposed infrastructure works for Condor Park have been tendered and the appointed contractors (Murdoch Mackenzie) started on site on 22 nd July and are due to be completed October 2013.	<ul style="list-style-type: none"> - 1.31 ha of land improved for industrial use - 3.8 FTE construction jobs created
Orchardton Road (Cumbernauld)	VDLF to be used to provide 'gap funding' required to help Fusion Assets Ltd. to secure loan funding for the construction of new industrial units at this site through the Scottish Partnership for Regeneration in Urban Centres (SPRUCE) Fund.	Fusion Assets	£2,983,000	£140,000	£140,000	Fusion Assets are currently working with their development partner (Central Building Contractors) to identify additional infrastructure works which the allocated VDLF can be used for to help reduce the residual cost of this project and establish a financially viable scheme able to secure SPRUCE loan funding.	<ul style="list-style-type: none"> - 3,792 m² industrial business pace created - 26.9 FTE construction jobs created - 120.1 FTE gross jobs created
Interlink Industrial Estate (Newhouse)	VDLF to be used to support the acquisition of a vacant development site at Interlink Industrial Estate (Newhouse) and undertake ground remediation works in order to help redevelop this site for future industrial use.	Fusion Assets/ NLC	£450,000	£450,000	£450,000	An initial desk top study and development appraisal for this project have been completed and intrusive site investigation works commissioned prior to the proposed acquisition of this site. A design team has also been appointed to prepare a development masterplan as a pre-requisite of any planning submission to be made for this project.	<ul style="list-style-type: none"> - 1.40 ha of land improved for industrial use - 5.7 FTE construction jobs created
Colzium Estate	VDLF to be used to undertake site investigation works at a derelict land site within Colzium Estate to support potential future improvements to this site and the adjacent Colzium Clock Theatre through external funding.	NLC	£0	£20,000	£0	Due to the failure of NLC to secure funding approval for a first stage application for this project from the Heritage Lottery Fund, the proposed development works for this site cannot be taken forward at this time and as such the VDLF for this project has been reallocated.	N/A
Stane Gardens	VDLF to be used to help meet additional remediation costs for this site and its redevelopment as a community greenspace.	NLC	£3,050,000	£200,000	£200,000	Consultation on the development proposals for Stane Gardens has been ongoing and the next phase of the remediation/regeneration works for this site are due to start in late 2013.	<ul style="list-style-type: none"> - 5.7 FTE construction jobs created
QS Certification Support	VDLF to be used to provide independent QS certification needed to ensure VDLF grant claims are supported by robust financial audit trails.	NLC	£7,000	£9,897	£7,000	Consultant Quantity Surveyors (Brown & Wallace) have been appointed to provide independent cost certification support for all VDLF expenditure incurred through the 2013/14 VDLF Programme for North Lanarkshire.	N/A
Total			£7,487,897	£1,644,897	£1,644,897		