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<b>Report To:</b>	<b>Education and Communities Committee</b>	<b>Date:</b>	<b>3 November 2020</b>
<b>Report By:</b>	<b>Corporate Director Education, Communities and Organisational Development</b>	<b>Report No:</b>	<b>EDUCOM6421HS</b>
<b>Contact Officer:</b>	<b>Hugh Scott, Service Manager Community Learning Development, Community Safety &amp; Resilience and Sport</b>	<b>Contact No:</b>	<b>01475 715450</b>
<b>Subject:</b>	<b>Regeneration Capital Grant Fund- Round 8 Projects 2021/22</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to provide the Education and Communities Committee with an update in relation to the Regeneration Capital Grant Fund following several applications made in the authority area.
- 1.2 The report outlines the background to the Regeneration Capital Grant Fund, the applications submitted from the Inverclyde area, and the next steps.
- 1.3 The report also outlines an application to be made by Inverclyde Council to the Regeneration Capital Grant Fund in respect of the King George VI (KGV) building at 9-11 King Street, Port Glasgow, this submission is based on the proposal to relocate the current Clune Park Resource Centre to the KGV Community Hub.

## 2.0 SUMMARY

- 2.1 The Regeneration Capital Grant Fund (RCGF), delivered in partnership with COSLA and local government, supports locally developed place-based regeneration projects that involve local communities, helping to support and create jobs and build sustainable communities. Applications to the fund are made on an annual basis and, where justified, can potentially cover more than one financial year (subject to available budget).
- 2.2 The call for first stage applications for projects that can start in 2021-2022 closed on 19 June 2020. The RCGF Investment Panel met on 20 August 2020 and invited 45 projects to submit full applications to stage 2.
- 2.3 Four applications from Inverclyde were invited to submit full applications to stage 2: The Inverclyde Shed | Meet, Make + Share, Parklea Garden Hub, Greenock Town Centre and King George VI Building. As confirmation of matched funding could not be secured within the required timeframe of the application, Parklea Garden Hub and Greenock Town Centre will be withdrawn from the Stage 2 application process in order to give additional time to secure any additional matched funding. All applications are considered at sections 5 and 6.
- 2.4 There is attached an application by Inverclyde Council in respect of the current King George VI Building at 9-11 King Street, Port Glasgow. This application seeks £1.1M to renovate the building into a new community hub for Port Glasgow (known as KGV Community Hub). This proposal is based on the re-location of the existing Clune Park Resource Centre into the KGV Community Hub. This proposed relocation would utilise the current costs between Inverclyde Council and Inverclyde Leisure which also includes recurring salaries and utilities.

The application in respect of the King George VI Building is considered at section 6.

- 2.5 Invited applicants are required to submit full project proposals by 5 November 2020 and a decision on applications is due in January 2021. An indicative timetable for the round 8 projects are outlined at 4.6.
- 2.6 Should applicants not be successful in their grant submission, there is a risk for Inverclyde Council that there is a reliance on the Council to support increased grant revenue and a specific risk around the application for the King George VI Building. This is outlined in section 6.

### **3.0 RECOMMENDATIONS**

3.1 It is recommended that the Education and Communities Committee:

- approves the application by Inverclyde Council to the Regeneration Capital Grant Fund in respect of the proposed KGVI Community Hub;
- approves the relocation/closure of the existing Clune Park Resource Centre to the proposed KGVI Community Hub, pending successful grant award; and
- notes the continuing progress to the Regeneration Capital Grant Fund Round 8 stage 2 by The Inverclyde Shed | Meet, Make + Share.

**Ruth Binks**

**Corporate Director- Education, Communities & Organisational Development**

## **4.0 BACKGROUND TO REGENERATION CAPITAL GRANT FUND**

- 4.1 The RCGF, delivered in partnership with COSLA and local government, supports locally developed place-based regeneration projects that involve local communities, helping to support and create jobs and build sustainable communities. Applications to the fund are made on an annual basis and, where justified, can potentially cover more than one financial year (subject to available budget).
- 4.2 The fund is open to all 32 Scottish local authorities individually, or whether they exercise their functions through urban regeneration companies (URCs) or other special purpose vehicles (SPVs).
- 4.3 Applications are not restricted to geography, size or type of project. It will be for applicant organisations to demonstrate that projects fit with the aims and objectives of the fund and can demonstrate clear regeneration outcomes in line with the RCGF strategy document 'Achieving a Sustainable Future' and local area regeneration plans.
- 4.4 Successful applications normally involve:
- projects that primarily focus on areas that suffer from high levels of deprivation and disadvantage;
  - projects that demonstrate clear community involvement;
  - projects that will deliver large scale transformational change with strong regeneration outcomes; and
  - projects and programmes that can encourage additional investment and address market failure.
- 4.5 All applications will be subject to scrutiny by the CGF Investment Panel which will make final recommendations on projects to be funded. There will be a two-stage assessment. Applicants must submit a summary of their project on the form provided at stage 1. Successful projects at this stage will be invited by the panel to then complete a full stage 2 application.
- 4.6 The application process follows this indicative timeline:
- Stage 1 application deadline (project summaries)- 19 June 2020
  - Investment panel meeting (stage 1)- August 2020
  - Applications notified of results (invited/not invited to stage 2)- September 2020
  - Stage 2 application deadline (full project proposals)- October 2020
  - Investment Panel meeting (stage 2)- 5 November 2020
  - Recommendations made by SG Ministers/COSLA- December 2020
  - Notification to all applicants of funding recommendations- January 2021
- 4.7 The RCGF Investment Panel met on 20 August 2020 and invited 45 projects to submit full applications to stage 2. Assuming all applicants submit their full applications, this amounts to a total grant request in 2021/22 of £35,692,339 and a total grant request in 2022/23 of £7,339,087.
- 4.8 The available budget for RCGF in 2021-22, and into the next parliamentary term, will be subject to Scottish Government budget setting processes and priorities, therefore at this time there is no indication of the final approved budget. However it is worthwhile noting that the round 7 spend in 2020/21 was £19,016,780 with £4,252,045 set aside for 2021/22.

## **5.0 INVERCLYDE SUBMISSIONS TO REGENERATION CAPITAL GRANT FUND**

- 5.1 Four applications were submitted to the round 8 projects 2021-22. Those applications from Inverclyde that have been invited to submit full applications to stage 2 are; The Inverclyde Shed | Meet, Make + Share (TIS), Parklea Garden Hub, Greenock Town Centre and King George VI Building. An application by the 32<sup>nd</sup> Greenock & District Scout Group was rejected.

- 5.2 A synopsis of the proposed applications from TIS and Parklea Garden Hub, noting the application, its objectives and potential risks to Inverclyde Council, is considered from 5.3 onwards with the application in respect of the KGVI building in Port Glasgow considered fully at section 6.
- 5.3 An application by The Inverclyde Shed (TIS) in respect a light industrial building adjacent to the East India Harbour area in Greenock was submitted seeking £504,804. TIS + has also committed £15,000 towards the project.
- 5.4 TIS, supported by Inverclyde Council, seek to renovate an existing light industrial building, the 'shed' which is adjacent to the historic East India Harbour. The building would be leased and operated by TIS over a 25 year period and the RCGF would enable TIS's development of the building for use as a community workshop for the benefit of local residents and the wider Inverclyde Community.
- 5.5 Project Objectives:
- To bring a dilapidated existing 3745sqft structure back to life with 25% additional internal floor area and flexible use spaces;
  - Create a sustainable and flexible community run workshop facility to support a wide range of community groups;
  - To provide facilities in the interests of social wellbeing for recreation and in tackling mental health, particularly amongst older men/unemployed;
  - Promote intergenerational mentoring and wellbeing through creative activity including volunteering opportunities to help other organisations;
  - Remove barriers to participation in the practical arts, crafts and heritage for socially and economically disadvantaged communities and individuals; and
  - To bring local authority, voluntary organisations and citizens together in a common effort to advance the arts, heritage, culture and education.
- 5.6 The risk to Inverclyde Council should the application from TIS be unsuccessful, is minimal. The property has been assessed for asbestos and the electrics have been checked. Minor repairs have now been completed to make the property safe, however TIS will require to obtain funding, in order to carry out essential refurbishment to allow TIS to use it as a community facility.
- Until such time as TIS obtain this funding and carry out the essential repairs, it will be permitted to occupy the property for storage purposes only. Following full refurbishment the lease will be changed to allow TIS to occupy the building for the uses detailed within their business case.
- Alongside the lease which is currently being prepared, a Licence for Works will be completed. This will allow TIS to carry out the works whilst having occupation of the unit. Presently Inverclyde Council Community Learning and Development supports the management committee with development approaches. Should the application be unsuccessful TIS may seek alternative grant funding opportunities.
- 5.7 An application by Parklea Branching Out in respect of land and building development to their existing site was submitted seeking £1.1million.
- 5.8 Parklea Branching Out sought to improve existing and future land which sits on the South bank of the River Clyde, on the edge of Port Glasgow. The project sought to deliver improved space for staff, service users and the wider public in addition to the development of office, meeting, canteen/café and community retail space.
- 5.9 Inverclyde Council is fully supportive of the Parklea Branching Out application, however Council Officers have recommended deferring their submission due to a potential outstanding shortfall of matched funding of £540K against the overall £1.6M project spend. Inverclyde Council is presently supporting Parklea Branching Out to submit an application at Round 9 in March 2021.

5.10 There was also submitted an application in respect of the redevelopment of Greenock Town Centre. Following the recent sale of the Oak Mall, the owners are seeking to consolidate their position and are not in a position to support the project.

## **6.0 KING GEORGE VI BUILDING**

6.1 Inverclyde Council will restructure and renovate the B listed, King George VI Building, to be leased to Inverclyde Leisure and supported by a local management committee, so as to reinstate it for use by the community and breathe new life into an important community site in the oldest building in Port Glasgow town centre. The project will deliver a refurbished community hub in for the benefit of the local residents and wider Inverclyde Community. A successful application to the RCGF would support the Council's development of the building making it fit for community purpose, completing the outstanding renovation works and delivering DDA accessible access, new heating, electrical power and lighting to support new users' needs. Appendix 1 attached is the proposed internal layout of the new KGVI Community Hub.

6.2 Project Objectives of the application include:

- to refurbish B Listed Building for use as a community arts/heritage asset;
- make repairs to roof and building structure incorporating energy efficiency measures;
- ensuring the building is finished to a high standard and fit for purpose to become an arts centre serving the community;
- building works to include improvements to access/DDA accessibility;
- improving local services by providing a range of positive creative activities;
- removing barriers to participation in the arts and heritage for socially and economically disadvantaged individuals; and
- increasing transferable skills and wellbeing through targeted creative activity including workshops, training, outreach and volunteering opportunities.

6.3 Pending a successful outcome of the application, it is also the intention to relocate the current Clune Park Resource Centre into the new KGVI Community Hub. This is supported by Inverclyde Leisure Trust and the voluntary management committee of the Clune Park Resource Centre. The Committee is asked to note the following points:

- Officers from Inverclyde Council and IL are reviewing the overall recurring costs of operating Clune Park Resource and transferring both core budgets to the new facility, in line with the current model of funding;
- The current Clune Park Resource centre was recently subject to a conditional survey where it was noted that whilst the building has a classification of 'B' Standard which is satisfactory, some elements have been classified as 'C' standard leading to the need for substantial work in the future where Inverclyde Council would be financially liable for costs;
- The current Clune Park Resource Centre is situated within the area of the Clune Park Regeneration area, however the poor housing conditions in the area combined with a low number of residents would have an impact on users accessing the building to attend activities;
- Presently the Clune Park Resource Centre is in use for 25 hours per week with no demand for additional groups to use the centre. Public transport options to the centre are limited with an infrequent bus service stopping on the nearby Glasgow Road and rail access at Woodhall Train Station; and
- In 2019 the Clune Park Resource Centre was considered for closure as part of Inverclyde Council's budget savings proposal, although this did not progress.

6.4 In respect of the application for King George VI Building, this has the most significant risk to Inverclyde Council if the application is unsuccessful. This proposal was the subject of previous reports to the CMT in June 2018 and June 2019 when authority was sought to issue a Letter of Intent to Rig Arts Limited, to assist with its funding bid for previous rounds of the

RCGF. Subsequently Rig Arts Limited was not successful in its funding application, leading to Inverclyde Council to apply. Thus far, Inverclyde Council have contributed £1M to make the building watertight (2019/20) and as set out in the grant application.

- 6.5 Noting both the significant current contribution by Inverclyde Council and the proposed amount required to complete the works, should the application to the RCGF be unsuccessful, it is the view of Council Officers that the building should be made wind and watertight and mothballed, pending a decision by Inverclyde Council for use of the building at a later date.

## 7.0 IMPLICATIONS

### 7.1 Finance

#### Financial Implications:

##### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

##### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if Applicable)	Other Comments
Communities	Hubs		£48K		<p>Sum to be reinvested from Clune Park into KG VI if bid is successful.</p> <p>IL have operational costs of utilities and other operational costs at £19K per annum.</p> <p>IC covers cost of staffing at £48K per annum.</p>

### 7.2 Legal

Legal Services will be involved in funding agreements and Service Level Agreements in application is successful.

### 7.3 Human Resources

Inverclyde Council employees/Inverclyde Leisure Trust employees will be transferred to the new facility if application is successful. All staff are aware of the application.

### 7.4 Equalities

#### Equalities

- (a) Has an Equality Impact Assessment been carried out?

YES (see attached appendix)

X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required
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(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

X	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

**7.5 Repopulation**

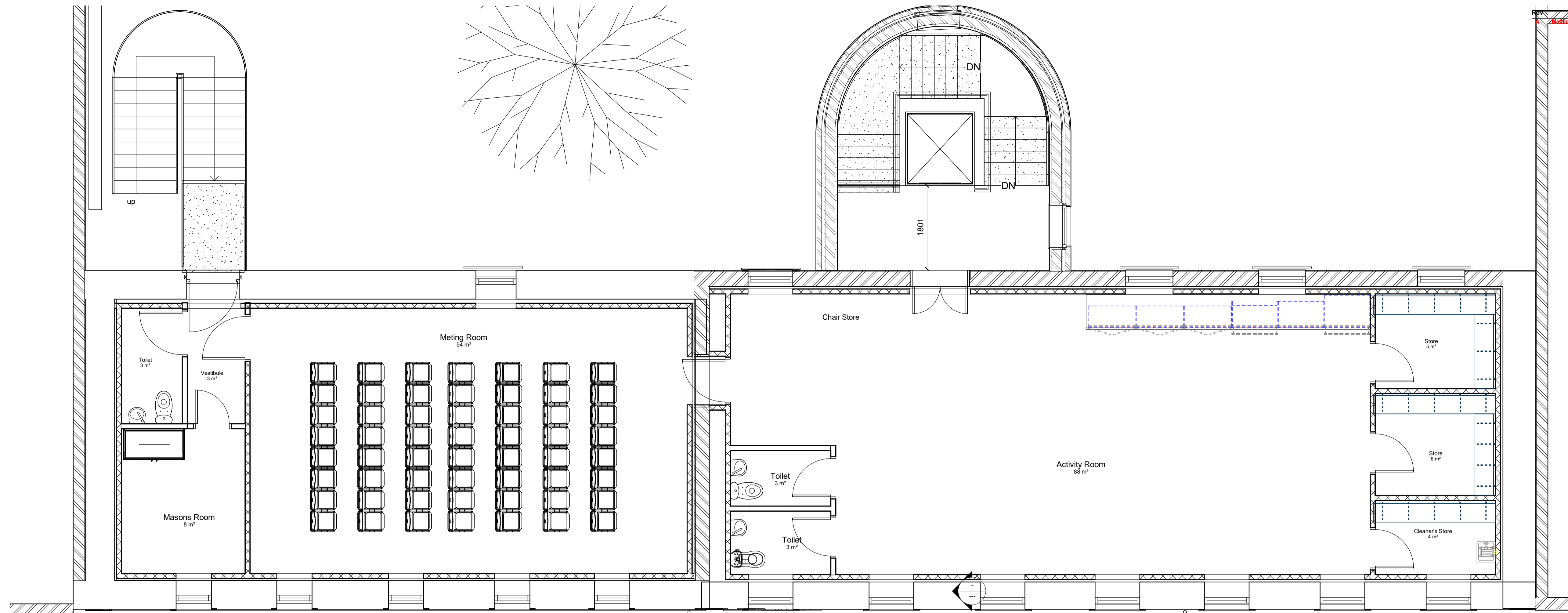
The regeneration works outlined in this report should contribute to retaining and increasing the population within the area. There are no negative repopulation issues.

**8.0 CONSULTATIONS**

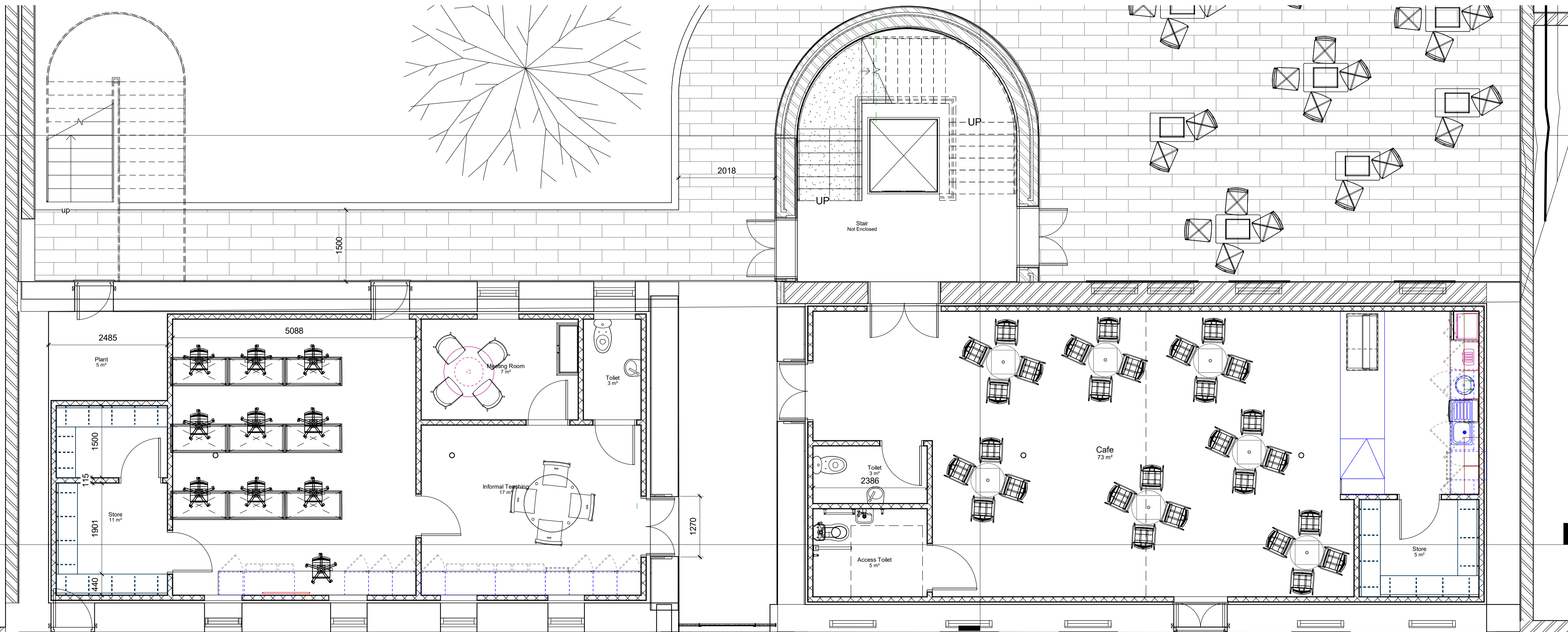
8.1 Inverclyde Leisure and the voluntary management committee of Clune Park Resource Centre and other third party boards approve the proposed application to RCGF and relocation of the Clune Park Resource Centre to the KGV Community Hub.

**9.0 BACKGROUND PAPERS**

9.1 None



**2 Proposed First Floor**  
1 : 50



**1 Proposed Ground Floor**  
1 : 50



Client:  
**Inverclyde Council**

Project:  
**King George VI,  
Community Centre  
9-11 King Street  
Port Glasgow**

Project No:  
**20-047**

Dwg No:  
**AL(20)002**

Rev:  
**A**

Drawing Title:  
**Proposed Ground +  
First Floor Plan**

Status:  
**RCGF Stage 2**

Drawn: Author Date: 10/13/20

Checked: Checker A1 Scale: 1 : 50