

ANGUS COUNCIL

PLANNING AND TRANSPORT POLICY COMMITTEE  
POLICY AND RESOURCES COMMITTEE

7 MARCH 2002  
19 MARCH 2002

**SUBJECT: ARBROATH ABBEY TO HARBOUR TOWNSCAPE HERITAGE INITIATIVE**

**REPORT BY DIRECTOR OF PLANNING AND TRANSPORT**

<p><b>Abstract: This report outlines the details of a proposed £1.810 million regeneration project for the centre of Arbroath and requests authorisation to commence the project.</b></p>
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## **1 RECOMMENDATION**

It is recommended that the Committee:

- notes the successful bid for match funding of £1.628 million towards a project with a total budget of £1.810 million;
- authorises the Director of Planning and Transport to commence a five year "Townscape Heritage Initiative" for Arbroath, including appointment of a Project Manager subject to legal examination of the HLF/Angus Council contract;
- remits the Director of Planning and Transport, in consultation with the Convener of the Planning and Transport Committee and the local elected member for the Harbour Ward to make appropriate arrangements for a Steering Group to oversee implementation of the initiative and a Project Support Group to further community awareness of the initiative;
- authorises the Director of Planning and Transport to consult on a review of the Arbroath No. 1 Conservation Area on the basis of the proposed extensions cited in Section 7.1, including an application to the Scottish Executive Development Department, for an Article 4 Direction as per Proposal ENV35 and Policy ENV40 of the Angus Local Plan (Adopted November 2000) and to report the findings back to the Planning and Transport Policy Committee.

## **2 BACKGROUND**

- 2.1 Report No. 453/99 outlined details of a new, Heritage Lottery Fund grant scheme titled the 'Townscape Heritage Initiative'. THIs may be summarised as five-year programmes of grant assistance for the regeneration of historic town centres. Projects (both public and private) are identified which will further social, economic and heritage regeneration. These projects are then costed and grant rates are set to maximise public benefit and minimise private gain. The overarching aim is to link projects together and mesh with existing strategies for the area. The bidding process is two-stage. HLF provide up to 50% of the total project costs.
- 2.2 In September 1999, the Heritage Lottery Fund awarded Angus Council a THI development grant of £15k. The grant was used to commission an architect-led

consultancy team to develop a 'Stage 1' THI bid for the centre of Arbroath. Scottish Enterprise Tayside agreed to co-fund the bid. The terms of reference for the study are outlined in Report No. 1197/99.

- 2.3 The Stage 1 bid was successful. The Angus Council/SET partnership was then invited to submit a Stage 2 bid, partly funded by a second, THI development grant of £10k. SET again agreed to co-fund the bid and officers from both Angus Council and SET played an active role in its development. Report No. 1012/00 authorised the Director of Planning and Transport to submit the Stage 2 bid, using the same consultancy team.
- 2.4 HLF have confirmed, in writing, that the Stage 2 bid has been approved, based upon a grant award of £905k, or 50% of the total project cost.

### **3 PROJECT DEVELOPMENT**

- 3.1 A key component of the THI will be a full-time Project Manager. This person will become an employee of Angus Council on a fixed term, five-year contract. The Project Manager will report to the Director of Planning and Transport via the Conservation Officer. Agreement has been reached with Personnel on the salary scale and job outline.
- 3.2 One of the main aspects of the Project Manager's work will be to further community involvement in all aspects of the THI, including deciding on suitable projects and participation in the decision-making processes. In order to develop fully community involvement in the THI the Project Manager will be based in Arbroath. Agreement has been reached on renting office space in the Angus Business Shop in Marketgate.
- 3.3 The role of the Project Manager may be summarised as:-
- development of the project;
  - encouraging community involvement;
  - acting as a point of contact for prospective grant applicants, members of the public, agents, local elected members etc.;
  - servicing the Project Implementation Group and the Steering Group and preparing Committee reports;
  - liaison with HLF, Historic Scotland, SET and other appropriate bodies;
  - management of the project budget (expenditure and income) including all funding claims from HLF, ERDF etc.
- 3.4 Technical, legislative and other support for the Project Manager, will be available through the Conservation Officer as required.

#### **4 SELECTION OF PROJECTS**

- 4.1 Priority will be given to applications for grant for those buildings and sites which help to develop the route between the harbour and the abbey. Particular consideration will be given to projects which have social and economic benefits such as bringing vacant buildings back into use.
- 4.2 The second criterion will be to develop community awareness of, and involvement in, heritage and economic regeneration issues. There is a ring-fenced sum of £720k (including £360k of ERDF monies) within the overall budget of £1.810 million which will be used mainly to fund projects relating to buildings and sites in public ownership. Examples of projects that will be funded through this part of the THI include repairs to the large sandstone wall (Council-owned) which forms part of the boundary of MacKay's Boatbuilders and the erection of a quality boundary treatment to enclose the Abbey Street car park. The latter mentioned project will upgrade the environment around the successful Arbroath Abbey Visitor Centre.
- 4.3 Grant levels for individual projects will vary up to a maximum of 90% for buildings in private ownership and this will be subject to professional 'before and after' valuation. This is to maximise the community benefits of public funds and to minimise any private gain as a result of grant assistance. Buildings and sites in public ownership will be funded on a 100% basis.
- 4.4 The identification of projects was based upon developing the axial route between the Abbey and the Harbour and along the Fit o' the Toon. Within this area, vacant, underused and derelict buildings were identified for targeting of funds.

#### **5 DECISION MAKING**

- 5.1 HLF have requested that the first year projects are clearly set out for their own budgetary reasons. Consequently, there will be little scope to vary the first year projects.
- 5.2 Whilst the bidding documentation, as submitted to HLF, also lays out specifically identified projects in years 2-5 of the THI, and on which the funding bid was based, it is inevitable that new projects will emerge which are as yet unknown. Some projects which have been already identified may not happen. In addition, project selection will be influenced by community involvement in the decision-making mechanisms of the THI. The process and funding arrangements allow for this degree of flexibility.
- 5.3 It is proposed to set up a Steering Group which will meet on a regular basis to review progress, decide on grant awards and related matters. The Steering Group could comprise the Convener of this Committee and the local elected member, plus other elected members together with representatives of the local community. Grant awards will require reports to be submitted to the Planning and Transport Policy Committee for prior approval in order to ensure transparency and accountability, but grant awards, below a certain level, may be delegated to the Steering Group. A biannual report will be submitted to the Planning and Transport Policy Committee.
- 5.4 It must be stressed that community participation is an essential component of the THI. Indeed, this is a requirement of the ERDF funded part of the project which comprises a ring-fenced sum of £720k. Over the five years of the THI, members of the community involved with the project will gain a good insight into the financial,

legislative and heritage aspects of the regeneration process. To that end, a Project Support Group will be established to develop community awareness and involvement in the project.

- 5.5 It is intended to remit the Project Manager to take on a proactive role in developing community involvement by making direct contact with community groups, schools and other appropriate bodies to disseminate information on all aspects of the THI.

## 6 CONSERVATION AREA REVIEW REQUIREMENTS

- 6.1 HLF require all application sites to fall within a designated Conservation Area. The only projects identified in the Stage 2 bid which are not currently within the Arbroath No. 1 Conservation Area are:-

- area around the former Marine Ballroom, Hill Road and Victoria Park Gatepiers;
- Abbey Street car park.

Both of these areas have architectural/historic interest and are worthy of inclusion within the Conservation Area. If they are not included they will not be eligible for grant assistance.

- 6.2 HLF also require an “Article 4 Direction” to be in place to bring certain categories of permitted development within the scope of planning control. This is to ensure that the impact of substantial public investment is not diluted by the cumulative effect of alterations which do not, currently, require planning permission.
- 6.3 Review of the Conservation Area and consideration of the need for an Article 4 Direction are commitments in the Adopted Local Plan (Proposal ENV35 and Policy ENV40 refer). The process would mirror the successful review of the Montrose Conservation Area undertaken in 1998 which also introduced an Article 4 Direction. Proposal ENV36 requires a “Character Statement” to be prepared; this was prepared as part of the Stage 1 bid.

## 7 FINANCIAL IMPLICATIONS

### FUNDING PACKAGE

- 7.1 The financial implications of this initiative are significant with a total package of works amounting £1.810m intended. The funding package is set out below.
- 7.2 There are five funding bodies within the overall package of £1.810 million:-

<b>Funding Source</b>	–	<b>Amount</b>	
		<b>£000</b>	
HLF	–	905	
ERDF	–	360	
Historic Scotland	–	181	(£56k still to be confirmed)
SET	–	182	
Angus Council	–	182	
<b>TOTAL FUNDING</b>	–	<u>1,810</u>	

- 7.3 HLF's formal award letter has been received by the Council and the ERDF application has also been approved (the formal decision being made on 1 February 2002). Historic Scotland have provisionally committed £125k through a "Town Scheme" arrangement and it is likely that a further £56k will be available from another Historic Scotland budget in Year 4 or Year 5.
- 7.4 The residual amount of funding necessary to complete the funding package is, therefore, £364k. SET have expressed interest in sharing these remaining costs with Angus Council on a 50:50 basis, i.e. £182k from each organisation. SET have agreed to set aside £50k in each year of the project which will more than cover their share of the costs, and will also provide some flexibility on funding, if required.
- 7.5 The funding arrangements for the Angus Council contribution are discussed further below

#### INDICATIVE EXPENDITURE & INCOME PROFILE

- 7.6 An indicative expenditure and income profile is shown in the table below. Members are however advised that with the exception of Year 1, where projects and associated costs have been agreed with the funding bodies, the estimated expenditure and income profile over the lifetime of the initiative is **very much indicative at this time**. From Year 2 onwards the expenditure profile and income required to fund it will depend on the outcome of discussions with community organisations, building owners, etc.

Table 1 – Indicative Expenditure & Income Profile – Arbroath Town Heritage Initiative

	Year 1 2002/03 £000	Year 2 2003/04 £000	Year 3 2004/05 £000	Year 4 2005/06 £000	Year 5 2006/07 £000	TOTAL £000
Expenditure on Projects	305	320	444	309	272	1610
Project Manager (incl. Accommodation Costs)	40	40	40	40	40	200
<b>Total Expenditure</b>	<b>345</b>	<b>360</b>	<b>444</b>	<b>349</b>	<b>312</b>	<b>1810</b>
Funding:-						
HLF	168	176	218	178	165	905
ERDF	96	92	96	72	4	360
Historic Scotland	25	25	25	25	81*	181
SET	28	34	52	37	31	182
Angus Council	28	33	53	37	31	182
<b>Total Funding</b>	<b>345</b>	<b>360</b>	<b>444</b>	<b>349</b>	<b>312</b>	<b>1810</b>

\* - £56,000 still to be confirmed

- 7.7 The Committee is advised that regardless of the eventual profile of expenditure and income the total costs will be contained within the funds available. If for any reason income increases or decreases over the life of this initiative expenditure on projects will be adjusted accordingly.

#### ANGUS COUNCIL FUNDING ARRANGEMENTS

The Council's Financial Plan 2001/2005 incorporating the 2002/03 Provisional Capital Budget was approved at the Special Budget meetings held on 14 February 2002. The Planning & Transport Provisional Capital Budget currently includes an

allowance of £250,000 for this initiative as the Council's share of the overall costs. The capital budget also currently assumes differing amounts as contributions from third parties. It will therefore be necessary to adjust the Planning & Transport capital budget to reflect the agreed funding position on this initiative as described above. These adjustments will be made as part of the preparation of the Council's 2002/03 Final Budget Volume.

Given that the expenditure profile shown in the above table is indicative there is a possibility that the Council's contribution in Years 2 to 5 of the initiative could vary slightly from that shown. This is a position which will be managed by the Director of Planning & Transport to ensure sufficient resources are available within the Planning & Transport capital budget to meet the Council's funding obligations in any particular year. The funding provided through the capital budget may however be supplemented from the Conservation Grants revenue budget using CFCR if required.

In addition to the above it may be possible to access funds from the Housing Improvement Grants budget for projects involving domestic properties. In these circumstances it would be possible to either decrease the call on Planning and Transport capital funds allocated for the THI or increase the overall expenditure on the initiative. It may also be possible to utilise funds already intended for planned maintenance to the public areas, highways/footways etc., which would have the same effect. It is intended to discuss this possibility further with the Acting Director of Roads.

#### FURTHER FINANCIAL ISSUES

- 7.8 The costs of the project manager (grade AP5-AP6) including employers costs, supplies, publicity and accommodation costs, are estimated at an average of £40,000 per annum, over the life of the project, and will be met from within the overall funding package of £1.810m. The Project Manager, once appointed, will be responsible for day to day budget management of expenditure and income.
- 7.9 Ongoing maintenance of the infrastructure assets subject to improvement through this initiative will be met by the asset owners which in some cases will be Angus Council. It is however envisaged that these works will in many instances reduce the burden of maintenance to bring about no worse than a cost neutral position in overall terms.

#### **8 HUMAN RIGHTS IMPLICATIONS**

- 8.1 The proposals contained in this report, concerning property which may be privately owned, could have implications in terms of Article 1 of Protocol 1. This gives the right to peaceful enjoyment of possessions and protection of property to all people. However, this right may legitimately be interfered with or limited in furtherance of the broader public benefit to the community at large. Good public consultation and notification of proposals would be required before commencing works if privately owned properties are directly affected. This consultation will also apply to the review of the Conservation Area and the seeking of an Article 4 Direction. Both of the latter processes are subject to statutory consultation under the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 in any case.

## 9 CONSULTATION

- 9.1 The Chief Executive and the Directors of Finance, Law & Administration, Property Services and Roads (Acting) have been consulted in the preparation of this report.

## 10 CONCLUSION

- 10.1 THIs have only been in effect since 1998. They are proving to be an excellent mechanism for assisting the social, economic and heritage regeneration of small towns. For example, THIs are already operating in other small towns such as West Wemyss, Alloa, Beith, Wigtown and Hawick. THIs are currently planned for Wick and Kirkcaldy.
- 10.2 These schemes are particularly useful because of their comprehensive and strategic nature. Before HLF will award funds they have to be convinced that a strategic overview has been taken of the problems within the application area. In addition, HLF require THIs to mesh with other ongoing strategies. Examples of how this could be achieved in Arbroath include building on the success of the Abbey Visitor Centre by upgrading its immediate environment and focusing attention on the harbour area which is currently the subject of other development strategies and on the link between the two.
- 10.3 From a community planning perspective, THIs offer considerable scope for engaging local people in the regeneration process. Indeed this is the central plank of the Objective 2 ERDF application. Given the five year duration of the THI, there is considerable scope to further community involvement in a range of regeneration issues.
- 10.4 In a financial leverage context the benefits to the Council are substantial. Based on current expenditure profiles the leverage ratio is approximately 9:1 (i.e. £1.810 million of investment for a £182k contribution).
- 10.5 Cognisance must also be taken of the multiplier effect of investing £1.810 million over five years. Direct benefits include stimulating the local building industry, assisting local SMEs and the knock-on benefits for related businesses. Indirectly, the THI will build on the ongoing image enhancement of Arbroath and form a significant strand in the wider regeneration strategy for the town centre as well as enhancing community involvement in the heritage regeneration process.

## NOTE

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

- Reports 453/99, 1197/99, 338/00 and 1012/00

AA/PM/IAL/KW  
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