
HAWICK CONSERVATION AREA REGENERATION SCHEME (CARS)

Report by Executive Director EXECUTIVE COMMITTEE

6 November 2018

1 PURPOSE AND SUMMARY

- 1.1 **This report updates the Committee on the progress of the development of a potential Hawick Conservation Area Regeneration Scheme (CARS). It seeks formal approval for a funding bid to Historic Environment Scotland (HES).**
- 1.2 Hawick town centre has declined in recent years with a significant reduction in footfall and a noticeable cluster of vacancies at the southern end of the High Street. There are a number of prominent buildings including the former Liberal Club which have deteriorated and require major external repair works.
- 1.3 A heritage focused regeneration proposal has been developed for Hawick following the model used for other successful heritage based town centre initiatives delivered in Kelso and Selkirk and currently in Jedburgh. The proposal will seek to begin to reverse the decline by conserving and enhancing key properties within the Hawick Conservation Area and act as a catalyst for wider regeneration in the town.
- 1.4 Historic Environment Scotland announced Round 8 of their CARS Scheme in early summer with a deadline of 15 November 2018. Council officers have been developing a proposed for Hawick CARS in consultation with Elected Members as well as representatives of the Community Council, FutureHawick and Hawick Archaeology Society.
- 1.5 The proposal includes a five year programme of works from 2019/20 – 2023/24 with a total Programme budget of £1,935,000 and a Common Fund budget of £1,577,000 from the public sector. The funding application is scheduled to be submitted to Historic Environment Scotland by the required deadline of 15 November 2018. This report seeks formal approval of the submission and match funding from the Council.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee:**
 - (a) **Approves the proposed bid for a Hawick Conservation Area Regeneration Scheme on the basis of match funding contributions from the Council of £157,700 from the existing Revenue budget; and**
 - (b) **Agrees that the funding bid is submitted to Historic Environment Scotland's CARS Programme by the 15 November 2018 deadline.**

3 HAWICK CONSERVATION AREA REGENERATION PROPOSAL

- 3.1 Hawick has seen a marked deterioration in its town centre, with statistics highlighting the socio-economic and environmental decline:
- (a) Average weekly footfall shows a significant decline year-on-year and has almost halved from a high of 9990 in 2008 to current levels of 4680.
 - (b) The retail unit vacancy rate for Hawick town centre was 14% at the last audit in December 2017. The average vacancy rate for the Scottish Borders is 12%. Of the 37 vacant units, many are clustered at the southern end of the High Street. 26 units have been vacant for 1 year and 7 have been vacant for 5 years.
 - (c) Within the historic centre, there are currently 7 'Buildings at Risk' identified on the national Buildings at Risk Register.
 - (d) At least, ten prominent buildings in the core of the town centre are showing signs of significant deterioration. Seven of these have been identified as Priority Buildings and three as reserve Priority Buildings for external repairs under a CARS Scheme.
- 3.2 Using the model for other successful heritage based town centre initiatives delivered in Kelso, Selkirk and currently in Jedburgh, a heritage focused regeneration proposal has been developed for Hawick. The proposal will seek to begin to reverse the decline by conserving and enhancing key properties within the Hawick Conservation Area and act as a catalyst for wider regeneration in the town.
- 3.3 A recent Economic Impact Appraisal for Selkirk highlighted the following positive outputs:
- £2.4 million was invested in Selkirk from 2013 to 2018 including public sector funding as well as private sector investment of £1.33m.
 - The number of properties on the Buildings at Risk Register has reduced from 7 to 2 as a direct result of the Selkirk CARS programme.
 - Over 7,500 people participated in 104 community events, comprising of a wide of education, awareness and training exercises.
 - Average footfall in Selkirk has risen significantly in recent years, from a low of 2090 in 2014 to 2710 in 2016.
 - Vacancy rates have improved significantly. In the last 5 reports (summer 2015-summer 2017) Selkirk has matched or bettered the Scottish Borders' average 4 times at around 11%.
 - Local capacity and business confidence has improved providing a positive platform for the Selkirk BID company to continue with increased marketing and event activity to bring further visitors and footfall to the town centre.
- 3.4 Historic Environment Scotland (HES) announced Round 8 of their Conservation Area Regeneration Scheme (CARS) in early summer with a deadline of 15 November 2018. Council officers have developed a CARS proposal for Hawick in consultation with Elected Members as well as representatives of the Community Council, FutureHawick and Hawick Archaeology Society. Conservation accredited building surveyors Adams Napier was commissioned to undertake building condition survey work and develop indicative costings. The research also included approaching owners of the potential priority buildings to determine interest and consider future development opportunities for each property. This research provides the appropriate evidence and costings of repair work presenting a detailed

programme to HES giving assurances that the scheme is well developed and potentially deliverable.

- 3.5 It is proposed that the CARS Programme will follow the standard Common Fund approach whereby grants are awarded to private sector property owners for building repairs or to appropriate project groups or businesses for heritage education and training activity. For the public realm component, a grant is awarded from the Common Fund to the Council in relation to the uplift in the quality of the materials for the works. Match funding for this element will be sought from the Hawick Flood Protection Scheme programme.
- 3.6 The CARS Programme has a limited budget of £10million with a competitive bidding process. Pre-application discussions for a Hawick CARS proposal have taken place with Historic Environment Scotland and feedback has been positive. Officers are seeking guidance from Historic Environment Scotland with regard to the level of grant request currently being considered for the application.
- 3.7 The proposed Hawick CARS Programme seeks specifically to conserve and enhance the heritage assets within the Hawick Conservation area, particularly focusing on the historic conservation area as well as acting as a catalyst for wider regeneration in the town centre. There are five key elements specific to the proposal (based on the eligibility criteria of the CARS funding):
- (a) Addressing key priority buildings in the town centre particularly around key clusters at the southern end of the High Street with grant support including:
 - 20-22 High Street (Crown Business Centre)
 - 32 High Street (Former Queen's Head pub)
 - 20 Teviot Road (Teviot Mill, former Glenmac building)
 - 80 High Street (former Liberal Club: high street / West section)
 - 24 High Street (former KT Krafts)
 - 26 High Street (former Beauty Lounge)
 - 4 Round Close.
 - (b) Encouraging repairs to other smaller properties with the provision of a general repairs grant scheme to support conservation works. The focus for the general repairs grant scheme will be at two key cluster areas for the first two years of the CARS programme. These cluster areas will be at the southern end of the High Street (around the Priority buildings) and at the 'Horse' end of the High Street around the former Liberal Club, targeting properties which are in particularly poor condition. This is to maximise the overall impact of the grant funding.
 - (c) Undertaking small scale town centre public realm works linked to the Hawick Flood Protection (HFP) Scheme works. The Programme will work in conjunction with the HFP Project team and seek to upgrade the quality of the materials and finishes at three possible visitor welcome points along the River Teviot on route to the High Street. Match funding will be sought from the Hawick Flood Protection Scheme Project.
 - (d) Raising awareness and participation of Hawick's rich history and heritage with a programme of heritage related education and training initiatives. The programme will also include upskilling and employment opportunities in traditional construction skills with the provision of school based learning and work based training.

- (e) Working together to increase the vibrancy and vitality of the town and in particular maximising opportunities in relation to the Flood Protection Scheme, the new Borders Distillery, the Armstrong's redevelopment project, as well as other development opportunities in the town.
- 3.8 The importance of delivering the proposed CARS Programme as part of a wider regeneration approach for the town is a key consideration for Historic Environment Scotland. Helpfully, the Hawick Action Plan provides this overall strategic context so it is important that stakeholders and partners continue to develop and deliver the Action Plan for Hawick.
- 3.9 A bid for funding must be submitted to Historic Environment Scotland by the deadline of 15 November 2018. The bid should confirm any match funding either within the bid submission or as soon as possible thereafter. A further report will be brought to the Council's Executive Committee once the outcome of the bid is known. This is anticipated to be February 2019. If the funding bid is successful, the Programme would commence on 1 April 2019.

4 IMPLICATIONS

4.1 Financial

- (a) The proposal includes a five year programme of works from 2019/20 – 2023/24 with a total project budget of £1,935,000.
£1,419,300 is being sought from Historic Environment Scotland's Conservation Area Regeneration Scheme (CARS) funding with Scottish Borders Council providing match funding of £157,700 of revenue budget with match funding to be sourced from the Hawick Flood Protection Scheme for the small scale public realm works.

(b) **Project Expenditure:**

Project	Amount	% of Total
Historic Environment Scotland CARS:	£1,419,300	73.4%
Scottish Borders Council (Revenue)	£157,700	8.1%
Private Sector Contributions:	£358,750	18.5%
TOTAL	£1,935,000	

(c) **SBC Financial Contribution**

Revenue - The Council will contribute £157,700 towards the Common Fund element over the 5 year period. This will be sourced from existing budgets from within the Economic Development service. A full-time project officer and part-time project support assistant will be recruited to deliver the project; and costs for this have been included in the overall bid. This is a specific requirement of Historic Environment Scotland CARS funding. The project will be managed by the Council's Heritage & Design Team with their extensive knowledge and experience of delivering successful CARS Programmes in the Scottish Borders.

Capital – Budget will be sought within the Town Centre Regeneration block allocation in the Council's Capital Programme to support any works required for property owned by the Council in the town centre as match funding for repair work.

4.2 Risk and Mitigations

- (a) The Proposal allows the deteriorating exterior fabric of key buildings in Hawick town centre to be addressed. The Proposal will incorporate tackling 7 key priority buildings in the town centre as well as a cluster of empty buildings at the southern end of the High Street. If the bid is not successful, there is likely to be further deterioration of these

properties.

- (b) If the funding bid to Historic Environment Scotland is not successful, the Proposal will be reviewed and consideration given to a scaled down or re-phased option focusing on critical priorities.
- (c) If the funding bid to Historic Environment Scotland is successful then it will be necessary to satisfy the external funder's requirement of programme compliance and evaluation including audit requirements. Internal Audit assurance has been provided for the other heritage based town centre initiatives in Kelso and Selkirk with evidence of lessons having been learned; and this will require to be included in future audit plans.

4.3 **Equalities**

The proposal seeks to address priority buildings and public realm elements in Hawick town centre based on their conservation and historic importance. This report highlights a regeneration development proposal and related funding bid. An Equalities Impact Assessment will be carried out at the appropriate stage of implementation to ensure there are no adverse equality implications.

4.4 **Acting Sustainably**

The proposal seeks to address the exterior fabric of buildings and properties in Hawick town centre. As part of the programme of delivery, the works and proposition for each priority building, as well as applications for funding for properties to grant schemes, will need to consider the long term use and viability (including energy efficiency) of each of the properties.

4.5 **Carbon Management**

There are limited effects on carbon emissions from the design and delivery of this proposal.

4.6 **Rural Proofing**

Rural Proofing is not required as the proposal does not relate to new or amended Council policy or strategy.

4.7 **Changes to the Scheme of Administration or Scheme of Delegation**

No changes are required as a result of this report.

5 **CONSULTATION**

- 5.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council have been consulted and their comments have been incorporated into the report.

Approved by

Rob Dickson
Executive Director

Signature

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Background Papers: None

Previous Minute Reference: None

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