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**TRANSFORMATIONAL PROJECTS AND REGENERATION TEAM – LARGE  
SCALE PROJECT UPDATE REPORT**

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**1. EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to update the Environment, Development and Infrastructure Committee on progress of the large-scale, externally funded project work of the Transformational Projects and Regeneration Team, and to highlight key issues that may impact on the successful delivery of projects.
- 1.2 The last update report was considered by Environment, Development and Infrastructure Committee in March 2024.
- 1.3 The team is currently responsible for the delivery and or management of projects and associated grants with a cumulative value of over £45m. Projects the team delivers and associated grants the team manages are listed in **Appendix A**. It should be noted that following completion of each project the team continues to have the responsibility for the monitoring and final drawdown and reporting up until the end of the 12-month defects period or beyond depending on conditions on the respective grant contracts.
- 1.4 From April 2024, The Transformation Projects and Regeneration Team also includes responsibility for delivery of the Council's Rural Growth Deal (RGD) Programme. This follows the merging of this team with the RGD Programme Management Office (PMO) following the retirement of the previous Transformation Projects and Regeneration Manager.
- 1.5 Jonathan Welch was appointed as Interim Transformation Projects and Regeneration Manager in April 2024.
- 1.6 Notification has been received that both Regeneration Capital Grant Funding (RCGF) and Place Based Investment (PBI) funding have been paused for 2024/25 due to budget challenges. The Transformation Projects and Regeneration Team will continue to respond to emerging Government policy decisions and future grant funding opportunities

## **RECOMMENDATIONS**

It is recommended that the Environment, Development and Infrastructure Committee:-

- i. Consider the current progress contained within the report.
- ii. Members are asked to note that the grant funding landscape remains extremely challenging. The Transformation Projects and Regeneration Team will endeavour to identify alternative match funding opportunities for future place based regeneration projects.

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**2. INTRODUCTION**

- 2.1 This report sets out the current position of the large-scale projects, which are being delivered or have externally secured grants being managed by the Transformational Projects and Regeneration Team.
- 2.2 The Transformational Projects and Regeneration Team sits within the Council's Development and Economic Growth Service and works region-wide. The team has a particular focus on 'place', heritage regeneration, the creative industries, renewables and Islands and works closely with colleagues across the Council, communities, third sector organisations, town centre heritage building owners and businesses to realise positive change.
- 2.3 From April 2024, The Transformation Projects and Regeneration Team also includes responsibility for delivery of the Council's Rural Growth Deal (RGD) Programme. This follows the merging of the team with the RGD Programme Management Office (PMO) due to the retirement of the previous Transformation Projects and Regeneration Manager.
- 2.4 Jonathan Welch was appointed as Interim Transformation Projects and Regeneration Manager in April 2024.
- 2.5 The team's work broadly includes the following areas:-
- Developing and submitting bids to secure external funding of various scale through a competitive process, such as the new Heritage and Place Programme previously referred to as the Conservation Area Regeneration Scheme (CARS) programmes;
  - Development and delivery of regeneration projects with a particular emphasis or theme, such as the suite of measures to encourage shopping locally;
  - Development and delivery of several place-based engagement projects, working in partnership with the community and key partners, leading to action plans, such as charrettes, and working with communities to realise these community ambitions;
  - Development of the economic opportunities for Argyll and Bute across Film, Creative Industry and Renewable sectors, with the objective of securing income into the area and delivering local economic benefit, including support to community organisations working across these

sectors. This work also includes the setting up and management of the Argyll and Bute Renewable Alliance (ABRA) with partners in HIE;

- Support to third sector organisations involved in the delivery of their own individual community led economic regeneration projects, as well as support to third sector organisations delivering regeneration focused projects where Council funding is involved and/or where projects align with Council outcomes, such as Regeneration Capital Grant Funded (RCGF) project funding;
- Drafting and submitting external funding bids to competitive calls such as the Island's Programme;
- Development and Administration of the Council's, Strategic Events and Festivals Grants for which 15 grants were awarded under SEF Round 6 (2024/25);
- Overseeing the grant to the Oban 2024 Royal National Mòd (RNM);
- Overseeing the delivery programme and financial administration of projects supported through funding from Scottish Government, such as annual Crown Estate funding;
- Working closely with the SG Islands team and working with colleagues and communities in the development of bids to the Islands Programme (IP) and associated Carbon Neutral Islands funding.
- Development and delivery of projects within the Council's RGD programme.

2.6 This paper also seeks to report on key issues that may impact on the current status of each project, such as any amendments to project scope or timeframe.

2.7 The large-scale projects currently in delivery, either directly by the team, colleagues across the Council or by a third party and where the team is responsible for managing the associated grant, are included within the table in **Appendix A**, and have a cumulative total value of over £45m. The individual projects being taken forward under PBI and CE are not listed individually in **Appendix A**.

### 3. RECOMMENDATIONS

3.1 It is recommended that the Environment, Development and Infrastructure Committee:-

- i. Consider the current progress contained within the report.
- ii. Members are asked to note that the grant funding landscape remains extremely challenging. The Transformation Projects and Regeneration Team will endeavour to identify alternative match funding opportunities for future place based regeneration projects.

## 4. DETAILS

- 4.1 The following sections summarise the progress associated with each of the large-scale projects that are currently in delivery or have grants managed by the Transformational Projects and Regeneration Team. In addition, the report provides information on annual funding streams received by the Council (PBI and CE) and managed by the team as well as annual competitive external funding grants secured and being managed. The individual projects are listed in **Appendix A** with the exception of those individual projects supported through PBI and CE.

### HERITAGE LED REGENERATION PROJECTS

- 4.2 **Rothsay Townscape Heritage Phase 2 (2017 – March 2024) Project Status - GREEN**

Rothsay TH Phase 2 started in 2017 and closed in March 2024. The partnership project was funded by NLHF (£1,888,500), HES (£500k), Argyll and Bute Council (£200k), HIE (£70,249), LEADER (£65,800) and Sustrans (£21,500).

Five priority buildings were identified and comprehensive repairs undertaken. These were:-

- 37 Victoria Street / 1 Tower Street
- 39-43 Victoria Street
- 69-72 Victoria Street
- 73-77 Victoria Street
- The Winter Gardens Discovery Centre

In addition to the comprehensive repairs to priority buildings, additional improvements were supported including:-

- Shopfront restorations to five properties;
- Small grants for work at 18-19 Argyle Street, 8 Tower Street and St Paul's Church (Deanhood Hall);
- Window repair grants to four properties at 12 Argyle Street for the restoration of traditional timber sash and case windows.

Despite the completion of the Rothsay TH project, it is recognised that the job of regeneration and preservation is only partially complete and there remain a number of empty properties in Rothsay's centre, including the Royal Hotel, Albert Pier and the Pavilion. The Transformation Projects and Regeneration Team are actively supporting efforts to address some of these priority buildings including:-

- £9m of RGD funding allocated to Stages 2 and 3 of Rothsay Pavilion.
- Supporting local social enterprise with funding applications to HES, a condition survey and business plan for the Royal Hotel;
- £200k of CE funding allocated for demolition of vacant building on Albert Pier;

#### 4.3 **Dunoon CARS (2017 – July 2023) Project Status - GREEN**

Dunoon CARS, a £2m project is now complete. A fully funded project officer was employed to deliver the project for its duration.

The envelope restoration of 4 priority buildings and 32 shopfronts have been completed.

Working in partnership with Dunoon Community Development Trust, CHARTS, Dunoon Grammar School and Tacit Tacit, a complementary scheme of skills development was successfully delivered with courses and workshops in stonemasonry, woodworking, painting and lime mortar. An additional grant from the Castle Knowledge Trust in 2023, allowed for archaeological geophysical surveys to be undertaken on the Scheduled Monument Castle site in Dunoon.

The Dunoon CARS evaluation report is currently being prepared by consultants to evaluate the impact of the CARS funding in Dunoon and a final audit is being undertaken prior to the project being formally closed down.

#### 4.4 **Helensburgh CARS (2021 – March 2026) Project Status - GREEN**

Helensburgh CARS is a £2.4 million pound project in the third year of delivery. The partnership project is funded by Argyll and Bute Council (£500k) and HES (£1.24m) with owner's personal contributions completing the funding. A fully funded project officer is employed to deliver the project for its duration.

Two priority buildings signed contracts and works will be on site around 19<sup>th</sup> August 2024 with works being completed around Mid April 2025. A tender document for the third priority building is currently being prepared with an expectation of return by Mid February 2024. A fourth priority building has been identified and negotiations are ongoing.

One shop front grant has been completed (November 2023) with owners reporting an increase in footfall. The second shop front works are in progress and will be completed by Mid-September 2024.

Lime mortar courses were delivered successfully on 30/31<sup>st</sup> May 2024 and a further lime mortar course is programmed for 19/20 September 2024. An apprenticeship training programme for a young person is now live on Myjobscotland. This is a two-year contract with SVQ Qualifications on completion.

#### 4.5 **Lochgilphead CARS (2020 – Mar 2026) Project Status – GREEN**

Lochgilphead CARS is a £2.2m partnership project with HES (£969,700) in its fifth year of delivery. The project is due to end in March 2026.

Two priority building projects are almost complete, and work is progressing well on another two. A fifth priority building project is currently being developed.

A number of small repair grant/shopfront improvement projects have been delivered and work is due to start on three shopfront reinstatement projects.

Local stakeholders are benefiting from several traditional skills training courses and educational activities, delivered via the scheme. The next activity planned is a Keeping Warm in Older Homes drop-in event in late September.

#### 4.6 **Hermitage Park, Parks for People (2016 – June 23) Project Status - ORANGE**

The risks regarding the potential location of a skatepark in Hermitage Park has been deemed acceptable and subsequently a letter has been drafted for consideration by National Lottery Heritage Fund (NLHF). Subject to approval by NLHF the project can now proceed with closure and drawdown of the final funding of £100,578. NLHF are the main funder of the project, and had earlier confirmed that locating the skate park in Hermitage Park may breach the purposes of their £2.3m grant. For reference, the final project evaluation highlights were reported to the November 2023 EDI Committee and the Park Manager post ended in June 2023.

#### 4.7 **Tarbert Heritage Regeneration Scheme (TBC) Project status - GREEN**

A new funding stream has been launched called Heritage and Place Programme (HPP). HPP is a competitive fund run by HES and supersedes the Conservation Area Regeneration Scheme (CARS) funding, which HES made available over eight rounds between 2007 and 2019. The Council's Policy and Resource Committee agreed on 16 June 2022 to support the submission of an Expressions of Interest application to HES for the first call of the HPP, and National Heritage Lottery Fund's Grants for Heritage Programme to support the Tarbert Heritage Regeneration Scheme.

Expressions of Interest to both funds were successful, with invitations made to apply for an initial Development Phase. A development application to HES was submitted on 17 November 2022 seeking £40,000, and a further application submitted to the National Heritage Lottery Fund on 15 December 2022, also seeking £40,000. In addition to the £80,000 sought from both funding programmes, the Council have committed £60,000 of match funding to support a Development Phase totalling £140,000. The outcome of both applications were successful and following approval from Full Council on 29 June 2023 a project officer was recruited and the development phase is now progressing in close liaison with the funders and the community.

Due to delays appointing consultants, it is now anticipated that this project will required an 18 month development phase. A report will be brought back to Full Council prior to any delivery phase bids being submitted.

### **WIDER REGENERATION FOCUSED PROJECTS**

#### 4.8 **Tarbert / Lochgilphead Regeneration Fund Project Status – GREEN**

In its 2016/17 budget, Council allocated £3m from reserves to support

regeneration and economic development in the settlements of Tarbert, Lochgilphead and Ardrishaig. 6 projects were identified to proceed to Full Business Case (as ratified by Policy and Resources Committee on 19th October 2017). The following projects are complete:

- Gleaner (Phase 1 only) - completed summer 2019.
- Tarbert Harbour – shore side facilities completed in May 2019, car park completed in March 2021.
- Barmore/Garvel Road junction improvements - completed February 2020.
- Colchester Square/Argyll Street, Lochgilphead – completed May 2021.
- Lochgilphead Front Green – completed August 2022.
- Ardrishaig North Public Realm – completed April 2023.

The only remaining allocation of funding has been relates to a second phase of development on the former Gleaner Oil site in Ardrishaig. There is currently private sector interest in this site and Scottish Canals and Argyll and Bute Council are in negotiations with a potential developer. This has the potential to provide significant inward investment on a number of vacant sites in Ardrishaig.

#### 4.9 Regeneration Capital Grant Funding (RCGF) Project Status – **AMBER**

An update on the current RCGF projects is provided below and is followed by a table of all current grant contract awards (Table 1)

- Kilmartin Museum Redevelopment – following a number of delays the museum reopened in September 2023 following the completion of the construction and fit out works. We are continuing to work with Kilmartin Museum as they work through the final stage of the formal close down of the redevelopment project.
- Port Ellen Community Hub, Islay – a contractor was appointed for the project in March 2023 and works are progressing. It is expected that they will be ongoing until winter 2024.
- Scalasaig business units, Colonsay – Project is now complete.
- Kilmory Business Park, Lochgilphead – work is progressing with M&K MacLeod on the proposed Kilmory Business Park. Works are expected to complete in March 2025.
- Obair Ùr Thirodh Tìree Community Business Hub – Project is now complete. Final RCGF funds to be drawn down in August 2024.
- Kerrera Old School - Project is now complete.
- Ulva Ferry Shore Facilities Building - Doras Caolas Ulbha – A contract was awarded early in 2023 and construction works are progressing, works are expected to complete in August 2024.
- Aros Waterfront Development, Mull – outdoor activity hub – a contract was awarded in January 2024 and works are due to complete in October 2024.
- Nonhebel Light Industrial Park Expansion, Mull – Project is now complete. Final RCGF funds to be drawn down in August 2024.



**Table 1 – RCGF Grant Projects**

<b>RCGF Project</b>	<b>Grant Awarded</b>	<b>Year Awarded</b>	<b>Balance Remaining / Yet to Drawdown</b>
Port Ellen Community hub, Islay	£1,046,223	2021/22	£608,444
Scalasaig business units, Colonsay	£335,000	2021/22	£0
Kilmory Business Park in Lochgilphead	£829,000	2021/22	£829,000
Obair Ùr Thirodh – Tìree Community Business Hub	£565,000	2022/23	£22,309
Kerrera Old School - Community Hub Final Phase	£285,000	2022/23	£0
Ulva Ferry Shore Facilities Building - Doras Caolas Ulbha	£602,590	2022/23	£3,671
Aros Waterfront outdoor activity hub	£403,500	2023/24	£193,295
Nonhebel Light Industrial Park Expansion	£654,000	2023/24	£1,948

The following stage 2 applications were submitted to the RCGF Round 11 2024/25:

- Fyne Futures Local Food Production and Training Centre, Bute
- Isle of Luing Community Owned Slate Quarry

The Council has subsequently been advised that there is no longer budget available to fund RCGF and as such, Stage 2 applications will no longer be progressed. Furthermore, there has been no notification of funding for the 2025/26 financial year, this application process would normally commence during the early summer 2024. It is uncertain if RCGF funding will be available in future years and moving forward, this could be a significant barrier to the Council's ability to fund large scale regeneration projects.

#### **4.10 Scottish Government Place Based Investment Funded projects 2021 – 2024 - AMBER**

When Place Based Investment (PBI) funding was introduced by the Scottish Government, allocations were provided over a five-year period and to date have been received as follows.

- 2021/22 - £821,000
- 2022/23 - £712,000
- 2023/24 - £496,000

Unfortunately indications from the Scottish Government are that the Council's expectations to receive a further £496,000 of funding for the 2024/25 financial year are unlikely to be realised. As yet there has been no formal confirmation of this however, the delay in formal notification will impact the Council's ability to deliver projects which might otherwise have been supported.

Of the 8 projects approved for 2021/22, 7 have been fully completed and 1 is due for completion in 2024.

Of the projects approved in 2022/23, all 6 are fully complete.

The 2023/24 PBI funding of £496,000 is allocated to 8 projects listed below:

- Dunoon Burgh Hall Trust – Phase 2 to enhance outdoor area - £74,500
- Dunoon CARS/LACER approach – flexible fund to support businesses with capital improvements to shopfronts/buildings - £49,500
- Helensburgh CARS Shopfronts - £44,000
- Tobermory Worker Accommodation – £90,000
- Nonhebel Park Phase 2 - £40,000
- Bid4Oban – Shopfronts and Oban Signage - £60,000
- Lochgilphead CARS Shopfronts and high-level amenity project – £100,000
- LACER Shopfronts in Campbeltown - £38,000

All the projects above are progressed to the point that the funding is secured.

#### **4.11 Scottish Crown Estate Revenue Allocation Funding 21/22, 22/23 & 23/24**

In financial years 21/22 & 22/23 & 23/24 the Council has received a total of £4,713,212 and this funding has been allocated to 32 projects. The Council's allocation for this financial year (2024/25) will not be known until approximately December 2024.

#### **4.12 Scottish Government Islands Programme Funded projects 2021/22, 22/23 & 23/24**

The Council submitted 2 bids to the Island's Programme in 2023/24 and successfully secured funding for the following projects:

1. Infrastructure for Worker Accommodation, Tobermory, as part of the Rural Growth Deal - £700,000. Works commenced on site in Spring 2024 and are expected to be ongoing throughout 2024.
2. Tiree Community Care Hub, HSCP, - £450,000. Works have commenced.

In June 2024, we received notification of the Islands Programme funding round for 2024/25. The budget has been reduced to £3m and again a competitive funding process has been put in place. A separate paper has been presented to the August Policy and Resources Committee outlining the projects which are being promoted for funding and further information is included in Table 2.

#### **Table 2 – Proposed Islands Programme Funding Bids 2024/25**

<b>Project Name - description</b>	<b>Project Lead</b>	<b>IP funding request</b>	<b>Total project value</b>
Thomson Court – increase capacity of care facility by 2 bed spaces	HSCP	£390,000	£900,000
Jura Ferry – concept design for new vessel	Roads and Infrastructure Services	£300,000	£300,000
Jura Ferry Bunkhouse – conversion of Port Askaig pier building into crew bunk house	Roads and Infrastructure Services	£80,000	£748,000

It is expected that a decision on these applications will be made in Autumn 2024 with financial commitment of expenditure to be in place before the end of the financial year. These timescales are extremely challenging and projects therefore require to be suitably developed in order to be eligible for funding, in particular the deliverability criteria.

In addition to the Island's Programme, a £1m Carbon Neutral Island Capital Fund was announced to support those islands previously included in the Carbon Neutral Islands Programme. This funding will support communities to implement their Climate Action Plans. Islay is one of 6 Scottish islands included in the Carbon Neutral Island's Programme and the Transformation Projects and Regeneration Team have been supporting Islay Energy Trust with funding applications for the projects identified in Table 3 below:-

**Table 3: Proposed Carbon Neutral Islands Funding Bids 2024/25**

<b>Project Name - description</b>	<b>Project Lead</b>	<b>CNI funding request</b>	<b>Total project value</b>
Solar Islay – a project to install photovoltaic solar panels on 7 community buildings	IET	£246,444	£246,444
Cornabus Forest Development – purchase of equipment to process wood fuel, tree nursery and community orchard	Islay Development Initiative	£142,285	£354,116
Electric minibuses – purchase of 2 electric vehicles to facilitate community transport	IET	£82,932	£149,282

#### 4.13 Scotland Loves Local Projects Oct 21 - 2024

Argyll and Bute Gift Card - The gift card for Argyll and Bute formally launched in October 2021. To date, over 325 Argyll and Bute businesses have registered to accept the card as a means of payment for goods and services. At the full Council

meeting of 28<sup>th</sup> April 2022, members agreed to commit a share of the Local Authority COVID Economic Recovery (LACER) Fund to the Gift Card. The approved options were:-

- Issue Scotland Loves Local Gift Card to households in receipt of Council Tax Reduction Scheme - £797,720;
- Fully fund Gift Card for 2022/2023 into 2023/2024 - £30,000;
- Marketing budget to promote the Gift Card.

The roll out of the LACER funded Scotland Loves Local Gift Card began in December 2022 and was sent out to 6,800 eligible households in Argyll and Bute. In addition to this, the Council issued a further issued 1,244 cards worth just under £150,000 in total to eligible islands households to help low-income households with the ongoing cost of living. In November 2023, 1,200 cards were given to households in receipt of council tax reduction on the islands to the value of £85.

The marketing budget has funded the creation of 6 promotional films, to promote business registration, help awareness of the card and showcase local areas. The promotional films were successfully shared across social media platforms and can be viewed on the Council's YouTube page: [ArgyllandButeCouncil - YouTube](#). A social media promotion campaign is being planned to coincide with Scotland Loves Local Week which runs from August 26<sup>th</sup> to September 1<sup>st</sup> 2024.

In July 2023, the Council piloted its first sales point for the Argyll and Bute Gift Card at Keeping it Local, Campbeltown. In December 2023, the second sales point for the Gift Card was established in the Lochgilphead Post Office (also know as the Bank Store), Lochgilphead. Cards can be purchased in-store from £5 and spent within over the 325 businesses across the area.

Inclusive of the LACER funded cards, as of 17 January 2024, a total of **8,932** cards have been purchased to the value of **£957,225**.

## **5. RURAL GROWTH DEAL**

- 5.1 From April 2024, The Transformation Projects and Regeneration Team also includes responsibility for delivery of the Council's RGD Programme. The RGD will deliver £50m of investment from the Scottish and UK Governments for projects that are a driver for inclusive and transformational economic growth across the region. The Council and key delivery partners will also provide a minimum of £20m of match funding throughout the 10-year Deal programme.
- 5.2 The Council, UK and Scottish Governments agreed the 'Heads of Terms' for the RGD on the 11th February 2021. The Heads of Terms Agreement sets out the general areas for investment and the Full Deal Agreement builds upon this in more detail.
- 5.3 Signing of the Full Deal Agreement is the next key milestone for the RGD programme and this was scheduled for 7th June 2024 however required to be postponed at short notice due to the UK General Election. The RGD PMO are

liaising with Civil Servants at both the UK and Scottish Government to agree a revised date for Full Deal Signing. It is considered that this will take place in September 2024.

- 5.4 Following signing of the Full Deal Agreement the Council will enter year 1 of a 10 year programme of delivery. The Rothesay Pavilion project represents the majority of the first 2 years of RGD funding draw down and the Council are currently working to secure a conditional funding endorsement from Central Government for £9m of RGD funding towards the costs of Stages 2 and 3 of this project. It is hoped to award contracts for the remaining construction stages by September 2024.
- 5.5 Table 6 sets out details of all projects currently included in the RGD programme and the proposed split of funding from Central Government. It should be noted that projects require endorsed Treasury 5 Full Business Cases in advance of any funding drawdown from the RGD programme. The RGD PMO are currently working with project partners to progress business cases on all RGD projects.

**Table 6 – RGD Project Summary**

Project Name		Funding Committed	UK Government	Scottish Government
Tourism	Rothesay Pavilion	£9m	£4.5m	£4.5m
	KSS	£2m	-	£2m
Creating a low carbon economy		£3m	£1.5m	£1.5m
<b>Rural Skills Accelerator Programme</b>				
Dunoon STEM Hub		£2.5m	-	£2.5m
SAMS STEM Hub		£2.5m	-	£2.5m
Business Skills		£0.5m	-	£0.5m
Built Environment Argyll College UHI		£1.5m	-	£1.5m
Housing		£3m	-	£3m
CEIC		£7m	£7m	-
UAV Logistics & Training Hub		£4m	£4m	-
<b>Marine Aquaculture Programme</b>				
Machrihanish Innovation Campus		£3.84m	£3.84m	-
SAMS International Seaweed and Shellfish Industry R&D Centre		£3.33m	£2.33m	£1m
Marine Industry Training Centre		£7.83m	£1.83m	£6m
<b>Total Funding</b>		<b>£50m</b>	<b>£25m</b>	<b>£25m</b>

## 6. CONCLUSION

- 6.1 This report provides an update to the Environment, Development and Infrastructure Committee on progress with large-scale, externally funded project work being delivered by the Transformational Projects and Regeneration Team.

- 6.2 The projects and grants detailed within this report will result in assisting the economic recovery of Argyll and Bute, helping to sustain numerous small businesses, community organisations, making our places more investor ready and improving our towns and villages as places to live, work and visit.
- 6.3 From April 2024, The Transformation Projects and Regeneration Team also includes responsibility for delivery of the Council's RGD Programme.
- 6.4 Members are asked to note that the grant funding landscape remains extremely challenging and the Transformation Projects and Regeneration Team will continue to respond to emerging Government policy decisions and future grant funding opportunities.

## **7. IMPLICATIONS**

- 7.1 Policy - The delivery of these projects fits with the Council's Corporate Plan, Argyll and Bute Local Outcome Improvement Plan and the Economic Development Action Plan. The economic outcomes from this project will contribute to the Government's Economic Strategy.
- 7.2 Financial - All funding has been approved for the projects detailed in the report. The funding comes from the Council and from external funding sources some from highly competitive processes. We will continue to review costs and assess budgets.
- 7.3 Legal - Each project will have differing legal and procurement requirements depending on the grant funder and the associated grant contract conditions and we are working closely with colleagues to identify the support required and to allow this to be factored into future work plans.
- 7.4 HR - The resources required to deliver the projects will be continually monitored. The management of these externally funded projects as well as the management of the Council, PBI, CE and IP and RCGF grants requires a significant amount of resources from the team to ensure that all the necessary due diligence and financial management is undertaken and the risk is minimised to the Council.
- 7.5 Fairer Scotland Duty:
  - 7.5.1 Equalities - protected characteristics – None.
  - 7.5.2 Socio-economic Duty – None.
  - 7.5.3 Islands – None.
- 7.6 Climate Change - It is an ambition of our project work to work towards net zero by adopting a carbon conscious approach throughout.

- 7.7 Risk - Construction projects by their very nature are challenging given issues that can arise relating to site conditions, managing contractors/the design team and associated budgets and meeting funder's requirements. The effects of Covid-19 and the current cost of living crisis has added even more challenges both in regard to the development/delivery phases of projects. We continually seek to minimise the risk through strong project management processes, however until the projects are fully delivered on site there remains a risk. Other areas of risk relate to the potential for limited uptake in regard to CARS/TH grants and also over-run on costs for third party projects. In regard to the latter this is a high risk particularly as the Council is not the responsible body for the projects or their delivery on the ground. The setting up of regular benefits realisation group meetings and building good working relationships with the third parties assists in identifying where issues may arise and where additional support may be required. Covid-19 and the resulting impact on the construction industry and costs is an additional risk to the delivery of these projects and we are reviewing all costs and working with funders to minimise the impact and manage the risk as much as we can.
- 7.8 Customer Service – None.
- 7.9 Rights of the Child (UNCRC) – None.

**Kirsty Flanagan, Executive Director with responsibility for Development and Economic Growth**

**Leader of the Council, Councillor Jim Lynch**  
**Policy Lead for Business Development: Councillor Math Campbell-Sturgess**

August 2024

**For further information - please contact:**

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**Appendices:**

Appendix A – List of Council and Third Party projects that the team is either responsible for delivering directly or for managing the grants given by the Council to a third party organisation.

## APPENDIX A - LIST OF COUNCIL AND THIRD PARTY PROJECTS

Council & Third Party Regeneration Projects	Project Value	Council Funding Contribution	External Funding secured by ABC	Delivery Start	Delivery End - (Excludes 12 month defect and monitoring period)
Dunoon CARS	£1,949,965	£500,000	£1,002,348	2017	2023
Rothesay TH2	£3,244,856	£200,000	£2,508,781	2017	2024
Tarbert Lochgilphead Regeneration Fund (Includes TCF Grant)	£6,666,112	£3,140,000	£2,473,534	2018	Ongoing
Hermitage Park (Includes TCF and PBI Grant)	£3,932,314	£553,317	£3,378,817	2016	2023
Kilmartin Museum RCGF & Council Grant	£7,663,403	£400,000	£275,000	2019	2023/24
Port Ellen Community hub, Islay RCGF grant	£1,570,259	£0	£1,096,223	2021/22	2024
Scalasaig business units, Colonsay RCGF grant	£480,481	£0	£335,000	2021/22	2024
Kilmory Business Park in Lochgilphead RCGF grant	£1,980,000	TBC	£979,000	2021/22	2024
Lochgilphead CARS (Includes 22/23 PBI Grant)	£2,200,782	£750,551	£1,269,731	2020	2026
Helensburgh CARS	£2,400,000	£500,000	£1,240,000	2021	2026
Events and Festivals grants	£114,700	£114,700	-	2024/25	2024/25
Royal National Mòd (provisional)	£45,000	£45,000	£0	2024/25	2024/25
Place Based Investment 21/22*	£260,000	£0	£260,000	2021/22	2022/23
Place Based Investment 22/23**	£259,000	£0	£259,000	2022/23	2022/23
Placed Based Investment 23/24	£496,000	£0	£496,000	2023/24	2023/24
Crown Estate Funding Award 21/22	£1,634,604	£0	£0	21/22	Ongoing
Crown Estate Funding Award 22/23	£1,488,199	£0	£0	22/23	Ongoing
Crown Estate Funding Award 23/24	£1,590,409	£0	£0	23/24	Ongoing
Obair Ùr Thirodh – Tìree Community Business Hub - RCGF Grant	£1,190,000	£0	£605,000	2022	2024
Kerrera Old School - Community Hub Final Phase - RCGF Grant	£548,424	£0	£285,000	2022	2024
Ulva Ferry Shore Facilities Building - Doras Caolas Ulbha - RCGF Grant	£652,590	£0	£602,590	2022	2024
Islands Infrastructure Fund 21/22	£201,419	£0	£201,419	2021/22	2023/24



<b>Council &amp; Third Party Regeneration Projects</b>	<b>Project Value</b>	<b>Council Funding Contribution</b>	<b>External Funding secured by ABC</b>	<b>Delivery Start</b>	<b>Delivery End - (Excludes 12 month defect and monitoring period)</b>
Scotland Loves Local	£46,000	£0	£46,000	2022/23	2024/25
LACER Fund	£40,000	£0	£40,000	2022/23	2023/24
Islands Programme 22/23 - Island Community Halls Digital Hubs	£100,000	£0	£100,000	2022/23	2023/24
Islands Programme 22/23 - Tobermory Seawall and Railings (also PBI)	£450,000	£0	£450,000	2022/23	2023/24
Aros Waterfront outdoor activity hub – RCGF Grant	£414,565	£0	£403,500	2023/24	2024/25
Nonhebel Light Industrial Park Expansion – RCGF Grant	£1,004,000	£0	£654,000	2023/24	2024/25
Islands Programme 2023/24 - Rockfield Road, Tobermory Phase 1 (also PBI and Crown Estate)	£1,105,796	£250,000	£855,796	2023/24	2024/25
Islands Programme 2023/24 - Tiree Care Home	£1,250,000	£580,000	£450,000	2023/24	2024/25
Tarbert Heritage Regeneration Scheme – Development Phase	£140,000	£60,000	£80,000	2023/24	2024/25
<b>Total</b>	<b>£45,118,878</b>	<b>£7,093,568</b>	<b>£19,758,139</b>		

\* See separate 12th August 2021 Policy and Resources committee report for proposed breakdown of projects and values. The full award was £821,000.

\*\* Full award for 22/23 was £712,000. This figure has had the £200,000 awarded to Lochgilphead CARS deducted. See separate 16th June 2022 Policy and Resources committee report for proposed breakdown of projects and values.