

## Campbeltown THI Stage 2 Submission

23 January 2009

Ref	Project Monitor's Comments- on Final Draft	Response
1	<p><b>General</b></p> <p>There are fundamental issues with the Stage 2 submission which require to be addressed - not least the proposed increase in the common fund and the resultant funding gap and the significant shifts in approved purposes between the two stages.</p> <p>The technical elements of this Stage 2 submission in terms of the costings, condition survey etc are all well presented and extremely detailed, meeting HLF's requirements.</p> <p>The submission itself however does not "hang together" particularly well. There are inconsistencies in figures presented in different sections and the narrative is at times somewhat confusing. In particular, there seems to be a blurring of conservation management plan into the more specific THI proposals in terms of management, training, community engagement etc which contradicts or adds to proposals elsewhere in the submission. Someone needs to read the whole submission through again thoroughly to ensure that there is consistency throughout and that the proposals for the running of the THI - from management to training initiatives to community engagement etc - appear where they make most sense and are not hidden away in an appendix. An example of this is the excellent training plan which is provided in full in Appendix 03_05 the proposals from which are not done justice in any part of the main submission.</p> <p>As a general point, which is discussed in more depth below, the overlap, management and joint benefits of the THI, CARS, CHORD and town centre regeneration schemes are not adequately considered. It is not enough to look that the THI in isolation.</p>	<p>The socio-economic chapter has been amended to include the most up to date statistics available (from A &amp; B Council) and some further explanation as to why the earlier studies remain relevant and have been adopted by the Council.</p> <p>Section 4.01.03 gives some detail of the set of integrated strategies and demonstrates how the THI fits with these.</p> <p>A new section had been added as an introduction to section 1.00 to try and explain the complex relationship between the various initiatives and the work to be carried out by the Town Centre manager.</p> <p>The Training plan now appears as Section 3.05</p>

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	<b>Additional key issues identified in the Stage 1 award letter</b>	
2	In terms of addressing the additional key issues which were identified at Stage 1 by HLF, the submission goes a long way to achieving this. In particular Stage 2 has presented a holistic strategy for the THI rather than a building by building approach. The proposals to actively involve the building owners and business community are also well developed.	
3	There are innovative proposals to encourage proactive building management by owners although this does not appear to include log books as a condition of grant as was suggested in the offer letter.	<a href="#">Log books - added a phrase at 3.04.10</a>
4	The proposals for use of the Town Hall were to include the possibility of public uses that complement Aqualibrium. To an extent the proposals put forward are for additional public use of and access to the Town Hall but there is no explicit link to Aqualibrium. As I did not undertake the Stage 1 assessment I am slightly unclear why this was set out but I assume that it was to ensure that the facilities in/uses of the Town Hall were not in direct competition to what is already available at Aqualibrium. It would be useful if the level of any potential competition between the two buildings could be examined and explained.	<a href="#">There will be no direct competition here.</a> <a href="#">Text added in Section 4 to expand on this</a>
5	Where the submission does not fully meet the special development issues is in the provision of feasibility studies and business plans for the Old Courthouse and (to a lesser extent) for the Old School House. The feasibility study for the Old School House is detailed and includes an options appraisal, basic market assessment and costings but it falls short of explaining how the project will actually be delivered and fully funded. The projected viability of the project over a 5 year period has been provided for the favoured option showing a surplus however it is clear that this is first much a best guess situation given the level of development work which has thus far been undertaken. Management and other operational issues have yet to be considered. While the work to date on this project may not fully meet the requirements of the Stage 1 award, I feel that there is sufficient information to at least take it forward.	<a href="#">Courthouse placed on reserve list - the Courthouse is retained in the general analysis and descriptions as it remains an important historical and architectural building.</a>  <a href="#">There has been a Leader bid made for the Old Schoolhouse</a>

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6	<p>Unfortunately the same cannot be said for the information provided on the Old Courthouse. This is much more rudimentary and the lack of detail means that the project can only be considered as exceptionally high risk - a viable end use has yet to be identified. A considerable amount of detailed work is required to come anywhere close to meeting the requirements of the Stage 1 offer. From talking to Alan I understand that progress has been made - this needs to be reflected in the final submission to justify the project's inclusion in the THI.</p>	<p><a href="#">Courthouse placed on reserve list</a></p>
	<p><b>Section 1: Managing the scheme</b></p>	
7	<p>The practical management of the CARS scheme alongside the THI is not explained at all in terms of project management and this is a real weakness. There needs to be a full explanation of how the jointly funded projects will be funded, responsibilities etc. Also the relationship between THI/CARS and the town centre regeneration programme (CHORD?) and the associated manager needs to be spelt out. As it stands there seems to be a lot of scope for duplication and confusion. This is really important for the final submission.</p>	<p><a href="#">See above - section added to explain this</a></p>
8	<p>The qualifications/skills etc required of the project officer appear appropriate although I would suggest that the job spec is more specific about how the roles work alongside the CARS officer and the town centre regeneration manager. What is the proposed salary for this post? How will recruitment be targeted? The post being half time would seem to be sufficient given the time commitment of the conservation manager to be in Campbeltown and to assist at least 2 days per week - it will be important that the THI officer and conservation manager are there at the same time given that the former's post is only half time. Fergus - what is your likely time input into the project once operational?</p>	<p><a href="#">Amended</a></p>
9	<p>On decision making - will all grants no matter how small have to go through the steering group? Will the conservation manager/THI officer have no delegated authority? How will this work in practice if the group only meets on a quarterly basis?</p>	<p><a href="#">No, the limit will be set at £5,000 for the delegated authority. Meeting quarterly should not present any difficulties and a special meeting of the Steering Group can be called at any time to discuss important issues.</a></p>

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10	There is note on page 7 that a simple grant process has been developed through CARS - a copy of this should be included if it is being proposed for the THI - ditto with forms.	Examples of the forms and explanatory notes are included in Appendix 01_05.
11	The proposals for the final application pack include a number of leaflets which will be completely irrelevant to the majority of the projects - does this not confuse prospective applicants? The list also seems to omit information on what projects and costs within projects are eligible for THI funding, the criteria applied for decision making etc. The clawback element of any grant should also be explained at the application stage.	See above
12	In the Conservation Management Plan there is a section on future heritage regeneration in the THI area. Frankly this confuses things as there are a number of proposals which do not appear in Section 1 which is meant to about project management. This needs to be reviewed and the full details for project management for the THI (and its relationship with CARS, CHORD etc) need to be clearly stated in Section 1. I am unclear why there is a detailed section on project management (and various other issues) within the conservation management plan when these appear to be related most directly to the THI rather than the CMP.	I'm not sure how to respond to this - the CAMP is meant to be a stand-alone document that will have a longer life than the THI project. It has been adopted by the Council and when the THI is wrapped up, the policies for the care and protection of the CAA will remain. By necessity it must, therefore contain recommendations and proposals that go beyond the life of the THI. At the same time the THI provides funding, and an immediate management structure to actually implement many of the proposals, therefore they belong in both.  I have added section 1.03.04 to try and set this out.
13	The Council is aware that there have been real concerns over project management of the THI. This is therefore a crucial section which should layout clearly exactly what is being proposed and what the relationships (management and otherwise) will be with the other key schemes in Campbeltown with which there is significant cross over	Section 1 updated.
	<b>Section 2: Researching and identifying the area's needs</b>	
14	The consideration of the area's social and economic needs is really disappointing. All that has been done is to take chunks from the various (some outdated) reports which are in the appendices and list them. There is no obvious attempt to draw conclusions from the different reports or to identify the key issues for the town	Section amended and up to date statistics inserted.  Things are being achieved - Fergus Murray notes the following, however some of the projects are, at present, confidential  Aqualibrium built at a cost of over £7million

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	<p>which the THI will seek to address. This is done to a limited extent later in the section (2.04) and later in the action plan (section 4) but overall these are weak. Also more up to date statistics must be available than some of those being quoted. This needs to be pulled together into something which is meaningful rather than simply going through the motions which is how it appears just now. This section needs to reflect what is happening now - what the various regeneration projects which are active or are about to be active in Campbeltown are achieving and how these along with the THI will effectively address the area's problems.</p>	<p><b>CARS underway and spending its allocation</b>  <b>The new investment for renewable energy has been secured (confidential)</b>  <b>The ferry to Ballycastle with a link to Argyshire will be launched in the summer (confidential)</b>  <b>CHORD has awarded £6.5 million</b>  <b>Kintyre action Plan has been approved</b></p>
15	<p>The property market review is similarly rather weak although I accept that there is little current activity. Actual examples of residential and commercial property values and how these compare to other towns (like Oban etc) should be provided to illustrate the scale of the problem. If these are difficult to get hold of for the most recent periods due to a lack of transactions, it would be useful at least to provide historical information.</p>	<p><b>Received DV's overview and have included this in Section 2.01.03</b></p>
16	<p>The section which looks at the area itself is good - detailed and thorough. It's probably just me, but it seems unclear at times if there is a proposal for the THI area to be extended to reflect the proposed extension to the conservation area?</p>	<p><b>The THI always included the Longrow area - however this wasn't within the Conservation Area until the Council adopted the revised boundary in Feb 2009 to regularise the matter.</b></p>
17	<p>The section on assessing the heritage need requires to be revised reflecting the comments above on the socio economic side but it does set out clearly what steps have been taken in terms of the condition survey etc.</p>	<p><b>I think the heritage need in so far as it can be seen to be a reflection of Campbeltown's declining fortunes over the last 100 years is well developed and presents a good case.</b></p>
18	<p>Something which I will come back to is the classification of three of the projects as "critical". The THI guidance is clear on the definition of what makes a project critical (1.4.3 of the guidance). These are projects which if not delivered would mean that the THI would have failed. Grants from the common fund for these projects are effectively ring fenced which means you can't use it for other projects unless the critical projects have been delivered. We also discussed this at our last meeting. Having spoken with Alan this appears to be a problem of terminology as these are considered by the team as the most important of all the projects for the THI. I do not consider that they are critical as defined by HLF and</p>	<p><b>Courthouse now in reserve</b>  <b>Changed to "Key" with Old Courthouse noted as a reserve project. The fact that the scheme is not sufficiently developed doesn't reduce its architectural and historical importance, therefore it should be retained in all the descriptions, analysis, etc.</b></p>

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	<p>very strongly suggest (again) that you do not call them this or you will end up with a very high percentage of the common fund effectively frozen unless these projects can be delivered - particularly in the case of the courthouse this would be an extremely high risk strategy.</p>	
19	<p>12 "target" buildings are also identified which could attract significant grants and two priority areas for smaller grants. I am assuming that this could be tied back to what is done in other THIs with the 3 "critical" projects in effect being Priority 1 for major grants and "target" buildings being Priority 2 for major grants with the smaller grants being targeted on the two main areas of the town centre which are identified as priorities. I would be grateful if this could be confirmed and if so that this is better reflected in the Stage 2 bid.</p>	<p>Actually, the costs assume that only 50% of the projects will proceed -James has clarified which ones are most likely, and those which aren't (two have been removed from the costings) but I think that we have identified a good list and established a budget</p>
20	<p>It is unclear from the information provided what the scale of multiple ownership is within the currently designated target buildings. Multiple ownership obviously has an impact on the deliverability of projects and it would be useful to know to what extent that may be a problem in Campbeltown. Also, have the owners of the target buildings been approached to determine their interest in the scheme and their potential ability to participate.</p>	<p>The target buildings have only a few in multiple ownership and James has worked hard to bring owners on board in these cases. This is set out in Section 4.00 - delivering the Action Plan (4.07)</p>
21	<p>Grant rate levels are suggested as 75% for critical projects and 80% for all others. It looks as though these will be applied to conservation deficit calculations where appropriate which is fine. In the current economic climate I would agree that these high grant levels would be more likely to be acceptable to owners. <b>It must be noted that for vacant properties, a grant can only be offered if a viable end use has been demonstrated and there is a proven unfulfilled demand for such properties within the THI area. Also the THI fund cannot be used simply to make buildings wind and water tight in the hope that development will take place at a later date.</b></p>	<p>James has the information for this and evidence of demand from the letters submitted - see CD enclosed with application. There is a demand for flats and these make up most of the target buildings most of which are occupied to some extent.</p>
22	<p>My real problem with the way in which the costings and financial need has been calculated is that the QS has included every aspect of the buildings which could be improved. This has resulted in extremely high project costs for individual projects. This does not seem to prioritise the works which are most urgently</p>	<p>The QS has based costs on Michael Thorndyke's condition survey together with an on site appraisal of the buildings. It was agreed at the February meeting that the aim of the THI was to bring about comprehensive improvements to the selected properties and that a piecemeal approach to</p>

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	<p>required and would have the most impact in terms of the objectives of the THI. We did urge at the meeting in October that a prioritising exercise was undertaken but this doesn't seem to have happened. We will discuss this and the impact on funding required at the meeting on 3<sup>rd</sup> February.</p>	<p>work, eg windows only here, roof there was not an option.</p> <p>The QS costs are based on experience and local conditions but may be conservative and (ie on high side) and will not take into account recent tender trends (falling) however they establish an order of costs.</p> <p>The process has involved dividing the buildings into a set of ranked priorities, ie Key bdgs, then Target Buildings, Then areas by order of priority.</p> <p>Assessments have been made about likely take-up, but in effect the process sets budgets for each of the categories and the THI Team will have to seek to work to these, although some flexibility is build in.</p>
	<p><b>Section 3: Conservation management plan</b></p>	
23	<p>Was the conservation management plan adopted by the Council at the January meeting?</p>	<p>Both the Conservation Appraisal and the Management Plan were approved by the MAKI committee and the Conservation boundary change in its February meeting</p>
24	<p>I feel that the CMP perhaps goes into detail in areas which are not usually required and is broader than the stated need which is to develop a management plan for the conservation area which sets out the measures which will be put into practice to make sure that the benefits of the THI are maintained in the longer term. This one seems to get hung up on the details of the THI during its implementation etc rather than what will be done to ensure that the benefits are not lost when the project ends. I realise that this is difficult and that clearly what happens during the THI has an impact, but the inclusion of sections on THI management, training etc (sometimes contradictory to what appears elsewhere in the Stage 2) confuses matters. This whole section needs to be reviewed in the context of the rest of the submission to ensure that everything ties in and that there is not too much repetition - where it is felt that repetition is appropriate, the facts should at least be consistent.</p>	<p>See response on section 1.00 and revised introduction to Section 1.00.</p> <p>The CAMP in the appendix sets out the recommendations for the long term management of the whole CA, while section 3.00 of this document attempts to extract those elements that are relevant to the specific THI area.</p>
25	<p>Basically sections 3.01 to 3.04 are great.</p>	

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26	From 3.05 onward a detailed review and revision is needed as a minimum to reflect what is being proposed elsewhere in the submission and preferably to reflect the longer term plans for the conservation area and narrower THI area.	<a href="#">Explained in new introduction to Section 1</a>
27	One specific question - on page 71 it is implied that there may be bank support for owners seeking funding to contribute towards their personal contributions to the grants - in the current climate is that still likely?	<a href="#">Reference deleted</a>
	<b>Section 4: Action plan</b>	
28	The section on integrated strategies is weak and once again seems simply to list initiatives but says nothing about how they all tie into each other and in particular to the THI. CARS isn't even mentioned. This needs to be reviewed in light of previous comments about Section 2 and also given the need to show how everything is likely to work together to address regeneration.	<a href="#">Again my colleagues are looking at this we need to mention CARS</a>
29	In terms of the vision of the THI section 4.1.5 suggests that the Yellow Book vision is the THI vision - is that correct? Or is the vision for the THI what is stated on page 77 as the aims i.e. <i>"..to retain, conserve and regenerate the historic character and buildings within Campbeltown Town Centre in order to support the local economy and reinforce the social fabric of the town"</i> . That certainly seems far more appropriate and assuming that it is the "vision" it should be flagged up as such.	<a href="#">Vision amended</a>
30	The strategic regeneration themes are good and appropriate and reflect the objectives of many of the other initiatives as well as those of the THI. Theme 1 "Investing in the unique identity of Campbeltown" is fine but with some of the others there are elements of the proposed actions/projects which I would doubt are eligible for THI funding from HLF's contribution although other funders within the common fund may be able to contribute. This is something that we can talk about in detail with Caroline at the meeting on the 3 <sup>rd</sup> - I will forward her the relevant parts of the submission before then.	<a href="#">Section added to explain how the themes tie in with the wider regeneration strategies.</a>
31	I have commented on the proposals for the specific buildings in section 2 above.	<a href="#">Noted</a>

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	<p>Please note again that vacant properties must have a demonstrated viable end use (and preferably user) to be eligible - this applies to all buildings including shop fronts. I would suggest that where this is an issue you look to other funders within the common fund such as HS to support such projects. I think that the assumptions made on take up of the grants between the various critical and target projects looks sensible although based on what has been provided to date I have serious doubts over the deliverability of the courthouse. I understand however that there has been recent progress and this needs to be reflected in the final submission. I am also a bit dubious based on previous experience with THIs across Scotland that 7 vacant floorspace projects can be delivered, particularly in the current economic climate and reflecting the fact that grant eligibility is reliance on a demonstrated viable end use.</p>	
32	<p>The training section needs to reflect far more thoroughly the really good work which has clearly been done and which is included in the appendices. There are specific courses which are directly relevant to the THI which are not shown within the action plan but which would make the proposals far more appealing rather than the table which is included at pages 89/90. This is a really positive part of the bid but all the good bits are hidden away just now and need to be brought forward. The bit on monitoring and evaluation could perhaps be beefed up a bit?</p>	<p><a href="#">See above</a></p>
33	<p>There are issues with the figures used throughout sections 4.05 and 4.06 with inconsistencies and incorrect allocations which make what has been presented very difficult to follow. I have asked Alan to try to have a look at these before he goes on holiday. In any event the real problem seems to be that there is quite a significant funding increase from what was agreed with HLF at Stage 1. Clearly the HLF contribution towards the total costs is fixed and while additional funding sources have come on stream there is still a funding gap. This needs to be discussed at the meeting on the 3<sup>rd</sup>. We need full information about what may or may not be in the pipeline.</p>	<p><a href="#">Figures revised</a></p>
34	<p>In terms of the CARS scheme - how much of the funds shown have already been</p>	<p><a href="#">See note at end of funding section.</a></p>

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	<p>spent and how much more is already allocated? Again, I must say that the lack of information on how the two schemes will run together is alarming and it is vital that this is addressed.</p>	
35	<p>It is important that the action plan considers in more detail how the funding from the various different contributors to the common fund will be allocated. Clearly HLF will contribute different percentages to the various categories shown on page 95 as will the other funders. This needs to be set out more explicitly for the final submission.</p>	<p><b>I need more guidance from HLF on this.</b></p>
36	<p>The delivery strategy is fine as far as it goes but I feel that additional detail would be very useful and would ask that this is developed further before the final submission.</p>	<p><b>It is a summary.</b></p>
37	<p>On the proposed programme, I think that you are too optimistic about what will be achieved in years 1 and 2 but would love to be proven wrong!! We can perhaps discuss this in more detail at the meeting and any revisions agreed can be made for the final submission.</p>	<p><b>The programme changes with the reduction in the proposed scheme to suit the funding. Year 1 involves 27% of the budget.</b></p>
	<p><b>Additional comments on the training plan</b></p>	
38	<ul style="list-style-type: none"> <li>the training plan mentions various project groups being established from the main THI steering group. This was part of the stage1 bid but does not appear to be mentioned in the project management section in the Stage 2. This needs to be addressed.</li> </ul>	<p><b>These groups are in the process of being set up</b></p>
39	<ul style="list-style-type: none"> <li>I am struggling to reconcile the cost figures in the training plan with the total allowed in the action plan. Can you please look at this and make sure that they do tie back.</li> </ul>	<p><b>Checked and amended.</b></p>