

**Argyll and Bute Council**  
**Comhairle Earra-Ghàidheal Agus Bhòid**

*Customer Services*  
*Executive Director: Douglas Hendry*



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10 August 2016

**NOTICE OF MEETING**

A Special meeting of the **ARGYLL AND BUTE COUNCIL** will be held in the **COUNCIL CHAMBERS, KILMORY, LOCHGILPHEAD** on **THURSDAY, 18 AUGUST 2016** at **2:00 PM**, or at the conclusion of the Policy and Resources Committee, whichever is the later, which you are requested to attend.

Douglas Hendry  
Executive Director of Customer Services

**BUSINESS**

- 1. APOLOGIES FOR ABSENCE**
- 2. DECLARATIONS OF INTEREST**
- 3. UPDATE TO CAPITAL PLAN 2016-17 TO 2019-20** (Pages 1 - 22)  
Recommendation from Policy and Resources Committee held on 18 August 2016 (to be tabled) and report by Head of Strategic Finance
- 4. DUNOON - GOUROCK FERRY SERVICE** (Pages 23 - 24)  
Extract from Minute of Bute and Cowal Area Committee 2 August 2016
- 5. POLICY LEAD - HEALTH & SOCIAL CARE INTEGRATION** (Pages 25 - 28)  
Report by Executive Director – Customer Services
- 6. NOTICE OF MOTION UNDER STANDING ORDER 13**  
Moved by Councillor Kieron Green, seconded by Councillor Rory Colville

In recent weeks there has been a reported rise in racism, xenophobia and hate crimes across the United Kingdom.

Argyll and Bute Council is proud that communities in our area are tolerant and inclusive to people from all racial and religious backgrounds.

We, as elected Members of Argyll and Bute Council:

- Condemn racism, xenophobia and hate crimes;
- Will do what we can to support anyone who falls victim to hate crimes;
- Urge members of the public to report any incidents that occur;
- Will continue to work with all our partners, including Police Scotland, to ensure that those responsible are not able or allowed to continue with divisive behaviour

## 7. QUEENS HALL TENDER UPDATE

- (a) Recommendation from Policy and Resources Committee held on 18 August 2016 (to be tabled) and Report by Executive Director of Development and Infrastructure Services (Pages 29 - 34)

**E1** (b) Appendix A (Pages 35 - 38)

The Committee will be asked to pass a resolution in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the public for items of business with an “E” on the grounds that it is likely to involve the disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 7a to the Local Government (Scotland) Act 1973.

The appropriate paragraphs are:-

**E1** **Paragraph 8** The amount of any expenditure proposed to be incurred by the authority under any particular contract for the acquisition of property or the supply of goods or services.

**Paragraph 9** Any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

## COUNCIL

Contact: Sandra McGlynn Tel: 01546 604401

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**ARGYLL AND BUTE COUNCIL****COUNCIL****STRATEGIC ASSET MANAGEMENT BOARD****18 AUGUST 2016**

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**UPDATE TO CAPITAL PLAN 2016-17 TO 2019-20**

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**1. EXECUTIVE SUMMARY**

- 1.1 This report details the revisions proposed to the capital plan approved in February 2016 for the period 2016-20. The revisions are based on updated capital funding assumptions, cost changes and proposed additions.
- 1.2 There is an increase in the capital funding available of £5.615m as a result of:
- An increase in the General Capital Grant advised for 2016-17 of £0.655m
  - Additional grant of £5.000m funded by the Chancellor using LIBOR funds for the swimming pool element of the Helensburgh Waterfront Development
  - Additional Flooding Grant 2016-17 £0.080m
  - A reduction to the likely level of capital receipts by £0.120m.
- 1.3 The capital funding has also been updated to include capital income which is restricted to specific projects, totalling £7.711m and detailed within Appendix 3 (this figure excludes the £5m funded by the Chancellor using LIBOR funds). This income has been added to the expenditure in respect of the appropriate projects to show the gross cost of the project. This is a presentational change and has no impact on the expenditure which the Council has to fund from its capital resources.
- 1.4 Further revisions to the capital plan include:
- £0.250m of additional General Capital Grant to be allocated to the Dunclutha Children's Home project as agreed by Council on 21 April 2016
  - £0.500m to be allocated to the Dunoan CARS project as agreed by Council on 30 June 2016.
  - £0.080m of additional General Capital Grant for Campbeltown Flood Prevention Scheme.
- 1.5 Reflecting the increase in capital funding and the further revisions there is an under commitment in the capital plan amounting to £4.785m.
- 1.6 It is recommended that the under commitment be used for the following:
- An increase to the Helensburgh Waterfront project of £1.022m to allow for the reinstatement of the splash pool and play area and enhance the scope of the café as well as raising the level of the car park in light of flooding assessment.
  - An increase to the Queens Hall project of £1.951m to allow the tender for the building works to be accepted. There is a separate paper on this agenda relating to the Queens Hall.
- 1.7 As part of approved budget motion at the Council meeting on 11 February 2016, it was agreed that in the event that further monies are available, that provision is made from freed-up capital and earmarked reserves to be used towards phase 2

of the Dunoon wooden pier project and exploration of Rosneath Peninsula and Garelochhead priorities. The cost of these projects has not yet been determined but there is a balance of £1.812m available.

- 1.8 The revised capital plan is detailed in Appendix 2.

**UPDATE TO CAPITAL PLAN 2016-17 TO 2019-20**

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**2. INTRODUCTION**

2.1 This report details the revisions proposed to the capital plan approved in February 2016 for the period 2016-20. The revisions are based on updated capital funding assumptions, cost changes and proposed additions.

**3. RECOMMENDATIONS**

3.1 To approve the revised capital plan as set out in Appendix 2.

3.2 To approve the following additions to the plan:

- An increase to the Helensburgh Waterfront project of £1.022m to allow for the reinstatement of the splash pool and play area and enhance the scope of the café as well as raising the level of the car park in light of flooding assessment.
- An increase to the Queens Hall project of £1.951m to allow the tender for the building works to be accepted.

3.3 To note that the balance of available resources is now £1.812m.

**4. DETAIL**

4.1 The detail of the report is split into five main sections:

- Estimated Capital Funding 2016 to 2020
- Capital Plan reported and agreed 11 February 2016
- Further Revisions to Capital Plan
- Comparison of Revised Plan to Estimated Capital Funding
- Proposals for Allocating the Under Commitment.

**4.2 Estimated Capital Funding 2016 to 2020**

4.2.1 Funding for the capital plan comes from Scottish Government (General Capital Grant and Specific Ring-Fenced Capital Grants), other capital grants (including European Funding), capital receipts from asset disposals, revenue contributions to capital, prudential borrowing and borrowing funded by the loan charges provision in the revenue budget.

4.2.2 The overall estimate of capital funding is set out in the table at paragraph 4.2.11. The General Capital Grant and Ring Fenced Capital Grant are based on the Scottish Government Finance Circulars (FC7-2015) of 16 December 2015 and (FC1-2016) of 25 February 2016. The Council received notification in July 2016 of a further £0.080m of additional General Capital Grant in respect of the Campbeltown Flood Prevention Scheme.

- 4.2.3 When preparing the capital programme for the period 2016 to 2020 an estimate of General Capital Grant was made of £12.000m per year. The actual General Capital Grant for 2016-17 is higher than this assumption at £13.661m, however, the Scottish Government has profiled the payment of the grant as follows:
- £11.031m in 2016-17; and
  - £2.630m over the next spending review period 2017-20. It has been assumed that this will be paid out equally over the three years of the spending review, but this has still to be confirmed.
- 4.2.4 The assumed General Capital Grant estimate in respect of 2017-18, 2018-19 and 2019-20 is £12.000m reflecting better prospects in terms of capital funding nationally. To be prudent for planning purposes, the estimate has not been increased to match the allocation in 2016-17 as the actual level of General Capital Grant depends upon the indicators used to distribute the grant and these will be updated at the start of the next spending review period.
- 4.2.5 No estimate has been made for any new Specific Grants for the period 2017-20 as spend will be matched to the level of grant received. However, it should be noted, like the General Capital Grant that will be distributed over the next spending review period, the Specific Grant has been assumed to be paid equally over the three years of the spending review, but this has still to be confirmed.
- 4.2.6 As part of the UK Government's Budget on 16 March 2016 the Council was awarded £5m as a contribution towards the cost of the swimming pool element of the Helensburgh Waterfront Development, funded by the Chancellor using LIBOR funds. This additional funding allows the Council to reduce its underwriting of the project by £5m which increases the resources available for allocation to projects.
- 4.2.7 As part of the revision of the funding assumptions for the capital plan, a detailed review of the likely level of capital receipts has been undertaken by Facility Services. The outcome of the review is that the likely level of receipts for the period 2016-20 has dropped by £0.120m from £16.051m to £15.931m.
- 4.2.8 Included in the funding table at 4.2.11 is prudential borrowing of £0.135m in respect of the Lorn Arc Tax Incremental Finance (TIF) project to match the agreed draw-down of funding in respect of the schemes. When business cases are agreed by Council in respect of the various projects these will be added to the capital plan and the level of prudential borrowing will be increased.
- 4.2.9 The capital funding has been updated to include capital income which is restricted to specific projects, totalling £7.711m and detailed within Appendix 3 (this figure excludes the £5m funded by the Chancellor using LIBOR funds). This income has been added to the expenditure in respect of the appropriate projects to show the gross cost of the project. This is a presentational change and has no impact on the expenditure which the Council has to fund from its capital resources.
- 4.2.10 The level of capital resources allocated to Private Sector Housing Grant (PSHG) is £1.033m from 2016-17 onwards.

4.2.11 The estimated capital funding until 2020 is set out in the table below:

	£m	£m	£m	£m	£m
General Capital Grant	11.031	12.000	12.000	12.000	<b>47.031</b>
General Capital Grant - Reallocated		0.877	0.877	0.876	<b>2.630</b>
Less Allocation to Private Sector Housing Grants	(1.033)	(1.033)	(1.033)	(1.033)	<b>(4.132)</b>
Ring Fenced Capital Grant	0.096				<b>0.096</b>
Ring Fenced Capital Grant - Reallocated		0.008	0.008	0.009	<b>0.025</b>
Capital Receipts	7.061	8.370	0.250	0.250	<b>15.931</b>
Restricted Funding: Additional Grant for Helensburgh Pool funded by the Chancellor from LIBOR funds	5.000				<b>5.000</b>
Other Restricted Funding	1.930	3.586	1.500	0.695	<b>7.711</b>
Earmarked Reserves Funding: Oban, Dunoon and Campbeltown Schools	1.087	1.818			<b>2.905</b>
Earmarked Reserves Funding Allocated as part of the 2016-17 Revenue Budget	1.170	1.000		5.579	<b>7.749</b>
Prudential Borrowing: Oban, Dunoon and Campbeltown Schools	5.000				<b>5.000</b>
Prudential Borrowing in respect of TIF	0.135				<b>0.135</b>
Prudential Borrowing	0.028				<b>0.028</b>
Borrowing Supported by Loan Charges Budget	11.895	3.886	2.656	1.886	<b>20.323</b>
<b>Funding Consistent with Revenue Budget</b>	<b>43.400</b>	<b>30.512</b>	<b>16.258</b>	<b>20.262</b>	<b>110.432</b>

### 4.3 Summary of Capital Plan reported as at 11 February 2016

4.3.1 The updated capital plan following the February Council meeting is summarised in the table below. The figures have been adjusted to reflect the Asset Management and Investment Fund £2.000m, Tarbert Pitch £0.170m and Helensburgh Waterfront underwriting £5.579m (all agreed to be funded from the General Fund balance).

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Community Services	18.075	13.228	2.199	1.880	35.382
Customer Services	2.666	2.373	0.865	1.480	7.384
Development and Infrastructure	15.114	11.325	11.694	16.207	54.340
<b>Total</b>	<b>35.855</b>	<b>26.926</b>	<b>14.758</b>	<b>19.567</b>	<b>97.106</b>

### 4.4 Further Revisions to Capital Plan

4.4.1 The Council agreed on 21 April 2016 that £0.250m of the additional General Capital Grant was to be allocated to the Dunclutha Children's Home project.

4.4.2 The Council agreed on 30 June 2016 that £0.500m of available capital resources was to be allocated to the Dunoon CARS project.

4.4.3 The Council was awarded an additional £0.080m of General Capital Grant in respect of the Campbeltown flood prevention scheme.

4.4.4 The Council is receiving additional funding from external bodies in relation to specific projects which allows the project budgets to be increased by £7.711m.

4.4.5 There are currently surplus funds within CHORD. There is a separate report recommending that any surplus funds from the original Council allocation are delegated to Area Committees to approve in accordance with the original CHORD objectives.

4.4.6 A summary of the further changes are set out in the table below with the detail in Appendix 1:

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Community Services	0.250				0.250
Customer Services					0.000
Development and Infrastructure	2.010	4.086	1.500	0.695	8.291
<b>Total Phasing and Cost Changes</b>	<b>2.260</b>	<b>4.086</b>	<b>1.500</b>	<b>0.695</b>	<b>8.541</b>

#### 4.5 Comparison of Revised Plan to Estimated Capital Funding

4.5.1 A comparison between the capital plan as at February 2016 (noted in section 4.3) plus the revisions and additions (noted in section 4.4) has been compared to the estimated funding (noted in section 4.2).

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Capital Plan February 2016	35.855	26.926	14.758	19.567	97.106
Revisions	2.260	4.086	1.500	0.695	8.541
<b>Total Revised Plan</b>	<b>38.115</b>	<b>31.012</b>	<b>16.258</b>	<b>20.262</b>	<b>105.647</b>
Total Revised Funding	43.400	30.512	16.258	20.262	110.432
<b>Under / (Over) Commitment</b>	<b>5.285</b>	<b>(0.500)</b>	<b>0.000</b>	<b>0.000</b>	<b>4.785</b>

#### 4.6 Proposals for Allocating the Under Commitment

4.6.1 The under commitment in the capital plan of £4.785m is proposed to be used as follows:

- An increase to the Helensburgh Waterfront project of £1.022m to allow for the reinstatement of the splash pool and play area and enhance the scope of the café as well as raising the level of the car park in light of flooding assessment (profiled in 2019-20).
- An increase to the Queens Hall project of £1.951m to allow the tender for the building works to be accepted (profiled in 2017-18).

4.6.2 The table below shows a summary of the updated capital plan and the detail is shown in Appendix 2:

	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	Total £m
Community Services	18.325	13.228	2.199	1.880	35.632
Customer Services	2.666	2.373	0.865	1.480	7.384
Development and Infrastructure	19.104	16.333	12.243	17.924	65.604
<b>Total</b>	<b>40.095</b>	<b>31.934</b>	<b>15.307</b>	<b>21.284</b>	<b>108.620</b>

4.6.3 As part of approved budget motion at the Council meeting on 11 February



2016, it was agreed that in the event that further monies are available, that provision is made from freed-up capital and earmarked reserves to be used towards phase 2 of the Dunoon wooden pier project and exploration of Rosneath Peninsula and Garelohead priorities. The cost of these projects has not yet been determined but there is a balance of £1.812m available.

### **5. CONCLUSION**

- 5.1 There is an overall increase to capital funding of £5.615m as a result of an increase in General Capital Grant, additional funding from the Chancellor using LIBOR funds in respect of Helensburgh Swimming Pool and specific grant for flooding offset by a reduction in the likely level of capital receipts. There is also an additional £7.711m funding from external bodies that is restricted to specific projects.
- 5.2 Council have already approved an increase towards Dunclutha Children's Home Project £0.250m on 21 April 2016 and an allocation of £0.500m to Dunoon CARS on 30 June 2016. The Council will receive an additional £0.080m in General Capital Grant in respect of the Campbeltown Flood Prevention Scheme. It is further proposed that there is an increase to Helensburgh Waterfront project of £1.022m and the Queens Hall Project of £1.951m. This would leave a balance of £1.812m.

### **6. IMPLICATIONS**

- 6.1 Policy – Sets out the approach to capital planning.
- 6.2 Financial – Outlines the funding and commitments for the revised capital plan 2016-20.
- 6.3 Legal - The funding for new expenditure may not address all the Statutory and Regulatory requirements in relation to Health and safety.
- 6.4 HR - There are risks that the funding available will have an impact on the sustainability of the Property Design Team and the design team within Roads and Amenity Services with 10 FTE posts affected.
- 6.5 Equalities – None.
- 6.6 Risk - There are risks around level of capital receipts, future grant funding and funding for the new/refurbished schools programme which could result in red risk assets not being addressed.
- 6.7 Customer Service – None.

**Policy Lead for Strategic Finance: Councillor Dick Walsh**

**Malcolm MacFadyen, Head of Facility Services**

**Kirsty Flanagan, Head of Strategic Finance**

For further information please contact:

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**APPENDICES:**

Appendix 1 - Changes to the Capital Plan

Appendix 2 - Proposed Updated Capital Plan 2016-17

Appendix 3 – Restricted Funding

**Capital Plan  
Changes to the Capital Plan**

**Appendix 1**

Project	Explanation	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	Total £000's
<b>Community Services:</b>						
<b><i>Children and Families</i></b>						
Dunclutha Children's Home	Increased budget allocation	250				250
<b><i>Total Children and Families</i></b>		<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>
<b>Total Community Services</b>		<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>
<b>Development and Infrastructure:</b>						
<b><i>Economic Development</i></b>						
Dunoon CARS	New Budget		500			500
Helensburgh Waterfront Development	Restricted Income				695	695
CHORD Rothesay	Restricted Income	1,700	3,586	1,500		6,786
CWSS	Restricted Income	230				230
Flood Prevention	New Budget	80				80
<b><i>Economic Development</i></b>		<b>2,010</b>	<b>4,086</b>	<b>1,500</b>	<b>695</b>	<b>8,291</b>
<b>Total Development and Infrastructure</b>		<b>2,010</b>	<b>4,086</b>	<b>1,500</b>	<b>695</b>	<b>8,291</b>
<b>GRAND TOTAL OF CHANGES TO THE CAPITAL PLAN</b>		<b>2,260</b>	<b>4,086</b>	<b>1,500</b>	<b>695</b>	<b>8,541</b>

Department	Head of Service	Previous Years £000's	2016-17 Total £000s	2017-18 Total £000s	2018-19 Total £000s	2019-20 Total £000s	Total Capital Plan £000s
<b>Area Committee</b>	Area Committee	69	0	0	0	0	69
<b>Area Committee Total</b>		<b>69</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>69</b>
<b>Community Services</b>	Adult Care	2,886	400	180	0	0	3,466
	Children and Families	1,189	1,105	141	0	0	2,435
	Community and Culture	4,353	1,315	720	0	0	6,388
	Education	33,061	15,505	12,187	2,199	1,880	64,832
<b>Community Services Total</b>		<b>41,489</b>	<b>18,325</b>	<b>13,228</b>	<b>2,199</b>	<b>1,880</b>	<b>77,121</b>
<b>Customer Services</b>	Customer and Support Services	9,361	712	938	560	955	12,526
	Facility Services	17,827	1,954	1,435	305	525	22,046
<b>Customer Services Total</b>		<b>27,188</b>	<b>2,666</b>	<b>2,373</b>	<b>865</b>	<b>1,480</b>	<b>34,572</b>
<b>Development and Infrastructure</b>	Economic Development	19,104	13,408	13,608	8,689	12,174	66,983
	Roads and Amenity Services	43,066	5,696	2,725	3,554	5,750	60,791
<b>Development and Infrastructure Total</b>		<b>62,170</b>	<b>19,104</b>	<b>16,333</b>	<b>12,243</b>	<b>17,924</b>	<b>127,774</b>
<b>Grand Total</b>		<b>130,916</b>	<b>40,095</b>	<b>31,934</b>	<b>15,307</b>	<b>21,284</b>	<b>239,536</b>

Head of Service	Category	Project	Previous Years £000's	2016-17 Total £000s	2017-18 Total £000s	2018-19 Total £000s	2019-20 Total £000s	Total Capital Plan £000s		
Adult Care	Asset Sustainability	Aids and Adaptations	75	25	25	0	0	125		
		Ardfenaig	0	0	20	0	0	20		
		Asbestos Removal/Control Works	20	0	0	0	0	20		
		Eadar Glinn	246	70	0	0	0	316		
		Ellis Lodge	64	0	0	0	0	64		
		Health and Safety	985	80	60	0	0	1,125		
		Legionella Control Works	40	0	0	0	0	40		
		Lochgilphead Resource Centre	79	145	0	0	0	224		
		Lorn Resource Centre	85	0	0	0	0	85		
		Park House Women's Refuge	122	0	0	0	0	122		
		Social Work Office Rothesay	75	0	0	0	0	75		
		Struan Lodge Boiler	40	0	0	0	0	40		
		Thomson Home Rothesay	147	80	75	0	0	302		
		Upgrading Older Peoples Homes	25	0	0	0	0	25		
		Woodlands/Greenwood	111	0	0	0	0	111		
	<b>Asset Sustainability Total</b>		<b>2,114</b>	<b>400</b>	<b>180</b>	<b>0</b>	<b>0</b>	<b>2,694</b>		
	<b>Service Development</b>	Mull & Iona Progressive Care Centre	772	0	0	0	0	772		
	<b>Service Development Total</b>		<b>772</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>772</b>		
<b>Adult Care Total</b>			<b>2,886</b>	<b>400</b>	<b>180</b>	<b>0</b>	<b>0</b>	<b>3,466</b>		
Children and Families	Asset Sustainability	Asbestos Removal/Control Works	20	0	0	0	0	20		
		Dunclutha Children's Home	25	0	0	0	0	25		
		Dunoon Hostel	215	0	0	0	0	215		
		East King St Children's Home	2	0	0	0	0	2		
		Glencruitten Hostel	120	0	75	0	0	195		
		Health and Safety	100	0	0	0	0	100		
		Legionella Control Works	40	0	0	0	0	40		
		Shellach View	26	30	0	0	0	56		
			<b>Asset Sustainability Total</b>		<b>548</b>	<b>30</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>653</b>
			<b>Service Development</b>	Dunclutha Childrens Home	88	1,075	66	0	0	1,229
		Dunoon Family Mediation Centre	55	0	0	0	0	55		
		Residential Respite Care Facility	498	0	0	0	0	498		
	<b>Service Development Total</b>		<b>641</b>	<b>1,075</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>1,782</b>		
<b>Children and Families Total</b>			<b>1,189</b>	<b>1,105</b>	<b>141</b>	<b>0</b>	<b>0</b>	<b>2,435</b>		

Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total		
			Years	Total	Total	Total	Total	Capital		
			£000's	£000s	£000s	£000s	£000s	Plan		
								£000s		
Community and Culture	Asset Sustainability	Aqualibrium	35	335	145	0	0	515		
		Asbestos Removal/Control Works	50	0	0	0	0	50		
		Bute Community Education Centre	10	0	150	0	0	160		
		Campbeltown Museum - Burnet Bldg	81	0	25	0	0	106		
		Capital Property Works	50	0	0	0	0	50		
		Community Centres General - Options Appraisal	15	0	0	0	0	15		
		Corran Halls, Oban	425	0	0	0	0	425		
		Dunoon Community Education Centre	177	0	0	0	0	177		
		Gaelic Centre - Corran Halls (FG)	170	0	0	0	0	170		
		Health & Safety	250	0	0	0	0	250		
		Helensburgh Library	17	0	0	0	0	17		
		Inveraray CARS	21	0	0	0	0	21		
		Kintyre Community Ed Centre	114	0	0	0	0	114		
		Legionella Control Works	40	0	0	0	0	40		
		Lochgilphead Community Ed Centre	52	0	200	0	0	252		
		Oban Library (Leased Property)	20	0	40	0	0	60		
		Ramsay Memorial Hall	105	100	0	0	0	205		
		Replacement of Gym Equipment	100	0	0	0	0	100		
		Rhu Community Ed Centre	129	10	0	0	0	139		
		Rothesay Library	210	0	0	0	0	210		
		Rothesay Swimming Pool	123	0	0	0	0	123		
		Sandbank Library HQ	25	0	0	0	0	25		
		Tarbert Library	53	0	0	0	0	53		
		Victoria Halls, Campbeltown	565	0	75	0	0	640		
		Victoria Halls, Helensburgh	197	0	85	0	0	282		
		Tarbert All Weather Sports Pitch	0	170	0	0	0	170		
			<b>Asset Sustainability Total</b>		<b>3,034</b>	<b>615</b>	<b>720</b>	<b>0</b>	<b>0</b>	<b>4,369</b>
			<b>Service Development</b>	Archives - Wee Manse Brae	128	0	0	0	0	128
			Campbeltown All Weather Pitch	917	0	0	0	0	917	
			Dunoon Boxing Club	0	100	0	0	0	100	
			Riverside Leisure Centre Refurbishment	224	600	0	0	0	824	
		<b>Service Development Total</b>		<b>1,269</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,969</b>	
		<b>Strategic Change</b>	Carbon Management	50	0	0	0	0	50	
	<b>Strategic Change Total</b>		<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>		
<b>Community and Culture Total</b>			<b>4,353</b>	<b>1,315</b>	<b>720</b>	<b>0</b>	<b>0</b>	<b>6,388</b>		

Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total
			Years	Total	Total	Total	Total	Capital
			£000's	£000s	£000s	£000s	£000s	Plan
								£000s
Education	Asset Sustainability	Achaleven Primary School	2	100	10	0	0	112
		Ardchattan Primary School	10	5	5	0	0	20
		Ardrishaig Primary School	204	0	75	0	0	279
		Arinagour Primary School	83	0	48	0	0	131
		Asbestos Control/Removal Works	85	0	0	0	0	85
		Ashfield Primary School	79	0	0	0	0	79
		Barcaldine Primary School	69	0	0	0	0	69
		Block Allocation	0	0	0	2,199	1,880	4,079
		Bowmore Primary School	368	0	0	0	0	368
		Bunessan Primary School	255	100	0	0	0	355
		Campbeltown Grammar	3,669	10	0	0	0	3,679
		Capital Property Works	834	0	0	0	0	834
		Cardross Primary School	577	225	0	0	0	802
		Carradale Primary School	31	0	150	0	0	181
		Castlehill Primary School	257	200	50	0	0	507
		Clachan Primary	177	0	45	0	0	222
		Colgrain Primary School	800	0	150	0	0	950
		Craignish Primary School	0	180	0	0	0	180
		Dalintober Primary School	267	30	0	0	0	297
		Dalmally Primary School	68	15	10	0	0	93
		Dervaig Primary School	5	0	80	0	0	85
		Drumlemble Primary School	214	0	175	0	0	389
		Dunbeg Primary School	434	0	250	0	0	684
		Dunoon Primary School	110	10	0	0	0	120
		Ferry Houses - Housing Quality Standard	68	0	0	0	0	68
		Free School Meals	550	0	0	0	0	550
		Furnace Primary School	67	30	0	0	0	97
		Garelochhead Primary School	317	0	45	0	0	362
		Glassary Primary School	132	0	0	0	0	132
		Glenbarr Primary School	65	0	165	0	0	230
		Hermitage Primary School	147	80	0	0	0	227
		Homeless Houses - Housing Quality Standard	50	0	0	0	0	50
		Innellan Primary School	103	0	0	0	0	103
		Internal Refurbishment Budget	0	0	200	0	0	200
		Inveraray Primary School	442	0	0	0	0	442
		Iona Primary School	0	75	0	0	0	75
		Islay High School	4,082	0	175	0	0	4,257
		John Logie Baird Primary School	322	320	100	0	0	742
		Keills Primary School	300	0	0	0	0	300
		Kilchattan Primary School	170	0	100	0	0	270
		Kilchrenan Primary School	25	0	10	0	0	35
		Kilcreggan Primary School	486	0	75	0	0	561
		Kilmartin Primary School	20	0	100	0	0	120
		Kilmodan Primary School	195	0	40	0	0	235

Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total
			Years	Total	Total	Total	Total	Capital
			£000's	£000s	£000s	£000s	£000s	Plan
								£000s
Education	Asset Sustainability	Kilniver Primary School	93	0	0	0	0	93
		Kirn Primary School	86	0	0	0	0	86
		Legionella Control Works	140	0	0	0	0	140
		Lismore Primary School	61	0	20	0	0	81
		Lochdonhead Primary School	135	0	0	0	0	135
		Lochgoilhead Primary School	42	135	0	0	0	177
		Luing Primary School	90	0	0	0	0	90
		Luss Primary School	65	0	0	0	0	65
		Minard Primary	51	0	0	0	0	51
		North Bute Primary School	366	0	0	0	0	366
		Oban High Gaelic Media Studio (FG)	91	0	0	0	0	91
		Oban High School	626	10	0	0	0	636
		Park Primary School	499	25	0	0	0	524
		Parklands School	168	0	0	0	0	168
		Port Charlotte Primary School	337	0	0	0	0	337
		Port Ellen Primary School	467	0	0	0	0	467
		Property Works (Contingency)	0	307	320	0	0	627
		Rhu Primary School	30	0	0	0	0	30
		Rhunahaorine Primary	87	60	30	0	0	177
		Rosneath Primary School	635	0	50	0	0	685
		Sandbank Primary School	494	0	0	0	0	494
		School Houses - Housing Quality Standard	436	0	0	0	0	436
		Skipness Primary School	15	0	0	0	0	15
		Small Isles Primary School	288	0	0	0	0	288
		Southend Primary School	0	30	0	0	0	30
		St Andrew's Primary School	324	0	0	0	0	324
		St Joseph's Primary School	550	0	0	0	0	550
		St Mun's Primary School	80	50	140	0	0	270
		Strachur Primary School	153	0	0	0	0	153
		Strath of Appin Primary School	340	0	0	0	0	340
		Strone Primary School	329	30	0	0	0	359
		Tarbert High School	0	20	0	0	0	20
		Taynuilt Primary School	124	0	0	0	0	124
		Tayvallich Primary School	103	0	0	0	0	103
		Tighnabruaich Primary School	110	0	0	0	0	110
		Tiree High School	899	0	0	0	0	899
		Tiree Primary School	220	0	0	0	0	220
		Tobermory High School	721	0	120	0	0	841
		Toward Primary School	80	55	0	0	0	135
		Ulva Primary School	0	0	90	0	0	90
<b>Asset Sustainability Total</b>			<b>25,474</b>	<b>2,102</b>	<b>2,828</b>	<b>2,199</b>	<b>1,880</b>	<b>34,483</b>



Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total	
			Years	Total	Total	Total	Total	Capital	
			£000's	£000s	£000s	£000s	£000s	Plan	
								£000s	
Education	Service Development	600 hours additional works	0	617	0	0	0	617	
		Ardrihaig Primary School - Pre Five Unit	411	0	0	0	0	411	
		Bowmore Primary School - Pre Five Unit	0	10	0	0	0	10	
		Bunessan Primary School - Pre Five Unit	0	10	0	0	0	10	
		Clyde Cottage - 600 hours provision	0	350	0	0	0	350	
		Craignish Primary School - Pre Five Extension (600 hours Funding)	0	300	0	0	0	300	
		Early Learning and Childcare	637	0	0	0	0	637	
		Hermitage Primary Annexe Replacement	765	0	0	0	0	765	
		Iona Primary School - Pre Five Unit (600 hours funding)	0	460	0	0	0	460	
		Lochgoilhead Primary School - Pre Five Unit (600 hours funding)	0	330	0	0	0	330	
		Lochnell Primary School - Pre Five Unit	210	0	0	0	0	210	
		Park Primary Extension and Pre Fives Unit	355	0	0	0	0	355	
		Salen Primary School - Gaelic Pre School Extension (FG)	150	0	0	0	0	150	
		St Joseph's Pre 5 Parenting Facilities	75	0	0	0	0	75	
		Strachur Primary School - Pre Five Unit	315	0	0	0	0	315	
		Tarbert High School - Biomass enabling work	0	0	35	0	0	35	
		Taynuilt PS Addnl Classroom	131	0	0	0	0	131	
	Tayvallich Primary School - Pre Five Unit	430	0	0	0	0	430		
	Video Conferencing Upgrade	60	0	0	0	0	60		
		<b>Service Development Total</b>		<b>3,539</b>	<b>2,077</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>5,651</b>
		<b>Strategic Change</b>	Campbeltown Schools Redevelopment	1,005	950	722	0	0	2,677
			Dunoon Primary School	445	4,152	3,470	0	0	8,067
			Kirn Primary School	767	5,776	3,866	0	0	10,409
			Replacement of Oban High School	1,831	448	1,266	0	0	3,545
		<b>Strategic Change Total</b>		<b>4,048</b>	<b>11,326</b>	<b>9,324</b>	<b>0</b>	<b>0</b>	<b>24,698</b>
	<b>Education Total</b>			<b>33,061</b>	<b>15,505</b>	<b>12,187</b>	<b>2,199</b>	<b>1,880</b>	<b>64,832</b>
	<b>Grand Total</b>			<b>41,489</b>	<b>18,325</b>	<b>13,228</b>	<b>2,199</b>	<b>1,880</b>	<b>77,121</b>

Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total	
			Years	Total	Total	Total	Total	Capital	
			£000's	£000s	£000s	£000s	£000s	Plan	
								£000s	
Customer and Support Services	Asset Sustainability	Block Allocation	0	0	294	550	945	1,789	
		Computer Network Security	636	25	0	0	0	661	
		Corporate GIS Portal Rollout	116	20	10	10	10	166	
		Internet / Online Access	268	0	0	0	0	268	
		IT Education	270	10	0	0	0	280	
		MS Exchange & Doc Sharing	295	50	54	0	0	399	
		PC Replacement	2,328	300	480	0	0	3,108	
		Server Capacity Growth	189	101	0	0	0	290	
		Telecomms Network	753	19	0	0	0	772	
	Unified Communications and Video Conferencing	741	17	0	0	0	758		
	<b>Asset Sustainability Total</b>			<b>5,596</b>	<b>542</b>	<b>838</b>	<b>560</b>	<b>955</b>	<b>8,491</b>
	Service Development	Applications Projects	915	159	100	0	0	1,174	
		Consolidated Server Replacement (CRM)	1,067	0	0	0	0	1,067	
		Council Chamber Video Conferencing	116	0	0	0	0	116	
		Education Domain Extension	443	0	0	0	0	443	
		IT Enablement Process for Change	1,011	11	0	0	0	1,022	
		LYNC 2013	129	0	0	0	0	129	
		Property Management System	84	0	0	0	0	84	
	<b>Service Development Total</b>			<b>3,765</b>	<b>170</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>4,035</b>
<b>Customer and Support Services Total</b>			<b>9,361</b>	<b>712</b>	<b>938</b>	<b>560</b>	<b>955</b>	<b>12,526</b>	

Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total
			Years	Total	Total	Total	Total	Capital
			£000's	£000s	£000s	£000s	£000s	Plan
								£000s
Facility Services	Asset Sustainability	Aqualibrium	28	0	0	0	0	28
		Argyll House, Dunoon	13	120	123	0	0	256
		Asbestos Capital Property Works 15/16	69	1	0	0	0	70
		Asbestos Capital Property Works 16/17	0	19	0	0	0	19
		Block Allocation	0	0	163	305	525	993
		Bowmore Area Office	32	1	0	0	0	33
		Burnett Building	66	4	0	0	0	70
		Capital Property Works 15/16	102	2	0	0	0	104
		Castle House, Dunoon	55	1	0	0	0	56
		Dunoon Office Rationalisation	4	219	7	0	0	230
		Eaglesham House, Rothesay	69	2	0	0	0	71
		Fire Risk Assessment Works 15/16	42	2	0	0	0	44
		Fire Risk Assessment Works 16/17	0	24	0	0	0	24
		High Street, Rothesay	8	1	0	0	0	9
		Hill Street Dunoon Rewire	2	32	1	0	0	35
		Joint Valuation Board	0	39	0	0	0	39
		Jura Service Point	13	2	0	0	0	15
		Killarow House	106	3	0	0	0	109
		Kilmory Castle	323	6	29	0	0	358
		Kilmory Castle 2012-13	143	0	0	0	0	143
		Legionella Capital Works 15/16	19	1	0	0	0	20
		Legionella Capital Works 16/17	0	19	0	0	0	19
		Lorn House, Oban	100	3	0	0	0	103
		Manse Brae District Office	0	0	65	0	0	65
		Manse Brae Roads Office	84	3	0	0	0	87
		Oban Municipal Buildings	244	0	0	0	0	244
		Oban Office Rationalisation	3	0	0	0	0	3
		Old Quay Head Offices, Campbeltown	26	1	0	0	0	27
		Tobermory Area Office	61	30	47	0	0	138
		Union Street, Rothesay	78	0	0	0	0	78
Whitegates	202	0	0	0	0	202		
Whitegates Office, Lochgilphead	60	2	0	0	0	62		
Willowview Oban	23	1	0	0	0	24		
<b>Asset Sustainability Total</b>			<b>1,975</b>	<b>538</b>	<b>435</b>	<b>305</b>	<b>525</b>	<b>3,778</b>

Head of Service	Category	Project	Previous	2016-17	2017-18	2018-19	2019-20	Total
			Years	Total	Total	Total	Total	Capital
			£000's	£000s	£000s	£000s	£000s	Plan
								£000s
Facility Services	Strategic Change	Asset Management Fund	0	1,000	1,000	0	0	2,000
		Campbeltown & Rothesay Rationalisation	35	0	0	0	0	35
		Campbeltown Office Rationalisation	380	188	0	0	0	568
		Carbon Management Business Cases (FPB)	261	0	0	0	0	261
		Carbon Management Capital Property Works 15/16	19	1	0	0	0	20
		Carbon Management Capital Property Works 16/17	0	19	0	0	0	19
		Carbon Management Fuel Conversions (FPB)	145	0	0	0	0	145
		Helensburgh Office Rationalisation (FPB,REC)	11,309	180	0	0	0	11,489
		Islay HS/Bowmore PS (FPB)	726	0	0	0	0	726
		Kilmory Biomass Project OBC (FPB,REV)	1,033	0	0	0	0	1,033
		Mid Argyll Offices Reorganisation	321	0	0	0	0	321
		Non-NPDO Schools PV Panel Installations	488	0	0	0	0	488
		NPDO Schools Solar PV Panel Installations	916	28	0	0	0	944
		Oil to Gas Heating Conversions (FPB)	209	0	0	0	0	209
		Tiree Shared Offices	10	0	0	0	0	10
<b>Strategic Change Total</b>			<b>15,852</b>	<b>1,416</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>18,268</b>
<b>Facility Services Total</b>			<b>17,827</b>	<b>1,954</b>	<b>1,435</b>	<b>305</b>	<b>525</b>	<b>22,046</b>
<b>Grand Total</b>			<b>27,188</b>	<b>2,666</b>	<b>2,373</b>	<b>865</b>	<b>1,480</b>	<b>34,572</b>

Head of Service	Category	Project	Previous Years £000's	2016-17 Total £000s	2017-18 Total £000s	2018-19 Total £000s	2019-20 Total £000s	Total Capital Plan £000s		
Economic Development	Service Development	CWSS - School Cycle Parking 2015-16	41	0	0	0	0	41		
		CWSS - South Islay Distilleries Path	356	0	0	0	0	356		
		Kilmartin House	0	0	0	400	0	400		
		NVA	0	250	0	0	0	250		
		Safe Streets, Walking and Cycling (CWSS)	270	326	8	8	9	621		
		SPT	336	0	0	0	0	336		
		<b>Service Development Total</b>		<b>1,003</b>	<b>576</b>	<b>8</b>	<b>408</b>	<b>9</b>	<b>2,004</b>	
		<b>Strategic Change</b>	01 TIF - Lorn/Kirk Road	238	0	0	0	0	238	
			05 TIF - North Pier Extension	560	0	0	0	0	560	
			09 TIF - Oban Airport Business Park	455	135	0	0	0	590	
			CHORD - Campbeltown	3,396	1,190	200	0	0	4,786	
			CHORD - Dunoon	1,127	5,124	5,023	247	0	11,521	
			CHORD - Helensburgh -Public Realm Imprv	6,359	871	0	0	0	7,230	
			CHORD - Oban	2,152	3,500	750	158	0	6,560	
			CHORD - Rothesay	794	1,680	6,527	876	1,900	11,777	
			Dunoon CARS	0	0	500	0	0	500	
			Helensburgh Waterfront Development	222	300	600	7,000	10,265	18,387	
			OBC for Dunoon Pier	2,798	32	0	0	0	2,830	
			<b>Strategic Change Total</b>		<b>18,101</b>	<b>12,832</b>	<b>13,600</b>	<b>8,281</b>	<b>12,165</b>	<b>64,979</b>

Head of Service	Category	Project	Previous Years £000's	2016-17 Total £000s	2017-18 Total £000s	2018-19 Total £000s	2019-20 Total £000s	Total Capital Plan £000s
<b>Economic Development Total</b>			<b>19,104</b>	<b>13,408</b>	<b>13,608</b>	<b>8,689</b>	<b>12,174</b>	<b>66,983</b>
<b>Roads and Amenity Services</b>	<b>Asset Sustainability</b>	Block Allocation	0	0	1,631	3,054	5,250	9,935
		Bridge Strengthening	1,197	470	263	0	0	1,930
		Bute Local Capital Priorities	98	0	0	0	0	98
		Castle Lodge Building Works	130	0	0	0	0	130
		Cemetery Houses	50	0	0	0	0	50
		Environmental Projects	246	500	0	0	0	746
		EV Quick Chargers	400	0	0	0	0	400
		Fleet Management	359	200	0	0	0	559
		Flood Prevention	286	206	121	0	0	613
		Furnace Coastal Protection	80	20	0	0	0	100
		Lighting	1,403	300	0	0	0	1,703
		Public Convenience Upgrades	64	2	0	0	0	66
		Roads Reconstruction	19,844	3,372	500	500	500	24,716
		Traffic Management	261	107	0	0	0	368
		Waste Management Sites	98	0	0	0	0	98
		Zero Waste Fund	303	0	0	0	0	303
	<b>Asset Sustainability Total</b>		<b>24,819</b>	<b>5,177</b>	<b>2,515</b>	<b>3,554</b>	<b>5,750</b>	<b>41,815</b>
	<b>Service Development</b>	A83 South of Muasdale	584	0	0	0	0	584
		A849 Pennyghael Bridge Mull	131	0	0	0	0	131
		Campbeltown Old Quay	1,424	0	0	0	0	1,424
		Cycleways - H&L (FSPT)	2,222	200	200	0	0	2,622
		Preliminary design for Regional Transport projects (tif)	192	29	0	0	0	221
		Vehicle Tracking System (FPB)	219	0	0	0	0	219
	<b>Service Development Total</b>		<b>4,772</b>	<b>229</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>5,201</b>
	<b>Strategic Change</b>	Helensburgh Depot Rationalisation (F)	1,360	0	0	0	0	1,360
		Kintyre Renewables Hub (FGPB)	12,115	0	0	0	0	12,115
		Pier Upgrades	0	290	10	0	0	300
	<b>Strategic Change Total</b>		<b>13,475</b>	<b>290</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>13,775</b>
<b>Roads and Amenity Services Total</b>			<b>43,066</b>	<b>5,696</b>	<b>2,725</b>	<b>3,554</b>	<b>5,750</b>	<b>60,791</b>
<b>Grand Total</b>			<b>62,170</b>	<b>19,104</b>	<b>16,333</b>	<b>12,243</b>	<b>17,924</b>	<b>127,774</b>

**Capital Plan  
Restricted Funding**

**Appendix 3**

<b>Project</b>	<b>2016/17 £000's</b>	<b>2017/18 £000's</b>	<b>2018/19 £000's</b>	<b>2019/20 £000's</b>	<b>Total £000's</b>
<b>Development and Infrastructure:</b>					
<b><i>Economic Development</i></b>					
Helensburgh Waterfront Development				695	695
Rothesay CHORD	1,700	3,586	1,500		6,786
Cycling Walking Safer Streets	230				230
<b><i>Economic Development</i></b>	<b>1,930</b>	<b>3,586</b>	<b>1,500</b>	<b>695</b>	<b>7,711</b>
<b>Total Development and Infrastructure</b>	<b>1,930</b>	<b>3,586</b>	<b>1,500</b>	<b>695</b>	<b>7,711</b>
<b>RESTRICTED FUNDING ADDED TO PROJECTS</b>	<b>1,930</b>	<b>3,586</b>	<b>1,500</b>	<b>695</b>	<b>7,711</b>
Helensburgh Waterfront Development - LIBOR Funds	5,000				5,000
<b>TOTAL RESTRICTED FUNDING</b>	<b>6,930</b>	<b>3,586</b>	<b>1,500</b>	<b>695</b>	<b>12,711</b>

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**ARGYLL & BUTE COUNCIL****SPECIAL COUNCIL****CUSTOMER SERVICES****18 AUGUST 2016**

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**EXTRACT OF MINUTE OF BUTE AND COWAL AREA COMMITTEE HELD ON 2 AUGUST 2016**

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**11. NOTICE OF MOTION UNDER STANDING ORDER 13**

The Motion which was before the Area Committee for consideration was withdrawn in accordance with Standing Order 10.6. by the proposer Councillor Gordon Blair, with the agreement of the Seconder, Councillor Michael Breslin, and the Committee.

An amended motion relating to this matter was considered by the Area Committee:

**Motion**

The Bute and Cowal Area Committee notes the Scottish Government's recent announcement on the tender for the Dunoon-Gourock ferry service. The Area Committee recognises the economic benefits which can be realised from a safe, reliable passenger/vehicle ferry service operating between the two town centres. The Area Committee further notes that this provides an opportunity for Argyll and Bute Harbour Board to review the current harbour charges and is delighted that the Harbour Board already had this in hand.

The Area Committee recognises that harbour charges are a significant operational cost to any prospective operator on the Dunoon/Gourock route and that those costs should not be underestimated.

This motion supports the Chair of the Harbour Board and the review which is now underway.

In light of the agreed economic regeneration strategies for Argyll and Bute and the importance of connectivity to the Cowal peninsula, the Area Committee:

1. Requests that the Council considers, at the special meeting proposed for 18th August, whether the options listed at paragraph 3, which will provide prospective operators on the route a number of options in relation to harbour facilities and reaffirm the Council's commitment to a town centre vehicle/passenger service and economic growth, be included in the review ongoing at present;
2. Agrees to reaffirm the principles set down and as advised to the MVA Consultancy's feasibility study commissioned by Transport Scotland in 2012 which notes that the Council will set future pier/harbour charges at a level which will cover operating and staffing costs, inspection, maintenance and whole life asset management costs, and any prudential borrowing costs

required to fund shoreside infrastructure associated with the future vehicle/passenger ferry service;

3. Considers the following options as part of this overall approach:

- Option 1 – a review of the charges with the Council maintaining its current role;
- Option 2 – lease the breakwater and link span to any future operator for the period of the duration of the notified contract period or any further and/or extended contract period and indicate the likely cost for this;
- Option 3 – sell the breakwater and link span to any future operator and indicate the likely cost for this;
- Option 4 – a user agreement that is cost efficient and that works well for the people of Cowal, for the duration of the notified contract period or any further and/or extended ferry service contract, and which, so far as is legally competent, supports the provision of a town centre to town centre vehicle/passenger ferry service.

Proposer: Councillor Gordon Blair

Seconder: Councillor Michael Breslin

### **Decision**

The Committee unanimously agreed the content of the amended motion and resolved accordingly.

(Ref: Notice of Motion by Councillor Gordon Blair and seconded by Councillor Michael Breslin, dated 2 August 2016, submitted)

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**ARGYLL AND BUTE COUNCIL****SPECIAL COUNCIL****CUSTOMER SERVICES****18<sup>th</sup> AUGUST 2016**

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**POLICY LEAD - HEALTH & SOCIAL CARE INTEGRATION**

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## **1.0 EXECUTIVE SUMMARY**

The purpose of this report is to seek clarification and confirmation from the Council with respect to the Policy Lead Role for Health and Social Care Integration, to agree the appointments to outside bodies associated with the role and to notify Council that the Policy Lead role profile for Health and Social Care Integration will be updated accordingly.

The Council is invited to:

- a) Clarify the Council decision on 30<sup>th</sup> June and to confirm the appointment to the role of Policy Lead for Health and Social Care Integration includes appointment to the Integration Joint Board (IJB) and the remit of Chair of Integration Joint Board (or Vice Chair as per IJB Standing Orders) and that, for the avoidance of doubt, Councillor Kieron Green has been nominated to take up this role on 1<sup>st</sup> September 2016.
- b) Agree the appointment of the Policy Lead for Health and Social Care Integration to:
  - COSLA Health and Wellbeing Executive Group
  - NHS Highland Health and Wellbeing Partnership
- c) Note the remit of the Policy Lead role profile for Health and Social Care Integration will be updated accordingly.

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ARGYLL AND BUTE COUNCIL

SPECIAL COUNCIL

CUSTOMER SERVICES

18<sup>th</sup> AUGUST 2016

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**POLICY LEAD - HEALTH & SOCIAL CARE INTEGRATION**

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**2.0 INTRODUCTION**

The purpose of this report is to seek clarification and confirmation from the Council with respect to the Policy Lead Role for Health and Social Care Integration, to agree the appointments to outside bodies associated with the role and to notify Council that the Policy Lead role profile for Health and Social Care Integration will be updated accordingly.

**3.0 RECOMMENDATIONS**

The Council is invited to:

- a) Clarify the Council decision on 30th June and to confirm the appointment to the role of Policy Lead for Health and Social Care Integration includes appointment to the Integration Joint Board (IJB) and the remit of Chair of Integration Joint Board (or Vice Chair as per IJB Standing Orders) and that, for the avoidance of doubt, Councillor Kieron Green has been nominated to take up this role on 1st September 2016.
- b) Agree the appointment of the Policy Lead for Health and Social Care Integration to:
  - COSLA Health and Wellbeing Executive Group
  - NHS Highland Health and Wellbeing Partnership
- c) Note the remit of the Policy Lead role profile for Health and Social Care Integration will be updated accordingly.

**4.0 DETAIL**

4.1 The Executive Director of Customer Services wrote to all Councillors on 23 June advising of Councillor Maurice Corry's resignation, with effect from 31 August, as Policy Lead for Social Care and Health Integration, and therefore as the Council's Chair of the Integration Joint Board.

4.2. This matter was dealt with by Council, at their meeting on 30th June when Council noted the resignation of Councillor Maurice Corry from the position of Policy Lead for Health and Social Care Integration, and noted the appointment

of Councillor Kieron Green to the role.

- 4.3 The Policy Lead for Health and Social Care Integration is responsible for oversight of the strategic direction of Health and Social Care Integration, Adult Care, Learning Disabled and Children and Families policy and services in line with the Single Outcome Agreement, the council's priorities and strategic plans and the Integration Joint Board's strategic direction.
- 4.4 In accordance with IJB Standing Orders, underpinned by legislation, the position of Chair and Vice Chair of the IJB rotates between the Council and the Health Board on a two yearly basis.

## **5.0 CONCLUSION**

The Council is invited to clarify and to confirm the Council decision on 30th June in respect of the appointment to the role of Policy Lead for Health and Social Care Integration.

It is further invited to agree the appointment of the Policy Lead for Health and Social Care Integration to the COSLA Health and Wellbeing Executive Group and the NHS Highland Health and Wellbeing Partnership and also to note that the remit of the Policy Lead role profile for Health and Social Care Integration will be updated accordingly.

## **6.0 IMPLICATIONS**

- 6.1 Policy: Clarification of Policy Lead role.
- 6.2 Financial: None
- 6.3 Legal: None
- 6.4 HR: None
- 6.5 Equalities: None
- 6.6 Risk: None
- 6.7 Customer Service: None

**Douglas Hendry**  
**Executive Director of Customer Services**  
**29<sup>th</sup> July 2016**

**For further information contact:** Charles Reppke, Head of Governance and Law:  
Tel: 01546 604192

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**ARGYLL AND BUTE COUNCIL****Policy and Resources Committee****Development and Infrastructure  
Services****18 August 2016**

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**QUEENS HALL TENDER UPDATE**

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**1. EXECUTIVE SUMMARY**

- 1.1. At the Bute and Cowal Area Committee meeting on the 4 August 2015, members took the decision to proceed to tender stage to establish the actual cost of the works and thereby the magnitude of any funding gap.
- 1.2. The purpose of this report is to provide members with an update following the evaluation of the three submitted Tenders. This report was presented to the Bute & Cowal Area Committee on the 2 August 2016, where its contents were noted and supported by members.
- 1.3. The Pre-Tender estimate as advised in August 2015 identified a potential budget shortfall. The Pre-Tender estimate is included at Appendix A.
- 1.4. We have completed the evaluation of the three submitted Tenders in respect of the Technical Envelope i.e. how the works would be delivered and the Commercial Envelope i.e. the Tendered Price to deliver the works.
- 1.5. The purpose of the paper is to provide members with an update on the Tender evaluation process, including information on the Tendered Prices and the variation between the Approved Budget and the Anticipated Final Cost (AFC).

**2. RECOMMENDATION**

- 2.1. Policy and Resources Committee is asked to recommend that the Council:
  - 2.1.1. Note that the Queens Hall Refurbishment and Public Realm Works Contract has been the subject of a competitive procurement exercise involving three Tenderers. This exercise identified the Most Economically Advantageous Tender and the detail of the tender evaluation process and determination of the project's Anticipated Final Cost is at Appendix A.
  - 2.1.2. Note that the Most Economically Advantageous Tender results in an Anticipated Final Cost for the project at variance with the Approved Budget.
  - 2.1.3. Approve the recommendation to award the Contract as shown at Section 5.5, with the balance of funding to be met from available Capital Reserves.

**QUEENS HALL TENDER UPDATE**

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**3.0 INTRODUCTION**

- 3.1. The Queens Hall refurbishment and public realm enhancements are a key component of the Council's ambitious and forward-looking programme to assist regeneration and economic development in five of its waterfront towns - Campbeltown, Helensburgh, Oban, Rothesay and Dunoon.
- 3.2. The proposed CHORD investment addresses the material state of the town centre waterfront and the Queens Hall, not only improving the local infrastructure, but also ensuring that the area "works" as the marine gateway into Dunoon, Cowal and the National Park beyond. The Queens Hall will provide an "anchor point", for visitors and the local community alike, taking a building that was no longer fit for purpose and transforming it into a venue and facility fit for the 21st century
- 3.3. The project is made up of three constituent parts:
- The refurbishment and redevelopment the Queens Hall buildings
  - The realignment of the Pier Esplanade, Argyll Street and Alexandra Parade road junction; and
  - Environmental improvements
- 3.4. The Strategic objectives for the project are to:
- Make most of Dunoon Waterfront in terms of economic development and regeneration.
  - Deliver waterfront infrastructure that contributes to an attractive, vibrant and contemporary town centre.
  - Create a safe, comfortable, accessible public realm that attracts residents and visitors to the area.
  - Promote improved connectivity and public transport gateway.
  - Act as an enabler for private sector investment in the waterfront area and town centre
- 3.5. The project will:
- revitalise the Queen's Hall, giving people exciting gathering places both inside and outside the building
  - provide a purpose built fitness & training suite which will enable us to offer our customers a bespoke multi use fitness environment that not only



serves our fitness class programme but can be offered as a sports specific fitness area for the myriad of sports clubs in the area

- provide new home for the Public Library
  - co-locate the offices of Skills Development Scotland
  - provide a completely refurbished main auditorium including: retractable bleacher seating, new lighting and audio visual facilities; and the ability to sub-divide the area to cater for different sized functions
  - provide a Children's Soft play area for children from early years up to age ten
  - provide a new Cafeteria and catering facilities capable of servicing the various uses envisaged for the building e.g. meetings, weddings, exhibitions etc.
  - provide a new road layout, public realm with paving and soft landscaping to revitalise and enhance marine access to Dunoon town centre, Cowal and the National Park beyond
- 3.6. The Bute and Cowal Area Committee, at its' meeting on 4 August 2015 confirmed that it was content for the project to proceed to tender stage to establish the actual cost of the works to refurbish the Queens Hall and the associated Public Realm improvements.
- 3.7. The purpose of this report is to provide members with an update on the cost to deliver the Queens Hall project following the evaluation of the three submitted Tenders and to seek their approval to award the Contract as set out at Section 5.5 with the balance of funding being met from available Capital Reserves.
- 3.8. Members will note that there has been an increase in the estimated construction costs of some 6.8% between the Pre Tender Estimate (prepared in June 2015) and the Tender Price Submissions (April 2016). There are several contributing factors, including:
- Construction Industry Inflation – currently running at 10% per annum for Scotland. There has been some slippage in the overall programme, when the Pre Tender Estimate was prepared the mid-point of the construction period was proposed as 2Qtr 2016 whereas when the tender documents were issued, the mid-point was programmed for 1Qtr 2017. The principal cause of this was the length of time that it took to acquire the property at 15 Argyll Street. The property was bought at the end of January 2016 and while it was hoped that this could be agreed through negotiation it became necessary to embark upon a Compulsory Purchase process, with the previous owner withdrawing their objection at the last minute.
  - The additional cost of items included in the tender documents following on from the issue of the Pre Tender Estimate. These included items such as: new Provisional Sums e.g. an allowance for the lift shaft / pit; additional Insurance requirements due to the form of contract and the fact that it is a building refurbishment as opposed to new build project; and the potential for works around the area of Dunoon's War Memorial

- 3.9. This report was presented to the Bute & Cowal Area Committee on the 2 August 2016, where its contents were noted and supported by members.
- 3.10. We have also benchmarked the Tendered Prices with colleagues in other Local Authority procurement teams who have commented that:
- the market has become more buoyant with contractors being selective in the contracts that they are Tendering for; and
  - they are all experiencing an upward trend in Tendered Prices. This has been put down to commercial drivers such as an increase in the cost of construction related materials, increased cost of waste to landfill, the cost of meeting requirements of Employers Requirements with respect of Community Benefits and the payment of the national living wage.
- 3.11. Another contributing factor may be the impact of Dunoon's location and the additional costs to the Contractor of getting materials, plant, equipment and personnel to Dunoon

#### **4.0 RECOMMENDATION**

- 4.1. Policy and Resources Committee is asked to recommend that the Council:
- 4.1.1. Note that the Queens Hall Refurbishment and Public Realm Works Contract has been the subject of a competitive procurement exercise involving three Tenderers. This exercise identified the Most Economically Advantageous Tender and the detail of the tender evaluation process and determination of the project's Anticipated Final Cost is at Appendix A.
- 4.1.2. Note that the Most Economically Advantageous Tender results in an Anticipated Final Cost for the project at variance with the Approved Budget.
- 4.1.3. Approve the recommendation to award the Contract as shown at Section 5.5, with the balance of funding to be met from available Capital Reserves.

#### **5.0 DETAIL**

- 5.1. The Pre-Tender estimate, as advised in August 2015, identified a potential budget shortfall and Members of the Bute and Cowal Area Committee took the decision to proceed to tender stage to establish the actual cost of the works.
- 5.2. Following the assessment of the Pre-Qualification submissions three contractors were invited to submit tenders for the works contract.
- 5.3. We have completed the process of evaluating the three submitted Tenders in respect of the Technical Envelope i.e. how the works would be delivered and the Commercial Envelope i.e. the Tendered Price. Members should note that in accordance with the Public Contracts (Scotland) Regulations 2015, Regulation 67 (1) (a), the Award Criteria for the Contract is on the basis of the Most Economically Advantageous Tender (MEAT) and which considers Quality and Price as follows:
- Technical 60%
  - Commercial 40%

- 5.4. The Award Criteria require that any contract award must be to the Tenderer who has achieved the highest combined Technical / Commercial Score.

Tenderer	Technical Score	Commercial Score	Combined Score	Ranking
A	43.88	40.00	83.88	2nd
<b>B</b>	<b>54.16</b>	<b>37.41</b>	<b>91.57</b>	<b>1st</b>
C	36.41	37.50	73.91	3rd

- 5.5. Based on the above ranking, we recommend that: the contract for the Queens Hall Refurbishment and Public Realm Works should be awarded to **Tenderer B**; and that the balance of funding should be met from available Capital Reserves.
- 5.6. The detail of the Tendered Price, Anticipated Final Cost and variance to the Approved Budget is at Appendix A.

## 6.0 CONCLUSION

- 6.1. The Queens Hall Refurbishment and Public Realm Works Contract has been the subject of a competitive procurement exercise, through which Tenderer B has been evaluated as having submitted the Most Economically Advantageous Tender.
- 6.2. The Most Economically Advantageous Tender results in an Anticipated Final Cost at variance to the Approved Budget.
- 6.3. The Policy and Resource Committee is asked to recommend to the Council that the Contract should be awarded to Tenderer B, with the balance of funding to be met from available Capital Reserves.

## 7.0 IMPLICATIONS

- 7.1. Policy                      To allow continued delivery of the Council’s Corporate Plan and to assist in making our towns places of economic vibrancy that creates employment and prosperity for the residents of Argyll and Bute.  
  
The redevelopment of the Queens Hall will contribute towards the outcomes set out in the Single Outcome Agreement.
- 7.2. Financial                    The Anticipated Final Cost for the project is at variance with the Approved Budget as set out at Appendix B. Balance of funding to be met from available Capital Reserves.
- 7.3. Legal                        None
- 7.4. HR                            None

- 7.5. Equalities        None
- 7.6. Risk             1.Construction Industry Inflation and Project Affordability
- 7.7. Customer        None

**Executive Director of Development and Infrastructure Services, Pippa Milne**  
**Policy Lead – Cllr Ellen Morton**

**For further information on Queens Hall Refurbishment and Public Realm works contact:** John Gordon, Regeneration Project Manager, Tel: 01369 708457 or Mobile: 07901 516 106

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