

1. EXECUTIVE SUMMARY

- 1.1 In February 2015 the Long and Winding Way Ltd (LWW) which manages the Kintyre Way Long Distance path made an emergency funding request to the Council.
- 1.2 Following this request the LWW secured emergency funding from a variety of other sources including SNH, Campbeltown Common Good Fund and the Development and Infrastructure Access and Economic Development Budgets. Additional in December 2015, £100,000 from the Coastal Communities Fund was awarded for specific projects, but this must be spent in 2016 and cannot be used for core funding.
- 1.3 The LWW is making a core funding request to the Council for a three year Service Level Agreement of £60,000 equally split over years 16/17, 17/18, 18/19.
- 1.4 The Kintyre Way was opened in 2006 but has not yet established viable ongoing funding despite being provided £72,000 by the Council to support its continued development to date. The business plan submitted and appended, articulates its approach to operating the Kintyre Way and their approach to risk. However, the LWW is proposing to gain £85k of funding between 2017/19 from wind farm developments via Section 75 Agreement. There is a risk that this may not be achieved and there would subsequently be an equivalent funding gap in the LWW business plan. This is partly because the wind farms are not certain to be implemented; and also because the Council currently seeks planning gain via voluntary contributions from renewable energy developers instead of S75 agreements, and has an existing commitment to allocate this money to a Trust rather than directly to the LWW or other groups. The LWW could make a bid to this trust but would be competing with other groups. If there are any localised impacts from wind farm developments directly upon the Kintyre Way there may be the opportunity for the negotiation of mitigation of that impact through a S75 agreement, but this could only be determined at the time of such planning applications and directly relating to the identified impact. In any case, should the LWW fail the Council has no responsibility for the maintenance of the Kintyre Way.

2.0 RECOMMENDATIONS

- 2.1 Members note the content of the assessment process and determine whether or not to grant the LWW request for a £60,000, three year funding agreement, which if granted would be agreed with the LWW through a detailed Service Level Agreement.
- 2.2 Members should consider whether any grant of funding should be;
- offered subject to the LWW continuing to develop its partnership working with the Argyll & the Isles Coast and Countryside Trust (ACT) and its

Long Distance Routes Forum.

- be considered a final grant payment by the Council; and
- note that if the LWW cannot find a sustainable way forward no burden would fall upon the Council.

3. Introduction

- 3.1 The Long & Winding Way (LWW) maintains and manages the Kintyre Way Long Distance Path on behalf of the Council. In February 2015, the MAKI Committee considered an emergency funding request from the LWW which was referred to Policy and Resources Committee and then to Full Council on the 12th February. Full Council determined a detailed assessment of the funding request should be carried out, and subsequently on the 19th March the P&R Committee approved an assessment methodology for all such requests received by the Council (“Assessment Process for Additional Funding”). This report is the assessment of the funding request using the approved methodology.
- 3.2 Since the initial request, the LWW managed to secure emergency funding to cover its 2015/16 operating period. Following further discussion with the LWW, their funding request has been amended from one of short term emergency funding to a three year request of £60,000 (this was originally £81,800 for two years) beginning in 2016 to allow the LWW to continue to maintain the Kintyre Way during that period whilst continuing to explore a viable long term funding solution.

4. RECOMMENDATIONS

- 4.1 Members note the content of the assessment process and determine whether or not to grant the LWW’s request for a £60,000 three year funding agreement, which if granted would be agreed with the LWW through a detailed Service Level Agreement.
- 4.2 Members should consider whether any grant of funding should be;
- offered subject to the LWW continuing to develop its partnership working with the Argyll & the Isles Coast and Countryside Trust (ACT) and its Long Distance Routes Forum.
 - be considered a final grant payment by the Council; and
 - note that if the LWW cannot find a sustainable way forward no burden would fall upon the Council.

5.0 DETAIL

5.1 BACKGROUND

- 5.1.1 The Kintyre Way was conceived by members of the local community who subsequently worked with the Forestry Commission Scotland and Scottish Natural Heritage to establish the route. Following the establishment of the path the Long & Winding Way Ltd (LWW) was established to maintain and manage the path. The Council in its role as the Access Authority signed a formal agreement appointing the LWW to act as the Council’s agent in March

2006, prior to the opening of the 93 mile long route in June 2006. In 2013 the Coastal Communities Fund (CCF) provided a grant of £240,000 which allowed the LWW to extend the route to 100 miles and carry out significant improvements to the path in addition to an extensive marketing campaign for the Kintyre Way. Following the successful delivery of this project the CCF made a further award of £99,825 for the period January to December 2016 to fund further improvements to the route and further marketing. These grants cannot be used to fund ongoing maintenance or the core costs of managing the route.

5.1.2 Scottish Natural Heritage and Visit Scotland jointly market the Kintyre Way nationally and internationally as one of 26 of “Scotland’s Great Trails”. The LWW estimates that 2,500 people per annum walk the whole route and that many more are attracted into the area to walk parts of the path and explore the surrounding area. However these figures have not been independently verified. More detail is provided in appendix 1.

5.1.3 The current employees include;

- Route Maintenance Manager – Full Time
- Membership and PR Officer – Part Time
- Education & Community Liaison / Ranger – Full Time*

*NB this post is managed by the LWW and funded separately by four other funders. In addition the Kintyre Way will provide employment for three people and training opportunities for a number of people as a result of the recent grant from CCF.

5.1.4 The Council provided funding of £72,000 to the Long & Winding Way between 2007 and 2013 to support the development and improvement of the Kintyre Way.

See Table below for a breakdown of the funding.

Year	Purpose	Sum
2006-07	Funding for Route Manager and path maintenance	£10,000
2007-08	Funding for Route Manager and path maintenance	£10,000
2008-09	Emergency repairs to collapsed culvert	£7,000
2009-10	Funding for Route Manager and path maintenance	£10,000
2010-11	Vehicle hire and costs, tools and materials to support a 3 person Path Maintenance Team (Salary costs of £30,000 funded through the Future Jobs Fund for 12 months)	c£15,000
2011-12	Emergency funding	£15,000
2012-13	South Kintyre Development Trust and LWW to part fund an application to Coastal Communities Fund for £240,000	£5,000
2008-13	The Council provided office/storage space for the route manager in Tarbert until 2013	
Total		£72,000

5.1.5 At the beginning of 2015 a request was made to the Council for emergency funding to allow the LWW to continue to trade in 2015. Since that preliminary request the LWW have managed to secure emergency funding to cover the 2015/16 financial year. This included a grant of £5,000 from the Campbeltown Common Good Fund and £10,000 from the existing D&I Access and Economic Development Budgets.

5.1.6 As a result of securing this emergency funding, the LWW have revised their request to one of £60,000 over a three year period 2016/19. This would be phased as follows:

2016/17 £20,000 from A&B (with approved funding of £77,000 coming from CCF, Burcote Wind and LWW Membership. A further £60,000 will be sought from the Scottish Government's Improving Public Access Fund.

2017/18 £20,000 from A&B (with approved funding of £5,000 coming from LWW Membership. Funding of £60,000 will be sought from the Scottish Government's Improving Public Access Fund and £45,000 from wind farm developers via Section 75 Agreements.

2018/19 £20,000 from A&B (with approved funding of £5,000 coming from LWW Membership. Funding of £60,000 will be sought from the Scottish Government's Improving Public Access Fund and £50,000 from wind farm developers via Section 75 Agreements.

- 5.1.7 It should be noted that the LWW is seeking £45k for 2017/18 and £50,000 for 2018/19 via Section 75 Agreements with Wind Farm Developers and that this funding is not guaranteed and therefore represents a risk to the overall funding strategy. This is partly because the wind farms are not certain to be implemented; and also because the Council currently seeks planning gain via voluntary contributions from renewable energy developers instead of S75 agreements, and has an existing commitment to allocate this money to a Trust rather than directly to the LWW or other groups. The LWW could make a bid to this trust but would be competing with other groups. If there are any localised impacts from wind farm developments directly upon the Kintyre Way there may be the opportunity for the negotiation of mitigation of that impact through a S75 agreement, but this could only be determined at the time of such planning applications and directly relating to the identified impact. The LWW has made applications to the Esmee Fairburn and Robertson Trusts which it will progress with if match funding has been confirmed and this will help to reduce the risk.
- 5.1.8 The proposed funding would contribute to the ability of the LWW to maintain the Kintyre Way in a safe condition; continue to maintain its liability insurance; continue to act in maintaining the access agreements, continue to employ the staff outlined above, continue to market the route to the benefit of the wider economy, and continue to try and explore possibilities of a sustainable funding future. It is the view of officers that the LWW should be encourage to develop its emerging partnership relationship with ACT and other members of the Long Distance Routes Forum which may eventually assist in identifying viable ongoing funding.
- 5.1.9 When the Kintyre Way was established fifteen legal agreements with landowners were put in place to establish the route and outline responsibilities for maintenance and liability. All the responsibilities and liabilities created by these legal agreements are the direct responsibility of the Long & Winding Way Ltd. None of the responsibilities or liabilities of the LWW could be passed to the Council in the event that the company folds. In such circumstances the agreements would be redundant. Most of the Kintyre Way is a Core Path and whilst the Council has powers to maintain Core Paths it has no duty to maintain them.

5.2 ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

5.2.1 Appendix 1 includes the detailed assessment process for additional funding as approved by P&R Committee for funding requests of this nature.

The assessment:

- considers the potential impacts of refusing or granting the application;
- examines the relationship with the Single Outcome Agreement and Council priorities;
- carries out a SWOT analysis of the proposal;
- looks at the economic impact of supporting the application;
- identifies how many jobs will be created or secured;
- carries out a Governance & Financial Review of the LWW;
- examines the LWW Business Plan;
- identifies risks; and
- examines the LWW approach to Risk Management.

6. CONCLUSION

6.1 The LWW has managed funding from HIE, LEADER and CCF over a number of years to bring the Kintyre Way from idea to 100 miles of working route and has attracted another £100k of CCF funding for further improvements to the route during 2016 but not covering core funding. The LWW asserts that this route now provides economic and community benefit to the local area.

Despite these successes, not unlike other Long Distance Routes, the LWW has failed to establish ongoing sustainable core funding and this has resulted in their request to the Council.

The LWW has provided all the necessary detail to assess their ongoing Governance, management of risk and Business Plan and these are all assessed in the attached appendices. The core funding request from the Council is now 60k over three years. However there is still risk that the LWW will not secure all of its other proposed funding during that period. Should the LWW fold, the Council has no responsibility for maintenance of the Kintyre Way

7. IMPLICATIONS

7.1 **Policy** - The Single Outcome Agreement supports work that delivers a diverse and thriving economy with ambitions to reposition the Argyll and Bute tourism product and profile

Within the Corporate Plan, a strategic objective is promoting our cultural, social and natural heritage and protecting our unique area.

Within the Economic Development Action Plan a key outcome is to move the tourism industry up the value chain, extend the season and improve its profile and propositions

7.2 **Legal** – There could be potential legal challenges to a decision not to maintain the Kintyre Way, by landowners or members of the public, but Legal Services advise that these would be unlikely to be successful.

7.3 **Human Resources** – None.

7.4 **Financial** – If Approved the proposed three year Service Level Agreement will provide £60,000 to the Long & Winding Way during Financial Years 2016-19.

7.5 **Equal Opportunities** – None.

7.6 **Risk** – That the LWW is unable to continue to maintain the Kintyre Way and that it loses its status as one of Scotland's Great Trails. There is also the risk that should further funding be granted the future sustainability of the LWW cannot be guaranteed.

7.7 **Customer Service** – None

Appendices

- **Appendix 1 Assessment Process For Additional Funding**
- **Appendix 2 Approved Agent Agreement**
- **Appendix 3 Business Plan**
- **Appendix 4a LWW Budget for 2015-19**
- **Appendix 4b Budget for 2015-19 for the Education & Community Liaison / Ranger**
- **Appendix 5 Annual Accounts 2013-14**

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APPENDIX 1

ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

ASSESSMENT PROCESS FOR ADDITIONAL FUNDING

1.1 **Potential Impacts If Funding Request Refused & the Long & Winding Way Ceases Trading**

The risks only arise if the Long & Winding Way ceases to trade because insufficient funding is available and are as follows;

- Maintenance of the path may cease and sections may no longer be accessible.
- Scottish Natural Heritage may consider its status as one of Scotland's Great Trails. Since management and maintenance are criteria for inclusion on the list of Great Trails it is possible that the path would be removed from the list.
- If the Kintyre Way ceases to be one of Scotland's Great Trails this will potentially reduce the number of users.

2.1 **Impact of Granting Request**

Contributes to the maintenance of the 100 mile long Kintyre Way Long Distance Path until 2019. The path links towns and villages along the Kintyre peninsula between Tarbert and Campbeltown. The Long & Winding Way Ltd estimated 2,500 walkers per annum undertake the Kintyre Way. A survey of users carried out in 2014 estimated that these walkers spent a total in excess of £1 million in the local economy. Although these are unverified estimated figures to be treated with caution, the Kintyre Way undoubtedly contributes to supporting many small businesses that provide accommodation, transport and food to walkers using the route. The Kintyre Way is also used for an annual ultra-marathon attracting individuals and teams of people to run the entire length in 24 hours or less. In 2014 146 runners took part.

Subject to the full funding package being secured, there will be continued maintenance of the Kintyre Way, continued employment by the LWW, and continued marketing of the Kintyre Way thus attracting visitors to the area.

The LWW will continue to make applications for funding from a range of government and lottery funds. In 2016 the LWW will spend £99,825 of funding from the Coastal Communities Fund. In addition the LWW will make applications for circa £60,000 per annum to improve the route from the Scottish Government's Improving Public Access Fund.

2.1 **Measurable Benefits**

- 100 miles of Long Distance Route maintained
- Continued marketing and maintenance of this asset
- 3.5 FTE Jobs
 - Full Time Route Manager
 - Full Time Education & Community Liaison / Ranger
 - Part- time Marketing/PR Officer

- 2 x 5 month seasonal Employability posts maintaining the route
In the past people in Training for Work posts have received on the job and work experience. Over the past 2 years the Employability workers have all received First Aid Training, 2 attended a Basic Chainsaw Course and one completed CSCS Card Training which enabled him to seek employment on construction sites.

2.3 Locations Which Will Benefit

100 miles of path between;

- Tarbert
- Skipness
- Carradale
- Clonaig
- Campbeltown
- Southend
- Machrihanish



2.4 Relationship with SOA and Council priorities

Outcome 1 - In Argyll & Bute the economy is diverse and thriving – supporting a facility which attracts tourists in to the area, in turn supporting a range of businesses and helping to secure economic benefit for the local economy (LWW Survey).

Outcome 2 - We have infrastructure that supports sustainable growth – the Kintyre Way is a key part of Argyll & Bute’s infrastructure for visitors and offers an opportunity for visitors to take a sustainable holiday in the area. The economic beneficiaries are chiefly local business based in small communities and given the small scale of many of those businesses, this is likely to recirculate in the local economy. The Kintyre Way provides a tourism facility that links a number of small communities across Kintyre tackling geographical inequality, and addressing economic inequality by providing opportunities in these marginal communities.

Outcome 3 - Education, skills and training maximises opportunities for all. – The funding will help to support 2 Training Posts via Employability and a number of volunteers

Outcome 5 - People live active, healthier and independent lives. – In many of the small communities along the route the Kintyre Way provides an important part of the local path network and an opportunity to engage in physical activity.

Engagement & Empowerment – The Long & Winding Way is a community based Social Enterprise which exists to support the ongoing improvement, maintenance and promotion of the Kintyre Way. The LWW has developed working relationships with a number of landowners and managers along the route without whose support the

route would not be possible. The Long & Winding Way has 90 businesses which are members and collectively contribute £5,000 per annum towards the maintenance of the path.

2.5 Does Supporting this Application Conflict with Current and Other Projects?

No, but this could create a precedent for other long distance paths which might subsequently apply for Council funding during this time of severe financial pressure.

2.6 Does supporting this application support other projects/initiatives?

LWW Marketing

The LWW are marketing at national level and have promoted Kintyre through;

- national leaflet campaign
- advertising campaign in walking press
- bus back promotion in Glasgow
- BBC “Landward” programme
- BBC Scotland “Out of Doors” radio programme
- Journalist’s visits.

LWW Work with Local Schools

The “Wee Mull” is a character which was created by a Kintyre Way walker. He also wrote an illustrated book on the character’s walk of the Kintyre Way.

The “Wee Mull” Educational Project has been used by 2 schools to date – Drumlemble and Southend Primaries. The pupils have used the character and the route to learn about the local environment including mapping, history, photography and wildlife. They have learnt about the economic contribution of the Kintyre Way, marketing techniques and created their own advertisements. Poems and stories have been created and music, artwork and Power Point presentations have been used to express the pupil’s creativity and awareness.

The LWW have also been involved in visits to all the Kintyre primary schools and have produced a leaflet of the route which is aimed at families and children in association with Burcote Wind. The LWW employ an Education & Community Liaison / Ranger, details of the funding are in Appendix 4b.

3.1

SWOT Analysis

Strengths

- Presence of Route Manager and experienced staff.
- Managed by 1 organisation.
- LWW operate more flexible management than a local authority could.
- Board of directors represent key businesses located on walk.
- 90 Business Members.
- Quality of route, physical infrastructure.
- Recognised as one of 26 National Trails.
- Route established since 2006.
- Wide Community support and existing funding support from other organisations.

Weaknesses

- Limited labour resources, compared to other Long Distance Routes.
- Board members are volunteers (have own businesses to run).
- Moderate level of promotion to date, & lack of labour resources for marketing.
- Lack of market research data (from local trade & trail users).
- Low levels of income from other private sector sources (e.g. membership fees, sponsorship, merchandise).
- Inability to establish sustainable funding prior to date.
- Sustainability, continuity of staff and projects due to funding constraints

Opportunities

- Continue to maintain and develop physical infrastructure of route
- Income generation from Renewable Energy
- Partnership working with other Long Distance Routes through ACT
- Collaborative marketing opportunities with other Scottish & Irish long distance routes.
- Promote route to key target audiences, within limitations of budget & labour resources.
- Fee Paying Guided Walks
- Maximise other income opportunities such as sponsorship
- Improve market research to quantify local economic impact of route.
- Additional partnership opportunities with specialist overseas tour operators.

Threats

- Lack of funding to continue to maintain the route may lead to the LWW ceasing to trade
- Loss of wider economic benefits.
- Funding uncertainty after 2016 may hinder medium to long term planning/future developments.
- Lack of effective promotion will hinder potential to attract more walkers, and knock-on effect may be fewer local trade members.
- Time constraints prevent necessary focus on identifying/exploiting additional income streams.
- Identifying/securing additional income streams labour-intensive and the need for this is increasing.

4.1 **What Is The Economic Impact of Supporting The Application?**

A recent but unverified survey by LWW indicates that walkers may spend in the region of £1,000 000 mostly in small and local businesses on accommodation, food & drink and gifts. The level of spend per walker reflects other accepted data, although there is question over the exact numbers actually walking the route.

90 businesses are currently members of the Kintyre Way including;

- 67 accommodation providers from campsites and small B&Bs to the four star Ugadale Hotel
- 15 businesses selling anything from sandwiches to a three course dinner
- 8 attractions/ activity providers including cycle hire, golf courses and sea tours
- 6 art galleries
- 6 companies offer package holidays for walkers which feature the route and help to promote the area internationally
- 2 Taxi companies who move baggage and people along the route, West Coast Motors and one offering car hire

NB some businesses offer more than one service i.e. accommodation and food. There are also a number of businesses which currently benefit but are not members

The majority of these businesses employ local people and reinvest their profits in the local economy creating a strong economic multiplier.

4.2 **How Many Jobs Will be Created or Secured?**

The funding being sought will allow the Kintyre Way to retain the following posts equivalent to 3.5 full time posts

- Full Time Route Manager.
- Full Time Education & Community Liaison / Ranger.
- Part- time Marketing/PR Officer.
- 2 x 5 month seasonal Employability posts maintaining the route.

5.1 GOVERNANCE REVIEW

5.2 What Is the Legal Status of the Applicant?

Long and Winding Way Ltd (known as the Kintyre Way) is a charity run by a Board of voluntary directors.

- Reg. Charity No SCO37382
- Company No SC302356.

5.3 Is This Confirmed?

Strategic Finance has confirmed the registration numbers above and they have been found to be in order.

5.4 Does the LWW have the Necessary Legal Powers to maintain the Kintyre Way?

The LWW has stated that its Company Articles does allow it to enter into a contract / service level agreement with the Council. A copy of the already agreed Memorandum of Agreement between the Council and LWW is available in Appendix 2, Approved Agent Agreement.

Summary

The Agreement Authorised the Long & Winding way to negotiate path agreements with landowners and to manage and maintain the Kintyre Way on behalf of the Council under section 26 of the Land Reform (Scotland) Act 2003. There are currently 13 Agreements which have been signed by the Council and a similar number signed by the Kintyre Way. There is no current obligation on the Council to make a financial contribution towards the cost of maintaining the path under the existing agreements.

5.5 Have the Board of the LWW agreed to Maintain the Kintyre Way?

The Board of the Long & Winding Way Ltd have unanimously backed this proposal at its last several meetings, adopting the position that future funding for Kintyre Way will be a package of funders supporting different elements of its work. Core maintenance and Marketing/PR work will be funded by a package partly from Argyll & Bute Council and the Company's own subscribing Members with additional funding from Sponsors from the Renewable Energy Sector (of which Burcote is already in place). The post of the Education & Community Liaison / Ranger will be funded by some sponsorship already in place from Burcote Wind, Rotary, East and West Kintyre Windfarm Trusts and subject to applications, Esmee Fairbairn Foundation and Robertson Trust.

Further Information can be found in Appendix 3 the Business Plan and Appendix 4 Budgets for 2015-19 demonstrate clearly the level and timing of financial funding from the broad range of funders involved.

5.6 Is the Long & Winding Way Ltd. Duly Registered if Required e.g. OSCR?

Yes Charity No. on OSCR SC037382

5.7 Any Related Company / Organisation?

The Forestry Commission Scotland spends £10,000 per annum maintaining sections of the Kintyre Way which crosses their estate.

Scottish Natural Heritage made a grant of £10,000 to the Long & Winding Way Ltd in the current financial year to enable the company to continue to trade and continues to actively support the LWW.

6.1 FINANCIAL REVIEW

6.2 Proposal in the Application:

The Kintyre Way plan to consolidate the work of the CCF project and ensure sufficient strength of resource remains in place to deliver further outcomes. It aims to increase the number of walkers on the route year on year through national marketing campaigns, and also increase use by local residents through educational programmes and local marketing. They also plan to start marketing the route in Germany, Netherlands, Canada and the United States. Working with third sector groups to support use of the route by vulnerable groups through guided walks, talks and volunteering. Extend the current Education Project involving the Wee Mull character. Maintenance of the route will be continued to keep the route in a safe and useable state.

6.3 Costings Provided?

Costings have been provided for the operation of the LWW for the next 3 years see Appendix 4 Budget for 2015-19

6.4 Have Costings Been Verified?

Strategic Finance has said that the costings appear to be in order and acceptable clarification was requested and this is copied below.

LWW Ltd have budgeted for the purchase of some consumables for strimming, path repair, replacement of fences/gates etc. The LWW have established relationships with Renewable Energy companies for donations in kind, of which an existing example is Siemens, who rebuilt 300 metres of path at Saddell and carried out shrub/brush clearance at Killean under LWW supervision, and who have donated £2,000 plus worth of quality timber for construction. In the past, when a bridge was required, for example, a donation from Scottish Water provided the solution, and donations in kind are often the preferred means of providing sponsored support.

A substantial amount of construction/repair has been effected in the period of Coastal Communities Funding, but after a year or so of less maintenance being needed as a result, larger amounts will have to be spent on maintenance once again due to wear and tear and adverse weather.

6.5 **Is Funding In Place?**

The Long & Winding Way has budgeted for a total expenditure of £422,000 over the three year period of 2016/19. The £60,000 sought from Argyll & Bute Council is 14% of the total. £15,000 will come from LWW members including 90 business members. The CCF will provide £67,000 during 2016. Applications will be made to the Improving Public Access fund for £180,000 over the three years.

Burcote Wind has committed to provide £5,000 in 2016/17 and the LWW hopes to secure a further £95,000 in 2017/19 from Windfarm developers or Section 75 Agreements. There is a risk that this funding will not be secured.

The LWW has made applications to the Esmee Fairburn and Robertson Trusts which it will progress with once match funding has been confirmed and this will help to reduce the risk. In addition the Board will continue to seek additional funding where opportunities arise.

In addition a separately funded full time Education & Community Liaison / Ranger will be employed at a cost of circa £19,000 per annum.

6.6 **Any Ongoing Costs – Is There An Operating Business Plan?**

The LWW has submitted a Business Plan which includes annual projected expenditure and income budgets for the four years to 2019 (Appendix 4).

6.7 **Cash Flow Forecasts and Income and Expenditure Assumptions**

Budgets for 2015 to 2019 can be found in Appendix 4.

The LWW are seeking £60,000 from Argyll & Bute Council equivalent to 14% of the total budget of £422,000 for the four year period 2016-19;

Funding through Service Level Agreement worth £60,000

- 2016 -17 - £20,000
- 2017 -18 - £20,000
- 2018 -19 - £20,000

Income from 90 Business Members c£5,000 is fairly constant year on year.

Other funding applications are already in process to bodies such as Esmee Fairbairn Foundation and Robertson Trust with both of whom Board members already have experience over many years. These will be progressed once match funding is available.

The Board is continuing to negotiate with Renewable Energy developers for funding which it is hoped would fill the £45,000 funding gap for 2017/18 and beyond £50,000 2018/19 it is hoped this will be a significant funding stream in future.

Future Sustainable Funding

There will be many strands of approach and the LWW is talking to all Wind Farm Developers of which RES and Burcote have already been very supportive and have expressed a wish to continue the existing relationship. Scottish Power attended the July Board meeting in respect of Beinn an Turk 3, the LWW have met SSE several times. Siemens have provided help in kind recently with materials and labour for construction/repair and this is expected to continue for some years as they will be working in Kintyre for a long period. Financial input may come from direct sponsorship, compensatory funding, or from joint ventures in the form of income from a specific site or turbine over an extended period. Solar array remains a possibility and discussions with MACC will continue who seem likely to develop their own site regarding partnership or joint venture. The LWW recently had a small scale study completed by an expert into Solar Arrays at individual farm level, which whilst limited by the network connections available is not to be ruled out as worth following at a later date.

Joint working with Argyll and the Isles Coast and Countryside Trust and other Long Distance Routes is enabling all the Long Distance Routes in Argyll & Bute to share their marketing budgets and increase their impact. There is also the potential to develop joint funding applications and sharing of knowledge and resources and this is considered a high priority by the Board.

6..8 Proposer

Long & Winding Way Ltd a registered charity which maintains and develops the Kintyre Way.

6.9 Copy of Annual Accounts

A full copy of the Annual Accounts for 2013-14 is available in Appendix 5 and are the most recent available

Summary of Financial Year 2013-14

Income £186,199

Expenditure £175,373

Net Income £10,826

Unrestricted Balance £18,739

Restricted Balance £18,792

Total Balance £37,531

Grants

Forestry Commission £500

Awards for All (restricted) £7,654

Skills Development (restricted) £472

DWP (restricted) £2,275

RES UK & Ireland £10,020
Coastal Communities Fund (restricted) £146,467
Highlands & Islands Enterprise (restricted) £7,538
Total £175,226

Memberships / Sponsorships £5,505

6.10 **Copy of 3 Month Bank Statement**

Copies were provided and have been reviewed by Strategic Finance and found to be satisfactory.

Balance at 30 December 2015 - £7,745.49

6.11 **Copy of Current Year Financial Reports / Management Accounts**

No current year accounts have been supplied

6.12 **Copy of Audited Annual Accounts**

Attached in Appendix 5

6.13 **Copy of Budget Proposals**

Attached in Appendix 4

7.1 **DELIVERABILITY/ RISK REVIEW**

7.2 **Do We Have Business Plan / Business Case?**

This has been received and assessed by Strategic Finance and a copy can be found in Appendix 3.

LWW BUSINESS PLAN EXECUTIVE SUMMARY

The Kintyre Way - Take a Walk on the Wild Side!

Walk in the remote and beautiful countryside of the Kintyre peninsula. Enjoy the varied landscapes, seascapes and tranquillity which are unique to Kintyre. The fully waymarked route will gently guide you whilst allowing you to discover the joys of the route at your own pace. Wildlife and history will accompany you on this wonderful journey.

BUSINESS AIMS The Kintyre Way aims to increase the number of walkers on the route year on year through national marketing campaigns and also increased community awareness and usage among local residents through educational programmes and local marketing. Working with local third sector groups we plan to encourage use and enjoyment of the route for vulnerable groups through guided walks, talks and volunteering as well as extending our Educational Project involving the Wee Mull character. We have also recognised that a commercial market exists locally for guided walks in conjunction with organisations such as Cal Mac.

FINANCIAL SUMMARY The Development of the Kintyre Way was underwritten

for 2 years by the Coastal Communities Fund. This project ended on March 31st, 2015 and the route needed to find new funding sources to enable staff to be retained and project work extended. In December 2015 the CCF provided an additional £99,825 for the period Jan to Dec 2016. This funding will enable further improvements to sections of the path and some additional marketing but cannot be used to fund the maintenance of the route which needs to continue in order to keep the whole route in a safe and usable state. It is anticipated that access to significant community funds from windfarm development will be available after 2017 when many installations have been granted planning consent, and sponsorship by firms has already started to be paid by RES and now Burcote Wind.

7.3 Are The Assumptions Clearly Stated And Reasonable /Supported?

These are reasonable and clearly stated.

7.4 Who Are Partners / Advisers?

The LWW has an experienced Volunteer Board, who are all also Directors and/or Company Secretaries of other Private, Public or Community Companies. It includes a Solicitor, an Accountant, and members of the Farming and Tourism Communities of many years standing.

Forestry Commission, SNH and A&BC are active partners who regularly attend Board and other meetings of LWW for close and frequent consultation. All have been involved since the start of the development in 2005 leading to formation of the Company in 2006, have been or are active contributors financially or in kind, and are valued advisers to LWW and its staff. One-third of the route is on land managed by the Forestry Commission Scotland.

7.5 **Are They Sufficiently Experienced?**

Yes for the purposes of this application

7.6 **Directors / Key People In The Group**

- **Chairman** – Marcus Adams –Hotel Owner
- **Treasurer** - Clive Good –AFTA, CeMAP, DipFM
- Niall Macalister Hall – Land Agent & Estate Owner
- Campbell Read – Partner Stewart, Balfour & Sutherland Solicitors
Campbeltown
- Rhona Elder
- Rob Reid– Organiser of the popular annual Kintyre Way Ultra run.
- Stewart Rafferty – Campsite owner

7.7 **Do They Have Relevant Experience?**

The Board has managed the Kintyre Way improving the route, increasing the number of walkers' year on year since 2006.

In 2013 the Long & Winding Way was awarded a sum of £240,000 to extend the path from 93 to 100miles and create a number of employment opportunities.

The following jobs were funded during this 2 year period.

- Route Manager
- Marketing Officer
- Project Officer
- 3 x Countryside Apprentices
- 4 Employability posts

The project was completed on time and on budget and CCF made a second award of £99,825 in December 2015. This funding will be spent during 2016 on further improvements to the route and additional marketing and will enable the posts identified above to continue.

7.8 **Have Risks Been Clearly Articulated?**

The Board of LWW clearly recognises that the maintenance of the Kintyre Way in safe condition is paramount to its continued use. There is a risk that funding may not be secured for the period after April 2016 to enable continued maintenance and the Board meets 4-6 weekly to monitor current financial viability and plan ahead to ensure that it will be possible to keep the Kintyre Way open.

The annual expenditure and budget projections (Appendix 4) clearly show which elements of funding have been secured over which time period and where funding is not yet agreed and where a financial shortfall exists. The Board has set an ambitious target of securing £45,000 in 2017/18 and £50,000 in 2018/19 through Section 75 agreements or sponsorship from wind farm developers.

There is a risk that even if the proposed £60,000 service level agreement is approved by the Council that this gap is still not filled by other funders.

The LWW has made applications to the Esmee Fairburn and Robertson Trusts which it will progress with once match funding has been confirmed and this will help to reduce the risk. In addition the Board will continue to seek additional funding where opportunities arise.

7.9 Have They Set Out Their Approach To Managing Risks?

LWW are very risk averse. The policy of the Company is not to have any indebtedness, and not to arrange or use any overdraft facility. All financial management is based upon planned expenditure within limits which are consistent with guaranteed availability of funding. Should sufficient funding not be available to maintain the Kintyre Way in a safe condition for Public use, then the Board would not be able to maintain its insurance cover to adequately cover itself for public liability along the route. In this eventuality, the LWW would terminate its management agreement for the Kintyre Way with the Council

7.10 Are Risk Assumptions And Proposed Risk Management Reasonable?

The assumptions made by the Board of the LWW are based upon many years of experience in fund raising for Community projects, and current negotiation/ proposal/ application involving many appropriate potential sources of funding, but backed by the knowledge that it may be necessary to terminate its management of the Kintyre Way if funding cannot be secured.

The risk assumptions and the proposed approach to risk management are both reasonable.

However given the past history there is always the risk that should further funding be granted the future sustainability of the LWW still cannot be guaranteed.

APPENDIX 2

APPROVED AGENT AGREEMENT



Corporate Services
Area Corporate Services Manager: Deirdre Forsyth

Corporate Services

Dalriada House, Lochnell Street,
Lochgilphead, Argyll, PA31 8ST
Tel: 01546 604558 Fax: 01546 604530
e.mail – deirdre.forsyth@argyll-bute.gov.uk
www.argyll-bute.gov.uk

Mr Marcus Adams
Kintyre Marketing Group
Carradale Hotel
Carradale

Direct Line 01546 604558
Ask for Deirdre Forsyth
Our Ref:
Your Ref:
Date: 17 March 2006

Dear Mr Adams

Approved Agent Agreement

Argyll and Bute Council (hereinafter referred to as the Council) hereby appoints "The Long and Winding Way Company Limited" (hereinafter referred to as the Company) as their agents to manage and maintain the Kintyre Way, to negotiate path agreements with landowners under the Land Reform (Scotland) Act 2003 and to take over all its liabilities set out within the said path agreements which may arise from the provision of the Kintyre Way.

1. The Council is the local authority for the area which includes the route of the Kintyre Way.
2. The Council is committed to developing and promoting access across Argyll and Bute.
3. Under the Land Reform (Scotland) Act 2003 only local authorities can enter into path agreements with the local landowners, but they can delegate the management and maintenance of the path to an approved agent.
4. The Council has agreed to appoint the Company as their agents to manage and maintain the Kintyre Way. The Company has been formed by the Kintyre Marketing Group specifically to take on this role. The Council will not pay any costs or charges to the Company arising out of this agreement. The Company will not be entitled to receive any fee for acting as agents of the Council.




5. The Company has agreed to act as agents for the Council and to manage and maintain the Kintyre Way, and to take responsibility for its liabilities under the said path agreements which may arise from the provision of the Kintyre Way.
6. The Company will indemnify the Council to the extent of £5000 only, in respect of any insurance claim.
7. The Forestry Commission has been working with Kintyre Marketing Group in discussions with willing landowners. The route will alter as and when new path agreements are entered into.
8. It is intended that all necessary path agreements will be concluded by 10th June 2006 when the Kintyre Way will open.
9. Since all path agreements will be signed by the Council, the Council hereby agrees to provide the Company with a copy of each path agreement.
10. This letter covers responsibilities for new agreements entered into after the route opens on 10th June 2006 as well as those entered into before that date.
11. By signing this agreement both Argyll and Bute Council and "The Long and Winding Road" Company Limited demonstrate their support for the Kintyre Way, their willingness to encourage landowners to manage the new statutory access rights across their land and the opportunity for the local communities along the route to develop new tourism businesses.

Yours sincerely


Deirdre Forsyth
Area Corporate Services Manager

On Behalf of the Company, I hereby accept appointment as agents for the Council on the foregoing terms and conditions.


Marcus Adams
Kintyre Marketing Group and Long and Winding Way Company
Dated.....17th March 2006

APPENDIX 3

BUSINESS PLAN

Appendix 3 Business Plan

THE KINTYRE WAY

BUSINESS PLAN

EXECUTIVE SUMMARY

The Kintyre Way

Take a Walk on the Wild Side!

Walk in the remote and beautiful countryside of the Kintyre peninsula. Enjoy the varied landscapes, seascapes and tranquillity which is unique to Kintyre. The fully waymarked route will gently guide you whilst allowing you to discover the joys of the route at your own pace. Wildlife and history will accompany you on this wonderful journey.

BUSINESS SUMMARY The Kintyre Way is a fully waymarked, 100 mile, long distance walking route on the Kintyre peninsula on Scotland's west coast. It has formalised agreements with all landowners along the route and operates the route on behalf of Argyll & Bute Council. It presently employs 3 full-time members of staff carrying out admin, maintenance and marketing functions. All route maintenance is presently carried out in-house and all equipment and vehicles necessary for this belong to the Kintyre Way. The route employs staff from the Community Jobs Fund on a seasonal basis and also provides training and work experience to them. There are 85 business members who support the route annually through a membership fee.

BUSINESS AIMS The Kintyre Way aims to increase the number of walkers on the route year on year through national marketing campaigns and also increased community awareness and usage among local residents through educational programmes and local marketing. Working with local third sector groups we plan to encourage use and enjoyment of the route for vulnerable groups through guided walks, talks and volunteering as well as extending our Educational Project involving the Wee Mull character. We have also recognised that a commercial market exists locally for guided walks in conjunction with organisations such as Cal Mac.

FINANCIAL SUMMARY The Development of the Kintyre Way has been underwritten for the last 2 years by the Coastal Communities Fund. This project ends on March 31st, 2015 and the route needs to find new funding sources to enable staff to be retained and project work extended. The maintenance of the route needs to continue in order to keep the route in a safe and usable state. It is anticipated that access to significant community funds from windfarm development will be available after 2017 when many installations have been granted planning consent, and sponsorship by firms has already started to be paid by RES and now Burcote Wind.

Route Development in 2013/2014

In 2013 the Kintyre Way received a grant of £240,000 for route development from the Coastal Communities Fund and has been very successful in achieving the following:

- Increasing the length of the route to from 87 to 100 miles – split into 7 distinct sections
- Removing sections of road walking that were hazardous for walkers
- Improving off road sections
- Promoting the area's assets using the route as a tool in schools, via a blog and through advertising
- Employing a full time Route Manager, Part time Marketing Manager and part time Project Manager
- Hiring and training of 3 apprentices
- Creation of 6 temporary posts utilising the Community Jobs Fund
- Temporary staff securing permanent positions in the countryside sector
- Establishing a Volunteer Ranger Scheme
- Researching long term funding resources from renewable energy partners such as RES, Burcote Wind, SSE and Scottish Power.

2015/2016 Status

The route is in very good condition and we have excellent current staff with a wealth of local experience in managing the route, countryside management and PR skills.

The Kintyre Way is a vital economic resource to the fragile Kintyre economy providing opportunities to a diverse range of businesses such as Accommodation Providers, Food and Drink operators, Taxi, Tours and Transport, Baggage Handlers, Campsites and Shops.

- An average of 2500 visitors walk the Kintyre Way each year. Via our user questionnaire information we can confirm that each walker spends between £200 and £800 per person on food, transport and accommodation. We estimate that this brings in at least £1 million annually to the Kintyre economy.
- The Kintyre Way is the only vehicle through which local businesses can participate in the rapidly expanding Scottish walking market, estimated by Visit Scotland to bring in over £1 billion to the national economy. It provides an alternative marketplace in what is a fragile economic area.
- Opportunities exist through an increase in visitor numbers, the extension of the traditional season, exposure to new markets, the prospect of alternative income streams (e.g dairy farmers diversifying into accommodation provision), introduction of new categories of customers, the ability to package product more effectively through themed breaks and the confidence to diversify
- The Kintyre Way is also used by many local residents as a leisure and health amenity.
- We have grown to over 90 fee paying business members.

THE MARKET

The Kintyre Way will be promoting the 100 mile, fully waymarked long distance walking route to a variety of markets local, national and international with a different strategy for each.

- The walking market is constantly expanding and growing
- There are many different types of walker
- Businesses can tailor their activities to attract the type of walker you want
- The majority of walkers want to do another activity during their walk

Local market – Aimed at families looking to enjoy an activity which is healthy and can be carried out close to their home. We have developed close links with the local schools and produced a leaflet specifically targeted at families. Our route mascot “Wee Mull” will be used to facilitate learning through the route. We also have established links with ferry operator, Cal Mac, with a view to providing a guided walks service for their customers.

National – we have utilised planned marketing campaigns to target our core national walker demographic of over 45’s living in Scotland and the north of England.

International – our close links with package tour companies who specialise in walking on the Kintyre Way allows us access to these walkers through exit evaluations and social media interaction.

Kintyre Way Business Members – provide vital funding for maintenance and admin of the route. Part of our marketing strategy is to show them how much the Kintyre Way benefits the local economy. This will be achieved through personal contact, promotions, our website and social media.

THE FUTURE

The Kintyre Way plan to consolidate the work of the highly successful CCF project and ensure sufficient strength of resource remains in place to deliver further high achieving outcomes. An educational programme based on the highly successful “Wee Mull” creation has been fully tested in one primary school and the course work is now ready to be rolled out to other participants. (Appendix 1)

FINANCIAL FORECASTS

A two year budget is attached for the Kintyre Way

APPENDIX 4A

LWW BUDGET FOR 2015-19

MAIN KINTYRE WAY BUDGET 2015-2016

Expenditure	2015/16												Totals	
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	1833	22000
Marketing/PR (" ")	750	750	750	750	750	750	750	750	750	750	750	750	750	9000
Seasonal Staff/Apprentice		375	375	375	375	375				275	1000	1000	1000	5150
Vehicle Lease	450	450	450	350	350	350	350	350	350	350	350	350	350	4500
Vehicle Insurance	179	179	179	179	179	179	179	179	179	179	179	179	179	2148
Liability Insurance	135	135	135	135	135	135	135	135	135	135	135	135	135	1620
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	400	425	425	520	420	420	450	300	300	300	300	300	300	4560
Phones/Internet	100	100	100	100	100	100	100	100	100	100	100	100	100	1200
Electricity	30	30	30	30	30	30	30	30	30	30	30	30	30	360
Website Hosting	0	0	1500	50	0	0	0	0	50	0	0	0	0	1600
Marketing	167	167	167	167	167	167	167	167	167	167	167	167	167	2000
Strimming Fuel	80	80	80	80	80	80	0	0	0	0	0	0	0	480
Workwear	200	0	0	200	0	0	0	0	0	0	0	0	0	400
Maintenance	167	2867	3500	2400	990	725	167	167	167	500	500	500	500	12648
	4766	7666	9799	7444	5684	5419	4436	4286	4611	5619	5619	5619	5619	<u>70966</u>

Income	2015/16
<i>Approved</i>	
CCF	25900
LWW Membership	5000
Mactaggart Trust	5000
SNH	10000
Common Good Fund	5000
RES	10000
A & BC	10000
	<u>70900</u>

Expenditure	2016/17													Totals
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	1870	22440
Marketing/PR (" ")	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	1100	13200
Apprentice/Seasonal	1000	2500	2500	2500	2500	2500	2500	2500	2500	2500	1020	1020	1020	23060
Vehicle Lease	350	350	350	350	350	350	350	350	350	350	350	350	350	4200
Vehicle Insurance	183	183	183	183	183	183	183	183	183	183	183	183	183	2191
Liability Insurance	138	138	138	138	138	138	138	138	138	138	138	138	138	1652
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	408	434	434	530	428	428	459	306	306	306	306	306	306	4651
Phones/Internet	102	102	102	102	102	102	102	102	102	102	102	102	102	1224
Electricity	31	31	31	31	31	31	31	31	31	31	31	31	31	367
Website Hosting	500	0	0	51	0	0	0	0	51	0	0	0	0	602
Marketing	750	750	750	170	170	170	170	170	170	170	170	170	170	3780
Strimming Fuel	82	82	82	82	82	82	0	0	0	0	0	0	0	480
Workwear	500	250	250	204	0	0	0	0	0	0	0	0	0	400
Maintenance	10000	25000	25000	12500	500	500	500	500	500	500	500	500	500	76500
	17287	33063	33063	20085	7728	7728	7677	7524	7575	6044	6044	6044	6044	<u>158048</u>

Income	2016/17
<i>Approved</i>	
CCF	67000
Burcote Wind	5000
LWW Membership	5000
<i>Subject to Approval</i>	
Argyll & Bute Council	20000
Improving Public Access	60000
	<u>157000</u>

Expenditure	2017/18													Totals
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	1907	22889
Marketing/PR (" ")	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	1122	13464
Seasonal Staff	0	1500	1500	1500	1500	1500	0	0	0	0	0	0	0	7500
Vehicle Lease	350	350	350	350	350	350	350	350	350	350	350	350	350	4200
Vehicle Insurance	281	281	281	281	281	281	281	281	281	281	281	281	281	3366
Liability Insurance	416	442	442	541	437	437	468	312	312	312	312	312	312	4744
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	416	31	31	31	31	31	31	31	31	31	31	31	31	759
Phones/Internet	104	104	104	104	104	104	104	104	104	104	104	104	104	1248
Electricity	31	31	31	31	31	31	31	31	31	31	31	31	31	375
Website Hosting	510	0	0	52	0	0	0	0	52	0	0	0	0	614
Marketing	175	175	175	175	175	175	175	175	175	175	175	175	175	2100
Strimming Fuel	82	82	82	82	82	82	82	82	82	82	82	82	82	480
Workwear	250	33724	33724	250	7882	7882	7830	7674	7726	6165	6165	6165	6165	400
Maintenance	10000	25000	25000	500	500	500	500	500	500	500	500	500	500	64500
	15919	65025	65025	7201	14678	14678	13157	12845	12949	11335	11335	11335	11335	<u>129940</u>

Income	2017/18
<i>Approved</i>	
LWW Membership	5000
<i>Subject to Approval</i>	
Argyll & Bute Council	20000
Windfarms/Section 75 Agr	45000
Improving Public Access	60000
	<u>130000</u>

Expenditure	2018/19												Totals	
	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH		
Route Manager (Inc Emps Ni	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	1946	23347
Marketing/PR (" ")	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	1144	13733
Seasonal Staff	0	1500	1500	1500	1500	1500	0	0	0	0	0	0	0	7500
Vehicle Lease	350	350	350	350	350	350	350	350	350	350	350	350	350	4200
Vehicle Insurance	286	286	286	286	286	286	286	286	286	286	286	286	286	3433
Liability Insurance	424	451	451	552	446	446	478	318	318	318	318	318	318	4839
Workshop/Office Rent	275	275	275	275	275	275	275	275	275	275	275	275	275	3300
Fuel	424	32	32	32	32	32	32	32	32	32	32	32	32	775
Phones/Internet	281	281	281	281	281	281	281	281	281	281	281	281	281	3366
Electricity	424	32	32	32	32	32	32	32	32	32	32	32	32	775
Website Hosting	0	0	0	52	0	0	0	0	52	0	0	0	0	104
Marketing	175	175	175	175	175	175	175	175	175	175	175	175	175	2100
Strimming Fuel	82	82	82	82	82	82	82	82	82	82	82	82	82	984
Workwear	250	0	0	250	0	0	0	0	0	0	0	0	0	500
Maintenance	10000	25000	25000	500	500	500	500	500	500	500	500	500	500	64500
	16062	31553	31553	7456	7048	7048	5580	5421	5473	5421	5421	5421	5421	<u>133456</u>

Income	2018/19
<i>Approved</i>	
LWW Membership	5000
<i>Subject to Approval</i>	
Argyll & Bute Council	20000
Windfarms/Section 75 Agr	50000
Improving Public Access	60000
	<u>135000</u>

APPENDIX 4B

**BUDGET FOR 2015-19 FOR THE EDUCATION
& COMMUNITY LIAISON / RANGER**

Kintyre Way Education & Community Liaison/Ranger

Expenditure	2015/16												Totals
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	
Salary	1233	1233	1233	1233	1233	1233	1233	1233	1233	1233	1233	1233	14796
Employers NI	83	83	83	83	83	83	83	83	83	83	83	83	999
Training			150			150			150			150	600
Educational Activities & Pubs	120	120	120	120	120	120	120	120	120	120	120	120	1440
Phone & Broadband	30	30	30	30	30	30	30	30	30	30	30	30	360
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>19395</u>
Income	2015/16												
<i>Approved</i>													
Rotary	1000												
Third Sector Grant	3000												
East Kintyre W/Farm Trust	3000												
CCF	12000												
	<u>19000</u>												

Expenditure	2016/17												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Totals
Salary	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	15092
Employers NI	85	85	85	85	85	85	85	85	85	85	85	85	1016
Training			150			150			150			150	600
Educational Activities & Pubs	100	100	100	100	100	100	100	100	100	100	100	100	1200
Phone & Broadband	50	50	50	50	50	50	50	50	50	50	50	50	600
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>19708</u>

Income	2016/17
<i>Subject to Approval</i>	
Esmee Fairbairn Foundation	6000
Robertson Trust	6000
East/West Kintyre Wind Trusts	3222
Burcote Wind	5000
	<u>20222</u>

Expenditure	2017/18												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Totals
Salary	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	1258	15096
Employers NI	87	87	87	87	87	87	87	87	87	87	87	87	1040
Training			150			150			150			150	600
Educational Activities & Pubs	100	100	100	100	100	100	100	100	100	100	100	100	1200
Phone & Broadband	50	50	50	50	50	50	50	50	50	50	50	50	600
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>19736</u>

Income	2017/18
<i>Subject to Approval</i>	
Esmee Fairbairn Foundation	6000
Robertson Trust	9565
Burcote Wind	5000
	<u>20565</u>

Expenditure	2018/19												
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Totals
Salary	1326	1326	1326	1326	1326	1326	1326	1326	1326	1326	1326	1326	15912
Employers NI	89	89	89	89	89	89	89	89	89	89	89	89	1065
Training			150			150			150			150	600
Educational Activities & Pubs	100	100	100	100	100	100	100	100	100	100	100	100	1200
Phone & Broadband	50	50	50	50	50	50	50	50	50	50	50	50	600
Transport	100	100	100	100	100	100	100	100	100	100	100	100	1200
													<u>20577</u>

Income	2018/19
<i>Subject to Approval</i>	
Esmee Fairbairn Foundation	6000
Windfarms/Section 75 Agr	10000
Burcote Wind	5000
	<u>21000</u>

APPENDIX 5

ANNUAL ACCOUNTS 2013-14

Charity Registration No. SC037382

Company Registration No. SC0302356 (Scotland)

THE LONG AND WINDING WAY
DIRECTORS' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

THE LONG AND WINDING WAY

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Malcolm Holder Clive Good Rob Reid Marcus Adams Stewart Rafferty Campbell Read Rhona Eider Niall MacAlister Hall
Secretary	Alison Clements
Charity number	SC037382
Company number	SC302358
Principal address	Carradale Hotel Airds Carradale East Campbeltown Argyll PA28 8RY
Registered office	Carradale Hotel Airds Carradale East Campbeltown Argyll PA28 8RY
Independent examiner	William Duncan & Co Chartered Accountants Loch Awe House Bannock Road Tarbert Argyll PA29 6TW
Bankers	Bank of Scotland 9 Longrow South Campbeltown Argyll PA28 6AL

THE LONG AND WINDING WAY

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THE LONG AND WINDING WAY

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2014

The directors presents K's report and accounts for the year ended 30 June 2014.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles and Memorandum of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee not having share capital.

The members of the directors who served during the year were:

Malcolm Holder	
Alan Minshaw	(Resigned November 2013)
Clive Good	
Rob Reid	
Marcus Adams	
Stewart Rafferty	
Campbell Read	
Rhona Elder	(Appointed August 2013)
Nial MacAlister Hall	(Appointed December 2013)

The Directors are appointed from the full membership of The Kintyre Way. Increased efforts have been made to represent all interested parties, i.e. hoteliers, landowners, local businesses and individual members. Frequent local Press publicity, newsletters and other activities are organized to increase local awareness of The Kintyre Way and encourage local businesses/local residents to become involved.

None of the directors have any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The company is controlled by a maximum of twelve directors elected by the full members. They meet regularly to discuss the day to day running of the company. The Long and Winding Way has an appointed chairman, secretary and financial secretary who report back to the board and membership. An Annual General Meeting is held, along with a number of open meetings. The directors are responsible for monitoring the financial position of the company as well as day to day business decisions affecting The Kintyre Way.

The Long and Winding Way is the lead organisation working to manage The Kintyre Way, along with Argyll and Bute Council, The Forestry Commission, and Scottish Natural Heritage.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE LONG AND WINDING WAY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

Objectives and activities

The charity's objects are:

Route The Kintyre Way

To ensure the route is safe and easy to follow

To ensure route users are well informed

Monitoring the use of the route

Building community involvement

Securing a sustainable funding base

Ensuring responsible and enjoyable use of the route

Funding obtained to meet specific projects from specified grants from related parties, local Authority and Wind Farm Trusts. Membership fees, sponsorships and sales of calendars also help.

Achievements and performance:

The Long and Winding Way has continued to oversee the development of The Kintyre Way with the management of the route being controlled by the Route Manager under the direction of The Board of Directors. Our Route Manager, Andy Holtby, left in the April of 2014 to return to Yorkshire. A reorganization was made to make best use of skills and resources, and Anne Martin took over as Manager, looking after administration, marketing and PR and fundraising, with former Apprentice Aidan Keogh promoted to Route Manager for maintenance and development of the route assisted by Duncan Leokie and Employability Staff, and Neil Donaldson continuing in his previous valuable role.

Our main focus during the year was to carry out the programme funded by the Coastal Communities Fund, who have been supportive and encouraging and every stage. With the help of CCF we achieved a significant majority of our first year objectives, getting approval for some adjustments to timetables of activity and funding in the light of experience and daily exigencies. Argyll & Bute Council have provided continuing advice and support in dealing with official bodies and landowners. We were in receipt of the second year's input of the three year commitment of £10000 per year from RES - a wind farm developer. This funding has allowed us to continue developing and maintaining the original Way.

We have continued to market the Way and tried to increase its public profile, with considerable success, including a BBC Landward programme filmed on the Way, BBC Radio Scotland's 'Out of Doors' featuring the Way, various magazine features and Bus advertising in Glasgow during the Commonwealth Games. As a fundraising exercise we again produced a Kintyre Way Calendar sold through local outlets and using photographs from the Photographic competition. One of our directors again organised the Kintyre Way Relay- a long distance running event, although this is separately organised from LWW. Various sponsorship packages were offered to generate funds such as sponsoring mile markers and benches, and this is being pursued.

THE LONG AND WINDING WAY

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

Financial review

As a non-profit making charity, all monies raised are fed back into the project to ensure the long-term future of the route.

Funding to continue developing the Way for future years continues to be a major concern, particularly to fund the normal maintenance of the Way and the ongoing activities of LWW. Funding from the Council and RES is unrestricted and has been very helpful in this respect. The Coastal Communities Funding will cease in April 2015 and work is underway to secure funds elsewhere for the medium term and ensure that maintenance and promotion of the Route continues.

It is the policy of the charity that no indebtedness must be incurred and expenditure must remain at all times within available funds.

On behalf of the board of directors



Giva Good
Director/Treasurer

21/1/15

THE LONG AND WINDING WAY

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF THE LONG AND WINDING WAY

I report on the accounts of the charity for the year ended 30 June 2014, which are set out on pages 5 to 14.

Respective responsibilities of directors and examiner

The charity's directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts as required under section 44(1) (c) of the Act and
- (ii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and regulation 4 of the 2006 Accounts Regulations;
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John W. Hardie CA

John W Hardie CA
William Duncan & Co Chartered Accountants
Loch Awe House
Barmore Road
Tarbert
Argyll
PA296TW

Dated: 7/10/15

THE LONG AND WINDING WAY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
<u>Incoming Resources from generated funds</u>					
Donations and legacies	2	-	-	-	315
Activities for generating funds	3	5,468	-	5,468	792
		<u>5,468</u>	<u>-</u>	<u>5,468</u>	<u>1,107</u>
Incoming Resources from charitable activities					
Other incoming resources	5	5,505	-	5,505	3,850
		<u>5,505</u>	<u>-</u>	<u>5,505</u>	<u>3,850</u>
Total incoming resources		<u>21,493</u>	<u>164,706</u>	<u>186,199</u>	<u>51,591</u>
<u>Resources expended</u>					
Costs of generating funds					
Fundraising trading: costs of goods sold	3	1,504	-	1,504	1,992
		<u>1,504</u>	<u>-</u>	<u>1,504</u>	<u>1,992</u>
Net incoming resources available		<u>19,989</u>	<u>164,706</u>	<u>184,695</u>	<u>49,599</u>
Charitable activities					
Website	7	-	2,922	2,922	338
Trail Management	7	19,221	148,925	168,144	28,544
		<u>19,221</u>	<u>148,925</u>	<u>168,144</u>	<u>28,882</u>
Total charitable expenditure	6	<u>19,221</u>	<u>151,845</u>	<u>171,066</u>	<u>28,882</u>
Governance costs	8	4,307	-	4,307	2,466
		<u>4,307</u>	<u>-</u>	<u>4,307</u>	<u>2,466</u>
Total resources expended	6	<u>23,528</u>	<u>151,845</u>	<u>175,373</u>	<u>33,440</u>
Net income(expenditure) for the year					
Net movement in funds		(2847)	12,861	10,014	18,151
Fund balances at 1 July 2013		<u>20,774</u>	<u>5,931</u>	<u>26,705</u>	<u>8,554</u>
Fund balances at 30 June 2014		<u>18,739</u>	<u>18,792</u>	<u>37,531</u>	<u>26,705</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE LONG AND WINDING WAY

BALANCE SHEET

AS AT 30 JUNE 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	11		2,029		1,641
Current assets					
Stocks		1,250		1,090	
Cash at bank and in hand		42,353		27,226	
		43,603		28,316	
Creditors: amounts falling due within one year	12	(8,101)		(3,252)	
Net current assets			35,502		25,064
Total assets less current liabilities			37,531		28,705
Income funds					
Restricted funds	13		18,792		5,931
Unrestricted funds			18,739		20,774
			37,531		28,705

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2014. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

THE LONG AND WINDING WAY

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2014

The accounts were approved by the Board on 21/1/15



Clive Good
Director



Marcus Adams
Director

Company Registration No. SC302358

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

All income is recognised in the year in which it is received.

1.3 Resources expended

All costs are recognised in the year in which they are due and payable.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	18% reducing balance
Computers	18% reducing balance

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Accumulated funds

Restricted funds comprise the net book value of fixed assets and the unexpended balance of restricted income.

2 Donations and legacies

	2014	2013
	£	£
Donations and gifts	-	315

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

3	Activities for generating funds				
			2014	2013	
			£	£	
	Activities for generating funds		5,468	792	
	Fundraising trading: costs of goods sold		(1,504)	1,992	
	Net activities for generating funds		3,964	(1,200)	
4	Incoming resources from charitable activities				
		Unrestricted funds	Restricted funds	Total 2014	Total 2013
		£	£	£	£
	Grants	10,250	184,708	175,226	46,634
	Included with income relating to grants are the following				
	Argyll & Bute Council			-	15,000
	Forestry Commission			500	-
	Awards for All (restricted)			7,954	-
	Skills Development (restricted)			472	-
	DWP (restricted)			2,275	-
	RES UK & Ireland			10,020	10,000
	Coastal Communities Fund (restricted)			146,467	-
	Highlands & Islands Enterprise (restricted)			7,538	-
				175,226	46,634
5	Other incoming resources				
			2014	2013	
			£	£	
	Membership/Sponsors		5,505	3,850	

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

6 Total resources expended	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2013 £
Costs of generating funds					
Fundraising trading: costs of goods sold	-	-	1,504	1,504	1,992
Charitable activities					
Website					
Activities undertaken directly	-	-	2,922	2,922	338
Trail management					
Activities undertaken directly	91,930	-	76,214	168,144	28,644
	91,930		79,136	171,066	28,982
Governance costs		812	4,307	5,119	2,466
	91,930	812	83,443	176,185	33,448

Governance costs includes payments to the independent accountants of £1236 (2012: £1146) for examination fees.

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

7	Activities undertaken directly	2014 £	2013 £
	Website development and hosting (RF)	2,922	338
	Other costs relating to Trail Management comprise:		
	Marketing	4,000	83
	Trail maintenance	5,432	10,399
	Lease Costs	-	2,268
	Insurance	-	362
	Post & Stationery/Office/Workshop	9,789	315
	Motor Costs	-	276
	Marketing (RF)	6,928	20
	Trail Maintenance (RF)	21,379	223
	Computers etc	923	-
	Insurance (RF)	1,803	1,046
	Post & Stationery	508	60
	Professional fees (RF)	-	500
	Recruitment (RF)	208	789
	Motor Costs (RF)	13,482	345
	Training (RF)	5,525	-
	Travel & Subsistence (RF)	3,315	-
	Wages & Employers Costs	91,930	-
		<u>168,144</u>	<u>17,688</u>
8	Governance costs	2014 £	2013 £
	Other governance costs comprise:		
	Postage and stationery	17	-
	Travel	227	212
	Meeting Expense	-	100
	Independent Accountant Fees	1,236	1,146
	Liability Insurance	1,694	197
	Telephone	1,133	250
	Sundry	-	13
		<u>4,307</u>	<u>1,918</u>

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

9 None of the directors (or any persons connected with them) received any remuneration or benefits from the charity during the year. However, one of the directors received a total of £227 in traveling expenses

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2014 Number	2013 Number
Service provision	6	3
Employment costs	2014 £	2013 £
Wages and salaries	91,930	10,956

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
Cost			
At 1 July 2013	2,000	1,310	3,310
Addition	1,200	-	1,200
At 30 June 2014	3,200	1,310	4,510
Depreciation			
At 1 July 2013	1,341	328	1,669
Charge for the year	576	236	812
At 30 June 2014	1,917	564	2,481
Net book value			
At 30 June 2014	1,283	746	2,029
At 30 June 2013	659	982	1,641

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

12 Creditors: amounts falling due within one year	2014	2013
	£	£
Taxes and social security costs	2,281	1,823
Accruals	5,820	1,429
	<u>8,101</u>	<u>3,252</u>

9 Restricted funds

13 The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 30 June 2014
	Balance at 1 July 2013	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Fixed asset fund	1,541	-	(812)	1,200	2,029
Funders	5,102	164,706	(151,845)	(1,200)	16,763
	<u>6,743</u>	<u>164,706</u>	<u>(152,657)</u>	<u>-</u>	<u>18,792</u>

The transfer represents fixed assets purchased from restricted income.

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 30 June 2014 are represented by:			
Tangible fixed assets	-	2,029	2,029
Current Assets	21,020	19,621	40,641
Creditors: amounts falling due within one year	(2,281)	(5,820)	(8,101)
	<u>18,739</u>	<u>18,792</u>	<u>37,531</u>

THE LONG AND WINDING WAY

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

15 Commitments under operating leases

At 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Expiry date:		
Within one year	5,820	564
Between two and five years	-	-
	<u>5,820</u>	<u>564</u>