

CAMPBELTOWN CHORD POSITION STATEMENT

1.0 EXECUTIVE SUMMARY

- 1.1 The Final Account for the Campbeltown CHORD Transit Berthing Facility undertaken by GSS has been agreed. The amount of the Final Account is £1,348,600. The total project cost including professional fees, surveys and statutory fees is £1,479,127. The approved budget is £1,792,250 (includes a contribution of £120,000 from HIE), the budget balance remaining is £313,123.

The Practical Completion Certificate for the last phase of the transit berthing was issued on 4 November 2015. The Defects Liability will cease on the 6 November 2016.

- 1.2 The Campbeltown CHORD budget allocation is £6.620m (includes above contribution from HIE). The total spend to date including the above expenditure is £6,382,374, leaving a balance of £237,626.
- 1.3 On the 14th May 2015 Policy & Resources Committee supported MAKI members recommended that £40,000 from the Campbeltown CHORD funds be awarded to the Cinema project subject to funds being available following the completion of the berthing facility.
- 1.4 Following the award of the above £40,000, the remaining balance of funds is therefore £197,626.

RECOMMENDATIONS

It is recommended that the MAKI members note:

- the contents of the paper;
- the criteria for the allocation of the surplus funds at 4.3, subject to Policy and Resources Committee approval; and
- the intention to bring forward options for the allocation of the surplus funds in due course, potentially June 2016.

CAMPBELTOWN CHORD POSITION STATEMENT

2.0 INTRODUCTION

- 2.1 The Final Account for the Campbeltown CHORD Transit Berthing Facility undertaken by GSS has been agreed. The amount of the Final Account is £1,348,600. The total project cost including professionals fess, surveys and statutory fees is £1,479,127. The approved budget is £1,792,250 (includes a contribution of £120,000 from HIE), the budget balance remaining is £313,123.
- 2.2 The Campbeltown CHORD budget allocation is £6.620m (includes above contribution from HIE). The total spend to date including the above expenditure is £6,382,374, leaving a balance of £237,626.
- 2.3 On the 14th May 2015 Policy & Resources Committee supported MAKI members recommendation that £40,000 from the Campbeltown CHORD funds be awarded to the Cinema project, subject to funds being available following the completion of the berthing facility.
- 2.4 Following the award of the above £40,000 to the Cinema project, the remaining balance of funds is therefore £197,626.

3.0 RECOMMENDATIONS

It is recommended that members note:

- the contents of the paper;
- the criteria for the allocation of the surplus funds at 4.3, subject to Policy and Resources Committee approval; and
- the intention to bring forward options for the allocation of the surplus funds in due course, potentially June 2016.

4.0 DETAIL

- 4.1 In 2009 the Council approved an investment of approximately £30 million for five of its waterfront towns to assist regeneration and economic development

in Argyll and Bute, Campbeltown's capital funding allocation was £6.50 million. It was agreed that the projects be delivered in the context of the programme objectives for each town as outlined in the original Outline Business Cases.

4.2 In addition to the above capital allocation, Campbeltown CHORD received a revenue allocation of £301,200.

4.3 The Tables below outlines how the Campbeltown CHORD monies were to be spent:

Table 1 CN01 - Campbeltown Townscape Heritage Initiative

<i>WHAT:</i>	<ul style="list-style-type: none"> to generate improvements to Campbeltown's heritage and conservation sites, renewing and restoring historic buildings.
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Table 2 CN02 - Campbeltown Berthing Facility

<i>WHAT:</i>	<ul style="list-style-type: none"> the development of improved berthing facilities in Campbeltown Loch, to position the facility for an improved market presence.
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Table 3 CN03 - Kinloch Road Regeneration

<i>WHAT:</i>	<ul style="list-style-type: none"> to assist ACHA with their planned development of housing and community facilities. to relocate the Council's road depot to another site to facilitate the housing development proposed by ACHA. to investigate the potential for environmental improvement or renewal on underutilised land adjacent to the Council depot.
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4.4 Anticipated benefits for Campbeltown include:

- Improved character and appearance of the gateway to Campbeltown and the town centre.
- Increased turnover and employment in the commercial, retail and hospitality sectors and through new housing.

4.5 **CN02 – Campbeltown Transit Berthing Facility**

4.5.1 The Final Account for the Campbeltown CHORD Transit Berthing Facility undertaken by GSS has been agreed with the contract administrators Fairhurst. The amount of the Final Account is £1,348,600. The total project cost including professionals fess, surveys and statutory fees is £1,479,127. The approved budget was £1,672,250, the budget balance remaining is £193,123.

4.5.2 The step ashore facility construction was completed and has been operating successfully since the first week in June 2015. Full completion including certifications and the mains water connection was achieved 4th November 2015. The defects liability period will cease on the 6th November 2016.

- 4.5.3 Visiting boat numbers are up and the operator is recording footfall to supply figures when the time comes for the wider regeneration programme to be evaluated. He is recording where possible number of boats, persons per boat, and extension of stays.
- 4.5.4 The facility is actively being marketed for next year and has had many positive reviews for this year. The operator will liaise with other initiatives in the town and wider area to ensure visitor numbers are grown from the marine tourism sector and that footfall in the town continues to grow.
- 4.5.5 A report on the successful operation of the facility and future marketing plans will be presented to members in due course.
- 4.5.6 The financial capital budget breakdown for the delivery of the facility is as follows:

Capital allocation					£1,672,250 ABC
TOTAL Allocation					£120,000 HIE
					£1,792,250
Final contract cost	£1,348,600	Breakdown of Contract Price is as follows: Contract Price quoted Marine Works Toilet Block M & E Misc Works CEs Final contract price	£1,332,250 £1,127,250 £130,000 £35,00 £40,000 £16,350 £1,348,600	£1,348,600 (Tender price overspend of £16,350 = 1.2%)	
Professional fees	£90,610				
Miscellaneous fees	£9,900				
Project Manager	£30,017				

Total project cost	£1,479,127				£1,479,127
Budget balance remaining					£313,123

4.6 **Overall Campbeltown CHORD Budget Position.** The table below lists all of the projects and outlines the status of the Capital funding allocation of £6.62 million.

Campbeltown CHORD Budget Position at 08 January 2016				
Projects	Budget	Spend		Balance
	£6,620,000			
THI match-funding		300,000		
Town Hall - SKDT capital		300,000		
Town Hall - SKDT Development		30,000		
50-52 Main St/2 Cross St - Legals		12,000		
CARS Round 2		500,000		
Berthing Facility		1,479,127		
All Weather Pitch		494,000		
Kinloch Road		2,222,489		
Town Centre Manager		44,759		
Kin. Renewables Hub		1,000,000		
Total Budget Position	£6,620,000	£6,382,375		£237,625
Contribution to Cinema		40,000		£197,625

4.6.1 The table above shows that there is **£197,625** from the Campbeltown CHORD capital funds still to be committed/ approved. The above financial summary has been reviewed and signed off by the Council's Financial Manager.

5.0 CONCLUSION

The projects have received positive feedback from businesses and local residents, and visitors have increasingly used the new berthing facility.

Following council instruction on how unallocated CHORD funds are to be treated, officers will present suitable projects to members for consideration potentially in June 2016.

6.0 IMPLICATIONS

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| 6.1 POLICY | The delivery of the CHORD programme fits with the Council's Corporate Plan, Single Outcome Agreement and approved Development Plan policy for town centre regeneration. The economic outcomes from these projects will contribute to the Government's Economic Strategy. |
| 6.2 FINANCIAL | The funding has been allocated to progress the Campbeltown CHORD Projects. |
| 6.3 LEGAL | Each of the CHORD projects require differing levels of legal resources to ensure their timely delivery. Resources have been allocated to each project as per the approved Project Initiation Documents. |
| 6.4 HR | The resources have been allocated to progress the CHORD Programme. |
| 6.5 EQUALITIES | There are no equal opportunities implications. |
| 6.6 RISK | Any future risk will be addressed as soon as a decision is made as to the utilisation of the remaining funds. |
| 6.7 CUSTOMER SERVICES | There are no Customer Services implications. |

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