ARGYLL AND BUTE COUNCIL

POLICY & RESOURCES COMMITTEE

DEVELOPMENT & INFRASTRUCTURE SERVICES

16 March 2017

LORN ARC - UPDATE REPORT AS AT 31 JANUARY 2017

1. EXECUTIVE SUMMARY

- 1.1 Since the last progress update in October 2016, the following matters have been progressed.
- 1.2 The last TIF Executive meeting with Scottish Government ("SG") and Scottish Futures Trust ("SFT") took place on the 5th December 2016, where the financial model update that took into account a property market conditions review was reported. The Commercial Agent's (Ryden) report, taken together with Argyll & Bute Council's ("ABC's") own knowledge of the prevailing local market conditions, suggests that timing and magnitude of future development and the associated incremental Non Domestic Rates ("NDR") generation is unlikely to be forthcoming as anticipated in the 2013 Full Business Case ("FBC"). The result of this re-modelling exercise is that in all cases (best to worst case scenarios), there is a cash sweep deficit over the 25 year TIF period for the full potential capital spend programme of £14.74m. This exercise demonstrates that, in the present form, the full TIF programme of £14.74m is not currently affordable, based on the current NDR assumptions. It should be noted however, that the current level of approved drawdown (£1.388m, of which £0.664m has actually been drawn down and spent), is forecast as being capable of being repaid from TIF income over the life of the project.
- 1.3 No one event or issue has led to the current affordability position, rather a combination of a number of factors such as change in property market assumptions, new business eligibility for the Scottish Government reliefs & exemptions in terms of NDR, change in Government support for the renewables industry and change in land ownership at the Barcaldine site.
- 1.4 Given the critical nature of delivering the Project to the local area, the programme of works can be considered live and the planning and scoping of individual projects continues to be progressed. Notwithstanding this progress, the project team continues to take a cautious and prudent approach in terms of delivery and the drawdown of any further TIF Debt will continue to be subject to affordability testing and internal governance processes as outlined in the Project Initiation Document ("PID"). In this regard the Council are seeking assurance from SG and SFT that both parties will work with us to identify alternative funding sources and/ or new financing models, for the programme of works, in order that critical economic and social outcomes are secured for the Argyll & Bute area.
- 1.5 The project team remains fully committed to delivering a programme of enabling infrastructure in the Lorn Arc area, which will bring wide ranging economic and social benefits at both a local and national level. In fact, the Project has already delivered positive outcomes for Argyll & Bute in terms of enabled development, NDR creation and an increase in local community and business confidence.
- 1.6 Argyll & Bute Council has submitted a letter, signed by the Leader of the Council and the Policy Lead for Sustainable Economic Development, seeking confirmation from the Scottish Government of their willingness to engage with us to find alternative funding sources and/ or financing models for the delivery of the Lorn Arc programme and its

associated social and economic outcomes.

- 1.7 In addition, an options appraisal is being undertaken on how best to proceed with the development of the proposed Oban Airport Business Park, which will be presented to the first appropriate OLI Area Committee and Policy & Resources Committee.
- 1.8 Budget: Detailed below is the current budget position for both the revenue and capital approved budget allocations.

REVENUE	£000s
Total approved funds	1,607
Total project spend to date January 2017	322
Balance	1,285
CAPITAL	£000s
Total borrowing approved	1,388
Total project spend to date January 2017	664
Balance	724

- 1.9 It is recommended that the Policy & Resources Committee:
 - Note the current position of the Lorn Arc Programme, was presented to the January 2017 OLI Area Committee for information.
 - Note that Argyll and Bute Council has sent a letter to Derek MacKay MSP (Cabinet Secretary for Finance and the Constitution) formally requesting confirmation from Scottish Government of their intention to engage with us to find an alternative approach for the delivery of the Lorn Arc programme and its associated outcomes.
 - Agree that on reply from Scottish Government that a more substantive report be prepared and reported to the first appropriate Council Committee.
 - Agree that on reply from Scottish Government, the Lorn Arc project team will be delegated the authority to engage with Scottish Government officials and SFT on potential solutions and alternative funding/ financing models.
 - Note that work continues on all current project sites.

ARGYLL AND BUTE COUNCIL

POLICY & RESOURCES COMMITTEE

DEVELOPMENT & INFRASTRUCTURE SERVICES

16 March 2017

LORN ARC - UPDATE REPORT AS AT 31 JANUARY 2017

2. INTRODUCTION

2.1 This report provides the Policy & Resources Committee with an update on progress in relation to the review of the commercial market and affordability assumptions in the 2013 Lorn Arc Business Case, the latest position with regard the delivery of the individual projects, and the latest budget position as at the end of January 2017.

3. **RECOMMENDATION**

- 3.1 It is recommended that the Policy & Resources Committee:
 - Note the current position of the Lorn Arc Programme, was presented to the January 2017 OLI Area Committee for information.
 - Note that Argyll and Bute Council has sent a letter to Derek MacKay MSP (Cabinet Secretary for Finance and the Constitution) formally requesting confirmation from Scottish Government of their intention to engage with us to find an alternative approach for the delivery of the Lorn Arc programme and its associated outcomes.
 - Agree that on reply from Scottish Government that a more substantive report be prepared and reported to the first appropriate Council Committee.
 - Agree that on reply from Scottish Government, the Lorn Arc project team will be delegated the authority to engage with Scottish Government officials and SFT on potential solutions and alternative funding/ financing models.
 - Note that work continues on all current project sites.

4. DETAILS

- 4.1 The following matters have been progressed since the last update in October 2016.
- 4.2 **Review of commercial market and affordability assumptions in FBC –** The Full Business Case (FBC) was developed in 2013 and approved in May 2014, awarding the Project TIF pilot status. At that time the Project was selected against a number of criteria, and provided SG and SFT an opportunity to assess how the TIF model might operate on a smaller scale project in a rural setting. In parallel, 5 other Councils were awarded TIF pilot status (secondary legislation allows for up to 6 pilots), and since then other Councils have faced their own delivery challenges. 2 of the 6 Councils selected originally are now no longer proceeding with their TIF scheme (it is understood that 1 of these Councils was awarded a Growth Accelerator Model for an alternative project and 1 Council will not proceed due to long term delivery issues). As such SFT and SG are currently undertaking a selection process for 2 further TIF projects, which will be selected bearing in mind lessons learnt from other TIF schemes, including the Lorn Arc scheme.

The last TIF Executive meeting with Scottish Government ("SG") and Scottish Futures

Trust ("SFT") took place on the 5th December 2016, where the financial model update that took into account a property market conditions review was reported. The Commercial Agent's (Ryden) report, taken together with Argyll & Bute Council's ("ABC's") own knowledge of the prevailing local market conditions, suggests that timing and magnitude of future development and the associated incremental Non Domestic Rates ("NDR") generation is unlikely to be forthcoming as anticipated in the 2013 Full Business Case ("FBC"). The result of this re-modelling exercise is that in all cases (best to worst case scenarios), there is a cash sweep deficit over the 25 year TIF period for the full potential capital spend programme of £14.74m. This exercise demonstrates that, in the present form, the full TIF programme of £14.74m is not currently affordable, based on the current NDR assumptions. It should however be noted that the current level of internally approved drawdown (£1.388m, of which £0.664m has actually been drawn down and spent), is forecast as being capable of being repaid from TIF income over the life of the project.

4.3 No one event or issue has led to the current affordability position, rather a combination of a number of factors such as change in property market assumptions, new business eligibility for the Scottish Government business rates reliefs & exemptions schemes, and a change in land ownership at the Barcaldine site.

Throughout the life of the Project there has been a substantial level of assurance in the governance of the Project, through the various Programme Board and TIF Executive meetings, and a recent audit that concluded a substantial level of assurance as internal control, governance and management of risk is sound. This governance provides added reassurance in relation to the statements about financial management within the affordability.

- 4.4 Given the critical nature of delivering the Project to the local area, the programme of works can be considered live and the planning and scoping of individual projects continues to be progressed. Notwithstanding this progress, the project team continues to take a cautious and prudent approach in terms of delivery and the drawdown of any further TIF Debt will continue to be subject to affordability testing and internal governance processes as outlined in the PID. In this regard the Council are seeking assurance from SG and SFT that both parties will work with us to identify alternative funding sources and/ or new financing models, for our programme of works, in order that critical economic and social outcomes are secured for the Argyll & Bute area.
- 4.5 The project team remains fully committed to delivering a programme of enabling infrastructure in the Lorn Arc area, which will bring wide ranging economic and social benefits at both a local and national level. In fact, the Project has already delivered positive outcomes for Argyll & Bute in terms of enabled development, NDR creation and an increase in local community and business confidence.
- 4.6 Argyll & Bute Council has submitted a letter, signed by the Leader of the Council and the Policy Lead for Sustainable Economic Development, seeking confirmation from the Scottish Government of their willingness to engage with us to find alternative funding sources and/ or financing models for the delivery of the Lorn Arc programme and its associated social and economic outcomes.
- 4.7 On reply from Scottish Government, a more substantive report will be prepared on a way forward and will be discussed and agreed by the TIF Executive, and thereafter to the first appropriate Policy & Resources Committee.
- 4.8 The project updates reflect the 2013 FBC and may be subject to change following consideration of the reply from Scottish Government.

- 4.8.1 **Project 1 Lorn Rd/ Kirk Rd Improvements, Dunbeg -** The first meeting of the Dunbeg Corridor Working Group took place on the 8th August 2016 to scope out the meetings and attendees going forward to deliver the Project Plan. These meetings have continued monthly. Other meetings are on-going to include Transport Scotland and Scottish Water, to address the various issues such as the A85 junction capacity, and water and waste capacity at the Oban and Connel waste treatment plants. The TIF has funded the recent Traffic Survey and Traffic Safety Audit. These were presented to Transport Scotland who indicated that 300 extra dwellings could be accommodated off the single access Lorn/ Kirk Road. On the evening of Friday 13th January, Link Housing Association (LHA) presented their Master Plan at Dunbeg School, to show three areas of interest. These being the Lorn/ Kirk Road, the Halfway house Roundabout/ Dunbeg Development Road, and the Ganavan road.
- 4.8.2 Construction of the road may be feasible through another funding source rather than TIF, and so Council Housing officers have submitted an expression of interest to Scottish Government for up to £1.75m in grant funding to improve Lorn/ Kirk Road. This funding will require a detailed application with associated costings to the Scottish Government Housing Infrastructure Fund (SGHIF).
- 4.8.3 With the emergence of the SGHIF it is deemed prudent to review the Lorn/ Kirk Road design. This will require revised design work, revised financial modelling and if not determined to be a Permitted Development, a revised application for planning permission to be submitted. Working with Council Officers, the Lorn Arc Project team has the Project Management lead in the design (TIF funded) and delivery (potentially SGHIF funded) of the Lorn/ Kirk road upgrade. On completion of the design, a full construction tender will be sought and presented to Scottish Government for funding under the Housing Infrastructure Fund. Community involvement in the process will include through a further information evening at Dunbeg for the Dunbeg Community to attend.
- 4.8.4 Also discussions and assistance continues to take place with Highland and Island Enterprise ("HIE") regarding purifying the conditions linked to their planning consent to allow further phases of the European Marine Science Park (EMSP) to be completed. These matters require to be resolved to avoid the scenario where the Lorn/ Kirk Road is upgraded but the EMSP development can't proceed as the conditions in their planning consent have not been purified. Note that the potential SGHIF will fund the construction of the Lorn/ Kirk Road only to the turn for the existing housing estates, and not to the EMSP.

And following a meeting with HIE & their Consultants, HIE will now work in partnership with the Council to jointly deliver the road improvement to Lorn/ Kirk Road all the way to EMSP, thus ultimately facilitating their phase 2&3 development of the EMSP. It has been made clear this will need to be a two way carriage the whole way. HIE will potentially draw ERDF funding for their element of the road. The Council will look at options how the HIE design and build can be incorporated into the ongoing design delivery work for the Lorn/ Kirk road.

4.8.5 **Project 2 - Gateway Features/ Traffic Calming - Dunbeg -** This project includes new Gateway features on approach to Dunbeg and at the existing junction into the area. This potentially includes lighting improvements around the existing Dunbeg junction along with crossing and footway enhancements. The project will enhance the perception and visibility of the Dunbeg Corridor area, and is seen as crucial to raising the profile of the internationally recognised marine science education, research and business park facilities. The project is seen as being part of the overall enhancement of the area. Whilst initial signage has been implemented through an investment by

HIE, subject to the TIF Programme overall affordability, the project will be further progressed following approval of the road infrastructure works for projects 1 and 3.

- 4.8.6 **Project 3 Halfway House Roundabout/ Dunbeg Development Road, Dunbeg -**This project lies within the Dunbeg Corridor development area and as such has formed an element of discussions between the Council and the principle developer of this area, Link Housing Association (LHA) on how best they can develop their masterplan for the development of this area, which includes the provision of approximately 600 homes (inclusive of the 300 in Project 1), delivered over approximately 20 years and commercial uses including retail and leisure. The Option Agreement between LHA/ West Highland Housing Association and the Landowner has been extended to the 30th September 2017. The first meeting of the Dunbeg Corridor Working Group took place on the 8th August 2016 to scope out the meetings and attendees going forward to deliver the Project Plan. These meetings have continued monthly. The Project Plan sets out the activities which LHA require to be addressed before concluding the Options Agreement with the Landowner.
- 4.8.7 LHA has advised the Council that the cost of the road infrastructure is circa £12m for the initial distributor road and an additional £8m may be required to access the east side of site. LHA have been advised that from a Lorn Arc TIF perspective **any TIF debt incurred will require to be repaid through an increase in Non Domestic Rates (NDR) through development of the commercial area and that Business Case will be required to demonstrate the affordability of any such investment.**
- 4.8.8 It has been acknowledged by LHA that other sources of public and private sector investment will therefore be required. For example, the Lorn Arc Business Case states "*the TIF Investment proposed (£2m) would part fund the enablement of the new Trunk Road junction and the first section of road to the west"*. TIF financing was never envisaged to pay for the full cost of the roundabout only as a contribution to private sector and other partner funding as necessary. Council officers have completed their review of whether the roundabout as currently envisaged is in the right place and have concluded that despite construction challenges that it is. Transport Scotland has determined that a roundabout is the only acceptable way for this access to be taken from the Trunk Road. In parallel to the LHA work, the project team are working to enable a business case for the TIF investment to be completed, and for it to be established if the investment meets the criteria set out in the PID. This work is on-going.
- 4.8.9 On the evening of Friday 13th January, LHA presented their Master Plan at Dunbeg School to show three areas of interest. These being the Lorn/ Kirk Road, the Halfway House Roundabout/ Dunbeg Development Road, and the Ganavan road.
- 4.8.10 Council Housing officers have submitted an expression of interest for £4m with regard to the Scottish Government Housing Infrastructure Fund. LHA have the lead in financial costings for the Halfway House Roundabout to enable housing officers to advance the expression of interest to Scottish Government on to the full application stage.
- 4.8.11 Tom Liath (the developer planning a large scale luxury hotel and spa resort at the Dunbeg/ Halfway House site) has recently renewed the planning permission in principle approval for the roundabout and is seeking to renew planning consent for its own development, which signals a positive intention from the developer.
- 4.8.12 **Project 4 South Oban Development Zone -** This project requires a FBC to be prepared and, in addition to internal Council approvals, this will require approval from

the TIF Executive via the TIF Executive Gateway Review Approval Process. This FBC will need to scope out the enabling infrastructure investments required and identify the associated enabled outputs, potential benefits and financial forecasts. The project team is currently preparing a project plan for this process and has commenced the stakeholder engagement process.

- 4.8.13 It should be noted that although investment in South Oban was projected to lever the highest increase in NDR across the Programme in the original TIF FBC, the most recent model update (November 2016) has somewhat reduced these estimates and new financial forecasts will require to be produced as part of this business case process. That said, HIE are in the process of securing detailed planning consent to construct a new road to make available new business land.
- 4.8.14 The project team has agreed to work in partnership with HIE to undertake a Site Investigation Study. This will gather information on all available development sites, ownership of those sites and barriers to investment for each site. This will inform where development and enabling infrastructure might take place under the Oban South project.
- 4.8.15 Further, the Oban as a University Town initiative is likely to be integral to this project and the Council continues to have positive discussions with HIE and our education partners in this regard. It should be noted that HIE is commissioning various audits and studies to support this initiative, which will result in a HIE 'Action Plan'. This Action Plan will identify infrastructure requirements and as such the timing of this report (currently anticipated to be end June 2016) will impact on our own timeframes for FBC development.
- 4.8.16 **Project 5 North Pier Extension, Oban -** The Policy & Resources Committee approved start-up costs of £0.56m for this project on 14th May 2015. Sequencing with other complementary capital regeneration projects to include the CHORD Transit Berthing Facility and the Maritime Visitor Facility, both of which are on track to be completed by Summer 2017, options are currently being assessed for physical and financial viability. Work is in progress on the North Pier FBC with Marine Surveys, and an Economic Impact Assessment ("EIA") is currently being scoped for procurement.
- 4.8.17 **Project 6 North Pier Streetscape, Oban -** Remodelling of the Council owned street areas on the North Pier to provide improved facilities for tourists and other pier users. Following the finalisation of the Oban Capital Regeneration Public Realm Schemes, and design approval of Project 5, discussions will take place on how best to proceed with this element.
- 4.8.18 **Projects 7 & 8 Barcaldine Access and Port Improvements -** Through the intervention of Private Sector investment, and with the sale of the Barcaldine site, Projects 7 and 8, totaling £4.15m are now no longer required. Scottish Sea Farms, will invest £35m to create a new freshwater hatchery which will be used to rear young salmon, or smolts, in bio-secure and environmentally friendly conditions, with the potential of 25 new permanent skilled jobs created.
- 4.8.19 **Project 9 Existing Access Improvements and Business Park Enablement, Oban Airport -** The FBC report dated April 2015 defined the scope of the project as 'an access road link of up to 140m to access the site of a new business park to the south of the existing Oban Airport Roundabout and support its effective marketing and attraction of inward investment. The construction of the access road to facilitate the development of the new business park started on the 1st September 2015. The

design of the road, site supervision and ancillary works were undertaken by the Council's Roads and Amenity Services, with the completion certificate issued in December 2015. The commencement of the works met the Scottish Government's deadline for the First TIF investment.

- 4.8.20 In October 2016, the Council was approached by an Agent with a 'Note of Interest' for the site. And as a result, the site as is, was valued by the District Valuer. Following the basic valuation we will undertake an appraisal of development potential at the strategic Oban Airport site. A three stage appraisal will be:
 - 1. Building upon our existing reviews, we will identify potential land uses using a high level assessment of market potential and planning policy fit. This would yield a short list of potential land uses for appraisal. It is anticipated that employment uses and perhaps some appropriate commercial uses would be short-listed.
 - 2. Our options appraisal of the short-listed land uses would provide:
 - A more detailed consideration of the planning policy fit and any strategy required.
 - A market demand analysis to inform development volumes, mix and any phasing.
 - A high level assessment of the fit with economic policy and related impacts.
 - Commentary on the likely delivery routes for each type of development.
 - Financial appraisal of each option (information requirements/ assumptions to be confirmed).
 - Identification of preferred land uses and development option(s).
 - 3. Our development strategy for the site will build upon the assessment of market and planning potential and appraised values at (2) to recommend a way forward for the Council. This could range from direct build to design-and-build, speculative build or site sales on a fully-funded, JV and/ or grant/ funding mechanism basis.
- 4.8.21 Following which an options paper will be presented for comment to the first appropriate meetings of the OLI Area Committee and the Policy & Resources Committee. This work is being done with approved capital drawdown, and approved revenue for project team costs.
- 4.9 **Programme Risks** Following the November 2016 financial model update, the majority of the risks are deemed high around the complexity of the funding model, delivery of programme by 2020, and lack of private investment. All of which are regularly monitored with movements reported to Members, the TIF Executive and Lorn Arc Programme Board. In terms of Project Risks, Project 1 (Lorn/ Kirk Road Improvements, Dunbeg) is deemed to be a medium risk, due to the potential of securing Scottish Government Housing Infrastructure Fund for additional infrastructure funding, and HIE contribution.
- 4.10 **Financial Model Summary Output -** The financial model calculates the affordability of the Programme over the life of the TIF Agreement. Amendments to timescales, cost of the TIF investment, projected increases in NDR and their timing, cost of borrowing and inflation can all change the output of the Programme financial model.

The Commercial Agent's (Ryden) report, taken together with Argyll & Bute Council's own knowledge of the prevailing local market conditions, suggests that timing and magnitude of future development and the associated incremental NDR generation is unlikely to be forthcoming as anticipated in the 2013 FBC. The result of this remodelling exercise is that in all cases (best to worst case scenarios), there is a cash

sweep deficit over the 25 year TIF period for the full potential capital spend programme of £14.74m. This exercise demonstrates that, in the present form, the full TIF programme of £14.74m is not currently affordable, based on the current NDR assumptions. It should be noted however, that the current level of approved drawdown (£1.388m, of which £0.664m has actually been drawn down and spent), is forecast as being capable of being repaid from TIF income over the life of the project.

4.11 **Budget**: Detailed below is the current budget position for both the revenue and capital approved budget allocations.

REVENUE	£000s
Total approved funds	1,607
Total project spend to date January 2017	322
Balance	1,285
CAPITAL	£000s
Total borrowing approved	1,388
Total project spend to date January 2017	664
Balance	724

5. POTENTIAL WAY FORWARD

- 5.1 Potential alternative solutions for delivery of the Lorn Arc programme clearly require further extensive detailed discussion between ABC, SG and SFT, however, at a high level, ABC's initial view is that potential solutions may include:
 - A combination of a change to the TIF capture mechanism/ project terms and capital/ revenue grant funding (potentially from SG/ TS/ HIE);
 - Building upon the initial basis of the TIF business case, approval to develop a Growth Accelerator business case, based on the wide range of economic and social benefits and the public sector cash flows that will flow from enabled development (e.g. NDR, car parking, port dues, council tax, increased economic activity (GVA), direct and indirect employment, employability schemes, apprenticeship and training schemes, an increase in overseas visitors to Scotland and associated expenditure, promotion of Oban as a specialist university town and associated increase in students (largely international specialist marine students) etc.);
 - A hybrid of TIF and another model such as the Growth Accelerator;
 - A Rural Growth Fund ("RGF") ABC is progressing discussions with UK Government and SG regards a RGF, which would follow the principle of City Deals being granted elsewhere in the UK (i.e. a proposed rural version of the city deal model being rolled out across the UK, such as those agreed in Manchester, Glasgow & the Clyde Valley and Aberdeen & Aberdeenshire). ABC has been developing its 'Rural Regeneration Initiative" and the expression of that is the 'Single Investment Plan' or SIP that will be presented to the Council in April. Currently it is envisaged that the TIF/ Lorn Arc programme will be ring fenced and carved out of the proposed RGF (which would enable the ongoing collection of incremental NDRs in the Lorn Arc red-line area), however further discussions are required.

6. CONCLUSION

6.1 Given the financial model update findings/ analysis, further careful consideration clearly needs to be given as to how the programme can be delivered for the benefit of Oban, Argyll & Bute and Scotland as a whole. Regardless of the approach or the financial model that is finally taken forward, the basis of the current programme is still relevant to Oban. The Lorn Arc Programme has the potential to deliver a step change in the economic

conditions of the area. No other economic driven initiative has been identified that could take its place at this time. The Project targets a relatively remote rural area that has enjoyed growth in the economy and population for several decades but has failed to meet its full economic potential at a national level due to an inherent inability of the private sector to deliver the necessary infrastructure to unlock a step change in economic growth. The Lorn Arc therefore, building on the work of CHORD, still has the potential to deliver a substantial positive effect on the social and economic outcomes of Oban, Lorn and the Argyll & Bute community which in turn supports the Scottish Government's national economic strategy.

6.2 The Leader of the Council and Policy Lead for Sustainable Economic Development are seeking confirmation from the Scottish Government for their willingness to engage with us to find alternative funding sources and/ or financing models for the delivery of the Lorn Arc programme and its associated social and economic outcomes. And on reply from Scottish Government, a more substantive report will be prepared and reported to the first appropriate Policy & Resources Committee.

7. IMPLICATIONS

- 7.1 **Policy** The delivery of this project fits with the Council's Corporate Plan, Local Outcomes Improvement Plan, Economic Development Action Plans (EDAPS) and approved Local Development Plan. The economic outcomes from this project will contribute to the Scottish Government's National Economic Strategy.
- 7.2 **Financial** Note affordability of NDR uplift, also alternative funding sources being pursued, and that the current level of approved drawdown (£1.388m, of which £0.664m has actually been drawn down and spent), is forecast as being capable of being repaid from TIF income over the life of the project.
- 7.3 **Legal** Each project will have differing legal requirements; this will be laid out in each project's PID. No legal issues at Programme level.
- 7.4 **HR -** None.
- 7.5 **Equal Opportunities -** There are no equal opportunities implications.
- 7.6 **Risk -** As outlined in 4.9.
- 7.7 **Customer Service -** There are no customer service implications.

Executive Director Development and Infrastructure Services: Pippa Milne. **Policy Lead:** Aileen Morton. 31 January 2017

For further information - please contact: David Gunn Oban Lorn Arc Regeneration Programme Manager, Economic Development and Strategic Transportation, Development and Infrastructure Services. 01631 567951