
**CONSERVATION AREA REGENERATION SCHEME (CARS) FUNDING
OPPORTUNITY**

1.0 EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to ask Members to give consideration to the financial commitment that would be required from the council should two funding requests to Historic Environment Scotland (HES), for Conservation Area Regeneration Scheme (CARS) funding prove successful.
- 1.2. CARS projects improve the built heritage and visual qualities of an area, which in turn help improve social and economic prospects. Works undertaken as part of such schemes involve the use and promotion of heritage skills. The use of traditional skills helps to ensure that repairs are long lasting, that local skills are developed and that the quality of place is maintained and improved.
- 1.3. HES announced an eighth round of CARS funding in June 2018, inviting applications to be submitted by 15 November 2018. Due to the short timeframe between the call and submission deadline the need to seek approval for the financial commitment from the council following submissions to the funding round seemed the most prudent approach. The Council Leader and Depute Leader were consulted on the levels of funding prior to the submission deadline and agreement was obtained to submit, but on the basis that a paper would be brought to the earliest Policy and Resources Committee thereafter.
- 1.4. Two bids were made to HES on 15 November 2018. The bid for Lochgilphead made a request for £969,731, and the bid for Helensburgh requested £1.5m. Should these be successful, a financial commitment from the council would be required in each case, which could be drawn down at anytime over the project duration of five years. It is proposed that Lochgilphead be delivered between 2019 and 2024, and Helensburgh between 2020 and 2025.
- 1.5. In order to deliver on the outcomes proposed in the Lochgilphead bid, £386,220 would be required from the council, which is a combined total comprised of a £200,000 capital ask and £186,220 of committed Private Sector Housing Grant (PSHG) for 2019.
- 1.6. In order to deliver on the outcomes proposed in the Helensburgh bid,

£500,000 would be required from the council, which is a combined total comprised of a £327,100 capital ask and £172,900 PSHG. Although there is an expectation that PSHG could be utilised, as PSHG cannot yet be allocated for 2020 the proposed council contribution for Helensburgh would require to be reviewed in 2019.

- 1.7. Both towns have already benefited from professional survey and cost analysis, which ensures that the scale of each project accurately reflects what is required to make a meaningful difference to each respective town centre.
- 1.8. Members should note that applications for CARS funding are subject to a highly competitive process. Whilst the council has successfully secured funding to assist with projects in Rothesay, Dunoon, Campbeltown and Inveraray in the past, there is no guarantee that bids to round eight of the scheme would be successful.
- 1.9. It should also be noted that a submission of a bid does not compel the council to proceed if successful.

2.RECOMMENDATIONS

- 2.1. It is recommended that members:
- 2.2. Agree to refer the consideration of a financial commitment to Full Council as part of the budget process, in respect of:
 - a) Making a financial commitment of £386,220 towards a Lochgilphead CARS; and,
 - b) Making a financial commitment of £500,000 towards a Helensburgh CARS.

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3.0 INTRODUCTION

- 3.1. The purpose of this report is to ask Members to give consideration to making financial commitments against two proposed heritage-led regeneration projects for Lochgilphead and Helensburgh.
- 3.2. Bids in respect to each town were made to Historic Environment Scotland (HES) on 15 November 2018 for Conservation Area Regeneration Scheme (CARS) funding. If successful, CARS would improve the built heritage and visual qualities of each area, helping to improve social and economic prospects. A request for £969,731 was made in respect to Lochgilphead and a request of £1.5m was made for Helensburgh.
- 3.3. Due to the relatively short timeframe between the call for funding in June and the submission deadline in November, the bids were submitted prior to committee approval to ensure the opportunity was not lost. The approach was agreed in discussion with the Council Leader and Depute Leader, but on the basis that a paper be brought before Policy and Resources Committee as soon as practically possible thereafter.
- 3.4. It is the purpose of this paper therefore to request that consideration be given to a £386,220 contribution from the council in respect to Lochgilphead, and a £500,000 contribution from the council in respect to Helensburgh over the five year delivery period. These individual contributions will only be required if successful.
- 3.5. It should be noted that applications for CARS funding are subject to a highly competitive process, and whilst the council has successfully secured funding to assist with projects in Rothesay, Dunoon, Campbeltown and Inveraray in the past, there is however no guarantee that bids to this round (round eight) would prove successful.
- 3.6. It should also be noted that a submission of a bid does not compel the council to proceed if successful.

4.RECOMMENDATIONS

- 4.1. It is recommended that members:
- 4.2. Agree to refer the consideration of a financial commitment to Full Council as part of the budget process, in respect of:
 - a) Making a financial commitment of £386,220 towards a Lochgilphead CARS; and,
 - b) Making a financial commitment of £500,000 towards a Helensburgh CARS.

5.0 DETAIL

- 5.1. The Conservation Area Regeneration Scheme (CARS) was established by Historic Environment Scotland (HES) in 2007 to provide financial assistance towards area based regeneration and conservation area initiatives, for the protection of the historic built environment. This paper refers to the most recent round of funding, round eight, for which HES have dedicated a £10m funding pot, with £2m being the maximum per bid.
- 5.2. Based on the grant criteria and eligibility, Council priorities (adding value to council investment already made through CHORD and other council funds), consideration of issues relating to the heritage value and physical condition of key buildings in our main towns and discussions with HES, the towns of Lochgilphead and Helensburgh were identified as the focus of the bids to go forward for consideration under the round eight funding call.
- 5.3. Surveys of each town centre were undertaken to determine costings and the potential funding request to HES as well as the required level of council match funding to ensure meaningful and robust project proposals. The costings are informed by the priority buildings identified in each town (based on heritage value and condition) and the associated cost of repairs, a small grant repair scheme, a shop front scheme and training events (this has to be 5% of the budget) and staff costs.
- 5.4. Although the fund is competitive and usually heavily subscribed, there was felt to be significant opportunity in making the applications and as such a bid for each town was made to HES on 15 November 2018. This decision was taken in discussion with the Council Leader and Depute Leader on the basis that a paper be considered at the next available Policy and Resources Committee.
- 5.5. A bid request of £969,731 was made to HES for a Lochgilphead CARS and £1.5m was requested for a Helensburgh CARS. Each proposed scheme would however require a council match funding commitment, should the applications prove successful. The commitment would be required to be drawn down over the five year duration of each project, which in the case of Lochgilphead is proposed as 2019 to 2024 and for Helensburgh is proposed as between 2020 and 2025.
- 5.6. In order to deliver on the outcomes proposed in the Lochgilphead bid, £386,220 would be required from the council, which is proposed as a combined total of a £200,000 capital ask and £186,220 of committed Private

Sector Housing Grant (PSHG) for 2019.

- 5.7 In order to deliver on the outcomes proposed in the Helensburgh bid, £500,000 would be required from the council, which is proposed as a combined total of a £327,100 capital ask and £172,900 PSHG.
- 5.8 There is an expectation that PSHG could be utilised for both bids, as PSHG cannot yet be allocated for 2020 the proposed council contribution for Helensburgh would require to be reviewed in 2019 to take account of this. An example of how the capital funding could be allocated is as follows.

5.9

Example of how the capital funding could be allocated							
Lochgilphead	19/20	20/21	21/22	22/23	23/24	24/25	Totals
Capital	£40,000	£40,000	£40,000	£40,000	£40,000		£200,000
PSHG	£186,220						£186,220
Total							£386,220
Helensburgh	19/20	20/21	21/22	22/23	23/24	24/25	Totals
Capital		£65,420	£65,420	£65,420	£65,420	£65,420	£327,100
PSHG*							£172,900
Total							£500,000
* This funding will be subject to the review of the PSHG beyond 19/20 and is therefore shown as an equal split over the 5 year period for illustrative purposes only, and will need to be reviewed in 2019.							

- 5.10 The total contributions are considered to be reasonably comparable with other projects operating across Argyll and Bute, as per the following table.

Round	Town	Council Contribution	HES Award
1	Campbeltown	£200,000	£382,500
4	Rothesay	£500,000	£499,933
5	Inveraray	£350,000	£970,000
6	Campbeltown	£500,000	£990,000
7	Rothesay	£200,000	£500,000
7	Dunoon	£500,000	£1,002,348

6 CONCLUSION

- 6.1 There is proven benefit in securing funding for our towns and conservation areas via the CARS funding programme. This is demonstrated by the success of the

Campbeltown, Inveraray and Rothesay CARS projects.

- 6.2 CARS projects for Lochgilphead and Helensburgh have the potential to assist in addressing some of the underlying issues affecting the built fabric of each town, to build on and add value to wider council investment and to assist in the economic regeneration of each town.
- 6.3 Members are therefore asked to give consideration to the financial commitment required from the council for both a Lochgilphead and Helensburgh CARS project and to refer for consideration these proposed commitments as part of the council budget process.
- 6.4 It should be noted that the process is highly competitive and funding is not guaranteed. Should the bids prove successful, it should also be noted that this does not compel the council to proceed with the projects.

7 IMPLICATIONS

- 7.1 Policy – In order to meet the funding criteria, a conservation area would be required to be designated for Helensburgh town centre. Through survey analysis, the merit of a conservation area is established. It is therefore proposed to highlight the potential through the LDP2 consultation and follow with the formal consultation process thereafter.
- 7.2 Financial – A financial commitment from the council is essential as part of a bid as such members are asked to make a commitment of £386,220 between the period April 2019 and March 2024 for Lochgilphead (including £186,220 PSHG), and £0.5m between April 2020 and March 2025 for Helensburgh (with the expectation that £172,900 would be available beyond 2020).
- 7.3 Legal – Contracts between the Council and HES would be entered into should awards be made, and on the agreement of Council.
- 7.4 HR – Each submission included staff costs for dedicated CARS Officer positions.
- 7.5 Equalities / Fairer Scotland Duty - None
- 7.6 Risk – Should the conservation area not be designated to cover Helensburgh town centre, it is unlikely that HES would award CARS funding, as in this situation the funding criteria would not be met. There is also a risk that due to the competitive nature of the process, the applications could be unsuccessful.
- 7.7 Customer Service - None

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For further information contact:

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