
Tarbert and Lochgilphead Regeneration Fund – Improvements to the Barmore Road / Garvel Road Junction, Tarbert – Full Business Case

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides for consideration, a full business case to progress with improvements to the junction of Barmore Road with Garvel Road, Tarbert via the Tarbert and Lochgilphead Regeneration Fund.
- 1.2 To assess this project officers have developed a full business case that has been assessed and scored by Strategic Finance using the assessment criteria and weightings as agreed by the Strategic Assessment Management Board.
- 1.3 Following the assessment, it is considered that overall the impacts of the project are sufficient to enable the Council's funding to be confirmed, subject to committee approval. If the Committee approve the funding the project will progress to the construction phase with a projected site start in September 2019.
- 1.4 The delivery of the improved junction will enable Tarbert Harbour Authority to progress with the extension of their car parking facilities and will provide opportunities for further development on Garvel Road.
- 1.5 The projected costs for the project based on the latest estimate is no greater than £295,000.

Recommendations

- 1.6 Members of the Mid Argyll, Kintyre and the Islands Area Committee are asked to recommend to Policy and Resources Committee that:
- a) The full business case is approved and the Council funding of up to £295,000 is confirmed from the Tarbert and Lochgilphead Regeneration Fund.
 - b) Delegated authority be afforded to the Executive Director of Development and Infrastructure Services for the delivery of the project as per the agreed programme (Appendix 1, Section 4)

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2.0 INTRODUCTION

- 2.1 This report provides for consideration, a full business case (Appendix 1) to progress with improvements to the junction of Barmore Road with Garvel Road, Tarbert.
- 2.2 On 6 September 2017, the Mid Argyll, Kintyre and the Islands Area Committee agreed the six projects which should proceed to full business case through the Tarbert and Lochgilphead Regeneration Fund. The decision was ratified by the Policy and Resources Committee on 19 October 2017.
- 2.3 It was noted that full business cases for each of the projects will be submitted for consideration by committee as they become available given that each of the projects will develop at a different pace. The agreed projects included an allocation of up to £410,000 for improvements to the junction of Barmore Road with Garvel Road. The project has now been developed and the projected cost will not exceed £295,000. It is proposed that the budget allocation remains at £410,000 until the project is at the construction phase and there is no risk of the costs increasing.
- 2.4 A full business case has been prepared by Economic Development and assessed by Strategic Finance using the assessment criteria and weightings as agreed by the Strategic Asset Management Board.

3.0 RECOMMENDATIONS

- 3.1 Members of the Mid Argyll, Kintyre and the Islands Area Committee are asked to recommend to Policy and Resources Committee that:
- 1) The full business case is approved and that Council funding of up to £295,000 is confirmed from the Tarbert and Lochgilphead Regeneration Fund.
 - 2) Delegated authority be afforded to the Executive Director of Development and Infrastructure Services for the delivery of the project as per the agreed programme (Appendix 1, Section 4).

4.0 DETAIL

- 4.1 The Tarbert and Lochgilphead Regeneration Fund (TLRF) includes two projects in Tarbert as follows:
- T02 - Improvements to the junction at Barmore Road with Garvel Road.
 - T11 - Improvements to the shore side facilities to be delivered by the Tarbert Harbour Authority (THA) supported by grant funding from the TLRF. This project is split into two elements as detailed within sections 4.2 and 4.3.
- 4.2 Shore Side Facilities – This includes 4 stages:
- A new wash house and laundry block has been constructed with support from the Coastal Communities Fund. Work was completed in January 2019 and the facility is now in use.
 - The refurbishment of the existing wash facilities building to house the office and chandlery. A grant of £125,000 from the T&LRF was awarded in July 2018 and work started on site in November 2018 and is due to be completed in the spring.
 - The provision of a new waste facility this summer.
 - Proposals for a new fuelling berth.
- 4.3 Funding towards the construction of new car parking facilities next to the marina. This project is reliant upon the upgrade of the Barmore Road and Garvel Road junction. THA are planning to start on site in January 2020 to ensure that the new car park is available for the Scottish Series in May 2020. It should be noted that work cannot start on the car park until the junction improvement work is completed.
- 4.4 In accordance with the decision of the MAKI committee in September 2017 the junction improvement project is being developed and delivered by Council officers. The main point of contact is the Transformation Projects and Regeneration Team (TPRT) in close conjunction with Roads and Amenity Services.
- 4.5 Following a make or buy exercise in April 2018 Economic Development (TPRT) commissioned Roads and Amenity Services (The Infrastructure Design Team) via a Service Level Agreement to formally commence with initial design works. The total agreed budget for preliminary design was up to a maximum of £10,000 and overall responsibility for the design phase sits with the Infrastructure Design Team.
- 4.6 The initial design work (Stage 1) was completed in December 2018 at a total cost of £8,538.30 and included:
- Consultation with stakeholders including utility providers and the Highway Authorities.
 - Confirmation of third party land requirements.
 - Initial planning enquiries.

- Estimated costs for construction of the preliminary design.
- 4.7 In January 2019 an additional make or buy update report was approved for the Infrastructure Design Team to complete the detailed design (Stage 2) up to the value of £7,000. This stage is now nearing completion and includes; final drawings, further liaison with stakeholders, estimated costs from utilities providers and revised cost estimates for the construction phase. The total design costs incurred to date is £16,000. Other costs to date include ground testing, lighting design, planning and utilities fees. It should be noted that the design outputs have been accelerated to focus on updating the design documentation for estimation to support the project approval process. Some consultation elements are to be closed out but are not expected to materially affect the project outcomes.
- 4.8 Subject to approval to proceed with the project by the Area Committee and Policy and Resources Committee a further make or buy update report will be required to engage the Infrastructure Design Team to manage the construction phase. This will include full responsibility to ensure that the project is delivered:
- On budget (total project cost does not exceed £410,000)
 - By the 31 December 2019
- 4.9 The capital works will be carried out by the internal Operations Team. This approach has been recommended following a make or buy exercise carried out by the Procurement Team.
- 4.10 To accommodate the proposed junction improvements there is a requirement to purchase land from two separate owners. The land acquisition process is being led by the Estates Section with support from Legal Services. Discussions have taken place with both land owners and agreements are now in place.
- 4.11 Scottish Water are planning to carry out major infrastructure works on Harbour Street. The projected start date is January 2020 but this has still to be confirmed. This includes some work at the south end of Barmore Road and Roads and Amenity Services have notified us that it may not be possible to have traffic management measures in place for both projects at the same time. To avoid the possibility of conflict the junction improvement work must be completed by the end of December 2019. Officers from Roads and Amenity Services are in liaison with Scottish Water and are monitoring the situation.
- 4.12 As agreed by MAKI a full business case (FBC) had to be developed for the project. As the project involves a Council asset the FBC has been prepared in accordance with the Capital Programme Planning and Management Guide. This includes a detailed Risk Log Worksheet (Appendix 2) that sets out the chance, impact and mitigating actions for each risk.
- 4.13 The FBC has been assessed and scored by Strategic Finance using the assessment criteria and weightings as agreed by the Strategic Assessment Management Board and indicated in Appendix 3. The overall score is rated in accordance with the following table:

Business Case Score	Rating
80% -100%	4 (Max.)
70% - 79%	3
60% - 69%	2
Less than 60%	1 (Min.)

Full Business Cases should attain a rating of 4 for them to be considered for progression to the implementation stage.

As per Appendix 3 the junction improvement project secured a score of 80.29% and a rating of 4 therefore it can progress to the implementation stage.

5.0 CONCLUSION

5.1 On the basis of the assessment it is recommended that Council funding of up to £295,000 is confirmed for improvements to the Barmore Road and Garvel Road junction from the Tarbert and Lochgilphead Regeneration Fund. Responsibility for the delivery of the project will be delegated to the executive Director of Development and Infrastructure Services. This project will deliver a key component of the Tarbert and Lochgilphead Regeneration Fund and will enable the Tarbert Harbour Authority to progress with further development that will have benefits for the local economy.

6.0 IMPLICATIONS

6.1 Policy – The project offers the opportunity to support the outcomes of Council's Corporate Plan as well as the Outcome Improvement Plan, Economic Development Action Plan and Local Development Plan. It will deliver a key component of the Tarbert and Lochgilphead Regeneration Fund.

6.2 Financial – Maximum cost of £295,000 from the Tarbert and Lochgilphead Regeneration Fund. To date a total of £21,000 has been committed developing the project. This includes design costs of £16,000 with remainder on; ground testing, lighting design, planning and utilities fees.

6.3 Legal – Governance and Law are dealing with the acquisition of land to enable the project to proceed to the construction phase.

6.4 HR – None at this time

6.5 Equalities / Fairer Scotland Duty - None

6.6 Risk – As indicated within the risk log (Appendix 2).

6.7 Customer Service – None at this time

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APPENDICES

Appendix 1 - Full Business Case

Appendix 2 – Risk Log

Appendix 3 – Assessment and scoring of Full Business Case