

---

**ARGYLL AND BUTE COUNCIL**

**Mid Argyll, Kintyre and the Islands Area  
Committee**

**Development  
and Economic Growth**

**4th September 2019**

---

**Tarbert and Lochgilphead Regeneration Fund – Lochgilphead Front Green;  
Argyll Street/Colchester Square; Ardrishaig North Public Realm Update**

---

**1.0 EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to provide Members with an update on the Tarbert and Lochgilphead Regeneration Fund projects Lochgilphead Front Green (LA10); Argyll Street/Colchester Square (LA11) and Ardrishaig North Public Realm (LA13).
- 1.2 A design team have been appointed to progress all three projects through the seven Royal Institute of British Architects Plan of Work stages. An independent cost consultant has also been appointed to independently verify design costs and assist in the appointment of a contractor. Following a successful consultation on the Concept Design the Design Team are currently progressing the Detailed Design stage for these three Tarbert and Lochgilphead Regeneration Funded projects.
- 1.3 The two Lochgilphead projects are being developed as one design. The Ardrishaig project is being developed independently of the Lochgilphead projects however it is intended that all three projects will go out as one invitation to tender.
- 1.4 The total contract value for all three projects is currently estimated at £1.6M; This comprises of an estimated construction budget for the two Lochgilphead projects of £1.3 and an estimated construction budget for the Ardrishaig project of £300,000. The Lochgilphead projects were awarded an additional £200,000 from the Scottish Governments Town Centre Fund following consideration of a report at the Council meeting on 27 June and further funding for all three projects will be sought wherever possible which may result in an increase in the total contract value.
- 1.5 It is proposed to take a Full Business Case (FBC) for all three projects to the Mid Argyll Kintyre and the Islands Area Committee on 4<sup>th</sup> December and then on to Policy and Resource Committees on 12<sup>th</sup> December for approval. The

FBC will be not necessarily be fully developed as the invitation to tender is not scheduled to be issued until early December 2019 however the design will be developed to technical stage and there will be a detailed costing exercise undertaken which will inform the FBC. Obviously no contract would be awarded unless it was within the budget available.

### **Recommendations**

Members of the Mid Argyll, Kintyre and the Islands Area Committee are asked to

1. Give consideration to the update report and
2. Note that a further report along with the FBC will be brought back for members for their consideration in December.

**Tarbert and Lochgilphead Regeneration Fund – Lochgilphead Front Green;  
Argyll Street/Colchester Square; Ardrishaig North Public Realm Update**

---

**2.0 INTRODUCTION**

- 2.1 This report provides an update on three Tarbert and Lochgilphead Regeneration Fund projects Lochgilphead Front Green (LA10), Argyll Street/Colchester Square (LA11) and Ardrishaig North Public Realm (LA13)
- 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. This decision was ratified by Policy and Resources Committee on 19 October 2017.
- 2.3 Due to their proximity and their similarities it was previously agreed to combine the two Lochgilphead projects
- 2.4 Additional funding has been secured for all three projects. The total funding to date for the projects is shown in the table below. The estimated construction budget for these projects is the total funding minus project design fees.

<b>Project Ref.</b>	<b>Project</b>	<b>T&amp;LRF Allocation</b>	<b>Additional Funding</b>	<b>Total Funding</b>
LA10	Lochgilphead Front Green	£1,420,000	£10,000 -Sustrans £200,000 Town Centre Fund**	£ 1,750,000 *
LA11	Argyll Street, Lochgilphead	£110,000	£10,000 -Sustrans	
LA13	Ardrishaig North Public Realm Improvements	£330,000	£12,000 Sustrans	£342,000

\* LA10 and LA11 have been combined

\*\* Town Centre Fund requires a contract for the works to be signed and in place by 31<sup>st</sup> March

- 2.5 It was previously agreed that a full business cases for each of the projects will be submitted for consideration by the Mid Argyll, Kintyre and the Islands and the Policy and Resource Committee as they become available. It is proposed to

take a Full Business Case (FBC) for all three projects to the Mid Argyll Kintyre and the Islands Area Committee on 4<sup>th</sup> December and then on to Policy and Resource Committees on 12 December for approval. The FBC will not necessarily be fully developed as the invitation to tender is not scheduled to be issued until early December 2019 however the design will be developed to technical stage and there will be a detailed costing exercise undertaken which will inform the FBC. Obviously no contract would be awarded unless it was within the budget available.

### **3.0 RECOMMENDATIONS**

- 3.1 Members of the Mid Argyll, Kintyre and the Islands Area Committee are asked to
1. Give consideration to the update report and
  2. Note that a further report on these three projects along with the FBC will be brought back for members consideration in December.

### **4.0 DETAIL**

- 4.1 ERZ Ltd are the landscape architectural firm who were appointed to produce designs for two of the Tarbert and Lochgilphead Regeneration Fund projects- (LA10) Lochgilphead Front Green and (LA11) Colchester Square. The project brief required the projects to be taken through the seven RIBA Plan of Work stages. Following a successful consultation in April on the concept design stage for the two Lochgilphead projects ERZ were awarded an additional contract for the Developed Design stage for Ardrishaig North Public Realm (LA13). This award was included as a possible addition to the original contract and was performance related.
- 4.2 The Concept Design for the two Lochgilphead projects was approved and signed off in May 2019. Since this time ERZ have been working on the Developed Designs for the Lochgilphead projects and are refining the Concept Design for Ardrishaig in conjunction with stakeholders in order to produce the Developed Design for this project.
- 4.3 The public consultation on the Detailed Design for all three projects is due to take place in late August/September 2019. Dialogue between the design team and key stakeholders, including the community and representatives from Infrastructure and Roads Service has continued to take place throughout this period to ensure the Developed Design meets with the criteria as set out by the Policy and Resources Committee and the original scope of the projects as outlines in the Outline Business cases (OBC)
- 4.4 Due to their proximity to one another and their similarities the two Lochgilphead projects are being developed as one design but they will be costed separately by an independent cost consultant
- 4.5 The designs for Ardrishaig North Public Realm are being developed by ERZ in

consultation with key stakeholders. The designs for Ardrishaig are less complex than the design for Lochgilphead and are primarily about enhancing the existing facilities. A costed developed design for Ardrishaig North Public Realm is expected to be ready to go out to consultation in early September 2019. Following the public consultation on the developed design the project programme for Ardrishaig North Public Realm should align with the project programme for the Lochgilphead projects

- 4.6 Additional funding for all three projects has been secured. The most notable additional funding of £200,000 has come from the Scottish Governments Town Centre Fund and was awarded to Lochgilphead Front Green/Colchester Square. The Town Centre Fund 2019-2020 is a capital grant fund set up by the Scottish Government in partnership with COSLA. The aim of the Town Centre Fund is to enable local authorities to stimulate and support place-based economic investments which encourage town centres to diversify and flourish, creating footfall through local improvements and partnerships. The Town Centre Fund 2019-2020 requires that a contract for the work is signed and in place before the deadline of 31<sup>st</sup> March 2020. Sustrans have also provided additional funding to all three projects through their Community Links grant programme. The Sustrans Community Links programme supports projects that aim to increase levels of walking and cycling for everyday journeys. Further funding applications will be made to Sustrans for project elements that relate directly to active travel and road safety improvements, both in terms of funding for further design work as well as for construction costs. Sustrans can fund up to 50% of the construction costs for project deliverables that fulfil their funding criteria.
- 4.7 Initial discussions with the ERZ and the Councils Procurement Team has resulted in the recommendation that all three projects are issued as one Invitation To Tender. This will make the offer more attractive and help to generate a greater response from prospective tenderers. The current construction contract value for all three projects stands at c £1.6 m
- 4.8 The project programme currently anticipates the Invitation To Tender for the projects will be issued in December 2019 and the returned tenders reviewed in February 2020 to allow a contractor to be appointed in March 2020. Whilst not all the information will be available for the report to MAKI and P & R in December the detailed design stage will be concluded and technical design will be well advanced and detailed costings will have been undertaken. This will allow members to agree to the final design and to give reassurances in regard to the proposals being within budget.

## **5.0 CONCLUSION**

- 5.1 The projects are on track and a further report will come before MAKI and P & R in December to confirm the final design and costings before the proposals go out to tender.

## **6.0 IMPLICATIONS**

### **6.1 Policy**

The projects will support the objective and long term outcomes of the Argyll and Bute Outcome Improvement Plan Local Development Plan, the Economic Strategy and other Council policy as may be relevant to specific proposals.

### **6.2 Financial**

To date £46,830.75 has been spent on the design work of these projects. There is a further commitment of £154,389 in design fees for the three projects

### **6.3 Legal**

Working with procurement colleagues in regard to management of contracts and tendering process.

### **6.4 HR**

None

### **6.5 Fairer Scotland Duty:**

#### **6.5.1 Equalities - protected characteristics**

A combined Equalities and Socio Economic Impact Assessment has been carried out

#### **6.5.2 Socio-economic Duty**

See above

#### **6.5.3 Islands**

N/A

### **6.6. Risk**

There is a risk the project will miss the deadline of the 31 March 2020 for contract award to be eligible for £200,000 Town Centre Fund.

There is a risk the project will not meet public expectation given that there is a limited budget however we have undertaken t consultation with the community and key stakeholders at each key stage to mitigate this as much as possible.

There is a risk that the returned tenders exceed project budget

For full detail on project risks please refer to Project Risk Register in Appendix 2

### **6.7 Customer Service**

None at this time

**Pippa Milne - Executive Director with responsibility for Development and Economic Growth**

**Policy Lead Councillor A Morton**

8<sup>th</sup> August 2019

**For further information contact:** Douglas Grierson, Project Officer, Transformation Projects and regeneration Officer, Development and Economic Growth Tel 01546 604228

## **APPENDICES**

- Appendix 1 Project Programmes
- Appendix 2 Project Risk Register