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**TRANSFORMATION PROJECTS & REGENERATION TEAM – LARGE SCALE  
PROJECT UPDATE REPORT**

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**1. EXECUTIVE SUMMARY**

- 1.1 The purpose of this report is to update the Environment, Development and Infrastructure Committee on progress in delivering the larger scale project work which sit under the remit of the Transformation Project and Regeneration Team with a focus on those projects that are mainly externally funded. The last update report was considered by Environment, Development and Infrastructure Committee on Thursday 6<sup>th</sup> December 2018.
- 1.2 The paper also highlights the key issues that will impact on the successful delivery of the projects.
- 1.3 It is recommended that the Environment, Development and Infrastructure Committee:-
- 1. Consider the current progress contained within the report

## **2. INTRODUCTION**

2.1 This progress report sets out the current position of the larger scale projects that are mainly externally funded and are being delivered by the Transformation Projects and Regeneration team. As well as being responsible for the development and delivery of a number of large scale externally funded projects with a strong economic regeneration, community and heritage focus, the remit of the team also covers other key areas of work. These include:-

- development and delivery of smaller scale projects including the management of smaller external funding grants.
- development and delivery of a number of Making Places projects working in partnership with the community and key partners leading to the development of actions plans,
- development of the economic opportunities for Argyll and Bute across the Film, Creative Industries and Renewables sector,
- working with communities and key partners to deliver physical and economic regeneration,
- supporting third sector organisations involved in the delivery of their own individual regeneration projects as well as support to third sector organisations working across the film, renewables and creative industries sectors,
- supporting third sector organisations in the form of advice and support including funding, acting as the key point of contact within the council, and providing support to communities through the Council's asset transfer process,
- overseeing the council's strategic events and festival grants for 2019 including setting up and administering a new application process.

2.2 In addition the team is responsible for overseeing the management and monitoring of payment of council match funding grants to specific community and third sector organisation to assist in the delivery of projects such as Campbeltown Cinema which is now complete and operational, Kilmartin Museum Redevelopment which has its permission to start and is due to commence on site in 2020, Ardrishaig Gleaner Oil Site Phase One – Egg Shed which is now complete and operational and Dunoon Boxing Club which is under construction. In addition, managing and monitoring the approved RCGF grants (2017/18) for

the Tobermory Light Industrial Site, Ardrishaig Maritime Hib Gleaner Phase 1 site (final claim) and the approved RCGF grants (2018/19) for Cairndow Community Childcare and Family Centre, The Rockfield Centre in Oban and the recently approved RCGF grant (2019/20) for Kilmartin Museum redevelopment project. See Appendix A for the full list of projects.

- 2.3 More recently the team has been given responsibility for overseeing the Town Centre Fund for 2019/20 - £1,242,000. Further details in regard to the Fund and associated projects to be delivered are contained in para 4.1.9 below.
- 2.4 The paper also reports on key issues that will impact on the current status of the delivery of these projects.

### **3. RECOMMENDATIONS**

- 3.1 It is recommended that the Environment, Development and Infrastructure Committee:-

1. Consider the current progress contained within the report

### **4. DETAILS**

- 4.1 **Progress** –.Progress in relation to the projects is as follows.

4.1.1 **Campbeltown Conservation Area Regeneration Scheme (CARS) – (1<sup>st</sup> April 2015 – 31<sup>st</sup> March 2020) - Project Status – GREEN**

Following a successful bid to CARS Round 6, the Council secured funding from Historic Environment Scotland (HES) in March 2015 with an award of £990,000. This is Campbeltown's second CARS and the project runs from April 2015 to March 2020 and builds on the success of the Campbeltown Round 1 CARS and Townscape Heritage Initiative. There is a dedicated project officer in post to deliver the project and the majority of funding is now committed.

During the delivery of the scheme additional funding has been secured and a number of savings have been identified. The total project budget has increased from an initial £2.2million to almost £2.9million. To date seven priority building repair projects have been completed and the final project is on site at Mafeking Place.

Three small grants have been completed including 2 window repair projects at Union Street and urgent roof repair work at the Argyll Arms Hotel on Main Street, safeguarding the Hotel's letting capacity and business viability.

The CARS training programme has delivered a mix of events for the general public, construction trades and building professionals. Public

events include awareness raising and update events, and advice sessions to homeowners. Highlights have included; an architectural exhibition (attracting over 2,000 visitors); a “Warm homes” event for local homeowners; six traditional skills training courses held in Campbeltown were well attended by contractors and building professionals and an education project in partnership with the Walking Theatre Company and Castlehill Primary School. Primary 7 pupils produced a short film that explored the history and heritage of Campbeltown.

#### 4.1.2 **Hermitage Park, Parks for People Project, Helensburgh – (1<sup>st</sup> May 2016 – 30<sup>th</sup> April 2021 - Project Status – AMBER**

This £3.7m project is for the heritage-led regeneration of Hermitage Park. The project is in the final phase of capital delivery which is now expected to complete in autumn 2019.

Lot One, the new Passivhaus Pavilion, has completed. Offers for the lease of the Pavilion are being considered.

The Lot Two landscaping and conservation contractor is on site and programmed to complete their second phase of works in September 2019. The second phase includes; landscaping around the pavilion, plaza and decking, additional drainage, sewage connection on to Sinclair Street, play park fencing, car park, remaining park furniture, tree planting on main plaza and main entrance, swale and pool works, greenhouse base and short side walls, final two interpretation panels and the return of the park’s historical play horse, Cramberry.

The project is coming towards the end of the construction phase and there is a need to continually review the budget against costs working closely with the design team, contractors and funders to manage any changes required and associated impacts on the budget. At this point in time there is a projected additional budget requirement for the construction phase based on anticipated costs. Once works are fully completed and final costs are confirmed a report will be prepared and brought before members.

Delivery of the five year activity plan continues until 2021. Up to 30<sup>th</sup> April there have been £77,267 worth of volunteer hours in the park and we are on target to deliver the proposed £102,000 by the end of the activity plan. Officers continue to work with Hermitage Academy to enable pupils to volunteer once a month to enhance the curriculum and to assist with development of the demonstration garden in the park. Hermitage Academy have gone on to win the pocket garden competition run by Gardening Scotland.

Officers working with the Friends of Hermitage Park have continued to raise external funds for elements of the project that were constrained by available budgets and continue to look at ways to raise money to develop a Hermitage Park endowment fund.

The project continues to attract positive press and the Friends keep the community updated through their facebook pages #Helensburgh Hermitage Park and with regular articles in the Helensburgh Advertiser and Community Advertiser.

#### 4.1.3 **Rothesay Townscape Heritage (TH) Phase 2 – (1<sup>st</sup> October 2017 – 30<sup>th</sup> September 2022) - Project Status - GREEN**

Rothesay TH is a heritage-led regeneration project that will be delivered between 1 October 2017 and 30 September 2022. The partnership project is funded by HLF (£1,888,500), HES (£500,000), Argyll and Bute Council (£200,000), HIE (£70,249), LEADER (£65,800) and Paths for All (£21,500), with a total project fund of £2,746,049 to be administered as grant to property owners in order to safeguard historic buildings and shopfronts. Project staff are fully funded through the project to deliver the programme over a five year period.

The first priority project, The Isle of Bute Discovery Centre (Category 'A' listed) was completed in April 2019. This comprised of renovations to the roof, ironworks, rainwater goods and windows. A lot of positive feedback has been received from members of the public and this has helped to renew a sense of pride in the building.

The next priority project is now on site at 73-77 Victoria Street. This will see comprehensive restoration to the roof, stonework and windows as well as rainwater goods. This tenement restoration project is due to complete in October 2019.

Discussions are now taking place between the owners of two other priority projects (39-43 Victoria Street and 1 Tower Street) and the Architects. Survey work is being completed and applications for grant funding are expected in the near future, with a view to starting works in early spring 2020.

Tenders have been received for the first shopfront restoration (Electric Bakery, 69-71 Montague Street). These are being considered by the owners and application for funding will be submitted with a view to works starting late 2019 early 2020. Design proposals have now been submitted to the owner of D.C. Murrays at 19a-20 Argyle Street, for another shopfront restoration. Discussions will then take place between Architects and the owner in order to take this application forward.

We are currently working with 5 property owners who have submitted interest in applying for a window repair/restoration grant. It is hoped that once initial queries have been resolved formal applications can be submitted with a view to works starting soon after.

Although the project is primarily a physical regeneration project, it is also a community initiative that seeks to facilitate skills development and host

events to celebrate the island's heritage. In addition to this, the project is seeking feasibility analysis on enhanced wayfinding and active travel measures, and on audience development to support the tourism potential of Bute. Four wayfinding signs have now been installed at Rothesay Pier, Guilford Square, Montague Street and the Leisure Centre. Another two are to be installed at High Street and Albert Pier respectively. Discussions are taking place with utility companies to locate a safe position away from any pipework.

Furthermore, the project has funded Bute Island Alliance to operate the *Bank: Enterprise Space*, a popup shop and co-working space, to support the growth potential of local businesses. The former Clydesdale Bank premises has been secured for this purpose and formally opened in April 2019. The space is in regular use by local community groups, creative industries and Rothesay Pavilion, who are leasing office space. The grant contract for an Enterprise Space Manager and supporting BIA with operating costs runs until October 2019.

#### 4.1.4 **Inveraray Avenue Screen** **Project Status - GREEN**

The Inveraray Avenue Screen project is being delivered outwith the original Inveraray CARS (completed 31 March 2018). The refurbishment works to this Category A Listed structure started on site in January 2019. Work is progressing well, with the scaffolding expected to be removed in September. The lime harling finish has been applied and is currently being allowed to cure, with the final phase of painting getting underway towards the end of August. Metal and timber gates are being fully refurbished at part of the contract and will be returned and fitted on completion of the paintwork. Completion of the project is expected late September 2019.

#### 4.1.5 **Dunoon CARS – (1<sup>st</sup> April 2017 – 31<sup>st</sup> March 2022)** **Project Status - GREEN**

Dunoon CARS is a heritage-led regeneration project that is concentrated on Dunoon's town centre. The budget includes £1,002,348 from Historic Environment Scotland and £500,000 from Argyll and Bute Council. A fully funded project officer is employed to deliver the project over a five year period from 1 April 2017 to 31 March 2022.

The project seeks to deliver a programme of building repairs to historic buildings whilst simultaneously delivering a programme of learning, skills development and engagement to sustain project benefits and enable the local community to celebrate Dunoon's heritage.

To date, planning permission has been sought to restore three shopfronts with works due to start onsite in August 2019. Works to

comprehensively repair a priority building will also start onsite in August 2019 and a further priority building is currently being worked on by the architects before going out to tender.

In June 2019, a week long, street long exhibition was created along Argyll Street celebrating the shopkeepers through the ages. 15 shops took part in the collaboration between the CARS project, Castle House Museum and Tacit-Tacit a local design company. The exhibition formed part of the national Architecture Fringe 2019 and over 500 people visited the exhibition. A “Caring for Dunoon’s Shopfronts” guide has also been commissioned and is being drafted with a view to being launched this year.

**4.1.6 Culture, Heritage and Arts (CHARTS) and the Place Partnership Plan (PPP) Project – (1<sup>st</sup> October 2017 – 30<sup>th</sup> September 2019)  
Project Status – GREEN**

The PPP project to maximise the potential of the sector and is approaching the end of the two-year contracted period, 30<sup>th</sup> September 2019. CHArts now has a 419 strong on-line membership who share information, opportunities and potential joint projects and the steering group continues to work with strategic partners such as Business Gateway, AITC, HIE, Creative Scotland and others. Work in the last 6-month period includes the following;

- Draft business and funding plan developed
- CHARTS SCIO status awarded
- CHARTS interim development manager appointed
- CHARTS visual branding finalised
- Website design in final stages for go live in September 2019
- ‘Wander Argyll’ campaign is live, providing a culture, heritage and arts tourism offer along the long distance routes (National Cycle Route 75 from Dunoon to Portavadie, and National Cycle Route 78 from Tarbert to Appin with links to other routes in close proximity namely, The Cowal Way, Taynish Art Trail, The Kintyre Way and The Caledonian Way. Highlights of the current campaign include features on Janice Forsyth BBC Scotland Radio Show, social media and printed cultural maps distributed through Scottish Field magazine and across the area.  
<https://www.wildaboutargyll.co.uk/wander-argyll/>
- Live Filming and Streaming contract awarded for the production of five films for marketing purposes and for use at the CHARTS Showcase Event which will live stream with two island venues and broadcast to international audiences.

- The CHARTS Showcase Event (launch of CHARTS) is in Oban on 14<sup>th</sup> September and MSP Mike Russell and Ian Munro, CE Creative Scotland will be in attendance as will representatives from the Council.
- Submission of CHArts information to the Scottish Government National Islands Plan.

Please see <https://explorechartsargyllandisles.org/> for up to the minute information.

#### 4.1.7 **Tarbert and Lochgilphead Regeneration Fund – Project Status – GREEN**

In its 2016/17 budget the Council allocated £3 million from reserves to support regeneration and economic development in the settlements of Tarbert, Lochgilphead and Ardrishaig.

On 6 September 2017 the Mid Argyll Kintyre and Islay (MAKI) Area Committee agreed to the **final 6 projects** that would go forward to full business case stage. The Policy and Resources (P & R) Committee ratified the decision separately at the committee meeting on 19 October 2017.

The building works to the Ardrishaig Maritime Hub project (Phase 1), which involved the refurbishment of the Egg Shed, are now complete and the building was formally opened on 2 August 2019. Fuller details are provided at 4.1.8 below. Discussions are being taken forward with Scottish Canals in regard to the Maritime Hub Phase 2.

Following consideration of an FBC for Phase 1 of the Tarbert Harbour Association project a grant of £125,000 was awarded to Tarbert Harbour Authority on the 12<sup>th</sup> July 2018. This was to part-fund stages 2-4 of the shore side facilities project. This involved the refurbishment of an existing building to create new offices and a chandlery, the formation of a new refuse area and followed by the removal of the temporary buildings which previously housed the office and chandlery. The majority of work is now complete and the new office is in use.

The second grant award to Tarbert Harbour Authority to extend the car park (Phase 2) is reliant upon the upgrade of the Barmore/Garvel Road junction. The development work for the junction project is now complete and all approvals are in place including Council funding; utilities and planning permission. Following approval of the FBC by MAKI and P&R Committee work is due to start on site in September and will be carried out by the internal Operations Team. It is anticipated that the contract will take around twelve weeks to complete.

Lochgilphead Front Green and Argyll Street/Colchester Square projects.

The developed design for the Lochgilphead Front Green and Argyll Street/Colchester Square projects is currently being produced in consultation with Development and Infrastructure Departmental Management Team and the projects steering group which includes members of Lochgilphead Community Council, the Lochgilphead Phoenix Project, Mid Argyll Youth Development Services, Transport Scotland and Sustrans. Once the developed design has been approved by the project steering group it will go out to public consultation. The anticipated date for the public consultation on the developed design is August/September 2019.

An additional £200,000 has been awarded to Lochgilphead Front Green and Argyll Street/Colchester Square projects. This additional funding has come from the Scottish Government Town Centre Fund. To ensure access to this fund a signed contract requires to be in place before the 31<sup>st</sup> March 2020.

Erz who are the lead designer for Lochgilphead Front Green and Argyll Street/Colchester Square projects have now been awarded a contract to review the original concept design for Ardrishaig North Public Realm (LA13) and bring it in line with the projects budget. Erz are working with key stakeholders, including Ardrishaig Community Council, Ardrishaig Community Trust, Scottish Canals and Argyll and Bute Council to produce a developed design for Ardrishaig Public realm that is due to go out to public consultation in September 2019

#### 4.1.8 **Regeneration Capital Grant Funding (RCGF)** **Project Status – GREEN**

Ardrishaig Gleaner Phase 1 Site – Scottish Canals began works, week commencing 15<sup>th</sup> April 2018. The refurbishments works to the Egg Shed building itself are complete and the formal opening has taken place, the overall project including associated groundworks are due for completion later this year. The table below highlights the drawdown to date against the total RCGF award.

Tobermory Light Industrial Site – Mull and Iona Community Trust (MICT) appointed a contractor and construction began on 19<sup>th</sup> March 2018 however due to issues relating a planning condition and the need for a road construction consent the project was put on hold for 4 months. This has caused a significant delay in MICT progressing the delivery of their project as per the original timeline. Since the contractor started back on site the project has progressed well and is due for completion in October 2019. The table below highlights the drawdown to date against the total RCGF award. In light of the delays a request to reschedule the drawdown and repayment of an agreed cash flow support loan was agreed at the December 2018 P&R meeting.

In March 2018 the council was advised that it was successful in securing over £1.2 million of RCGF (2018/19 award) for 2 projects: the Cairndow Childcare project started on site and is progressing well with

an expected completion date for the construction of October 2019. The Rockfield project has also recently commenced on site and is progressing well and an update can be found on their web site <https://www.therockfieldcentre.org.uk/followthejourney> Additional funding is being secured for some elements of internal works and the Town Centre Fund will provide assistance with this.

<b>Project Name</b>	<b>Grant Awarded</b>	<b>Year Awarded</b>	<b>Balance Remaining to Drawdown</b>
Ardrishaig Waterfront – Maritime Hub Phase 1	£580,000	2017/18	£77,061.30
Tobermory Light Industrial Park	£1,600,000	2017/18	£557,238.52
Cairndow Community Childcare & Family Centre	£811,198	2018/19	£0 – Fully Claimed
The Rockfield Centre	£540,000	2018/19	£488,363.69
Kilmartin Museum	£200,000	2019/20	£200,000

#### 4.1.9 Scottish Government Town Centre Fund 2019/20 Project Status – GREEN

At the Council meeting on 27 June 2019 the Council agreed to allocate the £1.242,000 of Scottish Government Town Centre fund to eight distinct projects, across the area, On 5 July and further to the Council meeting, it was agreed that two projects in Oban and a third on Mull would also benefit from the Scottish Government’s Town Centre Fund. This takes the total number of projects supported through the fund to eleven.

The projects identified to receive the funding are as follows:

- Lochgilphead Front Green additional works - £200,000;
- Bowmore public realm enhancements - £85,000;
- Campbeltown small-scale shopfront improvements (third party grants) - £50,000
- Rosneath Howie Park community-driven enhancements - £90,000;
- Hermitage Park additional community and events resource - £35,000;

- Helensburgh Pier pedestrian access enhancements - £85,000;
- Revitalisation of outdoor event space at Dunoon Public Realm/Band Stand - £200,000;
- Rothesay Pontoons - £150,000;.
- Tobermory Harbour and Public Realm enhancement (First phase)- £150,000;
- Oban Town Centre interpretation signage (third party grant) - £44,000; and
- Rockfield Centre, Oban (third party grant) - £90,000

Three of the projects relate to third party projects grants and these will be offered to the respective organisations. The remaining eight projects are Council projects and the development and delivery of these projects will be taken forward by officers within the Council. Timelines are very tight in regard to delivery and a requirement of the fund is that a contract has to be awarded for the delivery of the respective projects by 31 March 2020. Officer are currently progressing each of the council projects and are also working with the respective third party organisations to ensure that the timelines are met and the grant is drawn down in line with the Scottish Government guidance and criteria.

- 4.2 **Budget:** All the above are predominantly externally funded projects with a proportion of Council funding and for each project there are set budgets against specific outcomes and timelines. The externally funded elements of the project costs can only be claimed once proof of all the necessary information has been provided to the external funders. Each funder has a different criteria against which they measure delivery and the council has entered into formal grant contracts with all the funders involved.

## 5. CONCLUSION

- 5.1 The council currently has a total of three CARS/TH schemes in progress and following a successful bid to HES last year we are awaiting the formal contract for Lochgilphead CARS. Inveraray CARS finished on 31 March 2018 and was delivered on time and in budget. The total value of the current three schemes represents well in excess of £10 million of investment into the built heritage of our key towns and is mainly made up from funding from HES and HLF with match funding from the council and private owners.
- 5.2 A significant number of building owners (commercial and residential) have and continue to benefit from funding which has delivered a significant level of investment and refurbishment to their properties and in turn into many of our main town. Many of these owners would have been unable to undertake these repairs without grant assistance and their properties would have continued to deteriorate. Had this deterioration continued the council may well have had to step in to undertake emergency work to these buildings



procurement requirements not all of which will sit with the council and we are working closely with colleagues to identify the support required and to allow this to be factored into future work plans

- 6.4 Personnel The resources required to deliver the projects will be continually monitored. The management of these externally funded projects as well as the management of the Council, RCGF and more recently the Town Centre Fund grants requires a significant amount of resources from the team to ensure that all the necessary due diligence and financial management is undertaken and the risk is minimised to the council.
- 6.5 Fairer Scotland Duty - None
- 6.6 Equalities - protected characteristics There are no equal opportunities implications.
- 6.7 Socio Economic Duty Individual projects promote socio economic opportunities
- 6.8 Islands None
- 6.9 Risk Construction projects by their very nature are challenging given issues that can arise relating to site conditions, managing contractors/the design team and associated budgets and meeting funders requirements. We continually seek to minimise the risk through strong project management processes however until the projects are fully delivered on site there remains a risk. Other areas of risk relate to the potential for limited uptake in regard to CARS/TH grants and also over-run on costs for third party projects. In regard to the latter this is a high risk particularly as the council is not the responsible body for the projects or their delivery.
- 6.10 Customer service There are no customer service implications.

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

**Policy Lead:** Councillor Aileen Morton  
August 2019

**For further information - please contact** Audrey Martin, Transformation Projects and Regeneration Manager  
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Appendix A – Council and externally funded projects and grants managed by the Transformation Projects and Regeneration Team

**Appendix A - Council and externally funded projects and grants managed by Transformation Projects and Regeneration Team**

<b>Externally Funded Projects</b>	<b>Project Value / Grant Secured</b>	<b>Delivery Start</b>	<b>Delivery End</b>
Dunoon CARS	£1,889,430	2017	2022
Rothesay TH2	£3,201,430	2017	2022
Inveraray CARS – Additional Avenue Screen Project	£200,000	2018	2019
Campbeltown CARS	£2,872,233	2015	31 March 2020
Lochgilphead CARS	£1,606,096	2019/20 – awaiting contract	2024/25
Hermitage Park HLF Parks for People	£3,500,000	2016	2021
Tarbert Lochgilphead Regeneration Fund – 6 projects	£3,000,000	2018	2021
Tobermory Light Industrial Park RCGF	£1,600,000	2017	2019
Gleaner Oil site (RCGF)	£580,000	2017	2019
Cairndow Childcare & Family Centre RCGF	£811,298	2018	2019
Rockfield Centre RCGF	£540,000	2018	2020
Kilmartin Museum RCGF	£200,000	2019 – awaiting start in site	2020
CHArts Place Partnership Plan	£360,000	2017	2019
Making Places Helensburgh	£30,000	2018	2019
Kilmartin Museum Council Grant	£400,000	2019	2021
Dunoon Boxing Club Council Grant	£100,000	2018	2019
Events and Festivals grants 2019/20	£113,000	2019	31 March 2020
SG Town Centre Fund 2019/20 – 11 projects ( 2 external grants)	£1,242,000	2019	2020
<b>Total</b>	<b>£22,245,387</b>		