

**MARINE ASSET MANAGEMENT PLAN**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 This report provides Members with an update on ongoing schemes currently being addressed within the Council's Marine Asset Management Plan.
- 1.2 Meetings take place on a regular basis between Council officers and representatives from Transport Scotland, Calmac and CMAL to discuss future plans for the Council's marine assets; priorities are set by the Council on the basis of these discussions. Main priorities agreed with Transport Scotland, CMAL and Calmac remain as follows:-
  - Iona and Fionnphort – Provision of breakwater and overnight berth respectively.
  - Mull / Craignure Pier – Upgrade infrastructure.
- 1.3 This report provides an update on the following schemes:-
  - Craignure
  - Iona and Fionnphort
  - Helensburgh Pier
  - Rothesay Harbour
  - Rothesay Pontoons
  - Dunoon Breakwater
  - Link-spans
  - Campbeltown Harbour
- 1.4 Members are asked to approve the revised version of the 10 year asset management plan in the appendix to this report – Revision F.

**MARINE ASSET MANAGEMENT PLAN**

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**2.0 INTRODUCTION**

2.1 This report provides Members with a further update on ongoing major, and/or noteworthy, schemes currently being addressed within the Council's Marine Asset Management Plan.

**3.0 RECOMMENDATIONS**

3.1 Members are asked to approve the revised version of the 10 year asset management plan in the appendix to this report – Revision F.

**4.0 BACKGROUND**

4.0 A report was presented to the Harbour Board in September 2019 which provided details of major schemes being programmed within the Marine Asset Management Plan at that time; this report provides Members with a further update.

4.1 In order to fund the various works identified in the Asset Management Plan in future years, it is necessary to review fees and charges on an annual basis – see separate report.

4.2 Meetings take place on a regular basis between Council officers and representatives from Transport Scotland, Calmac and CMAL to discuss future plans for the Council's marine assets; priorities are set by the Council on the basis of these discussions. Main priorities agreed with Transport Scotland, CMAL and Calmac remain as follows:-

- Iona and Fionnphort – Provision of breakwater and overnight berth respectively.
- Mull / Craignure Pier – Upgrade infrastructure.

4.3 This report provides Members with an update on the following schemes:-

- Craignure
- Iona and Fionnphort
- Helensburgh Pier

- Rothesay Harbour
- Rothesay Pontoons
- Dunoon Breakwater
- Link-spans
- Campbeltown Harbour

## **5.0 DETAIL - The Asset Management Plan:-**

5.1 The Asset Management Plan lists the likely work to be carried out over the next 10 years across the entire marine infrastructure; it also provides indicative budgets – see Appendix A. Currently the overall costs for planned works is approximately £90 million – this includes an estimated figure for potential works at Craignure Pier on Mull. Further detail is provided below for some of the more major, or noteworthy, schemes. Capital works programmed for the financial year 2020 to 2021 totals £4.2 million.

### **5.2 Craignure Pier:-**

The STAG report for Craignure is complete and work continues on the Outline Business Case (OBC) to consider interim options. A brief for a separate OBC to consider long-term options will shortly be issued. The outline business case will make recommendations to the Council on the basis of the information already produced as part of the STAG i.e. which of the preferred options to progress. Discussions continue with Transport Scotland with a view to establishing whether Transport Scotland will partly grant fund the works or whether the Council would fund through loans recovering the loan charges through the fees and charges received at the port. An update, which has been circulated to stakeholders, is provided in Appendix B.

### **5.3 Fionnphort / Iona Ferry Slips –**

Work on sedimentation modelling continues. Once modelling is complete, design work, planning and license applications will be progressed. The Business Case for the proposed works at Iona and Fionnphort is attached in appendix C.

### **5.4 Helensburgh Pier:-**

Funding has been allocated from the Town Centre Fund to make the pier safer for pedestrian use, given that the pier is, for the time-being, not functioning as a vessel berthing facility. At the time of writing this report, tenders for the work had been returned. A verbal update will be provided at the next Harbour Board meeting.

### **5.5 Rothesay Harbour –**

The wave screen is now complete. Proposals for the next phase of the work, to address settlement issues around the terminal building, are now awaited from specialist advisors. It is likely that the next phase of the works will take

the form of both piling and grouting; this work will be required in order to stabilise infill material within the masonry pier.

In addition to civil engineering works, a contract has been awarded to RL Engineering for removal and refurbishment of all sixteen cylinders in the passenger access gangway (PAG) at Rothesay; works will be carried out overnight and, as such, no disruption to sailings is anticipated.

**5.6 Rothesay Pontoons:-**

Funding of £150k has been allocated through the Town Centre Fund with an additional £150K from the Coastal Community Fund i.e. a total budget of £300K has been allocated for necessary works.

Tenders for the work on the pontoons have been returned and are now under review. All licences have been applied for. A contract is expected to be in place by mid-March 2020 – start date to be agreed post award. A verbal update will be provided at the Harbour Board meeting.

**5.7 Dunoon Breakwater –**

Work on the rock armour at Dunoon breakwater by the Contractor L.M. Keating is progressing well with completion of work planned for the end March this year. Progress photographs are provided in Appendix D.

**5.8 Campbeltown Harbour –**

Sheet piling works / cathodic protection work to address corrosion of sheet piling at Campbeltown Old Quay walls (C, D, E and F) is progressing well. Work is due to be complete by the contractor ‘Lochshell Engineering’ by the end of March this year.

**5.9 Link-spans –**

A complete review of the Council’s link-spans has been carried out with the aid of a specialist mechanical engineer seconded from the consultant ‘Royal Haskoning’. Hydraulic and structural checks have been carried out on link-spans at Dunoon, Rothesay, Campbeltown, Port Askaig and Craignure – this has taken the form of on-site inspections, reviews of maintenance records – both specialist and on-site maintenance – along with a complete review of extant link-span maintenance contracts. The consultant ‘WSP’ carried out structural checks – although their report is still being compiled, we have been advised that main works required will involve re-painting – in particular, Craignure and Port Askaig link-spans. At the time of writing this report, works were being planned to replace both hydraulic cylinders at Craignure.

**6.0 CONCLUSION**

**6.1** This report provides Members with an update on a number of marine-related projects which are all at various phases – from early feasibility stage to on-site construction stage.

## **7.0 IMPLICATIONS**

7.1	Policy	None directly arising from this report.
7.2	Financial	Proposed additional increase in fees and charges will ensure that future income is sufficient to maintain and develop the Council's marine assets this financial year. Further fee increases will be required to fund prudential borrowing in future years.
7.3	Legal	Considered to be none directly arising from this report.
7.4	HR	None
7.5	Fairer Scotland Duty	
7.5.1	Equalities protected characteristics	None directly arising from this report
7.5.2	Socio-economic Duty	None directly arising from this report
7.5.3	Islands	See risk below
7.6	Risk	Completed works will reduce requirement to repair and maintain existing infrastructure.
7.7	Customer Services	Overall improvement in travel experience and quality of journeys.

**Interim Executive Director with responsibility for Roads and Infrastructure:**

Kirsty Flanagan

**Policy Lead:** Cllr Robin Currie

February 2020

**For further information contact:**

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Jim Smith: Head of Roads & Infrastructure Services Tel: 01546 604324

## **APPENDICES**

Appendix A - 10 year Asset Management Plan

Appendix B – Update to stakeholders

Appendix C – Iona / Fionnphort Business Case

Appendix D - Dunoon Rock-armour – progress photos

## **APPENDIX A**

# **ASSET MANAGEMENT PLAN - REVISION F**

No	Name	Structure		Year 1 (2019/20)	Works Required	Year 2 (2020/21)	Works Required	Year 3 (2021/22)	Works Required	Year 4 (2022/23)	Works Required	Year 5 (2023/24)	Works Required	Year 6 (2024/25)	Works Required	Year 7 (2025/26)	Works Required	Year 8 (2026/27)	Works Required	Year 9 (2027/28)	Works Required	Year 10 (2028/29)	Works Required	Risk	Capital Costs	Total Capital									
		Design	Construction / tender																																
1	Achnacrich Pier	Not used - concrete pier	Lismore	OL&I																						£50,000	Decommissioning Pier ?	£500,000							
2	Achnacrich Ferry Slip	Maintenance only	Lismore	OL&I																															
3	Anstruther Old Pier	Maintenance only	Colf	OL&I	£20,000	Surfacing at Turnings Head																					£20,000	£20,000							
4	Bruichladdich Pier	Reopen pier	Islay	MAKI														£50,000	Upgrade Approachway									£550,000	£550,000						
5	Bressay	Maintenance only	Mull (South West)	OL&I				£50,000	Grouting and pointing work																			£50,000	£50,000						
6	Campbeltown Old Quay	Works to walls - Assd Gull	Kintyre (South)	MAKI	£290,000	Walls C,D,E,F		£50,000	Wall A - G1 / Design / Contract Documentation		£500,000	Start replacement of wall A		£50,000	Design / RE dockes		£2,500,000	Complete wall A										£3,390,000	£3,390,000						
7	Campbeltown New Quay	Link span - new pier	Kintyre (South)	MAKI				£80,000	Coast piles		£200,000	Paint Link-span																£280,000	£280,000						
8	Caradon Harbour	Replace wall	Kintyre (East Coast)	MAKI				£30,000	Cathodic protection - start wave wall work		£100,000	Design																£30,000	£30,000						
9	Craighouse Pier	Maintenance only	Jura (East Coast)	MAKI				£30,000	Design work - new bollards timbers and structural repairs		£100,000	Repairs to concrete - start work		£100,000	Repairs to concrete - completion													£20,000	£20,000						
10	Craigmore Pier	Replace Pier	Mull (East End)	OL&I	£100,000	Outline Business Case - Heavit		£100,000	Start Feasibility Study		£200,000	Complete Feasibility Study / Ground Investigation		£750,000	Outline Design - Final Option		£750,000	Finalise design / tender documentation		£20,000,000	Construction		£20,000,000	Construction				£40,000,000	£40,000,000						
11	Craign Ferry Slip	Maintenance only	Craign	MAKI																															
12	Craign Harbour Quay	Maintenance only	Craign	MAKI																															
13	Cuan Ferry Slip	Replace Slip for new ferry	Luing	OL&I	£130,000	Concrete repairs		£50,000	Feasibility Study - New Slip																		£1,455,000	£1,455,000							
14	Cuan Ferry Slip	Replace Slip for new ferry - design & construction	Seil	OL&I																								£2,275,000	£2,275,000						
15	Dalnabreton Jetty	Not used	Campbeltown	MAKI																															
16	Dunoon Harbour Jetty (Cot Pier)	Maintenance only	Dunoon	B&C																															
17	Dunoon Pier	Access for vehicles building	Dunoon	B&C				£30,000	Further investigation / survey - for access system at timber pier		£100,000	Works to proceed on access system (?)																	£250,000	£250,000					
18	Dunoon Breakwater	On-going maintenance	Dunoon	B&C	£280,000	Re-profile breakwater												£50,000	Feasibility study / consultation / planning permissions		£100,000	Design / tender documentation		£1,000,000	Walking room/breaking area						£2,030,000	£2,030,000			
19	Easdale Pier	Maintenance only	Easdale	OL&I				£50,000	Modelling breakwater		£100,000	Feasibility study - ground investigation - breakwater		£50,000	Complete Design / tender		£1,000,000	Construct bresler										£1,720,000	£1,720,000						
20	Endale Low Water Landing	Replace	Easdale	OL&I				£50,000	Replace landing - design		£220,000	Feasibility study / ground investigation		£220,000	Complete Design / tender		£200,000	Replace										£70,000	£70,000						
21	Elenbanach Pier	Maintenance only	Seil	OL&I				£50,000	New slip - feasibility		£400,000	New slip - design / tender		£400,000	New slip														£500,000	£500,000					
22	Fearn Ferry Slip	New building - no ongoing maintenance	Jura (Sound of Islay)	MAKI														£30,000	New Fender system		£150,000	New Fender system - start		£150,000	New Fender system - completion							£20,000	£20,000		
23	Fionnphort Ferry Slip	Provide alternative port	Mull (South West)	OL&I	£45,000	Sedimentation study / modelling		£50,000	Construction of breakwater		£4,000,000	Construction of breakwater (length/structure/concrete works slip)		£4,000,000	Complete Work													£8,145,000	£8,145,000						
24	Gigha Ferry Slip	General maintenance & priority	Gigha	MAKI														£400,000	Feasibility Study / GI		£50,000	Consultancy fees - design / tender		£1,000,000	Commence on site - breakwater/dragging structures		£1,500,000	complete works on site						£400,000	£400,000
25	Gigha South Pier	On-the-way	Gigha	MAKI	£55,000	Wave Screen		£200,000	Concrete remedial works																			£75,000	£75,000						
26	Helensburgh Pier	Generally maintenance only	Helensburgh	H&L																															
27	Iona Ferry Slip	New breakwater	Iona	OL&I																									£2,200,000	£2,200,000					
28	Kells	Maintenance only	Mainland Sound of Jura	MAKI																															
29	Kilcreggan Pier	Rebuilding	Kilcreggan	H&L	£100,000	Structural repairs / decking-boards / tie-down building																						£250,000	£270,000						
30	Lagg	Maintenance only	Jura (Sound of Jura)	MAKI																															
31	Lismore Point	Concrete repair	Lismore (North)	OL&I				£50,000	Modelling breakwater		£100,000	Feasibility study / ground investigation - breakwater		£50,000	Complete Design / tender		£500,000	Construct bresler											£700,000	£700,000					
32	Oban North Pier	Works to stabilise soil	Oban	OL&I	£190,000	Ground / stone																						£190,000	£190,000						
33	Oban Times Slip	Maintenance only	Oban	OL&I																									£150,000	£150,000					
34	Port Appin	Potential works to stabilise soil DDA compliant	Port Appin	OL&I																									£800,000	£800,000					
35	Port Askaig Pier	Potential works to stabilise soil	Islay	MAKI	£480,000	Rock-face repairs / surface repairs		£180,000	Cathodic protection		£50,000	HDV Area - Design		£1,500,000	HDV Area - Construct													£2,100,000	£2,100,000						
36	Port Beag Slip	Maintenance only	Oban	OL&I				£50,000	Wave action		£2,000,000	Consultancy fees - design																	£2,000,000	£2,000,000					
37	Port Charlotte	Maintenance only	Islay (Loch Indaal)	MAKI																															
38	Rothesay Harbour	Works to stabilise soil	Bute	B&C	£50,000	Consultancy fees - design		£50,000	Piling / Grouting - Start		£2,000,000	Piling / Grouting - Completion																£4,870,000	£4,870,000						
39	St. Catherine's Slip	Not used	Upper Loch Fyne	MAKI				£50,000	Security fencing		£20,000	Consultancy fees - design																	£20,000	£20,000					
40	Tayntoon Ferry Slip	General maintenance & priority	Kintyre (West Coast)	MAKI																								£2,000,000	£2,000,000						
41	Tighnabruaich Pier	Maintenance only	Kyles of Bute	B&C																															
42	West Loch Tarbert	Steel Piling	Kintyre (North)	MAKI				£20,000	Design Work		£100,000	Cathodic Protection																£10,000	£10,000						
	Miscellaneous				£80,000	Principal Survey		£85,000	Power / cctv		£70,000	Link Span Survey																£10,000	£235,000						

**APPENDIX B**

**CRAIGNURE**

**UPDATE TO STAKEHOLDERS -  
INTERIM OUTLINE BUSINESS CASE**

**Job Name:** Craignure Interim Measures Outline Business Case

**Job No:** 46448

**Date:** 18<sup>th</sup> November 2019

**Prepared By:** Stephen Canning

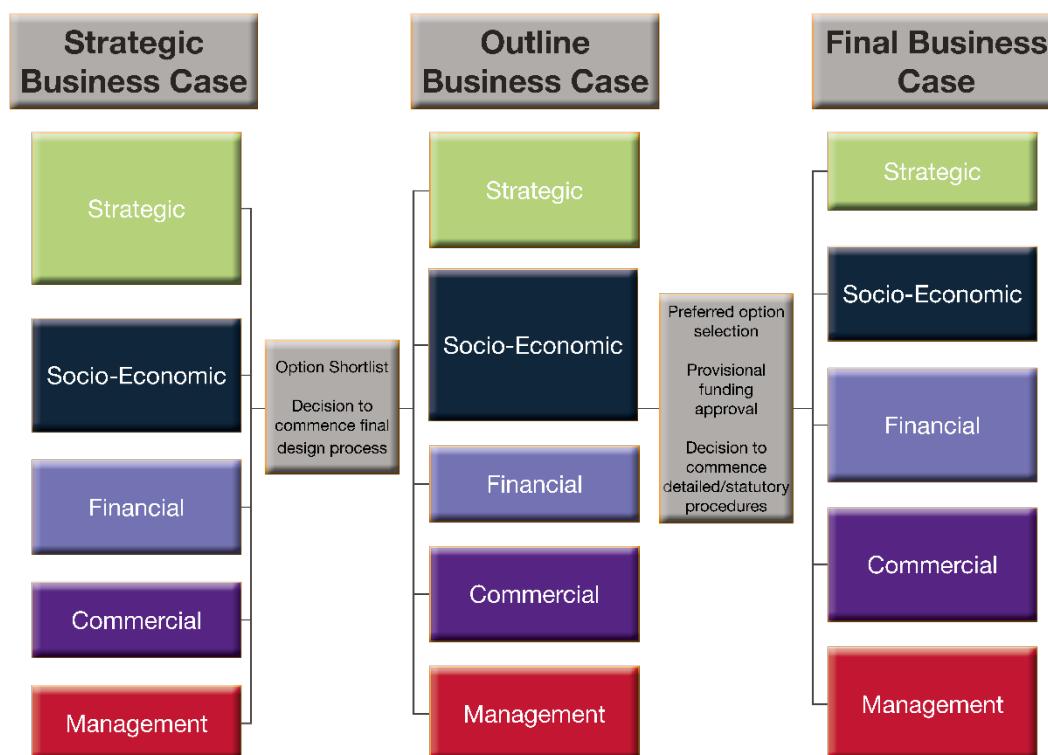
**Subject:** Stakeholder Briefing Note

Argyll & Bute Council (A&BC) has commissioned Mott MacDonald (MML) and Peter Brett Associates (PBA), now part of Stantec, to progress the Interim Options from the Craignure Ferry Terminal STAG Appraisal (also known as a Strategic Business Case (SBC)) to Outline Business Case (OBC).

This brief note sets out the business case process which will be followed and the approach to stakeholder engagement and public consultation

### **Business Case Process**

In making a case for transport-related capital investment in Scotland, a business case requires to be developed following the principles set out in *Guidance on the Development of Business Cases in Transport Scotland*. The Guidance incorporates a three-stage process, which is summarised in the figure below:



**Figure 1: Business Case Process**

The Strategic Business Case (SBC) was delivered in the format of a Scottish Transport Appraisal Guidance (STAG) study, which was completed in early 2019 following a programme of stakeholder and public engagement.

The purpose of an SBC / STAG is to:

- identify and evidence transport problems and opportunities which need to be addressed;
- establish objectives which any investment should seek to deliver; and

- Generate, develop and appraise a range of options which could address the identified problems in line with the study objectives.

An important point in relation to an SBC / STAG study is that it does not establish a preferred option, rather it establishes a shortlist of acceptable options for further consideration.

The STAG study considered both:

- interim options to increase the range of vessels which the current facility can accommodate, including a pier extension to accommodate larger vessels and facilitate year-round overnight berthing; and
- long-term options for the replacement of the current ferry facility.

### **Scope of OBC Study**

Following the completion of the SBC / STAG work, Argyll & Bute Council has commissioned an Outline Business Case (OBC) for the **interim measures only**.

The OBC further develops and progresses the STAG/SBC to the point that it **identifies a preferred option and, through the Commercial, Financial and Management Cases (see Figure 1), establishes how that preferred option will be funded, procured, delivered and managed**.

The Craignure Interim Measures OBC is expected to report at the end of February/March 2020. The main steps in the OBC process are as follows:

- Confirmation of the **Strategic Case**. This task involves confirming that the rationale for intervention (i.e. life extension of the pier, accommodation of larger vessels, provision of the overnight berth etc) has been clearly defined and represents a coherent rationale for investment.
- Detailed development of the **Socio-Economic Case** - this involves:
  - reviewing the options which emerged from the SBC to confirm that they remain appropriate, including consideration of any new options which have emerged, such as the proposal for a smaller dolphin on the end of the current pier.
  - significant further development of the shortlisted options and their costs;
  - review and, where appropriate, further development of the social and economic benefits associated with the shortlisted options.
  - at the conclusion of the Socio-Economic Case, a **preferred option** is established.
- Outline development of the **Commercial, Financial and Management Cases**, which set out the initial proposition for the financing, procurement, delivery and management of the preferred option.

### **Client & Steering Group**

- Argyll & Bute Council is the immediate client for the commission.
- The study is however being guided by a wider Steering Group which includes the Council, Transport Scotland, Caledonian Maritime Assets Ltd and CalMac Ferries Ltd (i.e. the parties which make up the Argyll Ferry Infrastructure Group (AFIG)), either as AFIG or as a parallel group.
  - The Steering Group will review, advise on and challenge all aspects of the 5 cases as they emerge.

### **Stakeholder Engagement & Public Consultation**

The substantive task in this OBC process is the technical development and more detailed costing of the interim options. This will take place over the period to January 2020. Once the options are worked up in detail and our view on a preferred option is established (i.e. at the conclusion of the Socio-Economic Case), the work will be presented to stakeholders and the public on Mull & Iona for comment.

The purpose of this engagement programme is to:

- explain the process and technical development work undertaken;
- seek views on the preferred option (positive and negative); and
- set out the next steps in terms of the business case.

Public and stakeholder engagement is an essential element of any business case and forms part of the range of assessment criteria against which a project is judged. Following on from the engagement process, the project team will:

- revisit the preferred option to confirm it remains the most appropriate means of delivering the desired outcomes; and
- incorporate any relevant feedback or additional information; and
- if there was deemed to be fundamental issues with the preferred option, these would be referred back to A&BC and the Steering Group for further consideration.

#### ***Public Consultation***

It is anticipated that the public consultation will adopt the same format as that used during the STAG – i.e. a public exhibition at selected venues, where members of the public will be invited to drop-in at a time of their choosing, view the exhibition material, speak with the consultant team and provide any feedback they may have. An exit questionnaire will be provided to all members of the public who attend.

The exhibition material and exit questionnaire will also be made available online and in hard copy for those who are unable to attend on the night.

It is anticipated that these events will take place in February 2020. It is likely that there will be three events – one in Craignure, one in Tobermory and one in either Bunessan, Fionnphort or Iona.

#### ***Stakeholder Consultation***

As a minimum the following stakeholders (in addition to the Steering Group Members) will be contacted as part of the engagement process:

- Craignure Marine Infrastructure Liaison Group
- Iona Community Council
- Mull Community Council
- Mull & Iona Community Trust
- Mull & Iona Ferry Committee
- South-West Mull & Iona Development Trust
- Statutory consultees, including Historic Environment Scotland, Scottish Environment Protection Agency, Scottish Natural Heritage and Marine Scotland
- West Coast Motors

In order to ensure that stakeholders have sufficient time to review and digest the main findings, the stakeholder consultation will:

- be undertaken in writing – the public exhibition material and a covering letter will be sent to stakeholders and a written response sought in return;
- this material will be issued immediately prior to the public exhibition providing stakeholders with an opportunity to come along and speak with the team directly (if they so wish) before submitting their response; and
- a dedicated contact will be provided, allowing stakeholders to discuss any issues / comments / concerns / questions with a member of the team over the telephone.

## **APPENDIX C**

### **IONA / FIONNPHORT – BUSINESS CASE**

## Outline Business Case – Marine Services

### Project Name : Iona Breakwater – Fionnphort Breakwater and Overnight Berth

1.	<b>Strategic fit: the strategic case:</b>
1.1	<p><b>Identify and explain business need</b></p> <p>The Fionnphort Iona ferry service is very prone to disruption/cancellation due to the unsheltered nature of both slipways.</p> <p>Iona - The slipway on Iona is very vulnerable to waves from north, east and south. This impact's upon all slipway users. The CalMac ferry service is particularly vulnerable to waves at the slipway resulting in the ramp only being held in position by its weight and friction between the ramp and the slipway surface. The swell conditions cause the ramp to rise and fall from the deck of the slipway. This makes holding the ferry in position very difficult and is also a risk to foot passengers and vehicles. The lack of a berthing structure also makes holding the ferry in position difficult.</p> <p>Fionnphort – The slipway at Fionnphort offers limited protection from southerly and westerly wave action. This reduces the time available for safe landing of the ferry vessel at the pier. It can also result in excessive movement of the vessel at the berth, making landing and holding of the vessel in position difficult.</p> <p>No overnight berthing facility is available. Ferry operators are required to berth the vessel at the bull hole, which requires access via dinghy at the start and end of operations each day. There are obvious safety risks associated with accessing the ferry via dinghy, particularly during winter months. This can account for lost sailings due to being unable to gain access to bring the ferry into service. CalMac have indicated this is the highest risk operation they carry out across the network.</p> <p>The need to undertake the installation of the breakwaters and overnight berth has therefore been identified as a priority for the Council, in consultation with stakeholders, to ensure the safe operation of the ferry service.</p>
1.2	<b>Demonstrate how the project supports the corporate plan and other resource strategies</b>
1.3	<p><b>State expected benefits</b></p> <p>Less disruption to the ferry with a corresponding improvement in the service and a significant increase in operational safety.</p> <p>This will ensure sustainable economic growth of the communities using and living on the Island of Iona through enhancement and reliability of transport links to the Island.</p>
1.4	<b>Outline the key risks to achieving these benefits</b>
1.5	<p><b>Identify main stakeholders and their commitment</b></p> <p>Community users Road and ferry users Ferry operator – commitment to service provision Council - Project Manager, harbour and roads authority, designer, funder, project sponsor; Consultants/Internal – Design of the marine works; Contractors – Construction of the harbour works;</p>

	Crown Estates Land owners
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2	<b>Options appraisal: the economic case :</b>
2.1	<p><b>Outline options considered</b></p> <p>A consultant, Arch Henderson, was commissioned in Sept 2015 to develop long-term solutions to improve service reliability and operational safety.</p> <p>A further consultant, Byrne Looby, was again commissioned in August 2018 to develop the original proposals and produce a final solution, in conjunction with all stakeholders, based on hydraulic modelling, site investigation and sedimentation analysis.</p> <p>The final preferred solutions derived from the feasibility study are:-</p> <p>Option 4A Fionnphort – £8.336m      Option 1B Iona – £9.965m      (costs based on market rates)</p>
2.2	<p><b>Summarise the costs and benefits and advantages and disadvantages of the options</b></p> <p>The Byrne Looby report explored a number of options before finalising the preferred as above and as evidenced within their report.</p>

3	<b>Commercial aspects: the financial case :</b>
3.1	<p><b>Outline of the proposed procurement and approach and the rationale for that approach</b></p> <p>The detailed design will be carried out either internally by A &amp; BC staff or by the appointment of suitably qualified external consultants.</p> <p>The construction works will be tendered, in accordance with A &amp; BC Procurement Rules and Standing Orders.</p>
4	<b>Affordability: the financial case :</b>
4.1	<p><b>Estimated net revenue and capital budget requirements over the whole lifecycle of the project</b></p> <p>The notional cost of the project is £18 million.</p> <p>Forecast evidenced through the re-payment of £500K per annum over the next 36 years. Income 2018/19 - £225K Iona, £220K Fionnphort. Loan repayment would be in the order of £2 million per annum over 10 years.</p> <p>The project costs are identified through the Piers and Harbours 10 year asset management plan.</p>
4.2	<p><b>Comparison of revenue and capital budget requirements to existing budget availability</b></p> <p>The estimated capital expenditure will be funded through prudential borrowing.</p> <p>Expenditure included is minimal as CalMac operate the service.</p>

4.3	<b>Summary of external funding and how that will be secured</b>  Circa £18 million by prudential borrowing.
4.4	<b>Outline of particularly sensitive or volatile costs/incomes</b>  Costs are sensitive to construction inflation, work commitments of contractors at the time of tender and the level of risk attributed to the project by contractors due to the exposed location of the proposed works.

5	<b>Achievability: the project management case :</b>
5.1	<b>High level action plan with key milestones</b>  Procurement of Consultant/Internal Design Team – 01/2020 Detailed design – 02/2020 Tender issue – 07/2020 Construction phase completion by 02/2022
5.2	<b>Dependencies and links to other projects/initiatives</b>  Communities are protected and supported.  To ensure the infrastructure is fit for the future.
5.3	<b>Proposed management arrangements – proposals on project board, project manager</b>  Prince 2 principles will be used.  <u>Project Board</u> Jim Smith, Head of Roads and Amenity Services - Senior Responsible Officer; Stewart Clark, Marine Manager – Client Arthur McCulloch, Principal Engineer – Infrastructure Design (preliminary) Morag Cupples – Finance Manager  Stage Managers - to be appointed as required.  The Project Design Team will be formed from internal staff or the appointed external \$. Officials from Development and Corporate Services will be required. Estates staff from Helensburgh will be used to secure any land required.
5.4	<b>Key risks and how they will be managed</b>  Land acquisition – Managed by Estates. Weather conditions during construction – propose contractor's risk Pier and ferry users – through Marine unit.

## **APPENDIX D**

### **DUNOON BREAKWATER WORKS PROGRESS PHOTOGRAPHS**



Rock being delivered by barge



Rock placement at breakwater