

PLACE BASED INVESTMENT FUND – PROJECTS AND ALLOCATION

1.0 EXECUTIVE SUMMARY

- 1.1 On 24th June 2021, Argyll and Bute Council agreed to allocate Place Based Investment Programme Funding to 3 projects, and to delegate authority on the allocation of the remaining unallocated funding for 2021/22 to the Policy and Resources Committee. It is therefore the purpose of this report to ask members to agree to the remaining projects and respective funding allocations.
- 1.2 Argyll and Bute Council has been allocated £821,000 for financial year 2021/22 from Scottish Government, via its Place Based Investment Programme.
- 1.3 In addition to this year's funding, the Scottish Government has also committed to providing all local authorities with Place Based Investment funding on an annual basis to coincide with the next 4 financial years. Although the annual share for Argyll and Bute is yet to be confirmed, the value is likely to be substantial and as such it is important to identify future projects. Working with members and the community, it is therefore intended to develop a 4 year plan and return to Policy and Resources Committee in February 2022 with a report recommending at least one priority project for each of the four years. This will allow projects to be developed to the stage that they are able to be delivered within the required timeframe.
- 1.4 Funding can only be used for capital regeneration projects, and projects must aim to:
- link and align to place-based initiatives, and establish a coherent local framework to implement the Place Principle;
 - support place policy ambitions, such as town centre revitalisation, community-led regeneration, 20 minute neighbourhoods and Community Wealth Building;
 - ensure that all place-based investments are shaped by the needs and aspirations of local communities; and,

- accelerate net zero ambitions, wellbeing and inclusive economic development, tackling inequality and disadvantage, community involvement and ownership.
- 1.5 Year 1 (2021/22) funding must be committed by 31st March 2022 and be evidenced by a fully let contract or commencement of works in order to avoid having to return any unspent funds to Scottish Government. The six month timescale this year creates significant pressure and as such the recommended projects in Table 1 (paragraph 4.7) are projects that not only have the ability to meet the aims of the fund, but add value to existing pieces of work, or can be delivered by a third party.
- 1.6 The fund links closely to the ongoing reprioritisation focus of the Economic Growth service, and associated Economic Strategy and Economic Recovery Plan. With its 'place' focus, the fund also builds on and adds value to recent Town Centre Fund investment, as well as previous regeneration initiatives taken forward by the council.

RECOMMENDATION

- 1.7 It is recommended that Policy and Resources Committee:
- a) Agree to the allocation of the remaining unallocated Place Based Investment funding for 2021/22 to the projects in Table 1, paragraph 4.7.

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2.0 INTRODUCTION

- 2.1 The council has been allocated £821,000 from Scottish Government for financial year 2021/22 for capital ‘place’ regeneration projects. In addition to this year’s allocation, the Scottish Government has committed to continuing to provide local authorities with funding from its Place Based Investment Programme on an annual basis for the next 4 financial years. Although the annual share for Argyll and Bute is yet to be fully determined, it is likely to be of a level that could deliver substantial projects, and which could meaningfully support the economic recovery of the area. It is also hoped that these funds could act as match funding to unlock larger projects over time.
- 2.2 At their meeting of 24th June 2021, Council agreed to 3 initial Place Based Investment projects and to delegate authority on the allocation of the remaining unallocated funding for 2021/22 to the Policy and Resources Committee. It is therefore the purpose of this report to ask members to agree the remaining Argyll and Bute Place Based Investment (PBI) projects for 2021/22.
- 2.3 It is important to identify future projects in order to have the ability to deliver the projects and take full advantage of the Fund. Working with members and the community, it is therefore intended to develop a 4 year plan for future projects that could be supported by the fund, and return to Policy and Resources Committee in February 2022 with a report recommending at least one priority project for each of the four years. This will allow projects to be appropriately designed and developed to align with the release of funding. The 4 year plan will include potential projects that would fit strongly with the PBI criteria, deliver on the Council’s Economic Recovery Strategy, add value to investment that has already been made by the Council, deliver on our regeneration outcomes for our places, and incorporate projects that could be appropriately developed so that delivery timeframes can align with funding.

3.0 RECOMMENDATIONS

3.1 It is recommended that Policy and Resources Committee:

- a) Agree to the allocation of the remaining unallocated Place Based Investment funding for 2021/22 to the projects in Table 1, paragraph 4.7.

4.0 DETAIL

4.1 The 2020 Programme for Government committed to establishing a Place Based Investment Programme (PBIP), linking and aligning place-based funding initiatives. Scottish Government has confirmed that Local Government will receive a share of the PBIP funding over a 5 year period, including this initial year, to support and advance place-based investment and build on the strong partnership currently existing through the Regeneration Capital Grant Fund. As has been the case this year, Argyll and Bute Council will receive a share of this capital funding over the next 4 years.

4.2 Argyll and Bute Council's allocation for year 1 (2021/22) is £821,000. The Council's allocations for forthcoming years have not yet been determined but if the same percentage were to be applied against the current total fund figures that have been given, it is estimated that the Council's allocation for year 2 could be in the region of £700,000 and for years 3-5 could be just under £500,000 per year. However, there is no absolute certainty to these figures at this time.

4.3 The main objectives of the PBIP are:

- to link and align place-based initiatives, and establish a coherent local framework to implement the Place Principle;
- to support place policy ambitions such as town centre revitalisation, community led regeneration, 20 minute neighbourhoods and Community Wealth Building;
- to ensure that all place-based investments are shaped by the needs and aspirations of local communities; and,
- to accelerate our ambitions for net zero, wellbeing and inclusive economic development, tackling inequality and disadvantage, community involvement and ownership.

4.4 The challenge in respect of the fund, particularly this year, is to identify projects that meet the place-based criteria, and are able to be delivered within short timeframes with our limited staff resources. Projects to be delivered under the 2021/22 allocation need to be delivered in a 6 month period and therefore need to be sufficiently well advanced in terms of their development, straightforward to deliver and/or be ready to start on site, or be able to be delivered by a third party. To support the ability to deliver projects in future years, it is intended to create a four year plan and identify a key project for each year of the fund to allow sufficient time to develop the project in advance

of the delivery phase.

- 4.5 As Members will be aware, under the recent Scottish Government Town Centre Funding, the council has supported 28 projects. As many of these projects are ongoing, the key issue has and continues to be the availability of internal resources to develop and deliver new projects.
- 4.6 The focus for this year's new PBI fund has to be on projects that are at delivery stage, and can definitely be delivered. The projects need to fit with the PBIP criteria, have the ability to build on previous investments, and require the resources to be in place to ensure delivery within the timescales required by the Scottish Government. The projects identified in **Table 1** have therefore been selected on the basis that they are considered to be at a delivery stage, are able to be delivered, and for the added value that they can offer to our communities.
- 4.7 At their meeting on 24th June 2021, Council agreed to use £260,000 of the PBI fund towards a Townscape Heritage building repair project in Rothesay, a region-wide shopfront improvement scheme (excluding CARS and BIDs towns), and funding to up-spec an area of Lochgilphead Front Green. The five projects in **Table 1** as follows, are recommended to use the remaining £561,000 allocation for 2021/22. All five projects have been raised by the community as being a priority, mainly through a charrette style exercise, or as part of a delivery plan compiled in liaison with local people.

Table 1

Project	Place	Allocation	Link to Policy	Identified as a community priority by
Public realm/landscape enhancements to improve this area and sense of arrival into Dunoon. Through making improvements to the green space and hard landscaping, the works will support the operation of the Gate Lodge as a bike bothy, adapting and building resilience into a council asset. Investing in a bike bothy and its surrounds to make it fully functional and fit for purpose aligns with the ambitions of COP 26, and supports the green economy. In addition, this project, through the improvement of paths, will better connect the bothy with the town and surrounding area. It also complements and adds value to the neighbouring Dunoon CARS, the Town Centre Funded illumination	Castle House Gate Lodge and Castle Gardens, Dunoon	£70,000	Working towards net zero 20 minute neighbourhood Community-led regeneration	Think Dunoon Charrette - Key proposal A3 As agreed by B&C Area Committee via the EDAP on 7 Feb 17; discussed by Forward Dunoon throughout 2017; and, presented to the CPG on 18 Apr 17.

project, and the refurbished Queens Hall and associated public realm investments.				
<p>Third party grant to support the Burgh Hall Trust improve the environmental efficiency and visibility of this key visitor attraction through the creation of an attractive outdoor garden café area to the rear of the building. The improved space is designed to boost income generation potential, thereby increasing the sustainability of Dunoon Burgh Hall while also visually lifting this area of the townscape.</p> <p>The immediate area to the rear of the Burgh Hall would be tackled as an initial phase, which could be further enhanced should additional funding allow.</p>	Dunoon Burgh Hall, Dunoon	£50,000	Working towards net zero 20 minute neighbourhood Community-led regeneration	<p>Think Dunoon Charrette– Key proposal C1</p> <p>As agreed by B&C Area Committee via the EDAP on 7 Feb 17; discussed by Forward Dunoon throughout 2017; and, presented to the CPG on 18 Apr 17.</p>
<p>Enhanced hard landscaping and lighting of the masonry pier section of Helensburgh Pier to improve its visual appearance and further enhance this part of the waterfront, including the views looking out from the swimming pool and gym. By ensuring that the surfacing is seamless and matches the quality and finishes of the Council's Waterfront development project, it will visually lift this area of the townscape at this point, increase pedestrian safety and add value to the investment already taking place. By tying this in with the existing project, there is also opportunity to take this up through the existing contract to increase the likelihood of deliverability.</p>	Waterfront area, Helensburgh Pier, Helensburgh	£163,000	Town centre revitalisation 20 minute neighbourhood Community-led regeneration	<p>Helensburgh Making Places – Main Priority – The Waterfront</p> <p>As noted by H&L Area Committee on 19 Sep 19.</p>
<p>Greening the bothy project - Using an existing container, which will be retro-fitted to meet the green design ethics of the park and will include the installation of:</p> <ul style="list-style-type: none"> • Green Roof • Solar lighting • Drainage to complement the existing SUDS scheme. 	Hermitage Park, Helensburgh	£28,000	Working towards net zero 20 minute neighbourhood	Hermitage Park Delivery Plan

The facility will support community lessons in food growing, thus reducing local food miles. Greening the bothy negates the need to purchase a brand new unit and aligns with the ambitions of COP 26 and net zero ambitions.				
This pedestrian area is a key intersection between the town and the retail park. It is a heavily trafficked pedestrian thoroughfare located between Tesco car park and Oban town centre. It is currently not a particularly attractive space and would benefit from public realm enhancement in the form of quality hard landscaping and a green wall. Working in partnership with Bids for Oban and Tesco it is proposed to develop and deliver an enhanced public realm project to both improve access to Oban town centre and enhance this key gateway for businesses, shoppers and visitors.	Gibraltar Street, Oban	£250,000	Town centre revitalisation 20 minute neighbourhood Community-led regeneration – Oban Bid Business Plan	BID4Oban
Total		£561,000		

4.8 With the Scottish Government having committed PBI funding for the next four years, it is important to plan how best to take full advantage of the funding going forward. In advance of the second round of funding, key projects should therefore be identified to allow time for these to be fully developed to align with the programme and ensure that projects have the best chance of being delivered.

4.9 Working with members and communities, it is intended to identify a key project for each administrative area that would fit with the PBI criteria, deliver on the Council's Economic Recovery Strategy, add value to other Council investment, deliver on our regeneration outcomes for our Places, and which could be appropriately developed so that delivery timeframes can align with funding. It is therefore intended to bring a report to Policy and Resources Committee in February 2022 with a plan that includes recommendations for at least four key projects to be delivered over the next four years.

5.0 CONCLUSION

5.1 The tight timescales associated with this fund, combined with the large number of projects, make for a challenging programme. The projects recommended in this report are therefore considered to be the most deliverable that fit well with the net zero ambitions and the 20 minute neighbourhood context. The projects have all stemmed from consultation with the community, through design-led consultation activity such as charrettes or through needs identified by key partner

organisations.

- 5.2 It is intended to bring a further report in February 2022 to ask members to agree to a plan with key projects for years two to five of the PBIP funding. These projects will cover each of the four administrative areas and be identified based on the programme aims and the approach identified in paragraph 4.9 above.

6.0 IMPLICATIONS

- 6.1 Policy – There is a need to comply with the Scottish Government ‘place’ policies as outlined in paragraph 4.3 and associated guidance for the Fund.
- 6.2 Financial – The Scottish Government expect that any uncommitted funds by 1st April 2022 will be returned to Scottish Government.
£260,000 has been committed to 3 projects to date, as follows:
- £80,000 towards a region-wide (excluding CARS or BID towns) shopfront improvement scheme.
 - £100,000 towards a Rothesay Townscape Heritage priority building.
 - £80,000 towards an up-spec of materials for an area of Lochgilphead Front Green.
- 6.3 Legal – None
- 6.4 HR – Resourced from existing staff
- 6.5 Fairer Scotland Duty:
- 6.5.1 Equalities - protected characteristics - None
- 6.5.2 Socio-economic Duty – The Fund will support local economies through place-based centre regeneration activity.
- 6.5.3 Islands – The Fund will support island economies through place-based regeneration activity and has the potential to align with, and add value to, the Islands Infrastructure Investment Fund.
- 6.6. Risk – In order for each project to progress to delivery stage, a fully let contract must be in place by 31st March 2022. The projects will be continually monitored to ensure that funds can be reallocated to another Place Based Investment Fund project to avoid having to return any uncommitted funds to Scottish Government at this time. Risk for future years will be mitigated by asking committee to agree to a key project for each of the next 4 financial years.
- 6.7 Customer Service - None

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APPENDICES

None