

**SCOTTISH GOVERNMENT TOWN CENTRE FUND AND PLACE BASED
INVESTMENT FUND UPDATE**

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to update Members on projects and funding associated with two capital programmes funded by Scottish Government: the 2019-2021 Town Centre Fund, and 2021-2026 Place Based Investment Fund.
- 1.2 Town Centre Funding of £1.686M was received by Argyll and Bute Council in two tranches over financial years 2019/20 and 2020/21. At their meetings of 27th June 2019 and 22nd October 2020, Council agreed to share this between 28 projects. This region-wide programme is now concluded, having successfully delivered 18 projects, supported 2 large-scale ongoing council projects and helped three, third party organisations deliver a further 8 projects, all of which meet with the specific criteria outlined in the programme guidance. The total value of the Town Centre Funded projects is over £9M.
- 1.3 A full Town Centre Fund project list and relative expenditure, is provided in **Appendix 1**.
- 1.4 The Scottish Government Place Based Investment (PBI) Programme replaces the Town Centre Fund but shares the earlier fund's objectives of place-based regeneration, living well locally and working towards net zero ambitions. Argyll and Bute Council received a first round allocation of £821,000 in financial year 2021/22. This is the first of five annual allocations to which the Scottish Government has committed. The allocations for 2022/23 and each financial year thereafter are however yet to be confirmed.
- 1.5 At their respective meetings of 24th June 2021 and 12th August 2021, Council and Policy and Resources Committee agreed to allocate the initial 2021/22 round of PBI Funding to 8 projects. All eight comply with the criteria of the Fund, and are currently at various stages of development and delivery.
- 1.6 A full PBI project list and project update is provided in **Appendix 2**.

RECOMMENDATION

Members of the Environment, Development and Infrastructure Committee are invited to consider and note the contents of this report.

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2.0 INTRODUCTION

- 2.1 It is the purpose of this report to update Members on projects and funding associated with two capital programmes funded by Scottish Government: the 2019-2021 Town Centre Fund, and 2021-2026 Place Based Investment Fund.
- 2.2 Twenty-eight Town Centre Fund (TCF) projects are now complete and the programme is concluded. A programme overview is provided within **Appendix 1**.
- 2.3 Eight 2021/22 Place Based Investment (PBI) projects are currently in various stages of development and delivery. A programme overview is provided within **Appendix 2**.

3.0 RECOMMENDATION

- 3.1 Members of the Environment, Development and Infrastructure Committee are invited to consider and note the contents of this report.

4.0 DETAIL

- 4.1 Two tranches of Scottish Government Town Centre Capital Funding were allocated to Argyll and Bute Council in financial years 2019/20 and 2020/21. The aim of the 2019/20 fund was to diversify and increase footfall in town centres, so that they can become more sustainable and successful, and the aim of the 2020/21 fund was to stimulate local construction activity to support employment across Scotland within the context of the Covid-19 pandemic. The total allocation of £1,686,000 was therefore allocated to a series of projects spread across the area's main and key town centres, as agreed by Council at their meetings of 27th June 2019 and 22nd October 2020. The programme is now complete, having comprised of 28 projects, with a total value of £9M+.
- 4.2 **Appendix 1** provides an overview of each project, including information on final expenditure, and identifies where changes were made. Funds were reallocated from projects with underspend in order to utilise as much of the funding available

as possible, and to avoid having to return any unspent funds to Scottish Government. In cases where funds were reallocated, these were utilised by another TCF project, and retained within the same town or administrative area.

- 4.3 Town Centre Funding has been superseded by the Scottish Government Place Based Investment Programme. Scottish Government has committed to a five year PBI fund, distributed to local authorities on an annual basis to coincide with financial years. Argyll and Bute Council received £821,000 in the first year of the programme, with the requirement that grant is either to be used, or fully committed by 31st March 2022.
- 4.4 PBI Funding is for capital expenditure only, and should not substitute for existing council spend. The aim of the place programme is to create more attractive, greener and healthier places in which to live, work visit and invest. The place based investments should be shaped by the needs and aspirations of local communities, and should align with national place policies, particularly: 20 minute neighbourhoods, town centre action, and community wealth building concepts, all of which are underpinned by the Place Principle.
- 4.5 The 2021/22 first round projects are therefore projects which take a living well locally approach to enhancing the look and feel of Argyll and Bute, and which have either been identified within charrette place making activity, by local organisations, and/or add value to existing projects.
- 4.6 At their respective meetings of 24th June 2021, 12th August 2021, and 2nd September 2021, Argyll and Bute Council, Policy and Resources Committee and Environment, Development and Infrastructure Committee agreed to use PBI towards eight projects, as identified in **Appendix 2**.
- 4.7 **Appendix 2** provides an overview of each project.

5.0 CONCLUSION

- 5.1 The region-wide Town Centre Fund 2019-2021 programme is now concluded, having successfully delivered 18 projects, supported 2 large-scale ongoing council projects and helped three, third party organisations deliver a further 8 projects, all of which meet with the specific criteria outlined in the programme guidance. The 28 projects, as listed in **Appendix 1**, have collectively served to make Argyll and Bute's main and key town centres more attractive, healthier, and easier to navigate places, as well as strengthening the area as a tourist destination, and introducing and reinforcing infrastructure that will make places better able to withstand the effects of climate change. The total value of the TCF projects is over £9M.
- 5.2 The 8 Place Based Investment 2021/22 projects, as listed in **Appendix 2**, are projects that have stemmed from the community through design-led consultation activity or through needs identified by key partner organisations.

These projects support a living well locally concept and climate friendly ambitions.

6.0 IMPLICATIONS

6.1 Policy - There is a need to comply with the Scottish Government 'place' policies.

6.2 Financial –Town Centre Funding has been utilised in full. No funds are therefore required to be returned to Scottish Government.

A total of £821,000 Place Based Investment Funding was allocated to Argyll and Bute Council for use in 2021/22. The Scottish Government expect that any uncommitted funds by 1st April 2022 will be returned to Scottish Government. Funding has been committed to 8 projects, 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 public realm enhancements in Bowmore town centre;
- £70,000 towards improvements to Castle House Gate Lodge, Dunoon;
- £50,000 as third party grant to Dunoon Burgh Hall Trust towards landscaping works;
- £163,000 towards enhancing the surface of Helensburgh masonry pier;
- £250,000 towards public realm improvements in Gibraltar Street, Oban; and,
- £28,000 towards the Helensburgh Hermitage Park, Greening The Bothy project.

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-economics Duty: The Funds support local economies through place-based regeneration activity.

6.5.3 Islands – The Funds support island economies through place-based regeneration activity.

6.6 Climate Change - It is ambition of the Funds to work towards net zero by adopting a carbon conscious approach to all projects.

6.7 Risk - The projects will be resourced by existing staff, in addition to existing workloads, creating a challenge for delivery. It is therefore prudent to limit the number of new PBI projects in subsequent rounds to ensure that the PBI 2021/22 projects can be fully delivered.

6.8 Customer Service – None

Kirsty Flanagan, Executive Director with responsibility for Development and Economic Growth

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APPENDICES

Appendix 1 – Town Centre Fund Project Overview

Appendix 2 – Place Based Investment Project Overview

APPENDIX 1 – TOWN CENTRE FUND PROJECT OVERVIEW

Project and Place	Project Overview	TCF Allocation	Actual TCF Spend	Total Project Value	Changes
Dunoon Sound & lighting projects	New lighting columns Illumination of key landmarks New electrical equipment to enhance sound capability	£200,000	£200,000	£200,000	N/A
Dunoon Additional lighting & remedial works to bandstand	Remedial works Illumination of key landmarks	£45,500	£45,500	£45,000	N/A
Rosneath Howie Park MUGA & play equipment	New multi-use games area Floodlighting New pre-school play equipment New cableway Additional car parking	£90,000	£117,671	£117,671	Residual from shopfront underspend reallocated to ensure full completion of the project.
Rothsay Pontoons	New piled pontoons	£213,000	£213,211	£865,000	TCF programme contingency allocated to this project to reduce borrowing requirements. Small residual from Bute welcome sign utilised.
Oban Wayfinding improvements	Third party grant to BID4Oban towards: New signs	£44,000	£44,000	£63,009	N/A
Oban Rockfield Centre restoration	Third party grant to Oban Communities Trust towards: Rear extension lift and access stair	£90,000	£90,000	£2,465,519	N/A
Helensburgh Hermitage Park	New community garden glasshouse Events toolkit Greening the Bothy roof Path improvements	£35,000	£45,547	£2,333,300	Residual from Helensburgh Pier and shopfront underspend reallocated to ensure the full

					project could be completed.
Helensburgh Wooden Pier pedestrian improvements	New demountable railing on timber cope Replacement of missing timber bracing Replacement of deck joists and deck boards with new level surface New benches New interpretation board and plinth to link with the Clyde Sea Loch's Trail	£85,000	£80,638	£80,638	Underspend used in Hermitage Park
Tobermory Harbour wall and railings	120m of harbour wall raised 120m of railings replaced	£150,000	£154,721	£315,000	Residual from Tobermory shopfront underspend reallocated to support project.
Tobermory Floodgate	New floodgate	£20,000	£20,000	£20,000	N/A
Lochgilphead Front Green	Raising height of land Drainage Natural stone	£200,000	£284,442	£2,100,000	Increased by £80k due to Bowmore public realm project being taken forward in 2022/23 and residual from Lochgilphead shopfront improvement scheme
Tobermory Shopfront improvement grants	16 grants	£28,000	£23,316.76	£38,531	Residual reallocated to railings
Lochgilphead and Ardrishaig Shopfront improvement grants	17 grants	£33,500	£29,057.53	£43,425	Residual reallocated to Front Green
Tarbert Shopfront improvement grants	17 grants	£33,500	£33,500	£44,660	N/A

Bowmore Shopfront improvement grants	10 grants	£33,500	£20,537.92	£32,221	Residual reallocated to public realm improvements
Dunoon Shopfront improvement grants	10 grants	£10,000	£10,000	£23,573	N/A
Campbeltown Shopfront improvement grants 2019	28 grants awarded	£50,000	£50,000	£74,542	N/A
Campbeltown Shopfront improvement grants 2020	7 grants awarded	£10,500	£10,500	£15,625	N/A
Helensburgh Shopfront improvement grants	12 grants	£35,000	£24,046.35	£36,531	Residual reallocated to Hermitage Park
Lomond Shopfront improvement grants	3 grants	£35,000	£7,185	£8,503	Residual reallocated to Howie Park
Rothsay All-weather canopy	All-weather canopy	£30,000	£30,000	£30,000	N/A
Rothsay Welcome to Bute sign	Welcome sign New path and planting	£25,500	£25,290	£25,290	Residual reallocated to Rothsay Pontoons
Helensburgh Community Hub and Wellbeing Centre	Third party grant towards: Purchasing the building Refurbishment of the building	£41,000	£45,768	£218,075	Residual from Helensburgh shopfront underspend utilised
Oban BID4Oban Projects	Third party grant towards: Motorhome mitigation equipment Town wifi equipment Signs Shopfront improvement grants	£63,000	£63,000	£94,577	N/A
Bowmore Public realm enhancements	Public realm improvements	£85,000	£18,068.82	£18,069	The bulk of the project will be funded with PBI funding to better

					align with work programmes. £80,000 was transferred to assist Lochgilphead Front Green, and an underspend from Bowmore shopfronts was utilised.
TCF Totals		£1,686,000	£1,686,000	£9,308,759	

APPENDIX 2 – PLACE BASED INVESTMENT OVERVIEW

Project and Place	PBI Allocation	Profile of Delivery	Estimated Completion
Bowmore Public realm enhancement	£80,000	Ongoing To include: New upgraded sections of paving Improved drainage New bollards Concrete base to shelter	Apr 2022
Rothesay Townscape Heritage Priority Building	£100,000	Works contract let, with estimated site start of spring 2022.	Winter 2022
Argyll and Bute wide Shopfront improvement grant scheme	£80,000	Committed as third party grant to 21 business owners.	Feb 2023
Dunoon Ground works / landscaped area around Castle House Gate Lodge	£70,000	Procurement early 2022, with site start of spring 2022.	Summer 2022
Dunoon Burgh Hall Café Garden improvements	£50,000	Third party grant contract issued. Estimated site start of spring 2022.	Summer 2022
Helensburgh Masonry pier public realm enhancements	£163,000	Works contract let and listed building consent application submitted. Estimated site start of April 2022.	Summer 2022
Oban Gibraltar Street public realm enhancements	£250,000	Procurement for design team early 2022. Design work estimated to conclude by autumn and works to follow.	Feb 2023
Helensburgh Hermitage Park, Greening The Bothy	£28,000	On site To include: Green roofs Solar lighting Water capture Recycled materials	Mar 2023
PBI 2021/22 total allocation	£821,000		