ARGYLL AND BUTE COUNCIL

BUTE AND COWAL AREA COMMITTEE

DEVELOPMENT AND ECONOMIC GROWTH SERVICE

6 December 2022

DUNOON CARS – RECOMMENDATION OF GRANT AWARD

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to ask Members to approve a grant offer towards the repair of a tenement property in Dunoon Town Centre.
- 1.2 The value of the grant award is two hundred and thirty six thousand pounds (£236,000), and would be made available through the Dunoon Conservation Area Regeneration Scheme (CARS).
- 1.3 The grant award would be based on all criteria having been met and will support the delivery of approved project outcomes, as agreed by Historic Environment Scotland.
- 1.4 The grant award would support comprehensive fabric repairs to 104-110 Argyll Street. The works would return the property to a good state of repair.
- 1.5 Dunoon CARS is being delivered over a 6-year period, and will conclude on 31st March 2023. A full funding package of £1.5m is in place, with expenditure monitored on a regular basis. There is currently sufficient funds in place to make the following recommended award under the scheme.

RECOMMENDATIONS

It is recommended that Bute and Cowal Area Committee approve the following grant offer:

a) Up to £236,000 to the 5 property owners of 104-110 Argyll Street, Dunoon

ARGYLL AND BUTE COUNCIL

BUTE AND COWAL AREA COMMITTEE

DEVELOPMENT AND ECONOMIC GROWTH SERVICE

6 DECEMBER 2022

DUNOON CARS – RECOMMENDATION OF GRANT AWARD

2.0 INTRODUCTION

- 2.1 The purpose of this report is to ask Members to agree a grant award to the property owners of the final priority building using Dunoon Conservation Area Regeneration Scheme (CARS) funding.
- 2.2 The value of grant amounts to two hundred and thirty six thousand pounds (£236,000). The awards represent grants towards the comprehensive repair of the final priority building for the Dunoon CARS Scheme.
- 2.3 Grant levels and grant recipients are based on project budget allocations and agreed with Historic Environment Scotland (HES). Grants will be offered on the lowest tender return as a result of a competitive tender exercise. In order to support the property owners to return the building to good repair, grant will be offered at 80% of the total eligible cost. In the case of tenement properties, grant would be shared equally between the property owners.
- 2.4 Applications for grant aid have been assessed against, and are fully compliant with, Dunoon CARS project criteria, and they have all been agreed by HES.

3.0 **RECOMMENDATIONS**

- 3.1 It is recommended that Bute and Cowal Area Committee approve the following grant offer:
 - a) Up to £236,000 to the 5 property owners of 104-110 Argyll Street, Dunoon

4.0 DETAIL

4.1 Dunoon CARS is a partnership town centre regeneration project between Argyll and Bute Council and Historic Environment Scotland (HES). As a heritage-led grants administration programme, the project seeks to safeguard Dunoon's heritage by supporting property owners return their buildings and shopfronts to a good state of repair, which in turn increases the attractiveness of Dunoon's town centre.

- 4.2 This report seeks to outline a grant award to support significant works to a prominent building found to be in substantial need of repair after thorough professional analysis. 104-110 Argyll Street requires comprehensive roof works and a series of fabric repairs to the building's envelope.
- 4.3 Tenders have been returned and have been subject to a competitive tendering and value engineering exercise.
- 4.4 Property owners have formed owners' associations with joint bank accounts to facilitate the works as well as the continued maintenance of the property subsequent to their completion.
- 4.5 Traditional materials and methods of repair will be used to ensure best practice and to align with Historic Environment Scotland's Advisory Standards of Repair. Works to each property are as follows:

	Works to encompass	Due to commence
104-110 Argyll Street 21/02611/PP	Slated roof works, lead work, chimney repairs, stone works, cast iron goods, associated timber repairs and rot works to roof.	January 2023

- 4.6 CARS grant will represent up to 80% of total eligible costs and will not exceed the level approved by committee. The property owners are therefore responsible for meeting the remaining 20%+, as well as all ineligible costs such as any internal works, or VAT where the property owner is VAT registered.
- 4.7 Property owners are required to ensure their contribution to the project is in place prior to the start of works. Evidence of this will be requested prior to the inception meeting and also prior to any drawdown of grant. This provides assurances that the contractor will be paid in full and reduces any risk of delay to the project.
- 4.8 Dunoon CARS is being delivered over a 6-year period, and will conclude on 31 March 2023. A full funding package of £1.5m is in place, with expenditure monitored on a regular basis. There is currently sufficient funds in place to make the recommended awards under the scheme.

5.0 CONCLUSION

5.1 The grant award proposed in this report will safeguard a prominent historic building in Dunoon Town Centre and in so doing enhance the look and feel of Dunoon's principal shopping street. The award will meet the priority building repair project outcomes of Dunoon CARS, which seeks to support the comprehensive repair of four large-scale town centre buildings. This will be the final award of the project.

6.0 IMPLICATIONS

- 6.1 Policy The Outcome Improvement Plan, Economic Strategy and Local Development Plan support town centre regeneration and a diverse and thriving economy.
- 6.2 Financial There is sufficient funding within the Dunoon CARS budget to support the following grant award:
 - a) Up to £236,000 to the 5 property owners of 104-110 Argyll Street, Dunoon

All grant funding is in place as part of the Dunoon CARS Round 7 budget, including the Historic Environment Scotland grant of £1,002,348, and the Argyll and Bute Council contribution of £500,000.

Of the £1.5m budget, £1.3m has been spent to date.

Taking into account property owner's contributions to the project, the investment to Dunoon's town centre over the 5-year period is estimated to be in the region of £2m.

To satisfy audit requirements, an update on the overall financial position of the scheme is also provided to the Environment, Development and Infrastructure Committee on a six monthly basis.

- 6.3 Legal Grant contracts will be provided to third parties.
- 6.4 HR A dedicated project officer has been recruited for the duration of the project. Staff salaries are included within the project budget.
- 6.5 Fairer Scotland Duty:
 - 6.5.1 Equalities protected characteristics None
 - 6.5.2 Socio-economic Duty None
 - 6.5.3 Islands None
- 6.6 Climate Change Extremes of weather caused by climate change will continue to put buildings under pressure. These projects help property owners undertake large scale maintenance projects under the supervision of conservation accredited architects which ensures they are future proofed against climate change, using traditional building materials.
- 6.7 Risk That grant schemes are undersubscribed or that projects run over time or budget. These risks will be carefully monitored and mitigation measures introduced on a case by case basis.
- 6.8 Customer Service The council is responsible for administering the CARS grants on behalf of HES and for ensuring due diligence in the performance of its duties.

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

Fergus Murray, Head of Development and Economic Growth

Councillor Liz McCabe, Policy Lead for Islands and Business Development

For further information contact:

Claire Hallybone, Dunoon CARS Project Officer claire.hallybone@argyll-bute.gov.uk

APPENDICES

Appendix 1 – Breakdown of funding Appendix 2 – Grant offer map