

**PLACE BASED INVESTMENT AND CROWN ESTATE FUND UPDATE**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 Members will recall Argyll and Bute Council were allocated £712,000 for financial year 2022/23 from Scottish Government, via its Place Based Investment (PBI) Programme. The allocation for 2023/24 has not yet been announced.
- 1.2 Argyll and Bute Council were also allocated Crown Estate monies, and a number of reports were presented to the Policy and Resources Committee in 2022, to seek agreement on a number of projects which would benefit from this funding. In December 2022, the Scottish Government announced the final allocation of Crown Estate funding, which sees Argyll and Bute Council's share of £1,488,199.29 for 2022/23. The allocation for 2023/24 has not yet been announced.
- 1.3 Following the various projects to benefit from Place Based Investment and Crown Estate funding, agreed by the Council, this report seeks member's consideration of a number of adjustments in regard the funding source and the projects.

**RECOMMENDATIONS**

It is recommended that Policy and Resources Committee:-

- a) Note the update in regard to PBI and CE funding allocations for 2022/23.
- b) Note that following the announcement of the final allocation of funding, the Cemetery Maintenance and Roads Access Fund and the Public Conveniences project can now proceed, as agreed at the Policy and Resources Committee in October 2022 in principle.
- c) Agree to switch the allocation of £100,000 PBI funding 2022/23 against the Glenmorag Campsite, Dunoon project to £100,000 CE funding allocation 2022/23 and to then in turn allocate the PBI funding to those projects as detailed in Table 1 that previously had the CE funding allocated against them thereby simply changing the funding source.

- d) Agree member's approval to use the allocation of £400,000 CE funding currently allocated against the delivery of the Tobermory Car Park project to instead deliver the extension to the cemetery at Tobermory.
  
- e) Agree that delegated authority be given to the Executive Director with responsibility for Development and Economic Growth, in consultation with the Leader, Depute Leader, and the Leader of the largest Opposition Group in regard to any necessary future changes required to be made between specific CE and PBI funding allocations already agreed by members to individual projects. This delegation will ensure that funding timelines can be met and funding does not require to be paid back. This will not impact the projects that have been agreed but simply change the source of funding that will support their delivery and officers will report any updates to Elected Members.

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**2.0 INTRODUCTION**

- 2.1 The purpose of this report is to update member's in regard to the allocation of both Placed Based Investment (PBI) and Crown Estate (CE) funding for 2022/23.
- 2.2 In addition the report also seeks member's consideration and approval of a number of changes in regard to the specific allocations of funding as already agreed in regard to both PBI and CE funding against respective projects.

**3.0 RECOMMENDATIONS**

- 3.1 It is recommended that Policy and Resources Committee:
- a) Note the update in regard to PBI and CE funding allocations for 2022/23.
  - b) Note that following the announcement of the final allocation of funding, the Cemetery Maintenance and Roads Access Fund and the public conveniences project can now proceed, as agreed at the Policy and Resources Committee in October 2022.
  - c) Agree to switch the allocation of £100,000 PBI funding 2022/23 against the Glenmorag Campsite, Dunoon project to £100,000 CE funding allocation 2022/23 and to then in turn allocate the PBI funding to those projects as detailed in Table 1 that previously had the CE funding allocated against them thereby simply changing the funding source.
  - d) Agree member's approval to use the allocation of £400,000 CE funding currently allocated against the delivery of the Tobermory Car Park project to instead deliver the extension to the cemetery at Tobermory.
  - e) Agree that delegated authority be given to the Executive Director with responsibility for Development and Economic Growth, in consultation with the Leader, Depute Leader, and the Leader of the largest Opposition Group in regard to any necessary future changes required to be made between specific

CE and PBI funding allocations already agreed by members to individual projects. This delegation will ensure that funding timelines can be met and funding does not require to be paid back. This will not impact the projects that have been agreed but simply change the source of funding that will support their delivery and officers will report any updates to Elected Members.

#### 4.0 DETAIL

- 4.1 At the meeting of the Policy and Resources Committee in October 2022, it was also agreed that should there be additional Crown Estate funding, over and above the original estimated 2022/23 allocation, this would go to a Cemetery Maintenance and Roads Access fund for each administrative area (£75,000 to each area) and to complete the project agreed in February 2020 to install charging mechanisms in 16 high footfall public conveniences at a cost of £200,000. The final CE allocation for 2022/23 was £1,488,199.29 and therefore these projects are able to be supported.
- 4.2 Following the decision of the October Policy and Resources Committee to allocate CE and PBI 2022/23 funding to specific projects it has come to light that there is a risk that the council may well not be able to meet the timeline requirements associated with £100,000 PBI funding allocated to the Glenmorag Camp site project. It is currently not anticipated that the council will be in a position to provide evidence of a contract being committed for any works in regard to this project in advance of 31 March 2023. Therefore in order to ensure we secure the £100,000 PBI funding it is proposed to swap the PBI funding for CE funding which is much less onerous in regard to evidence of commitment of spend and reporting. Table 1 below shows how it is proposed to switch the £100,000 allocation from PBI to CE monies and how in turn the £100,000 PBI monies would be allocated. There is no change to the projects being supported as previously agreed by members, it is just simply changing the source of the funding in regard to the 3 projects identified in Table 1.

**TABLE 1 – PLACE BASED INVESTMENT & CROWN ESTATE 2022/23 FUNDING RE ALLOCATION BETWEEN EXISTING APPROVED PROJECTS**

Project	Current Funding	
	PBI	CE
Glenmorag	£ 100,000	£ -
Tobermory Aros Waterfront (grant contract to third party and tender in progress)	£ 63,486	£ 76,514
Helensburgh Pier – works completed	£ 89,514	£ 92,710
	<b>£ 253,000</b>	<b>£ 169,224</b>

<b>Proposed Funding Reallocation</b>				
<b>Project</b>	<b>PBI</b>		<b>CE</b>	
Glenmorag	£	-	£	100,000
Tobermory Aros Waterfront	£	140,000	£	-
Helensburgh Pier (Masonry Pier)	£	113,000	£	69,224
	<b>£</b>	<b>253,000</b>	<b>£</b>	<b>169,224</b>

- 4.3 On the 18 February 2021 members of the Policy and Resources Committee agreed to allocate £0.400m CE funding to build a new carpark on Council land on the periphery of the town. The funding was allocated under the CE categories for Community and Economic Development. The purpose was to ease pressure on the village carpark and target visitors to the town using motor homes. Unfortunately for a number of reasons, primarily of a legal nature, it has not been possible, despite all efforts, to progress with this project. Rather than lose the £400,000 CE allocation for Tobermory, it is proposed to utilise the funding to deliver an extension to the cemetery at Tobermory. The delivery of this latter project will be possible within the timeframe and there are no legal or land ownership issues.

## 5.0 CONCLUSION

- 5.1 The relatively tight timescales associated with both of these funds but more specifically the PBI fund, combined with the large number of existing projects being delivered by the council, make for a challenging place based investment programme. It is for this reason that the requests detailed above have been made to members in order to minimise the potential risk of funding having to be paid back.
- 5.2 PBI funding the CE funding is likely to be available in subsequent years and a further report will be placed before members once further details are available of the future year's allocations.

## 6.0 IMPLICATIONS

- 6.1 Policy – There is a need to comply with the Scottish Government 'place' policies and associated guidance for the Fund as well as the Crown Estate fund guidance.
- 6.2 Financial – The Scottish Government expect that any PBI 2022/23 funds uncommitted by 1<sup>st</sup> April 2024 will be returned to Scottish Government.
- 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 PBI project funded from the 2022/23 allocation to progress to delivery stage, a fully let contract must be in place by 31<sup>st</sup> March 2023. 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.
- 6.7 Climate Change – the projects deliver towards net zero and address Argyll and Bute’s carbon footprint.
- 6.8 Customer Service – None.

**Executive Director with responsibility for Development and Economic Growth:**  
Kirsty Flanagan

**Policy Lead for Strategic Development:** Councillor Robin Currie

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**For further information contact:**

Fergus Murray, Head of Development and Economic Growth  
[Fergus.Murray@argyll-bute.gov.uk](mailto:Fergus.Murray@argyll-bute.gov.uk)

Audrey Martin Transformational Projects and Regeneration Manager  
[Audrey.Martin@argyll-bute.gov.uk](mailto:Audrey.Martin@argyll-bute.gov.uk)