

**PLACE BASED INVESTMENT 2023/24 – PBI PROJECTS AND ALLOCATION**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 Argyll and Bute Council has been allocated £496,000 for financial year 2023/24 from Scottish Government, via its Place Based Investment (PBI) Programme. The purpose of this report is to seek members formal approval to the projects to be supported via this year's PBI funding allocations as detailed in Table 1.
- 1.2 This report follows on from the email communication to all Elected members from the Executive Director with responsibility for Development and Economic Growth suggesting projects that could be funded by PBI and seeking members views on these and other suggestions which would fit within the funds criteria and timeline.
- 1.3 The report also highlights that members will require to give consideration to the Crown Estate (CE) funding for 2023/24. Whilst the Council has not yet been advised of the formal allocation for CE for 2023/24 it is considered, based on previous year's allocations, that a prudent estimate of £1.0m of anticipated funding in 2023/24, should be considered.
- 1.4 The approach being taken reflects the decision taken at the Policy and Resources Committee in August 2022 whereby it was agreed that suggestions for future years of Placed Based Investment and Crown Estates funding were welcomed from all Elected Members, and that it would be beneficial for any future options to be discussed by Elected Members.

**RECOMMENDATIONS**

It is recommended that Policy and Resources Committee:-

- a) Agree to the allocation of the Place Based Investment funding for 2023/24 to the projects in Table 1, paragraph 4.8.

- b) Note that the Executive Director with responsibility for Development and Economic Growth will consult with all Elected Members via email to seek suggestions for potential projects that would fit with the Crown Estate 2023/24 funds criteria and timeline.
  
- c) Note that, following consultation with all elected members as detailed under b) above, a further report on the proposed allocation of the Crown Estate Funding for 2023/24 will be brought forward to the 12<sup>th</sup> October meeting of the Policy and Resources Committee.

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**2.0 INTRODUCTION**

- 2.1 The council has been allocated £496,000 from Scottish Government for financial year 2023/24 for capital ‘place’ regeneration projects.
- 2.2 The purpose of this report to ask members to agree the allocation of Argyll and Bute Place Based Investment (PBI) for 2023/24 as detailed in Table 1.
- 2.3 The projects proposed are considered to fit strongly with the PBI criteria, deliver on the Council’s Economic Recovery Strategy, are time critical, add value to investment that has already been made by the Council, deliver on our regeneration outcomes for our places, take account of available officer resources and take account of the relatively tight timeline that we need to meet to align with the funding.
- 2.4 The purpose of this report is also to highlight to members that consideration will also need to be given to Crown Estate (CE) funding that is expected within 2023/24. Although the CE allocation for 2023/24 is not yet confirmed, in previous years it has been recommended that the Council could commit up to £1.0m of anticipated funding in advance of formal notification and this would again be recommended for 2023/24.
- 2.5 In order to advance this process and as agreed at the Policy and Resources Committee in August last year, it is proposed to follow the approach taken in regard to PBI whereby the Executive Director with responsibility for Development and Economic Growth seeks suggestions for potential projects which would fit within the CE funds criteria and timeline from all Elected Members. As with PBI this will be done via email communication and a report will then be brought back to the October meeting of the Policy and Resources Committee for formal approval of the proposed projects and CE funding.

**3.0 RECOMMENDATIONS**

- 3.1 It is recommended that Policy and Resources Committee:

- a) Agree to the allocation of the Place Based Investment funding for 2023/24 to the projects in Table 1, paragraph 4.8.
- b) Note that the Executive Director with responsibility for Development and Economic Growth will formally consult with all Elected Members via email to seek suggestions for potential projects that would fit with the Crown Estate 2023/24 funds criteria and timeline.
- c) Note that, following consultation with all elected members as detailed under b) above, a further report on the proposed allocation of the Crown Estate Funding for 2023/24 will be brought forward to the 12<sup>th</sup> October meeting of the Policy and Resources Committee.

#### **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 confirmed that Local Government would be receiving a share of the PBIP funding over a 5 year period, including the initial year 2021/22, 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) was £821,000. The Council's allocations for year (2022/23) was £714,000. The allocation for 2023/24 is £496,000.
- 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 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 2023/24 allocation need to be delivered in a 9 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.

- 4.5 Under the PBI allocation for 2022/23 the council supported a total of 9 projects, under PBI 2021/22 the council supported a total of 7 projects and prior to the commencement of PBI funding the council supported a total of 28 projects under the previous SG Town Centre Funding stream. As a number of those projects being supported through the previous year's allocation are ongoing, the key issue has and continues to be the availability of internal resources to develop and deliver new projects. Further updates on the projects supported by previous years PBI allocations will be provided at the EDI committee on 31<sup>st</sup> August under the 6 monthly Large Scale Project report.
- 4.6 As with previous year's PBI funding the focus for this year's 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 focusing on projects that are well advanced and there is a time constraint associated with them and they can be readily taken forward to meet the PBI timelines, and for the added value that they can offer to our communities.
- 4.7 Following the email communication issued by the Executive Director to all elected members two further projects were suggested by members as being possible for PBI funding. Unfortunately after consideration both projects did not fit with the criteria or timeframe as set out under PBI. These have therefore not been included in the table as potential projects to be supported by PBI.
- 4.8 The proposed projects and associated allocation for PBI are listed below in **Table 1**.

**Table 1 Place Based Investment 2023/24 Allocation**

<b>Project</b>	<b>Consideration Fit with Criteria</b>	<b>2023/24 Place Based Investment</b>
Dunoon Burgh Hall Trust - Phase 2 to enhance outdoor area and build on phase 1 investment	Strong fit with PBI – adds value to existing funding secured and previous council support, deliverable within time frame	£74,500
Dunoon CARS/LACER approach - flexible fund to support businesses with capital improvements to shopfronts/buildings building on previous investment	Strong fit with PBI – adds value to existing funding secured, council project, deliverable within time frame, resources in place	£49,500
Helensburgh CARS - Shopfronts - increase shop front intervention	Strong fit with PBI – adds value to existing funding	£44,000

level and costs have also increased therefore this additional funding would assist in supporting more businesses within the CARS area	secured, deliverable within time frame, resources in place	
Helensburgh Skate park – council currently considering options for a site and working with group, funding would be focused on supporting this work and will help facilitate a permanent solution for the skate park	Strong fit with PBI, related to appeal of Helensburgh as a place to live and visit, grant to third party subject to site confirmation and other agreements. This money would be in addition to temporary works funding.	£80,000
Tobermory Worker Accommodation - match funding for recently successful Islands Programme award 23/24	Strong fit with PBI , council project, adds value to investment secured and RGD, delivery, meets timeframe, resources in place	£50,000
Bid4Oban - Shopfront scheme and Oban signage – add to previous investment and support work of Bid and local businesses, improve town centre	Strong fit, support to businesses, improve appearance of buildings, third party grant, meets timeframe	£60,000
Lochgilphead CARS - Shopfront improvement scheme and high level amenity project - add value to existing investment, safeguard buildings and allow a greater number of businesses and properties to be supported	Strong fit with PBI – adds value to existing funding secured via Historic Environment Scotland and council, resource in place, deliverable in timeframe	£100,000
Steel Beam Project/LACER Shopfront improvements in Campbeltown	Strong fit with PBI – adds value to existing funding secured, council priority, working with colleagues in housing, support to businesses, deliverable within timeframe	£38,000
<b>TOTALS</b>		<b>£496,000</b>

4.9 The projects above have all been identified using the PBI criteria and timeframe however it should be noted that issues can arise with any project and some flexibility may be required if it becomes evident that timeframes cannot be met. However updates will be provided on the PBI projects at the October Policy and Resources Committee.

## **5.0 CONCLUSION**

- 5.1 The relatively tight timescales associated with the PBI fund, combined with the large number of existing projects being delivered by the council, make for a challenging place based investment programme. The initial projects recommended in this report are focused on those that are time critical and fit well with the net zero ambitions of the Council and Government together with the 20 minute neighbourhood/wellbeing context. The proposed projects build on investment already in place, or projects identified through existing Place based work such as the Lochgilphead CARS or Helensburgh CARS.

## **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 1<sup>st</sup> April 2023 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 Programme.
- 6.6 Climate Change – None.
- 6.7 Risk – In order for each project to progress to delivery stage, a fully let contract must be in place by 31<sup>st</sup> March 2024. 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.
- 6.8 Customer Service – None.

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

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13 July 2023

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