

**CONSERVATION AREA REGENERATION SCHEME (CARS) PROJECTS – 2-4
AND 6-10 ARGYLL STREET, LOCHGILPHEAD**

1.0 EXECUTIVE SUMMARY

- 1.1 The Lochgilphead Conservation Area Regeneration Scheme (CARS) is a grant programme focussing on the regeneration of historical buildings as well as traditional skills training and community engagement. Lochgilphead CARS is jointly funded by, Historic Environment Scotland and Argyll and Bute Council together with contributions from building owners.
- 1.2 Argyll and Bute Council has recognised a need for greater economic investment and regeneration activities within town centres including Lochgilphead. The proposed works align to the objectives set by the Executive Leadership Team to reduce the number of properties within town centres falling into disrepair.
- 1.3 2-4 Argyll Street and 6-10 Argyll Street are the final two priority buildings for Lochgilphead CARS. Both buildings are located in the heart of the Lochgilphead Conservation Area overlooking Argyll Street/Colchester Square.
- 1.4 Lochgilphead CARS and Housing Services staff have been working with the owners of these properties since 2020. Delays due to COVID and ownership issues have meant the original projected costs have escalated above the remaining CARS budget by a combined total of £137,271.46. The Private Sector Housing Grant (PSHG) budget for 2023/24 is well within budget, and providing the gap funding to facilitate this project aligns with the key aims of the PSHG to extend the life of capital assets.
- 1.5 This request for additional PSHG for these two priority buildings is not linked to the recent award of Place Based Investment (PBI) funding for Lochgilphead CARS. The PBI funding has been allocated for shopfront improvements and high level amenity works including repainting front elevations. In respect of the high level amenity works, this will be targeted at buildings that are not eligible for CARS grant funding.

RECOMMENDATIONS

It is recommended that Members of the Policy and Resources Committee consider and approve the utilisation of Private Sector Housing Grant (PSHG) to award an additional £137,271.46 grant to the 2-4 Argyll Street and 6-10 Argyll Street Lochgilphead CARS projects, thus providing essential gap funding to facilitate the essential repair and conservation of these buildings.

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2.0 INTRODUCTION

- 2.1 This report outlines the gap funding that exists in the final two priority buildings of the Lochgilphead Conservation Area Regeneration Scheme (CARS). The CARS is funded by Historic Environment Scotland and Argyll and Bute Council with contributions from building owners. The report requests utilisation of an additional £137,271.46 grant funding from the PSHG budget to cover that gap and facilitate these two key projects.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that Members of the Policy and Resources Committee consider and approve the utilisation of Private Sector Housing Grant (PSHG) to award an additional £137,271.46 grant to the 2-4 Argyll Street and 6-10 Argyll Street Lochgilphead CARS projects, thus providing essential gap funding to facilitate the essential repair and conservation of these buildings.

4.0 DETAIL

- 4.1 2-4 Argyll Street and 6-10 Argyll Street are two adjoining tenement buildings occupying a key location in Lochgilphead town centre. Both buildings comprise of two storeys of residential accommodation over fully commercial ground floors that are currently occupied. These are the final two priority building projects for Lochgilphead CARS.
- 4.2 The general fabric of both buildings is in a very poor condition and both are suffering from water penetration issues. Photographs are included at Appendix 1. There is damp ingress in the attic space of both buildings and also in the top floor flats. This is having a negative impact on the occupiers quality of life and the

buildings are detracting from the townscape and character of the conservation area.

- 4.3 The proposed scope of work for both buildings includes; slated roof works, associated timber repairs, lead works, rainwater goods, stone works and renderworks. All works are in line with HES's advisory standards of repair.
- 4.4 The owners of both buildings formed Owners Associations to enable them to work together and to repair and maintain their buildings. Both Owners Associations have opened bank accounts to deal with all financial transactions. With support from Housing Services, both Owners Associations commissioned a conservation accredited Design Team to carry out Tenement Condition Surveys. Following the survey works, the Design Team then produced detailed Tenement Condition Reports for each building, together with Cost Plans outlining the likely cost of the works.
- 4.5 Lochgilphead CARS and Housing Services staff have been working with the owners of these properties since 2020. Delays due to COVID and ownership have meant the original projected costs (combined) have escalated above the remaining CARS budget by £137,271.46. The Private Sector Housing Grant (PSHG) budget for 2023/24 is well within budget, and providing the gap funding to facilitate this project aligns with the key aims of the PSHG to extend the life of capital assets.
- 4.6 Total project costs including all construction costs and design fees are based on the Tender Reports (17 November 2023) from the Design Team. See below:

2-4 Argyll Street: Total project costs	£388,071.66
• Total CARS grant available from HES and A&B Council	£221,933.12
• The current eligible PSHG	£ 39,600.00
• Total owners contributions	£ 50,500.00
• Shortfall	£ 76,038.54
6-10 Argyll Street: Total project costs	£336,503.72
• Total CARS grant available from HES and A&B Council	£175,750.80
• The current eligible PSHG	£ 49,520.00
• Total owners contributions	£ 50,000.00
• Shortfall	£ 61,232.92
Total Shortfall	£137,271.46

- 4.7 The total shortfall is £137,271.46. The proposal is to utilise additional grant funding from PSHG to fill this gap. PSHG should be spent on capital projects such as; adding value to an asset, extending the life of an asset, or acquiring a new asset. The proposed works described in this report meet the finance parameters for PSHG spend. Although the PSHG grant funding is larger than usual it will fall well within the available PSHG budget remaining for this financial year which would otherwise remain unspent, and will facilitate the completion of these two key projects within the Lochgilphead CARS.

5.0 CONCLUSION

- 5.1 The additional funds proposed would safeguard the fabric of two historic buildings, ensuring the continued use of 3 commercial units and 8 residential units.
- 5.2 As part of the development of these 2 projects, the owners are now working closer together and Owners Associations have been formed for both buildings. Tenement Condition Surveys have been carried out for both buildings and the associated Tenement Condition Reports provide the Owners Associations with Maintenance Schedules, allowing them to plan for future management and maintenance of their properties.
- 5.3 These projects cannot go forward without the additional funding, and facilitating both from within the otherwise unspent PSHG budget will allow the completion of the last two Lochgilphead CARS priority buildings.

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 – The proposed use of PSHG grant funding falls within the criteria for use of PSHG and will appropriately utilise capital budget which will otherwise remain unspent in this financial year.
- 6.3 Legal – Third party grant contracts will be issued to the private building owners.
- 6.4 HR - A dedicated project officer is in post for the duration of the Lochgilphead CARS project. Staff salaries are included in 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 building repair 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 oversubscribed 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

Councillor Robin Currie, Policy Lead for Strategic Development

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APPENDICES

Appendix 1: Photographs of Argyll Street properties

APPENDICES

Appendix 1: Photographs

2 – 4 Argyll St, Lochgilphead



6 – 10 Argyll St, Lochgilphead



2 – 10 Argyll St, Lochgilphead (Aug 23)

