

CORPORATE ASSET MANAGEMENT STRATEGY & PLAN

1. EXECUTIVE SUMMARY

1.1 Asset management is a structured and systematic approach to managing fixed assets on an ongoing basis. The Council has a large and varied collection of assets including buildings, vehicles, transport infrastructure (roads / bridges / piers), ferries, parks, cemeteries to information technology hardware and software. Assets are essential to the operation of the Council and ensuring they evolve and remain fit for their intended purpose is key to the function of the organisation and service delivery. Successful asset management addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.

1.2 The Council adopts a systematic approach to asset management and this paper sets out the principles, policies and summary priorities for 2024/25. The Strategy and Plan are consistent with the Prudential Code for asset management and the outcomes of the Best Value 2 review. This report in conjunction with appendices and wider Budget Pack forms our Corporate Asset Management Strategy and Plan. Asset Management is delivered by all departments and teams of the Council and overseen by the Capital Investment Board. A review of the Capital Investment Board and a new Capital Investment Strategy 2023 – 2028 was approved by Policy & Resources Committee in August 2023.

The underlying principles of the Council's Asset Management Strategy and Plan are:-

- The Council's has a commitment to sound asset management;
- All Council assets are required for operational, regeneration, economic and commercial development purposes;
- There are clear links between asset management, the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP);
- Asset Management is linked to available resources and budgetary considerations;
- There are sound Governance arrangements for asset management; and
- Asset management requires to be forward looking to deliver the assets the Council requires for future service delivery.

CORPORATE ASSET MANAGEMENT STRATEGY & PLAN

2. INTRODUCTION

2.1 The Corporate Asset Management Strategy & Plan establishes the Council's overall approach to management of its asset base. In particular it sets out:

- The Council's has a commitment to sound asset management;
- All Council assets are required for operational, regeneration, economic and commercial development purposes;
- There are clear links between asset management, the Corporate Plan, the Argyll and Bute Outcome Improvement Plan (ABOIP), Live Argyll and the Argyll and Bute Health and Social Care Partnership (HSCP);
- Asset Management is linked to available resources and budgetary considerations;
- There are sound Governance arrangements for asset management; and
- Asset management requires to be forward looking to deliver the assets the Council requires for future service delivery.

3. DETAIL**Core Values of Asset Management**

3.1 Asset management is a structured and systematic approach to managing fixed assets on an ongoing basis. This approach addresses all phases of an asset's life cycle, from pre-acquisition through to retirement. Effective asset management planning means knowing what you own, where it's located, what it costs you, what it will cost you in the future, whether it will support current and future service delivery and who is responsible for it.

3.2 It is recognised that these general guiding principles can also be applied to the management of non-fixed, or less permanent, assets such as vehicles, plant and equipment.

3.3 The Council will ensure that the assets it provides are used in a fair, consistent, efficient and effective way, taking into account their social and environmental impact and the needs and aspirations of our people, communities, areas and organisation.

3.4 Asset management is the process of ensuring that the Council's Assets are:

- fit for purpose
- used efficiently
- maintained on a sustainable basis
- matched in investment terms to service needs.

Approach and Commitment to Sound Asset Management

- 3.5 The Local Government in Scotland Act 2003 provides the legal framework for both the Prudential Code and the Best Value arrangements. Under the Prudential Code local authorities are authorised to make capital investments where it can be demonstrated that these investments are affordable, prudent and sustainable. A local authority, which secures Best Value, is one, which promotes continuous improvement in the performance of its functions.
- 3.6 Asset management is a key element of achieving Best Value. Councils have a statutory duty to deliver Best Value. This has significant implications for asset management as Councils must:
- ensure that management arrangements secure continuous improvement
 - balance quality and cost in relation to the procurement of assets
 - ensure asset management decisions contribute to sustainable development.
- 3.7 Asset management has potential to contribute to achievement of efficiency savings.
- 3.8 The Best Value 2 Asset Management templates published by Audit Scotland essentially set out the direction of travel for asset management within the Council. The desired outcomes of good practice contained within these templates have been fully adopted and are being actively promoted and progressed by the Strategic Asset Management Board.
- 3.9 In line with Best Value Guidance: “Sound Management of Resources” the Council will manage its assets to deliver the Council’s corporate and ABOIP objectives, by providing the basis for corporate challenge and a focus on the future asset requirements in respect of service delivery.

Current Governance Arrangements for Asset Management

- 3.10 Council governance of asset management by elected members is on the basis of the Council directing the work of the Council through the Strategic Management Team.
- 3.11 Responsibility for Council assets is held by the two Departments:
- Executive Director Douglas Hendry
 - Executive Director Kirsty Flanagan
- 3.12 These Departments are headed by an executive director reporting to the Chief Executive and supported by heads of service who are responsible for day to day service provision and the effective and efficient use of assets. Assets owned by the Council but operated by the HSCP and Live Argyll continue to be the responsibility of the Council.
- 3.13 The Head of Commercial Services is the Chair of the Capital Investment Board and is responsible alongside Section 95 Officer for the development of the Corporate Asset Management Strategy, production of the Corporate Asset Management Plan, and preparation of the Capital Plan – referred to as the Councils Priority Investment Plans (PIPS).

Council Current Asset Base

3.14 The table below summarises the asset base of the Council. The Council has an asset base at 31 March 2023 with a Net Book Value of £736.215m (2022 - £706.465m) that includes:

Description	Number	Description	Number
Shared Accommodation (Offices)	25	Roads (km)	2,286
Operational Depots	20	Public Road Bridges	903
Primary Schools (in use)	65	Car Parks	118
Secondary Schools	5	Marine Structures	41
2-18 Schools	4	Public Road Coastal Protection (km estimated)	200
Joint campuses	1	Public Road Retaining Wall (estimated)	1,000
Youth Centres	1	Public Conveniences	85
Adult Learning Centres	2	Waste Disposal facilities	12
Early Learning Centres	2	Ferries	6
School Houses	19	Airports	3
Learning Centre for pupils with complex additional support needs	1	Cemeteries	131
Homes for the Elderly	7	Children's Homes	5
Hostel	3	Resource Centres	3
Leisure Centres	5	Crematoria	1
Community Centres	4	Lighting Units	14,642
Halls	5	Vehicles and Plant	634
Libraries	11	IT Systems and Devices (estimated)	16,955

The table includes the majority of the Council's assets but is not exhaustive.

Corporate Asset Management Plan & Priority Investment Plans (PIPS)

3.15 Each year the Corporate Asset Management Plan is prepared on the basis of the underlying principles of the Corporate Asset Management Strategy referred to above. The aim of the Corporate Asset Management Plan is to ensure that capital and revenue expenditure is directed efficiently and effectively for the coming year to further. The Asset Management Plan is made up of a collective of Priority Investment Plans (PIPs) that are prepared b:

- Strategic Change
- Service Development
- Asset Sustainability.

3.16 In preparing this Asset Management Plan & PIPs services ensure that the opportunity cost of financial resources tied up in assets is minimised and that there is:

- an integrated corporate approach towards asset management, capital planning and budgeting process for both capital and revenue

- a process for changing the Council's asset portfolio consistent with the Corporate Plan and ABOIP
 - a process for asset decision making which is consistent with services' requirements
 - an identification of opportunities for innovation, asset investment or disposal
 - provision of a context for capital project evaluation helping to prioritise decisions on spending.
- 3.17 Each Executive Director is responsible for the completion of their respective PIPs. Service asset managers prepares the PIP Summary templates, which, when approved by the Departmental Executive Director, are submitted to Capital Investment Board and also discussed as part of scheduled Policy Lead Meetings. The Capital Investment Board evaluates each PIP prior to being discussed with respective Policy Lead (including Asset Management Plans prepared by the HSCP and Live Argyll).
- 3.18 In preparing PIPs, service asset managers must consider the following guiding criteria:
- maximise the impact of all capital and revenue expenditure on assets
 - apply asset performance indicators and benchmarking (Condition, Suitability and Risk) to ensure robust planning and decision making
 - maximise the utilisation of assets
 - reduce the unit costs of service delivery through smarter and more efficient asset management
 - dispose of underperforming, unsuitable assets and assets which are at risk and invest in "fit for purpose" assets
 - share assets with Community Partners and Third Sector to maximise public benefit.

Asset Management Plan & Priorities for 2024/25

- 3.19 This Corporate Asset Management Plan for 2023/24 reflects the Council's strategic objectives contained in the Argyll and Bute Outcome Improvement Plan (ABOIP) and Corporate Plan to support Strategic Change, Service Development and Asset Sustainability projects in 2024-25 and beyond. These projects have been developed taking account of the future service delivery requirements of the Council, the Argyll and Bute Health and Social Care Partnership (HSCP) and Live Argyll.
- 3.20 On an ongoing basis all services assess the risk arising from the condition and suitability of the assets they have responsibility for. This enables the prioritisation of projects for inclusion within the capital plan. The continued reduction in available capital budgets and revenue maintenance budgets has had an impact on planned maintenance programmes. This in turn increases the rate of deterioration in asset condition across the Council leading to increasing demand for capital investment in the asset base to maintain service delivery.
- 3.21 The Priority Investment Plans that outline the proposed resource allocation, condition and prioritisation of capital expenditure are outlined at **Appendix 1**.
- 3.22 It is clear from the PIPs that the real terms reduction of available capital resources year to year plus recent unprecedented increases in inflation and global events is resulting on the majority of investment towards Asset Sustainability – ie ensuring our current assets remain fit for purpose. There is minimal service development, transformation or strategic change mainly due the higher value of such projects.

High Risk Assets Not Addressed within Capital Plan Proposals for 2024-25

- 3.23 The Capital Programme for 2024-25 has been structured to address the majority of foreseen Council's high risk assets. There are no identified high risk unfunded assets requiring attention in 2024/25.

4. CONCLUSION

- 4.1 The aim of this Corporate Asset Management Strategy & Plan including summarised Priority Investment Plans (PIPs) is to ensure that asset management takes place in a systematic and well governed manner taking cognisance of corporate policies, plans, systems and processes.

5. IMPLICATIONS

- | | | |
|-------|---------------------------------|--|
| 5.1 | Policy – | The report sets out the Council's policy and prioritisation in respect of Asset Management. |
| 5.2 | Financial - | This strategy and plan follows Prudential Code and the Best Value arrangements in terms of Asset Management. |
| 5.3 | Legal - | None. |
| 5.4 | HR - | None. |
| 5.5 | Fairer Scotland Duty - | None. |
| 5.5.1 | Equalities - | None. |
| 5.5.2 | Socio-Economic Duty - | None. |
| 5.5.3 | Islands Duty - | None. |
| 5.6 | Climate Change | None |
| 5.7 | Risk - | None. |
| 5.8 | Customer Service - | None. |
| 5.9 | The Rights of the Child (UNCRC) | None. |

Ross McLaughlin, Head of Commercial Services
Kirsty Flanagan, Section 95 Officer
6 February 2024

Policy Lead for Financial Services and Major Projects: Councillor Gary Mulvaney

APPENDICES:-

Appendix 1 – Service Priority Investment Plans (PIPS)

PRIORITY INVESTMENT PLAN

NOTE: Highlighted text require a further update which can be provided in due course

Asset Group	Education	3 rd Tier Manager	Morag Brown / Wendy Brownlie								
Description of Asset Group and Condition Assessment	Asset Group		No and/or value.	Condition				Suitability			
				A	B	C	D	A	B	C	D
	Primary Schools (in use)	65	15	50	0	0	15	50	1	0	
	2-18 schools	4	2	2	0	0	1	2	1	0	
	Joint Campus	1	1		0	0	1		0	0	
	Secondary Schools	5	4	1	0	0	4	1	0	0	
	Complex addition needs schools	1		1	0	0	1		0	0	
	Adult learning centres, and a Youth Centre	2		1	1	0		1	1	0	
	Early Learning and Childcare Centres	2			0	0			0	0	
	School Houses	19			0	0			0	0	
ABC Learning Estates Strategy – Learning Environments in all schools should have a suitability grading A or B A=good; B=satisfactory; C=poor; D=bad											
Investment (current and planned)	Funding source		Current Year		Anticipated Investment (£m)						
			2023-24 (£m)		2024-25	2025-26	2026-27				
	Block Allocation	Scottish Government	2.243		2.226	2.219	1.988				
	Block Allocation Carried Forward	Scottish Government	2.254		1.880	-0.193					
	1140 Hours	Scottish Government	0.320								
	New Schools	Scottish Government	0.712								
	CO2 Grant	Scottish Government	0.113								
	Free School Meals	Scottish Government	0.379		0.900	1.495					
	Gaelic Grant	Scottish Government	0.038								
	Capital Grant - Area Control Accounts	Scottish Government	0.006								
			6.065		5.006	3.521	1.988				
<i>* Previous years commitments / carry forward due to combination of COVID19, labour / contractor shortages / holiday period has contributed to carry forward to future years. May be future carried forward to future years</i>											
2023-24 Overview											
Investment Strategy											
<ul style="list-style-type: none"> The Investment Asset strategy for Education in 2023-24 was to focus on undertaking major maintenance and keeping assets that we have wind, watertight & safe ensuring schools remain in a minimum B category and avoid slippage into C In 2023-24 work was done to improve the suitability of several schools including scoring of; Dalintober Primary, Castlehill Primary, Garelochhead Primary, Kilninver Primary, Small Isles Primary, Islay High, Lochnell Primary, Parklands 											

- Works to create a high quality learning environment internal and external at our early learning and childcare settings: Clyde Cottage Nursery, Park Primary, Small Isles, Strath of Appin, Lochnell, Kilmartin, Easdale

Risks

Asset sustainability

- Significant backlog of maintenance work includes roof repairs, rewiring, damp repairs, heating upgrades and suitability works. Failure to invest in planned capital maintenance in a timely manner will see a reduction in the condition scores and could result in component failure and building closure.
- Diminishing level of investment coupled with increased costs (inflation and construction costs) mean many buildings and building elements are deteriorating at a rate which may not be able to be addressed via revenue (maintenance / reactive) expenditure. This is beginning to impact on the use of buildings, capacity of the school, flexibility to deliver the curriculum, support for pupils with complex needs and our inspection ratings. This will continue unless the number of properties are reduced or the capital and revenue budget is increased.

Service Development

- Failure to secure LEIP funding for Tobermory will result in significant investment to address condition and suitability (service development project)
- Discovery of RAAC within John Logie Baird Primary has resulted in significant investment identified for repairs to replace (service development project)
- Scottish Government roll out of Universal Free School Meals (UFSM). The UFSM has identified works to be carried out in identified schools to support the roll out of free school meals to all primary pupils within Scotland.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

- At current funding levels within the block allocation the focus will remain on high and medium Asset Sustainability priority projects – therefore no funding is allocated to ‘service development’ projects
- The aim is to improve condition scorings at the following schools: St Joseph’s Primary, Tobermory 3-18, Port Charlotte Primary, Bowmore Primary and suitability scores in the following schools: Kilchattan Primary, Keills Primary, Kilmodan Primary, St Andrews Primary, Sandbank Primary
- As per decision of Community Services Committee in August 2023, Capital works relating to new Additional Support Needs provision by way of new learning centres in Campbeltown, Mull and Islay and refurbishment at Hermitage Primary.
- £2.226M reserved for Asset Sustainability will be used to undertake major maintenance and keeping assets that we have wind, watertight & safe ensuring schools remain in a minimum B category and avoid slippage into C
- Within the block allocation a contingency budget was allocated to address emerging issues.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Continue to pursue Scottish Government on progress LEIP Bid for new Campus on Mull and follow on from that decision	~£35m over 5 years (Council pay up front but 50% recouped over 25 years)	Calculated	Political and financial backing given at Council Sept 2022	Strategic Change
2. RAAC	Block	Indicative	NA	Service Development
3. ASN	Block	Indicative	NA	Asset Sustainability

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	Gaelic – See below	nil
Service Development	Climate Change - See below	Climate Change - See below
Strategic Change	Bid for Learning Estate Investment Programme (LEIP) Funding	Climate Change - See below

Major opportunity to access Government flagship investment programme Learning Estate Investment Programme (LEIP) for new campus on Mull.

In relation to climate change, opportunities for external funding will continue to be explored to allow delivery of projects similar to the Non-Domestic Energy Efficiency Framework (NDEEF). These opportunities could offer low carbon solutions throughout the wider Argyll and Bute area, which would not only assist the Council in its journey to Net Zero Carbon (NZC) but would also result in financial benefit through revenue savings or additional income. The delivery of these types of project which fall into a spend-to-save category will also consider Prudential Borrowing as a funding source i.e. where simple payback breaks even in relatively short timeframes.

Gaelic Grant Specific funding available for landscaping at Bowmore Primary identified for 23-24

Links to relevant strategies

Corporate Asset Management Strategy

Learning Estates Strategy

ASN provision across Argyll and Bute

CO6: We have an infrastructure that supports sustainable growth

PRIORITY INVESTMENT PLAN

Asset Group	Shared Accommodation	3rd Tier Manager	Craig Houston							
Description of Asset Group and Condition Assessment	The condition/suitability information for the assets in the group has been extracted from the Council's Property Management System (Concerto) and have been assessed using the Scottish Government Core Facts methodology.									
	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Shared Offices (Owned)	24	2	22	0	0	9	11	4	0
Shared Offices (Leased)	1	0	1	0	0	0	1	0	0	
Investment (current and planned)	Funding (eg block grant, Crown Estates, Sustrans etc)	Funding source (eg Council, Scot Govt etc)	Current Year (£m)		Anticipated Investment (£m)					
			2023-24	2024-25	2025-26	2026-27				
	Block Allocation Carried Forward	Scottish Government	0.815	2.915	0.55					
	Block Allocation	Scottish Government	0.431	0.428	0.427	0.382				
	Place Demonstrator Fund	Scottish Government	0.664							
			1.910	3.343	0.977	0.382				
2023-24 Overview										
Investment Strategy										
<ul style="list-style-type: none"> The investment strategy for Shared Office Accommodation in 2023-24 was to focus on improving building elements throughout the asset group, whose condition was assessed as being either poor (C rating), bad (D rating) or is becoming life-expired, by delivering Asset Sustainability projects on a prioritised basis - no funding was allocated to 'Service Development' or 'Strategic Change' projects. The aim was primarily to maintain buildings such that their condition is assessed as being satisfactory (B rating) or good (A rating). On a secondary basis the investment strategy looks to improve the suitability of buildings to function more efficiently and effectively as offices. During 2023-24 the Our Modern Workspace programme continued to rationalise the council's office estate and support agile working. Existing budgets were reviewed for affected buildings and circa £660k was reallocated for use by the project. Match funding of £664k was obtained from the Place Demonstrator Fund (part of the Scottish Government's Place Investment Fund) 										
Risks										
<ol style="list-style-type: none"> Significant backlog of maintenance work includes roof repairs, rewiring, heating upgrades and suitability works. Failure to invest in planned capital maintenance in a timely manner will see a reduction in the condition scores and could result in component failure and building closure. Diminishing level of investment coupled with increasing works costs (inflation, material/labour costs) mean many buildings and building elements are deteriorating at a rate which may mean that their improvement is not be able to be addressed. This will continue unless the capital allocation and/or revenue budget is increased Under investment increases the risk of both reputational damage to the Council from poor appearance of buildings and third party insurance claims from building users (both staff and visitors) 										
Summary of Planned 2024-25 investment										
Investment Strategy at funding levels indicated above										
<ul style="list-style-type: none"> At proposed funding levels, the investment strategy for Shared Office Accommodation will continue to focus on improving building elements throughout the asset group whose condition is assessed as being poor, bad or is becoming life-expired by delivering Asset Sustainability projects on a prioritised basis. Funding including 										

match funding is also allocated to Our Modern Workspace which is considered to be a 'Strategic Change' project of low cost. No funding was allocated to 'Service Development'

- The ongoing aim is primarily to maintain buildings such that their condition is assessed as being satisfactory (B rating) or good (A rating). On a secondary basis the strategy looks to improve the suitability of buildings to function more efficiently and effectively as offices.
- The proposed block allocation will be used to deliver asset sustainability projects on a prioritised/value for money basis to upgrade: roofs; windows; office related car parks, electrical installations (re-wires), heating plant etc. to ensure ongoing compliance with health and safety legislation.
- During 2023-24, the proposed funding will continue to be used, in conjunction with match funding, to deliver the Our Modern Workspace programme to rationalise the office estate and support the Council's move to agile working.

Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Re-Wire Kilmory	£1.4m	indicative	£0	Asset Sustainability
2. Convert lighting throughout Council Estate to LED	£1.5m	indicative	£0	Strategic Change
3. Delivery of OMW Programme	£1.3m	indicative	£0	Strategic Change

The Council has already made a significant reduction to its carbon footprint and is arranging to achieve net zero by 2045. This will require an appropriate carbon related audit of the Shared Accommodation properties, to allow a Strategy to be developed that results in the production of an Action Plan. Following on from that the Council will need to set aside funding to allow projects, from the Action Plan, to be delivered. The extent of the funding requirements is currently unknown.

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	Nil	No external/match funded opportunities
Service Development	No Service Development projects	No Service Development projects planned
Strategic Change	No Strategic Change projects	Climate Change - See below

In relation to climate change, opportunities for external funding will continue to be explored to allow delivery of projects similar to the Non-Domestic Energy Efficiency Framework (NDEEF). These opportunities could offer low carbon solutions throughout the wider Argyll and Bute area, which would not only assist the Council in its journey to Net Zero Carbon (NZC) but would also result in financial benefit through revenue savings or additional income. The delivery of these types of project which fall into a spend-to-save category will also consider Prudential Borrowing as a funding source i.e. where simple payback breaks even in relatively short timeframes.

Links to relevant strategies

Corporate Asset Management Strategy

Decarbonisation Plan 2021

CO6: We have an infrastructure that supports sustainable growth

PRIORITY INVESTMENT PLAN

Asset Group	HSCP	3 rd Tier Manager	James Gow																																																																														
Description of Asset Group and Condition Assessment	<p>The HSCP operates services from 32 Council owned properties, many of which have significant backlog maintenance and health safety related maintenance and improvement requirements.</p> <p>The number of properties has increased (by 1) following the purchase of the KCC building in Campbeltown in April 2023.</p> <p>The Care Home review to identify customer needs and future demographic demands has been completed using Scottish Capital Investment Manual (SCIM). The first stage, Strategic Assessment, is in the final stages of development. As part of the process a series of emerging themes have identified. One of the key themes, Buildings / Facilities, concludes that many of the Care Home buildings are not fit for purpose and/or in a poor state of repair.</p> <p><u>Example 1</u></p> <table border="1"> <thead> <tr> <th rowspan="2">Asset Group</th> <th rowspan="2">No and/or value.</th> <th colspan="4">Condition</th> <th colspan="4">Suitability</th> </tr> <tr> <th>A</th> <th>B</th> <th>C</th> <th>D</th> <th>A</th> <th>B</th> <th>C</th> <th>D</th> </tr> </thead> <tbody> <tr> <td>Elderly Persons Homes</td> <td>7</td> <td></td> <td>5</td> <td>2</td> <td></td> <td></td> <td>5</td> <td>2</td> <td></td> </tr> <tr> <td>Children's Homes</td> <td>5</td> <td>3</td> <td>2</td> <td></td> <td></td> <td>3</td> <td>2</td> <td></td> <td></td> </tr> <tr> <td>Hostels</td> <td>3</td> <td></td> <td>3</td> <td></td> <td></td> <td></td> <td>3</td> <td></td> <td></td> </tr> <tr> <td>Resource Centres</td> <td>3</td> <td></td> <td>3</td> <td></td> <td></td> <td>1</td> <td>1</td> <td>1</td> <td></td> </tr> <tr> <td>Offices</td> <td>8</td> <td>3</td> <td>5</td> <td></td> <td></td> <td>1</td> <td>6</td> <td>1</td> <td></td> </tr> <tr> <td>Other</td> <td>6</td> <td></td> <td>6</td> <td></td> <td></td> <td>2</td> <td>3</td> <td>1</td> <td></td> </tr> </tbody> </table> <p>A comprehensive condition assessment of the Care Homes has now been undertaken. The expertise of the Council's internal Estates Team combined with the independent assessments carried out by Hypostyle and Thomson Gray have helped to provide further clarity around the extent of the backlog maintenance and enabled a more informed approach to prioritising the investment over the coming years.</p> <p>In addition to the condition assessments, there has been a number of fire safety audits carried out by the Scottish Fire and Rescue Service. While there are some actions that can be addressed immediately there are instances where remedial work will require further investment in the areas of fire compartmentation and fire suppression systems to support the safe evacuation of the building. Health & Safety risks have also been identified in respect of sprinkler systems and emergency power generators.</p> <p>The HSCP successfully secured £60k for pre capital funding from the Scottish Central Government Energy Efficiency Grant Scheme. The HSCP has contributed an additional £30k to expand the scope of energy assessments to cover some Council owned properties</p>			Asset Group	No and/or value.	Condition				Suitability				A	B	C	D	A	B	C	D	Elderly Persons Homes	7		5	2			5	2		Children's Homes	5	3	2			3	2			Hostels	3		3				3			Resource Centres	3		3			1	1	1		Offices	8	3	5			1	6	1		Other	6		6			2	3	1	
	Asset Group	No and/or value.	Condition				Suitability																																																																										
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			2023-24(£m)	2024-25	2025-26	2026-27																																																																											
Block Allocation c/fwd		A&B Council Scottish Government	0.502	1.657	0.050																																																																												
Block Allocation		A&B Council Scottish Government	0.442	0.428	0.427	0.382																																																																											
Total			0.944	2.085	0.477	0.382																																																																											
2023/24 – 2026/27 Total 3.935m																																																																																	
2023-24 Overview –quantified where possible																																																																																	
Investment Strategy																																																																																	
Backlog maintenance and suitability requirements are being prioritised within the budget available which is not																																																																																	

sufficient to bring all of the properties operated by the HSCP up to a good standard. Investment is being targeted at essential maintenance, weather proofing and health and safety related priorities. The care home estate in particular requires internal redecoration.

The work plan takes into account priorities highlighted by the care inspectorate. There will be a multifaceted approach to planning the investment programme. In order to maximise impact it is recommended that a building by building approach to be adopted, in the main, as well as a risk based approach for some of the more significant spend areas. It is recognised that the estate is ageing and not in a good state of repair and therefore deciding on what building to address at what time may be subjective. There is a requirement to bring the KCC up to Care Inspectorate requirements as part of the registration process.

The strategic transformational project to consider new care models and care home replacement has commenced. The first phase will be a strategic assessment and will be progressed in partnership between the HSCP and A&B Council.

The HSCP will continue to explore opportunities to reduce its carbon foot print through additional funding initiatives. Sustainable technology initiatives will be coordinated in partnership with the A&B Council when undertaking the programme of improvements.

The HSCP is committed to supporting Argyll and Bute Council to achieve 75% carbon reduction by 2030 and net zero before 2045.

Risks

1. Reputational damage as living conditions for residents is not always of a high standard or reflective of fees charged
2. Reputational – Miss-match between supply and demand of care home provision
3. Poor quality property contributing to difficulties in staff recruitment
4. Health and safety risks have been identified

Mostly these relate to the care home Estate. Addressing these is being quantified at present.

There is a requirement to address issues in care homes which are unlikely to be in use in the longer term and further consideration of this balance between short term essential maintenance and longer term transformation is required.

Summary of Planned 2024-25 investment

Total investment available will contribute to:

- Addressing severe backlog maintenance issues within the Care Home Estate
- Address Fire Safety priorities arising from recent review and SFRS audits
- Redecoration and improvement of Children’s Home Estate

The works will include: essential roof/partial roof replacement and upgrades to manage water ingress; works to address deficiencies with building services (e.g. re-wires/boiler plant upgrades); works to assist with compliance with current care home standards and safe access/egress (e.g. lift upgrade). As a result of the investment, the condition of individual elements will improve but the impact on the overall condition of the assets is anticipated to remain static, or decline, given that the condition of other building elements is deteriorating.

An independent detailed review of the care home estate has been completed and identified a significant investment need which far exceeds available resources.

Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£m)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)

1. Care Home refurbishments and Health & Safety improvements	4.635	Indicative per A&B Council	0.621	Asset sustainability
2.Maintenance of Children's Homes	0.100	Indicative		Asset Sustainability
3. Strategic Business Case	0.100	Indicative		Transformation
Match funding Opportunities/External Funding				
	Achieved 2023-24		Opportunities 2025-26	
Asset Sustainability	£60k Pre-Capital support funding from Scottish Government £450k Islands Funding from Scottish Government		Capital support funding from Scottish Government Islands Funding from Scottish Government	
Service Development	£50k from HSCP resources to fund Hypostyle review of Care Homes.			
Strategic Change	£340k allocated by the HSCP to fund direct cost to progress the purchase of KCC during 2022/23 £40k approx. support from Scottish Government / Shelter applied for to support key worker accommodation project. Will be funded by the HSCP and Scottish Government and supported by A&B Council. HSCP match funding will be circa £40k over 2 years. Joint project to develop a business case for transforming older adult care services to be developed with A&B Council			
Links to relevant strategies Older Adults / Care Home and Housing Strategy work underway HSCP Strategic Workforce Plan				

Notes:

Facility	Priority Investment Value
Ardfenaig HFE	£440,000
Eadar Glinn HFE	£495,000
Gortonvogie HFE	£70,000
Struan Lodge	£950,000
Thomson Court HFE	£365,000

Tigh An Rudha HFE	£1,450,000
Kintyre Care Centre	£865,000*
	Total £4,635,000

**Upgrade of Heating systems and DHW system to more sustainable and efficient solutions*

Project Description	Costs 21st August 2023
Glencruitten Hostel – Window Replacement	£200,000
102 East King Street - Rewire	£15,000
Oban SW Office – Replace DHW Heater	£20,000**
Lochgilphead Resource Centre – Replace backup boilers with Electric & Associated electric upgrade	£35,000**
Total	Total £270,000

***These projects could be delayed but there is still benefit in doing them now because of economies of scale associated with other projects*

PRIORITY INVESTMENT PLAN

Asset Group	liveArgyll	3 rd Tier Manager	Marius Huysamer								
Description of Asset Group and Condition Assessment	Building condition and suitability is measured in accordance with the Local Government Benchmarking Framework (LGBF). The condition rating of buildings is measured through an assessment of the main elements of the building (roof, walls, windows, doors, services etc.) via a weighted scoring matrix. Suitability is measured in a similar manner but instead of building elements, assesses themes including: location; accessibility; building facilities; the working environment; and ICT infrastructure etc. These assessment methodologies have recently changed and in moving forward will require more input/assessment for each property. All information is recorded within the Council's property management system, Concerto, and LGBF returns are made on an annual basis.										
	Asset Group		No.	Condition				Suitability			
				A	B	C	D	A	B	C	D
	Community Centres		4	0	2	2	0	0	3	1	0
	Leisure Centres		4	1	3	0	0	0	3	1	0
	Halls		5	1	4	0	0	1	3	1	0
	Libraries		11	4	7	0	0	2	7	2	0
	Museums		1	0	0	0	0	0	1	0	0
	Archives		1	0	1	0	0	0	1	0	0
	Sandbank HQ		1	0	1	0	0	0	1	0	0
	Sport Centre		1	1	0	0	0	0	1	0	0
	Campbeltown Pavilion		1	1	0	0	0	0	1	0	0
	Overall condition/suitability category										
	More than 85%		A: Compliant (Good)								
	Between 60% and <85%		B: Requires Improvement (Satisfactory)								
Between 40% and <60%		C: Considerable Improvement Required (Poor)									
Less than 40%		D: Not Compliant (Bad)									
Investment (current and planned)			Current Year		Anticipated Investment (£m)						
	Funding	Funding source	2023-24 (£m)		2024-25	2025-26	2026-27				
	Block allocation	Scottish Government	0.431		0.428	0.427	0.382				
	Block allocation Carried Forward	Scottish Government	0.652		0.208						
	Capital Grant - Area Control Accounts	Scottish Government	0.001								
	Totals		1.084		0.636	0.427	0.382				
<i>*Previous years' commitments/carry forward due to a combination of COVID19, contractor/labour shortages and Brexit, has contributed to carry forward to future years.</i>											
2023-24 Overview											
Investment Strategy											
Asset Sustainability											
Property condition and suitability assessments are reviewed annually along with input from Property Officers on burdensome maintenance issues to inform elements of buildings that need attention/investment.											
Business Development											

The asset group managed by liveArgyll is ageing and requires more capital investment to ensure it remains in an operable state. Year-on-year the Capital Investment is becoming less which in turns places greater strain on an already insufficient central repairs budgets. Underinvestment of Capital funds will lead to facilities that will further deteriorate in condition and suitability and inevitably reach a stage where they are deemed not fit for purpose. Failure to maintain assets and ensure they are fit for purpose will adversely impact on liveArgyll's ability to deliver agreed service specification requirements and fulfil charitable objectives.

Strategic Change

From a business strategy perspective the failure or long term unavailability of an asset, particularly a leisure centre or venue may have a significant impact the Company's ability to generate income, thus reducing the likelihood of the Company achieving a primary objective of becoming less reliant on management fee funding. There is great potential to increase recurring income streams and generate new streams, however this requires the asset base to be fit for purpose and of a suitable standard and quality, ensuring that customers will choose to use and pay for services. The council is contractually bound through the licence agreement with liveArgyll Leisure Trust to invest in and maintain assets.

Risks

Risks are generic to buildings of age and character in this sector but can include:-

1. The block funding allocation is insufficient to address identified work (particularly in context of current rising prices).
2. Planning/Building Control Issues.
3. Technical Challenges as further work is done to detail the necessary improvements at each location.
4. Known presence of asbestos in certain buildings

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Asset Sustainability

All proposed work is to sustain the current asset portfolio occupied and managed by liveArgyll Leisure Trust. Work is required to maintain the facilities in a wind and water tight condition and to ensure compliance to legislative and regulatory requirements. Project slippage have occurred over previous years so projects have been carried over to future years. Work will include, roof refurbishment, boiler replacement, re-wire of ageing buildings, remedial work to emergency lighting and fire prevention systems and this will include other building plant equipment. The asset base further requires a significant investment to replace ageing and unserviceable equipment that is crucial to liveArgyll's ability to deliver a quality service.

Strategic change

Further investment will be required to assist with the council's Asset Rationalisation programme. Works identified will address issues under the Equalities Act 2010 and Health and Safety regulations.

Top three service/asset group priorities

Service Priority	Cost (£m)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
Implementation and planning of a range of facility development projects aimed at increasing capacity, improving services and offering, as well as	0.45	Indicative	0.45	Service Development

adapting to changing customer behaviour.				
In support of liveArgyll's business contingency planning, liveArgyll need to replace and refurbish assets that are deemed not fit for purpose.	0.1	Indicative	0.1	Asset sustainability
Ensure our buildings provide safe environments for customers and staff, whilst minimising our impact on the natural environment.	0.2	Indicative	0.2	Asset sustainability/Strategic
Match funding Opportunities/External Funding				
	Achieved 2023-24		Opportunities 2024-25	
Asset Sustainability			liveArgyll continues to explore external / match funding opportunities.	
Service Development			liveArgyll continues to explore external / match funding opportunities. Discussions are on-going in respect of specific projects.	
Strategic Change			The Council has agreed to look at any licence revisions required to secure funding on a case by case basis	
Links to relevant strategies				

PRIORITY INVESTMENT PLAN

Asset Group	ICT	3 rd Tier Manager	Gerry Wilson							
Description of Asset Group and Condition Assessment	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Server Infrastructure Overall	1,854k	532k	8k	24k	1,290k	1,853k	532k	8k	24k
	PC, Laptops and Tablet Devices - Corporate	£900k	212k	225k	188k	275k	212k	225k	188k	275k
	PC, Laptops and Tablet Devices - Education	2,340k	849k	449k	481k	561k	849k	449k	481k	561kk
	Communications Equipment incl network devices and Broadband	2,272k	1,602k	446k	152k	72k	1,602k	446k	152k	72k
	Supported Business Software Applications(Number)	77	58	11	8	0	55	12	10	0
Investment (current and planned)	Funding	Funding source	Current Year		Anticipated Investment (£m)					
			2023-24 (£m)		2024-25	2025-26	2026-27			
	Block Allocation	Scottish Government	0.777		0.771	0.768	0.688			
	Block Allocation Carried Forward	Scottish Government	0.155		0.217					
	Additional Council Allocation	Council	0.225		0.323	0.12				
	Covid Funding	Scottish Government	0.317		0.282	0.333				
	Total		1.474		1.593	1.221	0.688			
*Previous years commitments/ carry forward due to combination of covid, contractor/labour shortages and Brexit, has contributed to any carry forward to future years										
20224-25 Overview										
Investment Strategy										
<p>Asset Sustainability – All of the Council’s ICT assets are replaced on a rolling cycle. PCs and Laptops are replaced on a 4 year (corporate) or 5 year (education) cycle. Major infrastructure assets such as servers, firewalls, and network routers and switches are replaced every 6 years. This is an industry standard approach to the maintenance of critical infrastructure designed to minimise the risk of service failure which would otherwise result in poor system reliability, the unavailability of major systems, and a consequential failure to deliver front line services. The expected lifespan of ICT infrastructure assets is determined by manufacturer support availability, age, or fitness for purpose.</p>										

The ICT Service normally apportions part of the ICT Block Allocation each year to cover the annual PC Replacement and network infrastructure asset costs. Every six years we also have to prioritise our spend on our two data centres (the heart of the ICT environment) which normally means we have to allocate the majority or all of the block allocation for that year to servers and network equipment. The data centres continue to host several hundred council applications as the true cost of migrating to the cloud remains unaffordable for many systems. The data centres are due for major upgrades from 24/25 onwards.

We face enormous inflationary pressures on the ICT Capital Programme as the post pandemic global supply crisis impacts on technology equipment pricing. 2024/25 and 2025/26 are two years where the need to prioritise investment in critical server and network assets for the data centres means there would have been little or no funding available for PC replacement or other service development projects without the additional capital agreed at the last budget meeting or without drawdowns from the Capital Contract Increases Earmarking fund to cover some of the inflationary and exceptional cost increases. Our strategy is therefore based on the proposed drawdowns from those two funding sources being allocated to the affected asset replacement projects before the block allocation is then distributed across the remaining sustainability projects – IT Network and Server infrastructure and PC Replacement.

Service Development and Strategic Change - The ICT Development framework establishes a consistent and transparent method for the evaluation of ICT business case based proposals being presented to the Strategic Asset Management Board. The framework allows competing demands for Council resources to be compared like for like with the purpose of establishing an ICT Development Plan that includes a mix of small and significant ICT developments that are both affordable and deliverable. The ICT Development Plan determines the ICT Asset service development priorities and the levels of funding required to meet them. No new business cases have been approved at the Asset Management Board for the future replacement of business applications however there is significant funding within the 2023/24 and 2024/25 budgets for the replacement Civica Document Management and Workflow System, and of the Revenues and Benefits System.

Risks

1. All ICT Assets - Failure of key infrastructure supporting technology components that are critical for day to day service delivery across all services of the Council. The severity and the reach of the impact will very much depend on which components fail and consequences for individual services but could also be cross Council affecting. As technology components age and move out of support, the Council risks non-compliance with PSN, Cybersecurity and PCI DSS obligations.
2. PCs and laptops are currently replaced on a 4 year Corporate and 5 year Education cycle with no warranty or maintenance on PCs after the first 3 years. This has consequences for the reliability of desktop equipment. On warranty expiry, the Council is required to effectively self-insure against failure.
3. Service Development - In addition to impacting our ability to comply with our security obligations, the risk of underinvestment for key business application systems will result in missed opportunities for greater efficiencies and service improvements across council services.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Server Sustainability

Replacement of Server equipment in Kilmory and GWITC so that our infrastructure is robust, supported and fit for purpose for at least 6 years. This includes replacing our critical firewalls at Kilmory and GWITC datacentres, as well as the replacement of end of life Windows Security Update Servers at every school and main offices. Major investment on the data centre servers is in place in 2024/25 and 2025/26 to ensure that the servers will require minimum investment over the following 5 years. The funding requirement for servers has been met from a combination of the block allocation and drawdown from the Capital Contract Increases Earmarking fund.

PC Replacement

- Replacement of Corporate PCs due to become red risk assets (> 4 years old) in 2024/25, with 3 years of warranty.

- Replacement of Education PCs that either are already red risk assets or due to become red risk assets (> 5 years old) in 2023/24, with 3 years of warranty.

Note – the PC replacement programme is based on a continuous cycle of investment. One quarter of all corporate PCs were expected to be replaced each year alongside one fifth of Education PCs each year. The funding requirement for PCs has been met from the ICT block allocation and additional approved funding.

However it is predicted at this stage that there is likely to be a shortfall of 80k for PCs in 2026/27 due to the increase in pricing of technology components against the original unchanged block allocation for that year.

IT Network

Replacement of IT Network Infrastructure technologies which are either due to become or are already end of life assets in 2023/24, resulting in fitness for purpose for potentially 6 years. This includes replacing end of life network switches at our Kilmory and GWITC datacentres, as well as replacement of network routers at our schools. The funding requirement for IT network equipment for 2024/25 has been met from a combination of the block allocation and drawdown from the Capital Contract Increases Earmarking fund.

However it is predicted at this stage that there is likely to be a red risk shortfall of 144k in 2026/27 for Telecomms Network due to the increase in pricing of technology components against the original unchanged block allocation for that year.

Key Business Applications

Replacement of Civica Document Management and Workflow System, and replacement of Revenues and Benefits System. This funding requirement has been met from the ICT Block Allocation, and additional funding approved in February 2023.

Top three service / asset group

The ICT Management team follows an industry best practice approach for the replacement of key technology assets based around the age and condition of each asset type. This is required as part of our *statutory* membership of the PSN where we are obligated by the Cabinet Office to maintain our network of servers and devices at current supported levels. The PSN in turn allows us access to their private network to collaborate and share data with other public sector partners such as the National Registrars for Scotland, HMRC, and DWP in a safe, secure, and trusted manner. Our investment priorities are therefore based on sustaining our complex network of circuits, routers, servers, pcs, and applications and this is reflected in our three priorities for 2024/25. Funding from the block allocation, coupled with contributions from the Capital Contract Increases Earmarking fund will allow us to replace red risk critical IT network and server infrastructure assets (£497k) and red risk PCs and laptops (£648k) for 2024/25.

This is illustrated in the following table for 2024/25:

Service Priority	Cost	Budget available	Capital Contract Increases Earmarkings	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. IT Network and server infrastructure	497k	497k		calculated	0	Asset Sustainability
2. PC replacement programme	648k	648k		calculated	0	Asset Sustainability

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability		
Service Development		
Strategic Change		

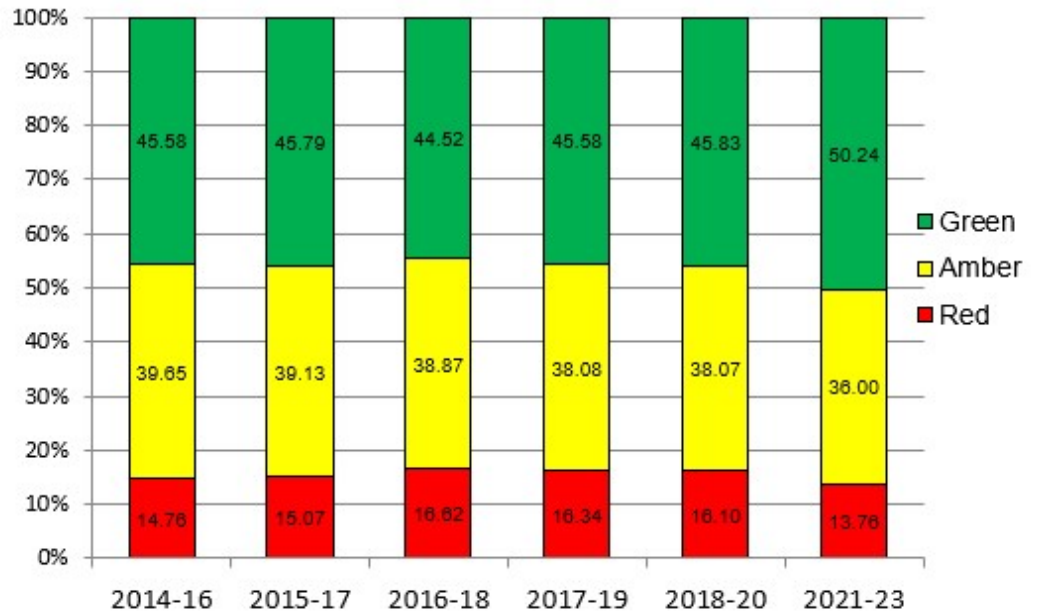
Links to relevant strategies

[ICT and Digital Strategy 2021 -24](#)

PRIORITY INVESTMENT PLAN

Asset Group	Road Infrastructure (Carriageways and Footways)	3 rd tier Manager	Hugh O'Neill and Tom Murphy																																																
Description of Asset Group and Condition Assessment	Asset Group	No and or/Value*	CONDITION (Percentages based on total asset value)																																																
			Green	Yellow	Amber	Red																																													
	Roads *See below comments	£2.09Billion	50.24%	9.36%	26.64%	13.76%																																													
	Footways	£78.3Million	*	*	*	*																																													
<p>This can be further broken down to road classification as per below table:</p> <table border="1"> <thead> <tr> <th colspan="4">Overall Road Condition % by Class</th> <th>Road Condition Index (Red% + Amber%)</th> </tr> <tr> <th>Road Class</th> <th>% RED</th> <th>% AMBER</th> <th>% GREEN</th> <th></th> </tr> </thead> <tbody> <tr> <td>A</td> <td>7.46</td> <td>29.9</td> <td>62.64</td> <td>37.4</td> </tr> <tr> <td>B</td> <td>15.77</td> <td>40.7</td> <td>43.53</td> <td>56.5</td> </tr> <tr> <td>C</td> <td>13.86</td> <td>38.59</td> <td>47.55</td> <td>52.5</td> </tr> <tr> <td>U</td> <td>16.37</td> <td>34.75</td> <td>48.88</td> <td>51.1</td> </tr> <tr> <td>Urban</td> <td>3.92</td> <td>27.66</td> <td>68.42</td> <td>31.6</td> </tr> <tr> <td>Rural</td> <td>16.15</td> <td>38.03</td> <td>45.82</td> <td>54.2</td> </tr> <tr> <td>All</td> <td>13.76</td> <td>36</td> <td>50.24</td> <td>49.8</td> </tr> </tbody> </table>							Overall Road Condition % by Class				Road Condition Index (Red% + Amber%)	Road Class	% RED	% AMBER	% GREEN		A	7.46	29.9	62.64	37.4	B	15.77	40.7	43.53	56.5	C	13.86	38.59	47.55	52.5	U	16.37	34.75	48.88	51.1	Urban	3.92	27.66	68.42	31.6	Rural	16.15	38.03	45.82	54.2	All	13.76	36	50.24	49.8
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<p>* There is no similarly automated footway condition survey mechanism. Full Footway Asset condition surveys are not practicable within the time limitations of the current staffing establishment.</p> <p>A Safety Inspection programme, with a frequency of annual to monthly visits, based on the hierarchy of the footway, is carried out by the inspection team. Any defects identified as representing an immediate hazard to pedestrians, along with any issues highlighted by the public reporting system, are added to the routine maintenance revenue works programme. Generally footways are considered safe and fit for purpose with maintenance works undertaken in response to identified defects or public complaints as investment and resources permit.</p> <p>We still await the RCI figure for 2023, this has been delayed by the external provider who carry out RCI surveys for all 32 Scottish councils. Other Councils have reported sections missed from their survey also.</p>																																																			

Road Condition Index 2014-23 survey results



Investment
(current and
planned)

Funding	Funding source	Current Year	Anticipated Investment (£m)		
		2023-24 (£m)	2024-25	2025-26	2026-27
Block Allocation - Roads	Scottish Government	3.449	3.412	3.927	3.517
Block Allocation Carried Forward	Scottish Government	(0.214)			
Additional Council Allocation - Roads	Council	3.797	4.588		
Electric Vehicle Chargers	Scottish Government	0.062			
Strategic Timber Transport Scheme (STTS)	Scottish Government	0.387			
Additional Council Allocation - Footways	Council	0.750			
Active Travel	Council	0.189	0.200		
CHORD Budget	Council	0.060			
		8.480	8.200	3.927	3.517

Investment Strategy

Prioritisation of Asset Sustainability:

Road condition is measured by the Scottish Road Maintenance Condition Survey (SRMCS) which assesses parameters such as surface texture and cracking, smoothness and rutting. This provides an indication of the residual life of the road structure.

As previously highlighted, Footway Asset Condition Surveys are not currently undertaken due to limited resources and cost implications. Generally, footways are considered safe and fit for purpose with maintenance works undertaken in response to identified defects or public complaints as investment and resources permit.

It should be noted that the flooding and road closures experienced in October 2023 due to excess rain are likely to continue due to climate change. It is therefore imperative that appropriate road maintenance including drainage and ditch clearance is carried out to alleviate flood and land slip risks on our Council roads. More consideration needs to be given to climate change adaptation regarding roads and transport infrastructure.

CAPITAL RESURFACING INVESTMENT OPTIONS

Argyll and Bute Council take part in the Scottish Roads Maintenance Condition Survey (SRMCS) contract. SRMCS is a collaboration of all 32 Scottish Councils, via the Society of Chief Officers in Scotland (SCOTS) and led by Perth and Kinross Council. For each Council this involves surveying all classes of the road network at differing frequencies (approx. 20,000 km per annum across Scotland) with a SCANNER vehicle. The survey currently aims to cover all local authority A roads in both directions every two years, all B and C roads in both directions every four years, and a 10% sample of unclassified roads in one direction each year.

To minimise the effect of sampling errors on the result, the RCI is calculated from two years data, and is in effect a rolling two-year indicator. While the survey machines have been calibrated and shown to provide consistent results, variations can occur due to minor differences in machine settings or in the path followed by the survey vehicle (which may well be dictated by, for example, the presence of other vehicles on particular parts of the road). Inflation is built into the matrix calculation which is provided annually by SCOTS; Argyll and Bute Council do not calculate the deterioration options; we supply the funding levels and they are then produced by a Scottish wide calculation which has inflation built in through SCOTS. The deterioration modelling has been adjusted by SCOTS, and may be further adjusted to take account of inflation etc. On this basis the investment levels of £3M, £5M £8M and £11M have been retained.

Survey figures are then added into the above using a matrix system graph which is calculated from the from the SRMCS surveys for every 10m of the road that has been surveyed. The Scottish Statutory Performance Indicator (SPI) for road condition is the percentage of a road network that has an RCI of 40 or more (ie is in the 'Red' or 'Amber' categories).

The below lists 4 options where direct comparison can be made with investment against a 20 year profile for road condition.

OPTION 1— £3M

An annual investment of £3m would lead to a substantial deterioration on overall RCI with 69% of our roads requiring attention after 20 years including 38% of roads considered in the red category, this would significantly increase risk to road users safety. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.

OPTION 2— £5M

An annual investment of £5m would lead to a slower deterioration on overall RCI with 59% of our roads requiring attention after 20 years including 30% of roads considered as red category. This is almost double the latest result (13.68%) for red category roads. The volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.

OPTION 3 — £8M

An annual investment of £8m would lead to steady state in overall RCI with 42% of our roads requiring attention after 20 years including 18% of roads considered as red category which is on par with current red condition (13.68%). The volume of reactive temporary repairs would likely remain similar to current levels over initial period and would be expected to remain similar over time as road condition remains constant. Public liability claims would also be expected to remain similar. Customer satisfaction levels would also remain in steady state.

OPTION 4 — £11M

An annual investment of £11m for the next 20 years should lead to a substantial improvement in overall RCI with only 26% of roads requiring attention including only 8% of roads in red category, half the current red condition (13.68%). This differs slightly from the projected value from the SCOTS Backlog and Steady State model, due to a different method of predicting future carriageway condition. This would potentially improve Argyll and Bute's current ranking in terms of RCI. A substantial reduction in reactive repairs and public liability claims can be expected. Demands on limited resources would be lessened and customer satisfaction levels will also be greatly improved through this investment.

Prioritisation of Service Development:

The annual Capital Reconstruction Programme aims to deliver investment on a range of surfacing projects targeted at improving network condition across Argyll and Bute. The bulk of investment (77%) is attributed to Surface Dressing (SD) and thin surfacing works to maximise network coverage. The aim being to seal and extend surface life with a SD treatment and tackle as much deteriorated surface as possible with thin surfacing works to help reduce demand for costly reactive treatment works.

Prioritisation of Strategic Change:

The value of undertaking adequate preventative maintenance works cannot be overstated. It is the most vital and fundamental function required to extend infrastructure service life, strengthen network resilience, and minimise demand for capital investment. To maintain a steady state road condition, **investment of at least £8M is required annually.**

As has been demonstrated in the below table, over the last 10 years, where we have seen average investment of at least £8 Million on Roads Reconstruction, RIS have been able to improve our road condition which in turn improves visitor numbers/local businesses as well as supporting our communities daily commute. Last year for the first time since we have been recording road conditions we were able to improve our roads to have over 50% in the good condition category. This is purely down to investment and the support provided by members allowing RIS officers to manage the network effectively.

To ensure we sustain this level of improvement over the next five years and do not regress in our road condition, which is reported through Scottish Government, a minimum budget of £8 million per annum is required. To improve on this condition then further **investment in excess** of £8M is required.

Year	Capital & Revenue	Survey year	RCI
2014-15	£8,896,996	2014-16	54.4
2015-16	£6,799,499	2015-17	55.3
2016-17	£5,821,104	2016-18	55.5
2017-18	£5,233,219	2017-19	54.4
2018-19	£11,502,343	2018-20	54.17
2019-20	£9,472,398	2019-21	54.2
2020-21	£8,426,346	2020-22	52.5
2021-2022	£12,415,060	2021-23	49.8
2022-2023	£10,809,660	2022-24	TBC
Average Spend	£8,920,309	Average	53.99

Footways

Argyll and Bute Council carry out safety inspections of footways which identify defects in need of treatment. However we do not carry out condition surveys and therefore do not have an equivalent to the carriageway RCI score. Using a combination of the safety inspections, monitoring service requests and complaints prioritised lists are compiled for footway programmes. Footways investment of £1m over previous 3 years has tackled some of the worst identified sections of the network aimed at reducing reactive maintenance demands. The planned capital investment for 2023/24 was £750k with no funding planned for 2024/25.

Our footways have a depreciation cost of approximately £1M per annum, as calculated by SCOTS, therefore a steady annual investment required to prevent the footways from deteriorating and maintained safe and proportionate for use.

Without a proper Asset Condition Survey, we are only able to estimate that a budget of at least £450k per annum will provide suitable investment to maintain footways in a safe and proportionate condition.

Risks

1. Increase in third party insurance claims. This would be due to an increase in potholes and road defects as funding was not sufficient to treat roads properly.
2. Restricted traffic and the possibility of some roads having to be closed on safety grounds. Failure to fully deliver the duty to maintain, through limited funding as a Roads Authority and a lack of funding will require prioritisation of routes which may well restrict vehicular sizes on certain roads to prevent further decline/damage. This would include consideration of weight, width and length limits on our roads as well as restricted speed limits and ultimately road closures if roads were to become unsafe due to damage. The practicality to deliver on road closures or restrictions also imposes a cost on the council funds to provide traffic management and Temporary Traffic Regulation Orders.
3. Detriment to business and tourism should the road network deteriorate to a point that its condition is not convenient for the travelling public.
4. Increased risk of flooding and land slips should drainage and ditch clearance works not be carried out regularly.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Asset Sustainability:

Carry out a mix of surface dressing, edge strengthening, resurfacing works. The surfacing works will include proportionate drainage works. Works will be identified from condition surveys, collision data, and known development activity and reports from the public. Final programmes may be adjusted to take account of any winter deterioration.

Service Development:

£8M capital budget with the current level of revenue funding under normal conditions will enable officers to keep the network from deteriorating. However, due to the recent severe weather incidents where we had multiple bridge and road closures and dependent on the severity of the upcoming winter weather which could further deteriorate the network; we will require further funding to supplement the current budget. This may be forthcoming through the Bellwin Formula from Scottish Govt however the first £500k must be met by the Council for Emergency Works.

Strategic Change:

An annual investment of just over £8M would maintain the overall RCI provided there was no real change to inflation, however as inflation and costs increase the steady state budget must also be increased. Without this inflationary adjustment, the volume of reactive temporary repairs would steadily rise, year on year as would public liability claims. Customer satisfaction levels can be expected to steadily decrease.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Road Maintenance	Minimum of £8M	Calculated as per agreed methods	Nil for 2024/25	Asset Sustainability
2. Extreme Weather Events	£1.1M	Still being calculated as works are ongoing	£1.1M	Asset Sustainability These costs were not claimable via Bellwin as they were capital related.
3. Footway Maintenance	£950k	Estimation of condition calculated as three percent of gross replacement cost of the asset.	£450k	Asset Sustainability

4. Rockfall Stability Gallanach Rd Oban Site currently periodically monitored to ensure safety. Risk of rock fall onto carriageway.	£300k	Based on quotations/estimate received as part of a stability report	£300k previously bid from Crown Estates funding	Asset Sustainability
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Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	<ul style="list-style-type: none"> • STTS £0.387M • Active Travel Funding £500k for footways • Road Safety Improvement Fund 	<ul style="list-style-type: none"> • STTS • Crown Estates Funding • RTIF
Service Development	<ul style="list-style-type: none"> • Crown Estates Funding of £400k for Tobermory Car Park (Moved to Tobermory Cemetery) 	<ul style="list-style-type: none"> • Levelling Up Funding may not meet criteria for new £20m partnership fund
Strategic Change		

Links to relevant strategies

Local priorities based on output from machine surveys, SCRIM, STATS 19, engineering judgement, service demands. Roads assessed as amber and those with the greatest impact on the economy.

Maintaining Scotland's Roads – Audit Scotland, February 2011

“Transport Scotland and Councils should review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life.”

The road infrastructure is also covered by the Roads Asset Management Plan (RAMP) which has been carried out as part of a national project steered by SCOTS. This means that the roads asset infrastructure's condition can be compared not only across Argyll and Bute, but across the whole of Scotland.

PRIORITY INVESTMENT PLAN

Asset Group	Street lighting	3 rd Tier Manager	Tom Murphy			
Description of Asset Group and Condition Assessment	Gross street lighting stock replacement cost (new replacement) from the current Asset Register is £47m.					
	<p>We have 13,616 Lighting Columns. It is estimated that 35-45% of these columns have exceeded their expected service life of 25-30 years, with some in the region of 70 years.</p> <p>A luminaire replacement programme is nearing completion. Under this programme all luminaires have been changed from old energy inefficient units to LED units which use approx 50% of the energy required of old units, provide a more directional light with significant improvements to colour definition and vastly reduce light pollution which is hugely beneficial to dark skies.</p> <p>We do not have a comprehensive conditions index for Street Lights and illuminated signs, however they were inspected in our LED replacement programme. This has provided a prioritisation of columns due for replacement with the residual funding from the LED project together with other capital allocations that have been received.</p> <p>Service Standards: To ensure that our asset is maintained properly, electrical certification / testing is required every 6 years with column condition and ranking carried out every 4 years as part of scheduled planned maintenance. The next round of testing is now due.</p>					
Investment (current and planned)			Current Year	Anticipated Investment (£m)		
	Funding	Funding source	2023-24 (£m)	2024-25	2025-26	2026-27
	Block Allocation	Scottish Government	0.150	0.150		
	Block Allocation Carried Forward	Scottish Government	0.000	0.440		
	Additional Council Allocation	Council	0.290	0.010		
	LED Project - Prudential Borrowing	Council	0.061	0.613		
			0.501	1.213	0.000	0.000
2023-24 Overview						
Investment Strategy						
<p>The LED Upgrade Project funded by Prudential Borrowing is nearing completion in terms of luminaire upgrades, we are still looking to finalise this within financial year 2023/24, but this may slip due to the availability of micro-chips, specialist contractors etc. To date 240 columns have been identified in the poorest condition category and will be replaced through the LED Upgrade Project.</p> <p>In addition, with the extra capital funding received during 2023/24, a number of improvements schemes have commenced which will further upgrade the lighting stock.</p> <p>The anticipated capital budget of £150k for 2024/25 will see this column and cable replacement continue.</p>						
Risks						

1. Insufficient investment may lead to column and or systems failure with the possibility of damage to individuals/property.
2. Health and safety consideration of columns are old and rusted with the potential to fall down in adverse weather.
3. Lack of reliability and increased outages would lead to a corresponding increase in customer contact/complaints and a negative impact on the Council's reputation.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Lighting has benefited from investment to change luminaires to low energy LED. This has approximately halved our energy consumption and has provided benefits with significantly reduced light pollution and which benefits dark skies.

With investment of £150k for 2024/25, we will only be able to plan to improve a small percentage of lighting assets. We prioritise funding through a study of any planned maintenance findings, analysis of fault records and reliability, light level meter checks for inadequacies, column condition scores – all will be considered to compile and prioritise programs of work.

A thorough review of the LED programme will be carried out during 2024/25 to assess what was the position on commencement of the project and where we are now, and what funding shortfalls there may be. This will be reported to EDI during 2024/25.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of LED installation programme	LED Business Case	Calculated	0	Asset sustainability
2. Column replacement and cabling works	£854k	Calculated	*	Asset sustainability
3. Continue asset sustainability works	tbc	Indicative – value tbc	*	Asset sustainability

- The review of the LED, column and cabling requirements for street lighting will identify funding requirements for future lighting works. A report will be brought to the ED&I committee later in 2024.

Match funding Opportunities/External Funding

	Achieved 2024-25	Opportunities 2025-26
Asset Sustainability		
Service Development		
Strategic Change		

Limited opportunities for match funding/external funding. Historically Scottish Futures Trust have provided interest free loans for lighting however it is understood that this funding stream is no longer available.

Links to relevant strategies

LED strategy for converting low efficiency luminaires to LED.

Climate Change strategy.

PRIORITY INVESTMENT PLAN

NOTE: Some sections require more information to be inputted which will be provided in due course

Asset Group	Amenity	3 rd Tier Manager	Hugh O'Neill and Tom Murphy							
Description of Asset Group and Condition Assessment	Asset Group	No and/or value.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Cemetery	131	44	8	8	5	0	0	0	66
	Parks and Open Spaces	30 Play Parks	6	4	18	2	4	6	16	4
	Parks and Open Spaces	Sports Fields	5	6	14	0	3	6	9	7
	Parks and Open Spaces	Stadium	2	0	1	0	0	3	0	0
	Toilet facilities	55	7	20	27	6	6	15	20	19
<p>Argyll and Bute Council has 131 Cemeteries with 66 Closed for the sale of lairs. They are however still being opened for interments as well as the Council being responsible for the upkeep of the Cemetery. They have been listed as Suitability D in the above Table.</p> <p>65 Cemeteries are open for the sale of lairs, however they have been broken down in the condition table to whether they have 20+ years Condition A, 10-20 years Condition B, 5-10 years Condition C and 0-5 years capacity Condition D.</p> <p>Argyll and Bute Council have 30 Play parks which are listed as D in urgent need of repair, C in need of repair, B minor repairs needed and A in good order.</p> <p>Argyll and Bute Council have 25 Sports pitches parks which are listed as D in urgent need of repair, C in need of repair, B minor repairs needed and A in good order.</p> <p>Argyll and Bute Council have 60 Public Conveniences are listed as D in urgent need of repair, C in need of repair, B minor repairs needed and A in good order from the condition survey.</p> <ul style="list-style-type: none"> - Sports Fields - We have 25 Sport Fields which cater for a mix of football/shinty and rugby. We have listed them as A=Good condition/B=Reasonable Condition/C=Poor Condition. Most require drainage work as well as work to improve the playing surfaces of the pitches and update/replace fencing. - Stadiums – We have 3 stadiums which are listed as 2 in good condition and 1 in poor condition - Toilets – 16 high footfall public conveniences are in the process of having charging infrastructure installed through a £300,000 scheme [£100,000 Council capital; £200,000 Coastal Communities]. Income received can be used to meet previously unachieved income targets. Depending on the level of income received, information from these 16 sites following the fitting of the charging infrastructure can be used in a business case to consider extending the number of public conveniences where charges are made. 										
Investment (current and planned)	Funding	Funding source	Current Year 2023-24 (£m)	Anticipated Investment (£m)						
			2023-24 (£m)	2024-25	2025-26	2026-27				
	Block Allocation	Scottish Government	0.100	0.100	0.000	0.000				
	Block Allocation Carried Forward	Scottish Government	0.182	0.411						
	Capital Grant (Play Parks)	Scottish Government	0.000	0.547	0.391					
	Coastal Communities Fund	Crown Estate	0.200							
	Council Additional Allocation	Council	0.000	0.310						
			0.482	1.368	0.391	0.000				

Investment Strategy

Cemeteries

Officers are reviewing the capacity of cemeteries, those with less than 5 years capacity are prioritised in line with budget availability. Cemeteries are either extended or when this is not possible then nearby land is identified where possible within Council ownership and if not then land owners are approached to purchase land. To support cemeteries with less than 5-10 years capacity, the EDI Committee has agreed a policy in regards to lair availability, whereby the pre-sale of lairs is stopped when capacity is less than 5-10 years.

Play Parks

Play Parks have been reviewed by trained officers to identify defective equipment and surfaces. Previously no funding has been available and defective equipment has either been removed or fenced off. On occasion funding sources have been identified to locally refurbish equipment and play parks such as Atlantis in Oban. The details of the review have now been collated highlighting the priority play parks in need of refurbishment with the Scottish Govt Funding and engagement is ongoing with elected members at present to agree a suitable spend for the budget locally. Play park funding will be covered by the Scottish Govt budget for another two years. There are no further plans to develop play parks further than this.

Pitches

Most pitches are in need of drainage work as well as work to improve the playing surfaces of the pitches and update/replace fencing. Several pitches have previously had drainage works carried out and now at least 6 need urgent drainage works to enable sports to be played on the pitches following wet periods.

In regards to Rothesay Stadium, this requires extensive drainage works as well as building works to ensure health and safety is not compromised. Work is also required to continue to improve the mobile stand.

Public Conveniences

Various public conveniences (PC) are undergoing improvements and general upgrades. At the P&R Committee meeting on 13/10/22 additional funding was approved subject to SG confirming the anticipated level of Coastal Communities funding being received. 16 high footfall public conveniences are in the process of having charging infrastructure installed through a £300,000 scheme. 16 PCs are being upgraded to door entry systems which will generate an income, through door payment systems, for the council which will contribute towards the asset sustainability and general day to day maintenance of the PCs.

R&IS will work with property colleagues with a view to putting in place an asset management system for Public Conveniences which helps to identify long term programmes of works removing the more reactive approach to none statutory property maintenance for the R&IS property estate.

The service has developed a number of robust partnerships with community groups to assist with the opening, closing, stocking and maintenance of public conveniences. This partnership approach, whilst fostering a collaborative arrangement with the community, it also helps to reduce direct costs to the Council. As a general rule the Council maintain full responsibility for the maintenance of the fabric of the building with the community groups carrying out the day to day servicing and cleaning duties. The locations with partnerships in place are:

Ardentinney

Tayinloan

Pensioners Row

Calgary

Scaranish

Risks of insufficient funding to carry out asset sustainability and asset improvement works:

1. As a Burial Authority, the Council will risk being in breach of legislation should there not be sufficient funding for cemetery expansion and development. Further, this will damage the council's reputation should more cemeteries close and cause negative feedback from deceased relatives etc.
2. Sports pitches would become unfit for purpose which would be detrimental to the council's objective of a healthy community. This would also see clubs using all weather facilities at the council's High schools, this

has recently been raised as an issue with clubs being unable to book the pitches due to over subscription. Officers have also experienced sports clubs taking their bookings to neighbouring authorities. Ongoing discussions with the local sports group regarding the development of Mossfield stadium in Oban have paused pending sufficient information to satisfy external funders/grant organisations. Discussions are ongoing with Oban rugby club around improvement to the pitch the club use adjacent to Mossfield stadium.

3. Breach of Health and Safety legislation if toilets are not maintained in a good condition and reputational damage to the Council. Not maintaining our public conveniences also limits the opportunities for the council to engage with potential third sector partners. It is interesting to note that there is no financial allocation through the GAE settlement for public conveniences.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

1. Cemetery investment will be prioritised on extending cemeteries with limited life as per the asset cemetery plan considered by EDI Committee in November 2023.
2. Sports field investment will be prioritised towards proportionate works which ensure that the sports facilities are available and fit for purpose for both young people and adults. Much of this work would include drainage of the playing surface, boundary fencing and any lighting together with changing rooms and associated buildings etc. All of these works effectively falling within the asset sustainability category.
3. Investment in playing fields would be prioritised where third party external funding can also be secured encouraging community groups to secure investment and work in partnership with the Council where this can be demonstrated to be sustainable long term.
4. Public convenience investment will be used to ensure we meet statutory requirements in terms of health and safety and public health.
5. Where business cases stack up, further investment over and above the 16 currently funded, will be made to generate income and a self-financing model through additional charging infrastructure being installed.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Burials/Cemetery Expansion and or Development	£310k	Indicative	Budget provision made in February 2023	Asset sustainability
2. Sports facilities/playing fields areas	£938k	Indicative	Works will be prioritised base on health and safety, facility use and value for money.	Asset Sustainability – carrying out proportionate works to ensure sports areas/playing field are available and fit for purpose.
3. Toilets – turnstiles	£300k	Calculated	£0 Fully funded for 16 sites	Asset Improvement

The highest priority for R&IS is Cemeteries at this time, there are 5 locations where there is less than 5 years available capacity for lair space as well as high level indicative costs for each location amounting to £310k. Experience of

previous expansion and land purchase timescales highlights that at least 5 years are required in some cases to identify, source, purchase and prepare the land for use as a cemetery.

Match funding Opportunities/External Funding

	Achieved 2024-25	Opportunities 2025-26
Asset Sustainability	£235k from Scottish Govt Play Park Fund	£391k from Scottish Govt Play Park Fund
Service Development		<p>Currently ongoing partnership discussions with sports clubs in Oban around attracting local investment to improve Mossfield Stadium and other sports fields in the Oban and Lorn area.</p> <p>Potential opportunities which are being pursued with the local sports group regarding the development of Mossfield stadium in Oban have paused due to the committee requiring to obtain certain aspects to satisfy potential funders.</p> <p>Discussions are ongoing with Oban rugby club around improvement to the pitch the club use adjacent to Mossfield stadium.</p>
Strategic Change		

Links to relevant strategies:

Play Park and Cemeteries: [December EDI](#) (Items 5 and 7).

PRIORITY INVESTMENT PLAN

Asset Group	Depots	Manager	Tom Murphy/John Blake		
Description of Asset Group and Condition Assessment	In terms of a description of the asset group, apart from the two new single depots in Helensburgh and Oban the remainder are increasingly unsuitable. A table with comments and future uses in terms of the proposed programme should capital funding be available is provided below. There is an ongoing review of the proposed programme and how it is resourced and funded:				
Area	Site	Retain and Repurpose	Dispose	Retain	Comments
Mid Argyll	Bishopton Rd		x		Compelling operational need/risk due to condition of fleet workshop
	Moneydrain		x		
	Kilmory	x			Site clearance and enablement progressing. Two phase project – full design; construct Fleet workshop Ph1; remainder Ph2
Islay	Bowmore Roads Depot		x		Housing
	Bowmore Amenity Depot		x		Once the depot is relocated out of Bowmore the site has potential for housing which may meet some of the demand for key worker accommodation on the Island.
	Springbank salt yard		x		Leased from Luss Estates
Dunoon	Hamilton St	x			Suitable for single depot site, limited groundworks required unlike Kilmory and JQ
	Victoria Rd		X		Punitive lease arrangement and ongoing maintenance costs are v high
	Broxwood		X		Storage area in Sandbank
	Millhouse			X	Important for winter service
Kintyre	Roading Garage	x			The two Roothing sites are nearby, with the Renewi site inbetween. The former KRL building is to the rear of the Garage. There could be possibilities for a single depot on or around parts of these sites
	Roothing amenity depot	x			As above

	MACC roads depot		x		Leased
Oban	Jackson Quarry	x			This is complete
	Mill Park		x		
	Appin		x		
	Dalmally			x	Important for winter gritting – adjacent to A819 which is the most turned out route in AB

Investment (current and planned)			Current Year	Anticipated Investment (£m)		
	Funding	Funding source	2023-24 (£m)	2024-25	2025-26	2026-27
	External Income	Revenue	0.012	0.000	0.000	0.000
	Capital Grant – Area control Accounts	Scottish Government	0.030	0.000	0.000	0.000
			0.042	0.000	0.000	0.000

2023-24 Overview

Investment Strategy

Asset sustainability in terms of general day to day maintenance is undertaken by Property colleagues through the Central Repairs Account within revenue.

There is no identified funding for investment in service development/strategic change projects, however; were funding to be identified we would look to develop a programme considering such factors as operational need, asset condition, ongoing maintenance cost avoidance and commercial opportunities for sites to be vacated. Ultimately the programme should be driven by operational need as opposed to possible savings.

A scheme in Lochgilphead would be the first priority due to the condition of the Bishopton Road fleet workshop; followed by Islay due to housing demand then Dunoon due to high lease and maintenance costs.

Risks

Apart from the new depots in Oban and Helensburgh the condition of the remainder of the asset group is increasingly unsuitable. Capital investment is required both to provide fit for purpose facilities for the workforce as well as to reduce the over number of assets, releasing sites for other economic opportunities.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

There is no identified capital funding.

Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into

what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Lochgilhead depot rationalisation	£3million	Indicative based on cost of Jackson's Quarry depot Oban, completed 2021	£3million [note some of these costs could be offset by borrowing against income derived from vacated sites. At the last valuations this could raise c. £1million borrowed over 30yrs]	Service development
2. Islay depot rationalisation	£1million	Indicative	£1million	Strategic change [enabling new housing opportunities]
3. Dunoon	£1-2million	Indicative	£1-2million	Service development

It should be noted that the above costs are indicative at this stage. Further work is required to firm up the costs and this will be reported in due course.

Match funding Opportunities/External Funding

	Achieved 2024-25	Opportunities 2025-26
Asset Sustainability	Capital receipts / revenue generated from surplus depots	
Service Development		
Strategic Change		

Links to relevant strategies

PRIORITY INVESTMENT PLAN

Asset Group	Parking	3 rd Tier Manager	Hugh O'Neill							
Description of Asset Group and Condition Assessment	Argyll and Bute have 118 off street car parks ranging from formally laid out urban car parks to less formal more rural car parks.									
	There is no fixed scoring mechanism for our car parks, although safety inspections are carried out to a standard similar to those carried out on the road network. Wardens and local roads inspectors report issues as and when necessary. We recently updated our car park inventory on our Asset Management System and facilitate regular condition inspections in all ABC car parks to ensure best value.									
	Asset Group	No.	Condition				Suitability			
			A	B	C	D	A	B	C	D
	Car Parks	118	42	53	21	1	N/A	N/A	N/A	N/A
	Argyll and Bute Council has 29 Pay and display car parks. We have no details in regards to suitability, therefore have gauged the asset on Condition alone as per above.									
	There is no capital funding for car parks – car park maintenance budget money is funded from income raised from fees and charges.									
Investment (current and planned)	Funding	Funding source	Current Year				Anticipated Investment (£m)			
			2023-24 (£m)				2024-25	2025-26	2026-27	
	COVID Funding	Scottish Government	0.096				0.000	0.000	0.000	
	TOTAL		0.096				0.000	0.000	0.000	
2024-25 Overview										
<p>Investment Strategy</p> <p>£270k Annual Revenue Funding for Maintenance Improvements to lining, car park surfaces and associated maintenance of grounds and parking machines. Improve current condition of sites with the most deterioration in line with finances available.</p> <p>Risks</p> <ol style="list-style-type: none"> 1. Insufficient investment in proper surfaces may incur liability claims with an increase in 3rd party insurance claims 2. Loss of revenue if parking meters are not fixed timeously or if car parks are in a sufficiently poor condition it will discourage their use. 3. Failure to future proof car parks with Traffic Regulation Orders to allow proper management and enforcement may make Argyll and Bute less popular as a tourist destination and reduce tourist numbers affecting the local economy/tourism and businesses. 4. Improving current site conditions will improve tourist numbers and better manage traffic around towns and villages. 										
Summary of Planned 2024/25 investment										

Investment Strategy at funding levels indicated above

A further Funding bid for Glen Loin 2 Car Park was successful for £30k towards Designing a new car park area. This is expected to allow future funding bids to re-design the car park and possibly install toilets, EV Charging bays and camper van bays. Predictions on funding will be no sooner than 2024/25 and will not be evaluated until next year (2024).

Issues have arisen due to over use of the Ferry Terminal at Western Ferries in Dunoon. The current marshalling area is too small and as such on busy dates (particularly summer and when the R&BT is closed), cars are stopping and waiting on the roadway which is causing an obstruction for other road users. As Roads Authority the Council has a duty to ensure that the road network is safe and available for the travelling public. In situations where traffic may be causing congestion the council will work with any operator or business who may be contributing to the congestion.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Glen Loin 2	Unknown			Asset Sustainability
2. Tobermory Car Park	Approx £1-£2M	Previously calculated	£1-£2M (no funding identified at this time)	Service Development
3. Revenue Improvements	£270k	Calculated	£0	Asset Sustainability

During Covid, Loch Lomond experienced large volumes of staycation visitors which has continued into 2023/24. A partnership group including The National Park, Forestry & Land Scotland, Transport Scotland, Police Scotland, Luss Estates and Argyll and Bute Council worked together to support local communities in and around Luss, Arrochar and Duck Bay areas. Part of this included a Traffic Management plan which sought to improve and increase the car park at Glen Loin 2. Funding was successfully bid to redesign the car park with support from Rural Tourism Scotland; the plan to re-design the car park is fully supported by the other partners. The finalised re-design has not yet been fully costed.

The Tobermory Car Park is currently held in abeyance due to the increase in costs experienced for the joint Cemetery and Car Park project. The island community of Mull are keen to improve the parking infrastructure particularly around Ledaig, Tobermory and further discussions have taken place to look at other potential nearby sites. Consideration will be given as to whether there are any other funds to be accessed to support the build of the car park e.g. Island Infrastructure Fund / Crown Estate.

Match funding Opportunities/External Funding

	Achieved 2024-25	Opportunities 2025-26
Asset Sustainability	RTIF Funding for improvement of Glen Loin 2 Car park extending into next financial year.	Crown estates Funding
Service Development		Islands Infrastructure Fund
Strategic Change		

Links to relevant strategies:

N/A at this time as Design is still being carried out for Glen Loin 2 in Arrochar.

PRIORITY INVESTMENT PLAN

Asset Group	Bridges & Retaining Walls	3 rd Tier Manager	Elsa Simoes																																																	
Description of Asset Group and Condition Assessment		Number	Condition Indicator*																																																	
	Bridges (over 1.5m span)**	903 (increase from 2022/23 due to new structures identified not previously listed on the asset register)	BCi 88.83***																																																	
	Recorded retaining walls (over 1m retained height) – estimated that 80% of total number are recorded**	912																																																		
<p>* Very good >=90 & <=100; Good >=80 & <=90; Fair >=65 & <=80; Poor >=40 & <=65; Very Poor >=0 & <=40</p> <p>**Culverts under 1.5m span are managed by Operations and are excluded from the above – however, if a culvert is replaced and its span is increased above 1.5m due to flood risk mitigation, it would be reclassified as a bridge.</p> <p>**Retaining walls under 1m retained height are managed by Operations</p> <p>*** This demonstrates a continued deterioration from 89.01 in 2021/22, 89.06 in 2020/21, 89.27 in 2019/20 and 90.72 in 2012/13. It should be noted that structural assets deteriorate slowly. In future, it is expected the weighted average BCi will be recorded. Currently it is 89.13 – a deterioration compared to 89.33 in 2021/22, 89.47 in 2020/21 and 89.92 in 2019/20.</p> <p>Bridge Condition is calculated through Structural Inspections carried out by in-house Bridge Inspectors through the Asset Management Software used by a number of Councils.</p> <p>Structural condition is measured through the in-house inspection of assets which considers each element of a structure. National guidance documents are utilised as well as a standardised Asset Management system.</p> <p>There is a backlog of maintenance due to a number of structures that have been identified below (currently) totalling £26.4m.</p>																																																				
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<p>October 2023 saw an extreme weather event damage a number of bridges in Argyll and Bute. Scientific evidence has proven that a rise in temperature results in more moisture in the atmosphere and therefore more rain. The recent weather events in Argyll and Bute, the wider UK and further afield confirm that we are very likely to see an increase in extreme weather events which are likely to impact bridges and structure as we have seen from the October 2023 event. These events are likely to place significant financial demands on the Council. The following schemes are currently being progressed:</p>																																																				

- B839-50 Lochgoilhead Bridge Emergency Works October 23
 - Major scour repairs to both abutments, central pier, all approach walls, pitched invert and all associated works,
 - Estimated cost circa £120k.
- B836-060 Balliemore Bridge Emergency Works October 23
 - Temporary bridge and bypass road required whilst existing bridge is demolished and replaced,
 - Estimated cost circa £1.9m.
- C057-020 Bridgend Bridge Emergency Works October 23
 - Scour repairs and masonry repointing works,
 - Estimated cost circa £30k
- B844-010 Kilninver Bridge Emergency Works October 23
 - Major scour repairs, repairs of undermined abutment and stabilisation of upstream and downstream embankments,
 - Estimated cost circa £120k.
- A816-110 Cuilfail Hotel Bridge Emergency Works October 23
 - Demolition and replacement of severely scour damaged bridge including upstream and downstream scour protection works,
 - Estimated cost circa £2m.
- U021-030 Ri Cruin Bridge Emergency Work Oct 23
 - Repair of scoured abutments,
 - Estimated circa £50k.
- A815-279F Victoria Footbridge Emergency Works October 23
 - Minor works – obstruction clearance,
 - Estimated circa £2k.
- A814-280 Glenmallan Bridge Emergency Works October 23
 - Minor works – obstruction clearance,
 - Estimated circa £2k.
- B833-025 Lindowan Burn Culvert Emergency Works October 23
 - Minor works – obstruction clearance,
 - Estimated circa £5k.
- B828-010 Glenmore Bridge Emergency Works October 2023
 - Minor works – obstruction clearance,
 - Estimated circa £3k.
- Structures Special Inspections following October 23 Flood Events
 - Emergency inspection of all at risk structures within area of extreme weather event,
 - Estimated circa £15k.

Investment
(current and
planned)

Funding	Funding source	Current Year	Anticipated Investment (£m)		
		2023-24 (£m)	2024-25	2025-26	2026-27
Block Allocation	Council	0.450	0.450		
Block Allocation Carried Forward	Council	(0.071)	1.056		
Additional Council Allocation (Bute Sea wall)	Council	0.059	0.621		
Coastal Change Adaptation	Scottish Government	0.041	0.246		
Local Bridge Maintenance Fund	Scottish Government	0.173	4.827	0.203	
		0.652	7.200	0.203	0.000

2023-24 Overview

Investment Strategy

Bridge Inspections are carried every 24 months in accordance with DMRB Standards.

Principal Inspections / Structural Reviews / Bridge Assessments are undertaken to determine priority of strengthening/improvement works.

Capital Bridge Strengthening and Replacement Programme is prioritised using an in-house risk-based methodology which considers overall condition and risk of structure, extent and severity of defects, usage of structure and engineering judgement. This methodology has been modified in recent years to take account of new SCOTS guidance.

Revenue Structural Maintenance is currently prioritised using an in-house risk-based methodology which considers overall condition of structure, extent and severity of defects, usage of structure and engineering judgement.

Bridge Parapets (including vehicular barriers associated with bridge structures) have been ranked using an in-house system of factors.

Structures:

1. *Capital Bridge Strengthening and Replacement Programme*
Schemes currently being progressed:
 - *A816-120 Oude Bridge Replacement – Local Bridge Maintenance Fund (LBMF)*
 - *A849-280 Pennyghael Bridge Replacement - LBMF*
 - *A846-270 Glenegedale (2) Bridge - LBMF*
 - *B844-010 Kilninver Bridge - LBMF*
 - *B840-140 Ardchonnell Bridge - LBMF*
 - *B839-050 Lochgoilhead Bridge - LBMF*
 - *A815-230 Cothouse Bridge - LBMF*
 - *B842-010 Claonaig Bridge - LBMF*
 - *B842-150 Whitestone Bridge - LBMF*
 - *U025-060 Auchanfruin Bridge*
 - *U022-050 Glendaruel Bridge*
 - *U014-00-W32 Middle Brae Retaining Wall*
 - *B833-025 Lindowan*
 - *A8003-010 Waulkmill Bridge*
 - *A817-020 Auchengaich Bridge Repairs*
 - *B844-030 Clachan Bridge Repairs*
 - *B872-040 Whistlefield South Bridge*
2. *Revenue Structural Maintenance Programme*
 - *Bridge & Wall Inspections*
 - *Bridge & Wall Maintenance Repairs*
 - *Management of Abnormal Load Notifications*
 - *Technical Approval*
 - *Asset Management*
3. *Revenue Structural Assessment*
 - *Assessment of Bridges and Retaining Walls*

The current level of total capital & revenue funding is expected to result in an increase in the number of restricted bridges in the longer term as well as a reduction in the overall Bridge Condition indicator (BCI).

Coastal Protection:

1. *Capital Coastal Protection*
 - *Coastal Protection Strengthening Repairs*
2. *Revenue Coastal Protection:*
 - *Coastal Protection Inspections*
 - *Coastal Protection Maintenance Repairs*

3. *Asset Management*

Risks

1. Increase in risk of bridge/road weight restrictions or closures.
2. Communities being left isolated should any single access areas have closures or restrictions imposed. For example Seil, Easdale and Luing communities will be severely affected if Kilninver bridge had to have a restriction.
3. Inspections, assessments and works are prioritised to best manage the risks versus available funding and the Council's responsibilities for its assets.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Emergency October 2023 works following extreme weather event	£3.248m	Indicative	£3.248m	Asset sustainability
2. Bridge Strengthening and Replacement Programme	£TBC	Calculated	£TBC	We have funding from SG for bridge strengthening however initial cost estimates are significantly above funding however will go back to SG to question terms of the grant and will revert back to Members.
3. Coastal Protection Schemes	25m	indicative	23.4m	Asset sustainability

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	Coastal Change Adaptation - £129k (for FY24/25)	Coastal Change Adaptation. Applications totalling £491k submitted this year: <ul style="list-style-type: none"> • Tiree SMP/CCAP - £72k • Islay SMP/CCAP - £62k • Dunoon- West Bay SMP/CCAP - £16k • Campbeltown SMP/CCAP - £81k • Helensburgh, Garelochhead and Cardross SMP/CCAP - £162k

		<ul style="list-style-type: none"> • Rothesay, Port Banatyne, and Kilchattan SMP/CCAP - £98k
Service Development	None.	
Strategic Change	None.	

Links to relevant strategies

- Maintain safe network of structures in accordance with [Roads \(Scotland\) Act 1984](#)
- [Argyll and Bute Council - Roads Asset Management Plan \(RAMP\) - June 2017](#)
- [Argyll and Bute Council - Coast Protection Policy and Strategy - March 2015](#)
- Ensure value for money for Council (through provision of cost efficient in-house design team). Maintain stock of Qualified Engineers.

PRIORITY INVESTMENT PLAN

Asset Group	Flood Protection Infrastructure	3 rd Tier Manager	Elsa Simoes
Description of Asset Group and Condition Assessment	<p>Existing Flood Protection Scheme Assets:</p> <p>Designed flood protection schemes in</p> <ul style="list-style-type: none"> ○ Rothesay (coastal), ○ Dunoon (two no. fluvial alleviation schemes; Milton Burn and Kilbride Road). <p>No formal condition rating.</p> <p>Concerns about Rothesay FPS are known. Investigations and studies are ongoing to determine future maintenance requirements.</p> <p>Current/Future Flood Protection Schemes:</p> <ol style="list-style-type: none"> 1. Campbeltown Flood Protection Scheme started construction in 2022 and is programmed to be completed in early 2024, 2. Tigh Dear Road scheme, identified through Kilcraggan SWMP commenced site works October 2023 programmed for completion February 2024, 3. Helensburgh surface water drainage has also been identified and designs are ongoing 4. Future potential schemes are subject to available funding from the Scottish Government and Argyll and Bute Council (anticipated 80%/20% split). The following schemes were reported to the Scottish Government in 2023: <ol style="list-style-type: none"> a. Proposed Cycle 2 schemes (2024-28). Current, anticipated 20% share for three schemes is £504k; <ul style="list-style-type: none"> ○ Dunoon Black park ○ Dunoon Sandhaven ○ Lochgilphead b. Proposed Cycle 3 schemes (2026-35). Current, anticipated 20% share for three schemes is £7.566m; <ul style="list-style-type: none"> ○ Clachan ○ Oban ○ Tarbert ○ Helensburgh <p>Other structures which provide informal flood protection to population centres require to be documented in order to quantify the asset, owner, and condition. This is in part the purpose of the Local Flood Risk Management Plan 2022-2028, to assess risk in those areas affected by flooding.</p> <p>Watercourse assessments are being carried out and a schedule of clearance and repair works to be programmed following these.</p> <p>A Surface Water Management Plan has been incorporated into the Campbeltown Flood Protection Scheme and the Council aims to prioritise other areas respectively.</p> <p>Shoreline Management Plans are a requirement from the Flood Risk Management Plans. Coastal Change Adaptation budget is able to be used for this and the Council is in the process of awarding to a specialist consultant and applying for funds from Coastal Change Adaptation.</p> <p>The two Local Flood Risk Management Plans which relate to Argyll and Bute as described in this document (Highland and Argyll, Clyde and Loch Lomond) have been updated to Cycle 2 which cover 2022-2028.</p>		

The maintenance backlog on designed flood protection assets is currently minimal (Rothesay and Dunoon) as these assets are relatively new. Current flood alleviation assets are maintained under a combination of flood, coastal, and roads budgets depending upon the context.

On a wider scale there are under and un-designed flood protection assets throughout Argyll and Bute which are not formally recognised as such and may not be owned by the Council but serve this purpose e.g. the banks of the Black Lynn Burn through Oban. There is an unknown backlog on such assets but would certainly run to tens of millions of pounds of investment to bring to an ideal condition.

Investment (current and planned)	Funding <i>(eg block grant, Crown Estates, Sustrans etc)</i>	Funding source <i>(eg Council, Scot Govt etc)</i>	Current Year	Anticipated Investment (£m)		
			2023-24 (£m)	2024-25	2025-26	2026-27
	Block Allocation	Scottish Government	0.305	0.305	0.155	
	Block Allocation Carried Forward	Scottish Government	0.051	0.467		0.038
	Chord Budget	Council	0.001	0.127		
	Coastal Communities Fund	Crown Estate	0.000	0.300		
	Campbeltown Flood	Council	2.202	0.345	0.011	
	Campbeltown Flood	Scottish Government	5.800	1.065		
			8.359	2.609	0.166	0.038

2023-24 Overview

Investment Strategy

On a strategic scale this is through the Local Flood Risk Management Plan(s) and the SEPA led National Flood Risk Assessment process to consider local history and impact of flooding as well as national flood risk based on climate change predictions – all in accordance with Flood Risk Management (Scotland) Act 2009.

The cost of implementing flood protection schemes has to be less than the damages avoided i.e. a benefit cost ratio of greater than one. Non-economic benefits are also being considered by SEPA. However, the weighting this has on its prioritisation is being considered by the Scottish Government and COSLA.

Risks

1. A key risk is loss of investment from Scottish Government. There is a defined process currently for assessing flood risk and prioritising investment across Scotland. If ABC do not participate in this process then the potential for 80% funding of flood schemes is lost.
2. Road closures and loss of assets – Several population centres in Argyll and Bute will be at significant risk of more frequent flooding in the future with climate change. Communities living along lifeline roads may be cut off temporarily. This will lead to considerable financial impact to properties and businesses. **Ultimately, significant flooding events can lead to loss of life.**

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of Campbeltown Flood Protection Scheme	15.215m	Calculated	£710k	Strategic Change
2. Carrying out works as identified under section 18 scheduled of clearance and repair.	TBC	TBC	TBC	Asset Sustainability
3. Carry out emergency and urgent reactive works punctually	Unknown	N/A	Unknown	Asset Sustainability

Delivery of identified Cycle 2 schemes as per the Local Flood Risk Management Plan cycle one flood studies are considered as possible future schemes should Scottish Government Funding be identified and made available. Scottish Government funding would be expected to cover 80% of each scheme.

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	None	Not Yet Known
Service Development	None	Not Yet Known
Strategic Change	80% contribution for Campbeltown Flood Protection Scheme from Scottish Government.	Possible Scottish Government identification of funding for 80% contribution to Cycle 2 Schemes identified from Cycle 1 Studies.

Links to relevant strategies

- [Argyll and Bute Council - Flood Risk Management Policy – March 2015](#)
- Flood Risk Management Plans (Cycle 2):
 - [Highland and Argyll - Local Flood Risk Management Plan \(2022-2028\)](#)
 - [Clyde and Loch Lomond - Local Flood Risk Management Plan \(2022-2028\)](#)
- [Campbeltown Flood Protection Scheme \(argyll-bute.gov.uk\)](http://argyll-bute.gov.uk)

PRIORITY INVESTMENT PLAN

Asset Group	Fleet Services	3 rd Tier Manager	John Blake																													
Description of Asset Group and Condition Assessment	Fleet Services	No.	Condition				Suitability																									
			A	B	C	D	A	B	C	D																						
	Fleet vehicles & plant equipment	504																														
	TOTAL	504																														
<p>Fleet services are currently reviewing market costs for petrol/ diesel vehicles and the cost of alternatively fuelled vehicles, e.g. electric vehicles. A cost profile will be provided for petrol/ diesel vehicles and a comparison showing the difference in cost when purchasing electric vehicles. The costing will show the capital costs for outright purchase and the costs for leasing.</p> <p>A costing is being produced which reflects the maintenance costs of car and small vans to offer an index calculation on expenditure for maintaining this vehicle type and size.</p> <p>Vehicles and plant equipment will be maintained in line with current legislation.</p>																																
<table border="1"> <thead> <tr> <th rowspan="2">Asset Group</th> <th rowspan="2">No and or/Value*</th> <th colspan="4">CONDITION (percentages based on total asset value)</th> </tr> <tr> <th>Green / Purple</th> <th>Yellow</th> <th>Amber</th> <th>Red</th> </tr> </thead> <tbody> <tr> <td>Changes to legislation within the public sector informs us that from 2025 no petrol or diesel cars or light vans can be purchased as suitable replacements. Electric vehicles will be procured.</td> <td>Circa £8m over a number of years</td> <td>40%</td> <td>20%</td> <td>20%</td> <td>20.00%</td> </tr> <tr> <td>Fleet replacement (remainder of the Fleet)</td> <td>Capital £1.5m</td> <td>40%</td> <td>20%</td> <td>20%</td> <td>20.00%</td> </tr> </tbody> </table>											Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)				Green / Purple	Yellow	Amber	Red	Changes to legislation within the public sector informs us that from 2025 no petrol or diesel cars or light vans can be purchased as suitable replacements. Electric vehicles will be procured.	Circa £8m over a number of years	40%	20%	20%	20.00%	Fleet replacement (remainder of the Fleet)	Capital £1.5m	40%	20%	20%	20.00%
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				2024-25	2025-26	2026-27																										
	Prudential Borrowing	Council	1.941	0.246	0.000	0.000																										
	Earmarked Reserves	Capital	0.325	0.000	0.000	0.000																										
	Additional Council Allocation	Council	0.000	1.180	0.000	0.000																										
	Total		2.266	1.426	0.000	0.000																										
2023-24 Overview																																
<p>Investment Strategy</p> <p>There are insufficient funds capital available for considering a replacement cycle beyond 2025 for all vehicles with an internal combustion engine. The SG committed to phase out the use of vehicles with internal combustion engines in the Public Sector beyond 2025. There is currently no legislation or clarification of an exact implementation date as discussions ongoing with sector.</p>																																

The authority operates 504 Fleet vehicles. Vehicles are replaced dependant on funding and the focus replaces vehicles which cost a significant amount of revenue to maintain. The number of vehicles replaced within financial year 2023/24 is dependent on on-going funding. Vehicles purchases outstanding and awaiting delivery includes:

- 1 x White lining vehicle – out for procurement;
- 2 x 26 tonne RCV's – Orders placed, delivery March 24
- 1 x 18 tonne RCV - Order placed delivery Feb/March 24
- 7 x 7.5 tonne crew cabs – Order placed delivery Feb/March 24

The Scottish Government are making changes to the legislation relating to vehicle use in the public sector. It is expected that these changes will come into force 1st January 2025. All cars and small vans under 3.5 tonnes in weight replaced after this implementation date shall be zero emission vehicles. Existing internal combustion engines (ICE) vehicles will be permitted to be used until their end of life or disposal. There are 124 vehicles with ICEs which when replaced, beyond 1 January 2025 will have to be replaced with zero emission vehicles. Investment is required to ensure a programme is implemented for changing the current petrol and diesel vehicles to zero emission vehicles beyond 2025. Capital costs for replacing all vehicles under 3.5 tonnes (small cars & vans) is £8,017,749 capital, revenue costs for leasing the replacement vehicles is £1,233,066 per annum, the lease term is 3 years and includes maintenance.

Charging infrastructure is required to support the transition to comply with the Scottish Government requirements on public sector bodies to move to zero emission/electric vehicles. The infrastructure requirements will be a challenge to the authority due to the power supply required and the geographical area of Argyll and Bute inclusive of island settings. A&BC will need to continue investment levels, to date funded via Scottish Government, for charging infrastructure throughout Argyll & Bute to support compliance. Currently A&BC is rolling out charging infrastructure as per reporting to the ED&I Committee. However, there are some locations where there is insufficient grid capacity to supply chargers.

There is currently underspend/ slippage, this is due to the build time for replacement vehicles. Timeframes vary from 6 months to 24 months to procure suitable vehicles and plant equipment although improvements have been experienced for many vehicles with some specialist vehicles still experiencing long lead times . Capital investment with an element of prudential borrowing has allowed for essential vehicles to be replaced through capital purchase. It is noteworthy that all replacements are essential and purchases have been made on the basis of increased maintenance costs with particular vehicle types. High maintenance costs remain prevalent, this is due to the absence of sufficient funding to replace the Fleet on a cyclical basis.

Fleet is one of the areas that will have a further review as part of the Roads and Infrastructure Services review and further information will be brought forward to Members during 2024/25.

Risks

1. The inability to provide reliable, safe fleet vehicles and plant to service users to fulfil statutory requirements relating to work plans. There is a significant risk with the current ageing Fleet and having insufficient funds, the only option to mitigate against this risk is to invest in a full fleet replacement cycle. Capital funding has been made available with an element of prudential borrowing to purchase essential vehicles. The balance of replacement is difficult as all vehicles are essential.
2. Increased revenue expenditure for repairs and maintenance as well as service disruption due to vehicles being off the road, this risk can be related to current maintenance costs which are attributable due to the older vehicles that the authority continues to operate.
3. The Council must comply with changes in legislation beyond 2025 for smaller vehicles to move away from petrol and diesel fuelled types. There is a risk of legal non-compliance beyond this date if financial provision isn't readily available to replace required vehicles. In addition, EV infrastructure requires investment to allow the introduction of the vehicles into the service should funding be made available.

To comply with legislative changes beyond 2025, the capital costs for replacements would be:

Table 1. Purchase - Best value

Vehicle Class	Vehicle Class 2	Purchase Price - Best Value
---------------	-----------------	-----------------------------

02 x 7	Car Derived Van/P-up	224,900
03 x 29	Cars/Estates	998,712
04 x11	Panel Van < = 3000Kg	574,000
06 x 3	Car 4x4	61,800
20 x12	Accessible Car	471,000
21 x 14	MPV	848,250
22 x 46	Bus 12-17 Seater	4,312,000
35 x 5	Tipper 300>3500Kg	527,087
Grand Total		8,017,749

This is the total cost, not all required in one year.

There are no PHEV or EV 4X4 available

Table 2. Leasing – Best value per annum

Vehicle Class	Vehicle Class 2	Lease Price - Best Value
02	Car Derived Van/P-up	50,297
03	Cars/Estates	196,989
04	Panel Van < = 3000Kg	119,434
06	Car 4x4	14,790
20	Accessible Car	97,920
21	MPV	162,400
22	Bus 12-17 Seater	473,536
35	Tipper 300>3500Kg	117,700
Grand Total		1,233,066

Lease costs above are per annum

This is the lease cost if all vehicles were replaced at the same time, which is not required.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Asset sustainability - The Council has a duty to ensure vehicles are fit for purpose and comply with current legislation. Due to increasing repair and maintenance costs, an essential vehicle replacement programme is continues. Capital and revenue savings have been identified in the procurement of new vehicles. With smaller vehicles having to be replaced with zero emission vehicles/electric vehicles beyond 2025, there is an anticipated increase in replacement costs associated with vehicle replacements. The cost of replacing cars and small vans beyond 2025 is £8,017,749 in capital expenditure or revenue expenditure of £1,233,066 per annum over a 3 year period.

Vehicle replacements will be programmed ensuring that suitable, reliable fleet vehicles and plant equipment are available for service users, and with limited capital investment this will possibly be achieved through prudential borrowing.

This will also contribute to climate change with more modern vehicles purchased and reduced CO2 emissions contributing to the wider council net zero ambitions.

A full replacement cycle would be at a cost of £18m, this is based upon a recent calculation conducted, this will be refreshed again this year. Fleet purchases have already been made with a significant level of capital funding spent on roads vehicles.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Changes to legislation within the public sector informs us that from 2025 no petrol or diesel cars or light vans can be purchased as suitable replacements. Electric vehicles will be procured.	Indicative costs, January 2022 figures (to be refreshed)	(Calculated) Capital Revenue	£8,017,749 £1,203,066* per annum (over 3 years)	Asset sustainability (like for like service will be the outcome)
2. Replacement (remainder of the Fleet) essential replacements, investment required	£1.5m	Indicative	£1.5m	Fleet vehicles and plant

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	None identified	None identified
Service Development	None identified	Funding sources relating to roll out of petrol / diesel phase out beyond 2025
Strategic Change	None identified	None identified

Links to relevant strategies

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PRIORITY INVESTMENT PLAN

Asset Group	Waste Services	3 rd Tier Manager	John Blake				
Description of Asset Group and Condition Assessment	<p>SEPA condition surveys and site monitoring to ensure compliance with environmental legislation. The sites are permitted by SEPA to operate the sites. Renewi through a Waste PPP contract manage sites on behalf of the Council. The sites include civic amenity and landfill sites at the one locus, mixed waste, recycling etc. is managed on site. Renewi manage Moleigh, Dalinlongart, Lingerton, Westland's, Roading and Bogleha. The Council manage sites on Islay, Mull, Tiree and small civic amenity site on Coll and Colonsay. Officers monitor the requirements for each site. Renewi have the responsibility for infrastructure within the Waste PPP sites.</p> <p>Investment is required at Moleigh, Dalinlongart, Lingerton and Westland's, there is a requirement for capital investment of £1m for cell capping, environmental monitoring, annual surveys, additional boreholes for gas related equipment, replacements pumps, leachate monitoring points, relining of leachate lagoons and reed beds beyond the contract term in financial years 2026-27. This investment would be made through capital funds. However, if revenue funding is available this could be used to undertake the required works.</p>						
	Asset Group		No and or/Value*	CONDITION (percentages based on total asset value)			
				Green/Purple	Yellow	Amber	Red
Moleigh, Dalinlongart, Westland's and Lingerton.		£1.0million	0%	0%	0%	100.00%	
Investment (current and planned)	Funding	Funding source	Current Year 2023-24 (£m)	Anticipated Investment (£m)			
				2024-25	2025-26	2026-27	
	Block Allocation	Scottish Government	0.000	0.000	0.000	0.000	
	Earmarked Reserves	Council	0.000	0.118	0.000	0.000	
	Prudential Borrowing	Council	0.091	0.076	0.000	0.000	
	Additional Council Allocation	Council	0.000	3.500	0.000	0.000	
	Capital Grant - Area Control Accounts	Scottish Government	0.004	0.000	0.000	0.000	
			0.095	3.694	0.000	0.000	
2023-24 Overview							
<p>Investment Strategy</p> <p>Assessment and review is conducted by officers. Property have the responsibility for assessing any requirements or maintenance to the sites. Asset Sustainability is the primary driver for investment, however, there is a lack of investment made at sites.</p> <p>Risks</p> <ol style="list-style-type: none"> Future ongoing investment will be required to meet the site licence requirements that are regulated by SEPA. An estimated £1.0m is required beyond the Biodegradable Municipal Waste (BMW) Ban for site works and the requirement for on-going capital costs. Funding to achieve compliance has not been identified. 							

2. Non-compliance with statutory requirements and likely prosecution by SEPA if compliance is not met.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Funding is in place to convert the MBT sheds which are currently part of the PPP contract with Renewi to transfer stations and also to provide a waste transfer station in Helensburgh.

Investment is required on all sites within the next 30-60 years, the Council sites will require investment at varying stages, the lower level cost for the management of the sites are £10.929m – higher level costs are £16.085m. The investment will be required under Asset Sustainability to ensure that the conditions of the site licences are met. Licence conditions are monitored by the regulator SEPA. The works will include but not be limited to reed bed restoration, leachate monitoring equipment, landscaping, perimeter fencing, building maintenance, access roads etc. No immediate investment is required, this should however be noted within any horizon planning.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Moleigh, Dalinlongart, Lingerton and Westland’s site maintenance	£1.0m	Indicative	£1.0m post BMW Ban	Asset sustainability, service development, strategic change, 2026-27
2.				
3.				

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	N/A	N/A
Service Development	<p>Compliance with SEPA requirements and site management</p> <p>Recycling Infrastructure Fund (RIF) Bid – Island + Helensburgh – approx. £891k possibly being 2024-25.</p> <p>Waste Transfer Station – funds of £3.0m have been allocated for the development of a waste transfer station in H&L. A further £0.5m has been allocated to convert the existing MBT plants at Dalinlongart, Lingerton and Moleigh.</p>	<p>Recycling Infrastructure Fund (RIF) Bid – Island + Helensburgh – approx. £891k possibly being 2024-25</p>
Strategic Change	N/A	N/A

Links to relevant strategies

PRIORITY INVESTMENT PLAN

Asset Group	Piers & Harbours	3 rd Tier Manager	Scott Reid			
Description of Asset Group and Condition Assessment	Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)			
			Green/ Purple	Yellow	Amber	Red
	<p>Marine Asset Management Plan: Argyll and Bute Council is a Statutory Harbour Authority at 7 locations and a marine asset owner at a further 29 marine facilities located throughout the Council area. Marine infrastructure is developed through 10 year rolling Capital investment Asset Management Plan. Support of infrastructure upgrades generally for CFL ferry service upgrades but also includes Argyll & Bute Council ferry infrastructure upgrades and required modifications.</p>	c.£24M	50%	0%	50%	0%**
	<p><u>Craignure Terminal £2.5M</u> Following advice from the Scottish Government’s Marine Directorate we have unfortunately had to stand down our ground investigation (GI) contractor until the spring. The GI works have been awarded to DUNHELM Geotechnical & Environmental Ltd with an initial plan to start on site 24th August last year for around 4 weeks. We do not anticipate that our works proposals will change through this extra process. Our priority remains getting through the licence process as quickly and efficiently as possible and having everything in place for these important works to go ahead. A timeline is being developed around some assumptions on the scale of construction for each option and location. Following extended local consultation and input, the potential issue of consensus between Craignure Community, CFL and the wider Mull and Iona views on scale will require a resolution when the GI works are completed.</p> <p><u>Craignure PAS £1M</u> The current Passenger Access System (PAS) is beyond the working life of the equipment which is being maintained for safe operations by CMAL. Revision of design options based on CFL / CalMac operational requirements has been completed and the design and build tender will be issued shortly to allow costs to be assessed. The most cost effective solution will see as much of the new PAS used in the new terminal design.</p> <p><u>Iona breakwater £9M</u> The breakwater works are now out to tender until the end of January. Contractor award should be in the summer of 2024 and a completion by summer 2025 which will now include the adjacent slipway repairs as well as the replacement of the toilet block. The present forecast of 1 year construction is subject to the contractor work scope and supply chains, particularly rock armour. Small repairs at the small slipway will be completed in the meantime. Argyll & Bute Council technical officer will visit Iona before the Christmas break to agree the scope.</p>					

Fionnphort £0.5M

Fionnphort overnight berthing facility

Preparation is progressing with Fionnphort to ensure:

- Overnight berth
- Safe access for crew
- Sheltered berthing
- Charging and supply facilities
- Traffic survey to enhance the passenger road user interface at the terminal area.

An Environmental Impact Assessment (EIA) is in process including the socio-economic assessment. Design colleagues have addressed all potential issues with CalMac Marine regarding swept paths and approaches. When Marine Scotland approve the EIA we will continue with the marine licences, public engagement and other preparations with a view to tender in the summer of 2024.

Public engagement visits with drop in day and presentation at Fionnphort and Iona took place in April last year and were well attended.

Port Askaig £2.5M

Port Askaig will be upgraded next year to accommodate the new, larger capacity CalMac ferries. The first vessel is expected to be delivered in October 2024 and entering service after sea trials and crew familiarisation.

Consultants SYSTRA were commissioned to carry out a study to determine options for the existing marshalling area and to produce a plan that would maximise the utilisation of the port footprint.

It was clear that whichever solution was identified, it would have to be fit for the prescribed ferry service and vessels and also able to cope with the Port Ellen works schedule.

Following the initial presentation of the SYSTRA report, CFL raised questions regarding operational flexibility / turnaround time and total capacity figures.

Argyll & Bute Council has subsequently engaged with Transport Scotland, CFL and SYSTRA to refine the concept design to determine a proposal which represents:

- The maximum capacity for the footprint
- An improved safety profile for both operational staff and customers
- An operational model that fulfils requirements on flexible loading options
- Options for extreme contingencies e.g. Port Ellen closure, extreme traffic conditions, accidents etc.

The concept design will provide nominal marshalling space of 129% of the new vessel PCU capacity and in occasional or extreme circumstances can be increased to 186% of the vessel PCU capacity while still incorporating extra safety features.

Additional off site space of c.50 PCU will also be progressed.

The Co-ordination Group (Transport Scotland, CMAL, CFL & Argyll & Bute Council) arranged a series of engagement meetings following on from the specific Port Ellen engagements.

These were led and arranged by CMAL as part of the licencing process for the Port Askaig pier enabling works.

Argyll & Bute Council Officers were present for both events which were well attended. The comments and observations are being collated and will be presented in due course.

Campbeltown £1M

Campbeltown Harbour continues to be very busy commercially with timber loading in particular projected to increase at the port.

Using Campbeltown as a strategic supply hub for the planned offshore wind projects is being explored and this represents a real opportunity, to develop the Port and secure long term work in and from Campbeltown harbour.

Cat 5 water supply protection (see below).

Replacement of 'Wall A' at the Old Quay is now anticipated to commence later this year with completion in 2025/26.

Rothesay Quay £3.5M

Stability works on the berthing face have developed following changes to the work scope and feedback from potential contractors. The tender process will be completed by Christmas and we are confident that it will have positive results. We are potentially looking at works starting early in the New Year.

	<p>Dunoon</p> <p>Although the combined programme of works for Gourock, Dunoon and Kilcreggan has been paused while Transport Scotland completes its work on the vessel funding, areas where improvements are required have been identified irrespective of the outcome of the larger project.</p> <p>The intention is that these improvements will form 'Phase 1' of the larger works if they go ahead, however that decision is not required to justify these particular improvements to the facilities and utilities connections. Interim plans are in development and will be reported in due course for approval.</p>					
Investment (current and planned)		Funding source	Current Year	Anticipated Investment (£m)		
	Funding		2023-24 (£m)	2024-25	2025-26	2026-27
	Prudential Borrowing	Council	3.200	24.000	39.000	18.000
			3.200	24.000	39.000	18.000
There may be some opportunities for support from CMAL on joint projects. Will be assessed on each aspect of the works involving CMAL upgrades for CFL services.						
2024-25 Overview						
<p>Investment Strategy</p> <p>Detailed technical condition surveys and user demand determine the priorities. Regular reports are made to the Council's Harbour Board.</p> <p>Priority is given for lifeline ferry services and required modifications or upgrades to support new vessels deployments.</p> <p>Inspections and repair / defect reports from Argyll & Bute Council staff and customers.</p> <p>Risks</p> <ol style="list-style-type: none"> 1. Impact to Island Community Connectivity. 2. Potential increase in claims for vessel damage and reputational risk to the Council. 3. Potential increase in funds required to repair infrastructures following underinvestment. 						
Summary of Planned 2024-245 investment						
<p>Investment Strategy at funding levels indicated above</p> <p>Progress on the 10 year Capital rolling asset management plan</p>						
<p>Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity and external funding bids and to develop a pipeline of projects)</p>						
Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)		
1. Progress on the whole 10 year Capital rolling asset management plan						
2.						
3.						

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability		
Service Development		
Strategic Change		

Links to relevant strategies

PRIORITY INVESTMENT PLAN

Asset Group	Ferries	3 rd Tier Manager	Scott Reid			
Description of Asset Group and Condition Assessment			CONDITION (percentages based on total asset value)			
	Asset Group	No and or/Value*	Green/ Purple	Yellow	Amber	Red
	MV Lady of Lismore (2022)	£0.555m	100%	0%	0%	0%
	Eilean Dhiura (1998)	TBD	0%	0%	75%	25%
	MV Belnahua (1972)	TBD	0%	0%	25%	75%
	ML Fladda (1994)	TBD	0%	25%	0%	75%
	ML Torsa (1996)	TBD	0%	25%	0%	75%
	ML Easdale (1992)	TBD	0%	25%	0%	75%
Investment (current and planned)		Funding source	Current Year	Anticipated Investment (£m)		
	Funding		2023-24 (£m)	2024-25	2025-26	2026-27
	Block Allocation	Scottish Government	0.015	0.020	0.000	0.000
	Total		0.015	0.020	0.000	0.000
2023-24 Overview						
<p>Investment Strategy</p> <p>Meeting Wednesday 8th November with Transport Scotland.</p> <p>Transport Scotland confirmed at this meeting, the closing of transaction for Lismore ferry replacement with no additional funds. Original request for £500,000 (paid April 2021) had no match funding from the Council and therefore Transport Scotland will not be able to justify 'extra' funds to make up the shortfall of £137, 000 (Final figure determined for Transport Scotland revenue funding letter for 2023/2024).</p> <p>Discuss funding options for MV Eilean Dhiura:</p> <p>Vessel Specification and concept design to have a 'keel ready' project when funds become available. To determine more accurate cost estimate for the vessel and associated infrastructure. Compatible infrastructure is required to receive new CMAL SVRP vessel hull to increase resilience and redundancy options.</p>						
Summary of Planned 2024-25 investment						
<p>Investment Strategy at funding levels indicated above</p> <ul style="list-style-type: none"> Vessel Specification and concept design to have a 'keel ready' project when funds become available. To determine more accurate cost estimate for the vessel and associated infrastructure. 						

- Compatible infrastructure is required to receive new CMAL SVRP vessel hull to increase resilience and redundancy options.

Top three service/asset group priorities

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Completion of transaction for Lismore ferry replacement	0.137m	Calculated	0.137m	Service development
2. Vessel specification funding	£0.5m	Estimate	£ 0.5m	Funding required to determine a vessel specification and design. This to be used to estimate total costs below and investment opportunities.
3. New Jura Ferry and associated infrastructure	£10m	Estimate	£10m	Service development funded through LUF was rejected. Funding to be explored. Figure based on loose estimate with no vessel specification or design including propulsion options.

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability	N/A	Transport Scotland may fund initial design work for Jura replacement.
Service Development		Possible rebid to LUF
Strategic Change		Continue conversations with Transport Scotland. Possible policy changes from Scottish Government.

Links to relevant strategies

PRIORITY INVESTMENT PLAN

Asset Group	Airports	3 rd Tier Manager	Moya Ingram																	
Description of Asset Group and Condition Assessment	<p>Oban, Coll and Colonsay airports – Oban runway length 1200m, Coll and Colonsay runway lengths 500m. Both Coll and Colonsay have a small terminal facility comprising of office/waiting area/integral garage. Oban airport has a larger terminal building comprising of office/crew commander room/meeting room/waiting area/drying area/integral double garage. Oban airport also has a tower from which a Flight Information Service is offered. The current overall condition of the asset group is good, however note that the facilities and runways are now circa 15 years old.</p> <p>Due to the assets age along with operating on a very limited capital budget significant investment will be required to ensure these services remain having only this year awarded the PSO contract for a further 4 years.</p> <p>A number of other operational requirements out with the 3 priorities will require future funding.</p> <ol style="list-style-type: none"> 1. <u>Perimeter Fence Colonsay Airport -£5k</u> 2. <u>Oban Airport Visual Control Room (VCR) equipment replacement – circa £50k</u> 3. <u>Surfacing access road to Colonsay Airport - £250k</u> 4. <u>Removing vegetation limiting line of site from Oban Airfield Control Tower -£10k</u> 5. <u>Replacement of white linings/markings at 3 airports</u> 6. <u>Clearing of Drainage at Coll Airfield</u> 7. <u>Training revalidation of Full/Part time/Relief staff - £60k</u> 8. <u>Replacement of grass cutting equipment and add-ons Oban Airfield - £35k</u> 9. <u>Operational Radio Replacement at Coll and Colonsay Airport</u> 																			
	<table border="1"> <thead> <tr> <th rowspan="2">Asset Group</th> <th rowspan="2">No and or/Value*</th> <th colspan="4">CONDITION (percentages based on total asset value)</th> </tr> <tr> <th>Green/ Purple</th> <th>Yellow</th> <th>Amber</th> <th>Red</th> </tr> </thead> <tbody> <tr> <td>Airports</td> <td>3</td> <td>75%</td> <td>10%</td> <td>10%</td> <td>5%</td> </tr> </tbody> </table>					Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)				Green/ Purple	Yellow	Amber	Red	Airports	3	75%	10%	10%
Asset Group	No and or/Value*	CONDITION (percentages based on total asset value)																		
		Green/ Purple	Yellow	Amber	Red															
Airports	3	75%	10%	10%	5%															
Investment (current and planned)			Current Year	Anticipated Investment (£m)																
	Funding	Funding source	2022-23 (£m)	2023-24	2024-25	2025-26														
2023-24 Overview																				

Investment Strategy

Runway Inspections are held daily with any defects noted. Annually the Civil Aviation Authority will undertake aerodrome audits at all three airports.

Risks

1. Risk for unknown maintenance failure due to inclement weather eg fence damage/sign damage/flooding. (The perimeter fence at Colonsay has been identified as failed and is no longer stock proof, animal fouling has been noted within the airfield boundary.)
2. CAA audit inspections findings are unknown and will require to be addressed Argyll and Bute Council operate three licensed aerodromes at Oban, Coll and Colonsay. These aerodromes are licensed by the Civil Aviation Authority as required by law to allow scheduled passenger flight services (for use by paying members of the public) to land and take off. The licence stipulates the required safety standards and fire cover required for each aircraft movement. Operations at the licensed aerodromes are audited on a regular basis by the CAA and require the appropriate level of resource. (The foam dispensers at Oban Airport have been identified as not running to the correct pressure deeming them non-compliant with regulations. These require to be sent to manufacturer for recalibration/replacement)
3. The spare island fire appliance is no longer operational and cannot be repaired. In the event of the main appliance failing this will result in airport operations having to cease for a significant length of time due to lack of fire cover until repairs can be undertaken.

Summary of Planned 2024-25 investment

Investment Strategy at funding levels indicated above

Top three service priorities (please list the top three service priorities and whether or not funding is currently available or potential sources of funding, as well as timelines. This provides Elected Members with an insight into what will or could be funded to maintain/improve service delivery. This section will help to inform thinking on future priorities, lobbying activity, and external funding bids and to develop a pipeline of projects)

Service Priority	Cost (£)	Are costs indicative or calculated)	Estimated funding shortfall	Asset category (asset sustainability, service development, strategic change)
1. Replacement of backup island fire appliance, to reduce potential inability to continue airport operations and maintain lifeline services	£70k	Indicative	£70k	
2. Recalibrate/Replace foam	£20k	Indicative	£20k	

dispensers on Oban Fire appliances				
3. Install SSEN power grid connections to Colonsay airport. The airport currently runs on a backup generator (which has only just been replaced after not even 2 years of use)	£150k	Indicative	£150k	

Match funding Opportunities/External Funding

	Achieved 2023-24	Opportunities 2024-25
Asset Sustainability		Potential for solar renewables installation.
Service Development		
Strategic Change		Islands Infrastructure Fund (If continued) UK Levelling Up Fund Airport Business Park development (Potential additional income through additional use of the Oban airfield)

Links to relevant strategies

Islands Connectivity Plan

Air Connectivity Strategy