

WAVERLEY PADDLE STEAMER – REQUEST FOR FUNDING

1. INTRODUCTION

- 1.1 The Council received a request from Waverley Excursions Ltd on 12 September 2011 for additional funding to ensure the financial viability of the vessel. The Waverley organisation has preserved and operated the Waverley paddle steamer on a charitable basis since 1975. Without total one-off support of £350k to pay for the winter re-fit, the vessel will be out of commission at the end of the current season. The charitable organisation is seeking one-off grants from Trusts, Corporate and individual donations and the Councils in the areas the Waverley sails.

2. RECOMMENDATIONS

- 2.1 Members are asked to approve one-off grant funding of £15k to support the Waverley and ensure the financial viability of this valued community attraction. The Head of Strategic Finance has confirmed that this funding will be found from uncommitted monies within the General Fund.

3. DETAIL

- 3.1 The Waverley has served the communities of Argyll and Bute for almost 40 years, providing an amenity for local communities, a popular tourist attraction for visitors and an economic benefit for Argyll and Bute communities in the thousands of passengers brought to Dunoon, Rothesay, Tighnabruaich, Tarbert and other areas.
- 3.2 Waverley Excursions have to fund the ship's annual re-fits which are required in between seasons; the organisation does not have the funds available to allow it to do this at the end of the current season. A total of £350k is required to ensure that the refit can be carried out in order that the vessel will continue sailing and the charity can continue to operate. The charitable organisation has managed to fund this in the past by using monies in reserves which were accumulated from previous years. These reserves have now been depleted and the charity can no longer afford to fund this on an ongoing basis.
- 3.3 This request for emergency funding is a one-off request for the current financial year, with the management at Waverley Excursions currently reviewing their business model to ensure that funds are available on an ongoing basis to ensure the financial viability of the vessel. A summary Development Plan setting out the basis on which the company proposes to operate has been provided in support of the application.
- 3.4 Waverley Excursions have approached a number of Councils to provide financial support to raise the £350k required, with the hope that a total of £100k can be raised from Council contributions. The organisation have confirmed the status of some of the other Council funding as follows (position as at 12 October):

- Inverclyde Council - agreed £15k contribution
- North Ayrshire - £15k contribution is likely, still to be confirmed by Council
- South Ayrshire - have asked for further information before committing to funding

Contributions requested have been in line with the frequency of service to each area, with some English Councils being asked for much lower contributions.

At this point in time Waverley Excursions have not approached Glasgow City Council; they are awaiting responses from other Councils to support their application for funding from Glasgow.

- 3.5 The contribution of £15k can be accommodated in 2011-12 from the General Fund because of the additional £338k one-off income received in respect of successful Fleming VAT reclaims. Members need to be aware that this resource is a one-off windfall in the current year.

4. CONCLUSION

- 4.1 The £15k contribution to Waverley Excursions Ltd would assist the organisation in maintaining the operational status of the Waverley vessel. The impact of the loss of this community and tourist attraction would be felt by many of the Argyll and Bute communities.
- 4.2 The annual re-fit cost is a recurring cost which should be factored into the running costs of the vessel by Waverley Excursions. The organisation plan to revisit their business model to ensure that this cost can be accommodated in future years. The £15k grant in 2011-12 is a one-off grant which will not be required in future years.

5. IMPLICATIONS

- 5.1 Policy – None.
 Financial - £15k to be funded from General Fund reserve, can be accommodated because of Fleming VAT reclaim income
 Legal – None.
 HR – None.
 Equal Opportunities – None.

Executive Director- Customer Services

For more information please contact:

Douglas Hendry
 01546 604244

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