

**ARGYLL AND BUTE COUNCIL**

**Mid Argyll, Kintyre and the Islands  
Area Committee**

**Development and Infrastructure**

section of this methodology (that part which most closely reflects the Policy and Resources criteria) should be used as the basis of this prioritisation. The impact scoring for the shortlisted projects is detailed in paragraph 4.15. These scores have been revised based on the additional information received since the shortlisted projects were agreed and assessed independently by Strategic Finance to confirm that they have been considered in a fair and constant way.

- 1.8 On the basis that the Regeneration Fund “will focus on Tarbert, Lochgilphead and Ardrishaig” it is proposed that at least the top scoring project from each community should be progressed to full business case (these are also the top scoring projects as assessed).
- 1.9 The preference would then be for the next highest scoring projects from each community to be progressed however it would not be possible to fully fund all of these within the budget available for the Regeneration Fund. Revised budgets are therefore proposed for some of the second tier of projects. The proposed projects are detailed in paragraph 4.19.
- 1.10 The pos

1.14 Members of the Mid Argyll, Kintyre and the Islands Area Committee are asked to:

1. Note the additional work undertaken to develop understanding of the shortlisted projects;

2. Note that the outline business cases are still based on broad assumptions and are not finalised (I)Tj 2.516

**Tarbert and Lochgilphead Regeneration Fund**

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**2.0 INTRODUCTION**

- 2.1 On 7 December 2016, the Mid Argyll, Kintyre and the Islands Area Committee considered an initial assessment of projects put forward for funding through the Tarbert and Lochgilphead Regeneration Fund, a £3 million area regeneration fund to be focused upon the Mid Argyll area.
- 2.2 At Committee, 11 projects were shortlisted for further consideration and approval was given for expenditure of up to £250,000 of development costs. The shortlisted projects were:

| <b>Project Ref.</b> | <b>Project</b>   |
|---------------------|--|
| T02                 | Barmore Road (A83)/Garvel Road junction improvement      |
| T07                 | Indoor bowling facility/sports hub                       |
| T10                 | Pavement/public realm improvements                       |
| T11                 | Harbour facilities                                       |
| LA01                | Ardrishaig – Lochgilphead Cycling Link                   |
| LA10                | Lochgilphead Front Green                                 |
| LA11                | Argyll Street  |
| LA13                | Ardrishaig North Public Realm Improvements               |
| LA16                | Ardrishaig South Public Realm Improvements (Pier Square) |
| LA17                | Gleaner Oil Site   |
| LA20                | MAC Pool redevelopment                                   |

- 2.3 The decision of the Mid Argyll, Kintyre and the Islands Area Committee was ratified by Policy and Resources Committee on 15 December 2016. A brief update on progress was provided to the Mid Argyll, Kintyre and the Islands Area Committee in April 2017.

- 2.4 This report provides an update on the work undertaken in the interim and asks Committee to cTj6.52382851 0 Td (g)Tj 6.52382851 0 Td (13e)Tj 6.52416992 0 Td 3899979 I -0.7

### 3.0 RECOMMENDATIONS

- 3.1 Members of the Mid Argyll, Kintyre and the Islands Area Committee are asked to:
1. Note the additional work undertaken to develop understanding of the shortlisted projects;
  2. Note that the outline business cases are still based on broad assumptions and that further feasibility and design work is required to confirm designs, costs and solutions to technical issues which might arise as a result of the proposed projects. Such issues may affect the viability of the proposed projects;
  3. Recommend to Policy and Resources Committee:-
    - (i) that the 6 projects listed in paragraph 4.19 should be taken forward with the budgets as detailed and that work should commence on full business cases which will be reported back to committee for approval as they become available; and
    - (ii) the list of 4 reserve projects listed at paragraph 4.22 in the event that any of the projects agreed to be taken to full business case are unable to proceed.

### 4.0 DETAIL

- 4.1 The shortlisted projects fall into two main categories, some of the projects involve the Council

and Lochgilphead Regeneration Fund a grant would be provided, subject to checks and conditions. The conditions will be specific

approximately £3,000 of the £250,000 has been spent on reviewing proposals, considering potential design solutions and refining cost information about the proposed projects. To date, this cost relates only to in-house works. We have worked to keep these costs low so that the bulk of the funds available can be focused on the projects selected for delivery. Costs incurred are expected to rise significantly as we progress to full business cases.

Assessment of the SSSe

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|     |   |   |
|-----|---|---|
| T02 | Barmore Road (A83)/Garvel Road junction improvement | 4 |
| T07 | Indoor bowling facility/sports hub                  | 3 |
| T10 | Pavement/public realm improvements                  | 4 |
| T11 | Harbour facilities                                  | 4 |

4.12 On the basis of this scoring T07 Indoor bowling facility/sports hub could only proceed if further work was undertaken to confirm the deliverability of the project. It is expected that given time and additional work this project could be brought up to a rating of 4.

Projects to proceed to full business case

4.13 With confirmation that all projects are, or could be, suitable for deliverability and the Fund budget of £3 million it is necessary to consider how the projects can be prioritised to fit within the funding available.

4.14 Specific objectives for the Fund were set down by Policy and Resources Committee when it considered the fund in May 2016. In order to select which projects should be shortlisted to progress to outline business case the Mid Arg



4.16 These scores have been revised based on the additional information received since the shortlisted projects were agreed. Further, the scores have been assessed independently by Strategic Finance to confirm that they have been assessed in a fair and constant way.

4.17 The report to Policy and Re

4.19 The following projects are therefore proposed as the final list of projects to be taken forward through the Tarbert and Lochgilphead Regeneration Fund with the funding allocation (including development costs) as shown. Descriptions of the project proposals are included in Appendix 1.

| <b>Project Ref.</b> | <b>Project</b> | <b>Lead organisation</b> | <b>Score</b> | <b>Request</b> | <b>Allocation</b> |
|---------------------|----------------|--------------------------|--------------|----------------|-------------------|
|---------------------|----------------|--------------------------|--------------|----------------|-------------------|

**Top scoring project from each community**

Gleaner Oil  
Site, Ardrishaig  
(Phase 1)\*

of the fund;

- 4.25 For partner projects there would be an expectation that projects will be driven by the group promoting the project and that they will be responsible for obtaining consents, securing the additional funding and generally developing the proposals to full business case stage. Agreements will be put in place with regards to the specifics of the grant as detailed in paragraph 4.2.
- 4.26 For Argyll and Bute Council led projects, officers will commence work on the design and investigation work at the earliest opportunity. Appropriate consents will need to be sought and funding will need to be applied for. It is hoped that designs will be developed and any required public consultation undertaken late 2017/early 2018. A tender process will also need to be undertaken to confirm the costs of delivering the project. Full business cases would be expected to be reported to committee within approximately 12 months. Costs associated with undertaking this work will need to be drawn from the development funding approved in December 2016.
- 4.27 For Council-led projects, working groups will be established to include internal and external stakeholders which will inform the proposals and ensure that the holding department is involved in the design stage of the project. Where appropriate, community organisations will be invited to be involved in delivering elements of the proposals particularly where they may act as lead in securing external funding.
- 4.28 Developing full business cases, securing funding, co-ordinating consultants and ensuring that the project progresses within the timescale and budget estimates will also require staff resource. The proposed projects include four Council led projects and two partner-led projects. Although involvement in partner projects will be less there will still be a requirement to monitor these projects and administer the grants. The council-led projects will be more involved and without a dedicated staff resource there may be an increased risk to successfully delivering the projects. The following arrangements are proposed to move the projects to full business case stage.

| <b>Project</b>                             | <b>Lead organisation</b>  | <b>Lead ABC Service to FBC</b>  |
|--|---------------------------|---|
| Gleaner Oil Site                           | Scottish Canals           | Point of contact: Economic Development – Transformation, Projects and Regeneration                                    |
| Lochgilphead Front Green                   | Argyll and Bute Council   | Economic Development – Transformation, Projects and Regeneration in close conjunction with Roads and Amenity Services |
| Harbour facilities                         | Tarbert Harbour Authority | Point of contact: Economic Development – Transformation, Projects and Regeneration                                    |
| Ardrishaig North Public Realm Improvements | Argyll and Bute Council   | Economic Development – Transformation, Projects and Regeneration in close conjunction with Roads and Amenity Services |
| Argyll Street                              | Argyll and Bute Council   | Economic Development –  |

Barmore Road  
(A83)/Garvel Road  
junction  
improvement

Argyll and Bute Council

Transformation, Projects and  
Regeneration in close  
conjunction with Roads and  
Amenity Services  
Economic Development

- 6.2 Financial – An allocation of £3m was identified in the 2016/17 budget for regeneration and economic sustainability in the settlements of Lochgilphead and Ardrishaig and Tarbert and their surrounding areas. To date approximately £3,000 of the £250,000 identified for feasibility and design works has been spent.
- 6.3 Legal – none at this time but formal offers of grant will be required for third party projects once full business cases have been approved. Other legal issues may arise as the projects progress.
- 6.4 HR – staff within the Economic Development and Strategic Transportation Service will administer the fund on behalf of the MAKI Area Committee. Support from other teams across the Council has been given during the scoring process and will continue to be required as further investigation and project delivery proceeds.
- 6.5 Equalities – none at this time.
- 6.6 Risk - If the most appropriate projects are not correctly identified at this stage then the policy objectives may not be achieved and the impact desired from the Regeneration Fund will not be achieved. If the projects are not appropriately scoped out and resourced then this could impact on their delivery, this is particularly the case where project budgets are restricted to try to maximise the number of projects which can be delivered. If funding is allocated on an ad hoc basis then further requests could be received. The risks will be updated once the projects are confirmed.
- 6.7 Customer Service – none at this time.

**Executive Director of Development and Infrastructure**  
**Policy Lead – Councillor A Morton**  
25 August 2017

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**Appendix 1          Summary of projects**

## Appendix 1 Summary of

- Option 3: Ardrishaig to Lochgilphead







be ongoing revenue implications, these will be minimised where possible through the use of appropriate materials and equipment.

- Option 5a: New seawall – this option would be a potential addition to options 2-4. It would provide a new sea wall along the Front Green to alleviate coastal flooding issues however it could have visual implications in terms of impacting on the view down Loch Gilp. It is expected that the construction of a sea wall would add approximately £2 million to the costs associated with the redevelopment of the Front Green. Constructing sea defences would enable revenue costs to be reduced as the costs of clearing the Front Green of debris would be removed except in more severe flooding. Over the longer-term maintenance of the seawall would be required.
- Option 5b: New rock armour sea defences - this option would be a potential addition to options 2-4. It would provide improved flood protection along the Front Green to alleviate coastal flooding issues. It is expected that the construction of rock armour would add approximately £1 million to the costs associated with the redevelopment of the Front Green. As with option 5a, revenue costs could be reduced as the costs of clearing the Front Green of debris would be removed except in more severe flooding. Over the longer-term maintenance would be required.
- Option 5c: Land

implement this solution within the budget allocated to the Tarbert and Lochgilphead Regeneration Fund, unless all of the money was directed to the Front Green which is not expected to be acceptable. There could also be issues in terms of deliverability as the condition of the current seawall would need to be assessed. Option 5b would provide a similar level of protection to 5a and whilst the cost would be lower it is still significant. There are also concerns that option 5b could become unsightly if marine litter becomes trapped within the rock armour. Option 5c would ensure that new infrastructure is protected from flooding in the most affordable way. This option is expected to be deliverable and could also reduce the issues with waterlogging if appropriate drainage was incorporated into the land raising efforts.

### **Cost/Benefits**

At this stage the cost of the project has not been verified and there may be amendments if the scope of the project is changed or should unforeseen issues arise. The costs expected with this project are estimated to be in the region of £1.58 based on the following estimated costs from a quantity surveyor:

- Works to Front Green – approximately £1.15 million
- Land raising – approximately £430,000

We have assumed that up to 10% of the project cost could come from funding such as Sustrans and therefore it is anticipated that the cost to the Tarbert and Lochgilphead Regeneration Fund will be in the region of £1.42 million.

It is acknowledged that project appraisers generally have the tendency to be over optimistic when considering projects. As a result an optimism bias, an allocation of funds similar to a contingency, has been included at this stage. As the scope and costs of a project are firmed up the amount of optimism bias will be reduced until it does not feature. At this stage, it is prudent to include an optimism bias to ensure that if costs are greater than expected there is some scope to accommodate these.

It may be possible that the project will generate some revenue for Argyll and Bute Council if opportunities are taken to introduce commercial activities onto the Front Green. It is also expected that as a result of the expenditure for every £1 spent from the Tarbert and Lochgilphead Regeneration Fund a further £0.11 is expected to be levered in through grant funding.

## **Argyll Street, Lochgilphead (LA11)**

The following options have been considered:

- Option 1: Do nothing – under a do nothing option the existing pavements and road surfaces would remain in place. This option would not deliver any improvements over the current situation. Improvements to Argyll Street were identified as a top priority action arising from the Crinan Canal Charrette and there could be negative consequences of doing nothing. Existing maintenance is expected to continue with ongoing revenue implications.

- Option 2: Pavement improvements – under this option the pavements would be resurfaced in the area of Argyll Street stretching from Colchester Square to the junction with Lorne Street/Union Street. Increased pavement areas would be provided to facilitate pedestrians crossing at strategic points along Argyll Street (2 lane flow of traffic to be maintained) together with additional seating and planting. A small number of parking spaces may be removed. This option would deliver improvements over option 1 as it would help to improve the appearance of the public realm along this part of Argyll Street. It is expected to be more affordable than option 3 but it will not provide as significant a change in the streetscape. Maintenance is expected to reduce in the short-term due to capital expenditure but over the longer-term there will be ongoing revenue implications, these will be minimised where possible through the use of appropriate materials and plant.
- Option 3: Shared surfaces – this option would provide improvements to the same area as option 2 but would include additional public realm inclusions including more seating and planting (single lane traffic calming may be utilised) and shared surfaces. This additional work will further improve the public realm but may cause potential conflicts as a result of loss of on street parking spaces and potential impacts on access for emergency vehicles to the Mid Argyll Hospital. Shared surfaces are not expected to be acceptable on the A83 Trunk Road. This option is expected to be more expensive than option 2, approximately £500,000 more, however it will deliver the full public realm improvements discussed during the Crinan Canal Charrette. Maintenance is expected to reduce in the short-term due to capital expenditure but over the longer-term there will be ongoing revenue implications, these will be minimised where possible through the use of appropriate materials and plant.

If this project is chosen to be funded through the Tarbert and Lochgilphead Regeneration Fund then it would be on the basis of option 2. Argyll Street is a relatively narrow street which is required to fulfil a number of functions including providing emergency access to the Mid Argyll Hospital. Whilst option 3 would deliver significant improvements to the streetscape, there are concerns about deliverability due to significant changes required to the road and pavements, including the probable need to remove the majority of parking spaces between Colchester Square and Union Street. Option 2 would still represent a significant improvement to the lower part of Argyll Street but would be more deliverable as well as being a more affordable option.

### **Cost/Benefits**

At this stage the cost of the project has not been verified and there may be amendments if the scope of the project is changed or should unforeseen issues arise. The costs expected with this project are estimated to be in the region of £775,000 based on the estimated costs provided by quantity surveyors but reduced by 50% as a result of the expectation that to be delivered the proposals will have to be scaled back. This cost estimate includes an allocation for fees. We have assumed that up to 10% of the project cost could come from Sustrans and it is therefore anticipated that the cost to the Tarbert and Lochgilphead Regeneration Fund will be in the region of £700,000.

It is acknowledged that project appraisers generally have the tendency to be over optimistic when considering projects. As a result an optimism bias, an allocation of funds similar to a contingency, has been included at this stage. As the scope and costs of a project are firmed up the amount of optimism bias will be reduced until it does not feature. At this stage, it is prudent to include an optimism bias to ensure that if costs are greater than expected there is some scope to accommodate these.

It is not expected that the project will generate any revenue for Argyll and Bute Council as a result of the expenditure however for every £1 spent from the Tarbert and Lochgilphead Regeneration Fund, £0.11 is expected to be levered in through grant funding.

## Ardrishaig North Public Realm Improvements (LA13)

The following options have been considered:

- Option 1: Do nothing – under a do nothing option the existing pavement, parking and landscaping would remain in place. This option would not deliver any improvements over the current situation including the limited connection with the shore. Existing maintenance is expected to continue with ongoing revenue implications.
- Option 2: Enhancing existing facilities – under this option enhancements would be focused on area between the North/Public Halls and the Boat Yard. Improvements would be sought to the landscaped garden and shoreline area as well as around the undercroft of the shops and offices facing Chalmers Street. Measures to improve pedestrian safety would be sought across the A83. Existing pavements would remain as would the car parking areas. Consideration could be given to relocating the existing play equipment onto the shore. This option would deliver improvements over option 1 as it would help to improve the visual appearance of the area and could be designed in such a way as to maximise the shore side location of this site and highlight the existing access to the shore. It is expected to be more affordable than option 3 but it will not provide the wider scale resurfacing proposed under option 3. Maintenance is expected to reduce in the short-term due to capital expenditure but over the longer-term there will be ongoing revenue implications, these will be minimised where possible through the use of appropriate materials and plant.
- Option 3: Enhancing existing facilities and resurfacing – this option would cover the same area as option 2 but would focus on surface improvements including traffic calming/shared surfacing between the North and Public Halls and resurfacing of the car park. It includes screening to the rear of the shops in addition to the improvements provided under option 2. This option would deliver improvements over option 2 as it would provide additional infrastructure improvements. There may be issues associated with any proposals for shared surfaces on the A83 Truck Road so proposals may need to be scaled back in this regard. This option is expected to be more expensive than option 2, approximately £550,000 more. Maintenance is expected to reduce in the short-term due to capital expenditure but over the longer-

term there will be ongoing revenue implications, these will be minimised where possible through the use of appropriate materials and plant.

If this project is chosen to be funded through the Tarbert and Lochgilphead Regeneration Fund then it would be on the basis of option 2. Option 2 offers the opportunity to make improvements to the public realm and to open up the seafront in Ardrishaig but without the significant extra costs expected to be associated with the resurfacing proposed under option 3, it therefore represents better value for money. Option 2 is believed to be more deliverable than option 3 since it is expected that there could be concerns raised about shared surfaces on the trunk road network.

### **Cost/Benefits**

At this stage the cost of the project has not been verified and there may be amendments if the scope of the project is changed or should unforeseen issues arise. The costs expected with this project are estimated to be in the region of £440,000 based on the estimated costs provided by a quantity surveyor. It is assumed that up to 10% of the project costs could be secured from external funders such as Sustrans. It is therefore anticipated that the cost to the Tarbert and Lochgilphead Regeneration Fund will be in the region of £395,000.

It is acknowledged that project appraisers generally have the tendency to be over optimistic when considering projects. As a result an optimism bias, an allocation of funds similar to a contingency, has been included at this stage. As the scope and costs of a project are firmed up the amount of optimism bias will be reduced until amendments

as option 3. The project is not expected to impact maintenance budgets within the Council.

- Option 3: Pier Square including Pier Garage – this option would be an extension to Option 2 and would include the removal of the Pier Garage building (with a replacement to be located on other land within Scottish Canals' ownership). This option would deliver improvements over option 2 as it would allow the land currently utilised by the garage to be incorporated into the wider public realm works. This option is expected to be more expensive than option 2, approximately £300Ar02600098 0



- the Grantee has obtained appropriate professional advice and is satisfied that the Grant or any part of the grant will not constitute State Aid; a copy of the relevant professional advice may be required;
- the grant is spent within a timescale to be agreed in accordance with the timetable for delivery of the project;
- Argyll and Bute Council's

requested by Scottish Canals for this phase, this option would be more affordable than options 3 or 4 but it will only focus on a small part of the site and will not therefore deliver the action identified through the Crinan Canal Charrette. The project is not expected to impact maintenance budgets within the Council. This is the minimum option required to secure the Regeneration Capital Grant Fund allocation made for this site.

other sources.

### **Cost/Benefits**

At this stage the cost of the project has not been verified and there may be amendments if the scope of the project is changed or should unforeseen issues arise. The costs expected with this project are estimated to be in the

Mid Argyll Community Pool Redevelopment (LA20)  
The following options have been

- the grant is spent within a timescale to be agreed in accordance with the timetable for delivery of the project;
- Argyll and Bute Council's contribution to the project will not exceed a maximum of 50% of the cost; and
- the Grantee shall not, without prior written consent, dispose of any asset funded, in part or in whole, within 15 years of

At this stage the cost of the project has not been verified and there may be amendments if the scope of the project is changed or should unforeseen issues arise. The costs expected with this project are estimated to be in the region of £410,000 based on the following estimated costs provided by the Council's Roads and Amenity Services:

- The physical works to the junction are expected to cost in the region of approximately £360,000.
- A further £50,000 is allocated to allow for investigative work and fees.

It is not expected that there will be any third party contributions to this project, although a request will be made to Transport Scotland. It is anticipated that the cost to the Tarbert and Lochgilphead Regeneration Fund will therefore be in the region of £410,000.

It is acknowledged that project appraisers generally have the tendency to be over optimistic when considering projects. As a result an optimism bias, an allocation of funds similar to a contingency, has been included at this stage. As the scope and costs of a project are firmed up the amount of optimism bias will be reduced until it does not feature. At this stage, it is prudent to include an optimism bias to ensure that if costs are greater than expected there is some scope to accommodate these.

It is not expected that the project will generate any revenue for Argyll and Bute Council, although if additional development comes forward then there may be additional business rate revenue.

## Tarbert Indoor Bowling Facility (T07)

The following options have been considered:

- Option 1: Do nothing – under a do nothing option the Tarbert Bowling Club would be left to progress their proposals for an indoor bowling facility without any financial assistance from the Council. This option may make it more difficult for the organisation to attract the full funding required for the redevelopment project or may delay the redevelopment if alternative sources of funding take a longer time to secure. This option would not stop the organisation proceeding with their proposals. This site is not maintained by Argyll and Bute Council.
- Option 2: Contribute £420,000 to the Tarbert Bowling Club proposed indoor bowling facility – under this option Argyll and Bute Council would make the requested contribution towards the project. It is understood that approximately £20,000 would be required for initial feasibility and design works. Subject to the outcome of these studies and other funding being secured, this option would deliver a four rink indoor bowling facility associated with the existing bowling club and on the land currently occupied by disused tennis courts. It is hoped that additional facilities will help it to attract visiting bowlers of which there are approximately 500 within the west Argyll area. The project is not expected to impact maintenance budgets within the Council.

If this project is chosen to be funded through the Tarbert and

requested by Tarbert Bowling Club, whilst a lesser amount could be allocated to the project this may impact the deliverability of the whole project since more grant funding would be required from other sources. Other than the initial up to £20,000 to undertake feasibility and design works, funding support for option 2 would be dependent upon Argyll and Bute Council approving a Full Business Case from Tarbert Bowling Club and a fully funded project proposal being in place.

As a third party organisation it is expected that a grant would be provided with the following conditions:

- a detailed assessment of the Full Business Case for the project by Argyll and Bute Council will be required before the project commences – this should include a 5 year operating plan to demonstrate the sustainability of the new facility;
- evidence which demonstrates that the Project has received all necessary approvals, is deliverable and fully funded;
- the Grantee has obtained appropriate professional advice and is satisfied that the Grant or any part of the grant will not constitute State Aid; a copy of the relevant professional advice may be required;
- the grant is spent within a timescale to be agreed in accordance with the timetable for delivery of the project;
- details of the organisations governance structure including their constitution to ensure that they are appropriately set up to handle grants and complete the project (changes may be required);
- Argyll and Bute Council's contribution to the project will not exceed a maximum of 50% of the cost; and
- the Grantee shall not, without prior written consent, dispose of any asset funded, in part or in whole, within 15 years of works being undertaken.

In addition the Council reserves the right to request a valid and registerable Standard Security in

It is not expected that the project will generate any revenue for Argyll and Bute Council as a result of the expenditure however for every £1 spent from the Tarbert and Lochgilphead Regeneration Fund, £2.74 is expected to be returned to the council.



although the benefits would also be lessened.

### **Cost/Benefits**

At this stage the cost of the project has not been verified and there may be amendments if the scope of the project is changed or should unforeseen issues arise. The costs expected with this project are estimated to be in the region of £650,000 based on the following estimated costs provided by the Council's Road and Amenity Services:

- Pavement improvements – approximately £480,000
- Allowance for alteration to utilities – approximately £90,000
- Other costs and fees – approximately £80,000

It is hoped that up to 10% of costs can be secured from grant funding such as Sustrans, although this is yet to be confirmed. Due to the potential funding it is anticipated that the cost to the Tarbert and Tarbert and Lochgilphead Regeneration Fund will be in the region of £590,000.

It is acknowledged that project appraisers generally have the tendency to be over optimistic when considering projects. As a result an optimism bias, an allocation of funds similar to a contingency, has been included at this stage. As the scope and costs of bias,

improved facilities within the harbour will help it to continue to attract users including visiting boats and as a result would lead to increased economic activity in the local area. The project is not expected to impact maintenance budgets within the Council.

If this project is chosen to be funded through the Tarbert and Lochgilphead Regeneration Fund then it would be on the basis of option 2. Option 2 is based on the amount requested by Tarbert Harbour Authority, whilst a lesser amount could be allocated to the project this may impact the deliverability of the whole project since more grant funding would be required from other sources.

As a third party organisation it is expected that a grant would be provided with the following conditions:

- a detailed assessment of the Full Business Case for the project by Argyll and Bute Council will be required before the project commences;
- evidence which demonstrates that the Project has received all necessary approvals, is deliverable and fully funded;
- the Grantee has obtained appropriate professional advice and is satisfied that the Grant or any part of the grant will not constitute State Aid; a copy of the relevant professional advice may be required;
- the grant is spent within a timescale to be agreed in accordance with the timetable for delivery of the project;
- Argyll and Bute Council's contribution to the project will not exceed a maximum of 50% of the cost; and
- the Grantee shall not, without prior written consent, dispose of any asset funded, in part or in whole, within 15 years of works being undertaken.

In addition und /FTj /FAAABA 12 Tf 18 0 Td (the)Tj ( )Tj 20( )Tj 3.3339serv4960022 cm Ba a maximum

- Stage 1 - New Toilet/Shower Facility - £520,820
- Stage 2 - Chandlery/Harbour Offices – £90,000
- Stage 3 - New Waste Disposal Area – £35,000
- Stage 4 - Jakes Quay Fuelling Facility - £45,000
- Additional Car Parking - £210,000 (Estimated)

Indications from Tarbert Harbour Association are that they are seeking a contribution of £125,000 for stages 1-4 as well as a contribution towards the car park (we have assumed a maximum of 50%) there for a total of £230,000 would be required from the Tarbert and Lochgilphead Regeneration Fund.

It is not expected that the project will generate any revenue for Argyll and Bute Council as a result of the expenditure however for every £1 spent from the Tarbert and Lochgilphead Regeneration Fund, £2.92 is expected to be levered in through grant funding.