

beset the project following the administration of the main contractor during the 2020 pandemic. At the same meeting Members also took the decision to establish a Rothesay Pavilion Lobbying Group in an effort to secure additional funds to enable the project to continue. This overarching report brings Members up to date with the current situation facing the Rothesay Pavilion project including a summary of the work undertaken by the Rothesay Pavilion Lobbying Group.

- 1.2 This report contains an accompanying Action Plan that has been taken forward by the Lobbying Group which consists of officers, councillors and a representative of the Rothesay Pavilion Charity.
- 1.3 The report also contains a number of recommendations for members to consider in relation to the delivery of the associated action plan and the continuation of the project completion.

2.0 RECOMMENDATIONS

The Policy and Resources Committee are asked to:-

- 2.1 Note the content of the content of the report and progress made to date as contained within the report and Action Plan contained in Appendix B of this report.
- 2.2 Agree the continuation of the Rothesay Pavilion project as detailed in the

Pavilion building occupies a prominent location on the Rothesay waterfront the main settlement on Bute. Bute is a community that has been under significant economic pressure for a number of decades. The three pillars of the island's economy continues to be tourism, agriculture and food and drink produce however there remains an over reliance on the service sector for employment on the island with a significant percentage of this in the public sector. As the island struggles to find a sustainable economic function the claimant count has been consistently higher than the Scottish National average and remains as the highest in Argyll and Bute at 5.6% of residents aged between 16-64 in the December 2022 figures. This rate is subject to fluctuation but it is expected to remain at these high levels unless the economy improves significantly.

- 3.2 Rothesay also has 3 data zones in the 10 most deprived zones in Argyll and Bute which are in themselves in the top 15% of the most deprived data zones in Scotland:-

S01007346 Rothesay Town - 03 391 5-10% 31%

S01007345 Rothesay Town - 02 806 10-15% 25%

S01007350 Rothesay Town - 07 1043 10-15% 23%

- 3.3 This significant deprivation adjacent to the Pavilion has also contributed to the Island of Bute having the highest level of child poverty in Argyll and Bute when housing costs are taken into account and this is expected to get even worse as the cost of living crisis intensifies on account of a number of factors including most notably for island residents rising food, housing and fuel costs.

- 3.4 The restoration of the Pavilion is therefore seen as an important individual element of a much wider regeneration of Rothesay and Bute that has been ongoing overofngidu (at)2d†14 (ehat)12 ()3 (i)6 ((6(w)16 (.1 (v)14 (esT11 (ut)2 (0 1 Tf-26E7

Subsequently, and following the decision to 'pause' the project, our Project Manager, in partnership with the Design Team, Costs Consultants and RCG have been working on alternative approaches to delivery, which makes best use of the funds currently available. Their costed proposals have been included as an accompanying Report entitled Rothesay Pavilion – Financial and Contractual Issues, which due to the commercial nature of the information is marked as confidential. Given the scale of the task in front of us and the

accompanying report entitled Rothesay Pavilion – Financial and Contractual Issues, which is marked confidential.

8.0 IMPLICATIONS

- 8.1. Policy: The Rothesay Pavilion Project formed part of the original CHORD Programme and was a Single Outcome Agreement priority.
- 8.2. Financial: Revenue and capital costs are set out in the accompanying Rothesay Pavilion – Financial and Contractual Issues report which has been marked as confidential due to the inclusion of sensitive costings.
- 8.3. Legal: Potential recourse to legal remedies in respect of Collateral Warranties.
- 8.4. HR: No impacts
- 8.5. Fairer Scotland Duty:
 - 8.5.1. Equalities – Protected Characteristics On completion the building will be fully accessible to facilitate disabled people's participation and use under the Equalities Act 2010.
 - 8.5.2. Socio Economic Duty Will be considered as part of the RPC's Operational Business Model
 - 8.5.3 Islands Will be considered as part of the RPC's Operational Business Model.
- 8.6. Climate Change: Will be considered as part of the RPC's Operational Business Model.
- 8.7. Risk: As set out in the Report in respect of capital and revenue costs, as well as reputational.
- 8.8. Customer Service: None.

Douglas Hendry - Executive Director with responsibility for Commercial Services

Kirsty Flanagan – Executive Director with responsibility for Development and Economic Growth and Section 95 Officer

Councillor Gary Mulvaney - Policy Lead for Finance and Commercial Services

2 February 2023

For further information contact:

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Appendix A – Rothesay Pavilion and UK and Scottish Government Priorities

Appendix B – Rothesay Pavilion Fundraising Action Plan

APPENDIX A - ROTHESAY PAVILION AND UK AND SCOTTISH GOVERNMENT PRIORITIES

TABLE 1

Scottish Government Economic Priorities	How the Pavilion Can Respond to this?
Sense of Place	<p>The Pavilion is an iconic grade A listed building that lies in the heart of the Rothesay Conservation area close to the town centre and local services. The Pavilion also has a role in assisting the wider regeneration of the Island (assisting the Governments ambitions for our island communities) linked to a number of existing and developing area regeneration initiatives.</p>
Entrepreneurship	<p>The Pavilion is well placed to encourage entrepreneurship in the creative industries; tourism and food and drink; the space needs to demonstrate flexibility of use and be digitally enabled to allow use by remote workers/micro/small businesses particularly with links to the aforementioned sectors but does not need to be exclusive.</p>

<p>Enhancing Local amenities and creating a high quality environment</p>	<p>The Pavilion is a long established local amenity that can play a critical role in boosting the local tourism industry and making Bute a more attractive place to visit and live. The building is regarded as being in the top 10 most admired buildings in Scotland.</p>
<p>Creating jobs and economic growth</p>	<p>The Pavilion can be an enabler for jobs in the creative industries, hospitality and food and drink; digital skill development could also be delivered as part of the buildings identified activities. In particular the wider regeneration role of the Pavilion is important here linking to the restarting of the Glen burn Hotel; the Levelling Up Bids; the activities of Mount Stuart and creation of affordable housing.</p>
<p>People and Skills</p>	<p>The Pavilion can offer a variety of spaces and activities (dance, events, café, exhibitions etc.) that can provide significant skill development or training opportunities. This can be applied to a number of priority sectors such as tourism and food and drink which are the council's and amongst the Government priority sectors. It can also look to assist different groups of people with skill development such as young people; women, or people with barriers to employment. The UK Government places more emphasis on economic growth and this would have to be recognised.</p> <p>Again the need to boost wages and improve people's digital skills is very important.</p>