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<b>Report To:</b>	<b>Environment &amp; Regeneration Committee</b>	<b>Date:</b>	<b>5 September 2013</b>
<b>Report By:</b>	<b>Corporate Director – Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>R300/13/AF/SJ/JH</b>
<b>Contact Officer:</b>	<b>Stuart Jamieson</b>	<b>Contact No:</b>	<b>01475 712401</b>
<b>Subject:</b>	<b>Tourism Related Projects</b>		

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## 1.0 PURPOSE

1.1 To seek Committee's support for two key tourism related projects in Inverclyde:

- Provision of one off financial support of £45,000 for Waverley Excursions Ltd (WEL) over the next 3 years;
- To illuminate Newark Castle at a cost of £28,000 to help promote tourism.

## 2.0 SUMMARY

2.1 WEL is seeking to build a partnership funding programme and have approached Inverclyde, North & South Ayrshire, Argyll & Bute Councils to commit to funding the Waverley for 3 years – 2013, 2014 and 2015 at the sum of £20,000 per annum per Council and are seeking a continued commitment from Glasgow City Council of £50,000 per annum.

2.2 Meetings have taken place between the Councils and WEL and, subject to confirmation and the acceptability of a self supporting sustainable business plan, the following level of support has been suggested:

- 2013/14 - £20,000, 2014/15 - £15,000, 2015/16 - £10,000 for non City Councils;
- Glasgow City Council support subject to ongoing review.

2.3 The activities of WEL help to promote tourism and the image of our local area and would contribute to the Repopulation and Economic Regeneration agendas. Further support post 2015/16 is not proposed.

2.4 Newark Castle is a building of historic significance built in the 15<sup>th</sup> Century. Under an agreement with Inverclyde District Council, Historic Scotland agreed for the building to be illuminated at the Council's cost however this has not functioned correctly for a number of years. Property Services have provided estimates to replace the existing equipment at a cost of £28,000. The timescale for delivery for this proposal would be within the next 12 months.

2.5 Funding for Newark Castle will allow for an increase in the number of visitors to the area and will assist in meeting the objectives of the Repopulation and Economic Regeneration agendas.

### 3.0 RECOMMENDATIONS

3.1 That Committee agree to support the following projects and remit to the Policy & Resources Committee to consider the use of the one off contingency as the funding source:

- Contribute £45,000 to the costs of the Waverley; and
- Contribute £28,000 for the illumination of Newark Castle.

Aubrey Fawcett

Corporate Director – Environment, Regeneration & Resources

## 4.0 BACKGROUND

- 4.1 The five Clyde Local Authorities have been asked to continue to support Waverley Excursions Ltd (WEL) for another 3 years – 2013, 2014 and 2015. Although supportive of WEL, Officers from the various Councils have concerns regarding the prospect that WEL would be self-supporting in the future. Previous payments made by our respective Councils were clearly on the basis that WEL would develop a long term sustainable business plan.
- 4.2 The importance of Paddle Steamer Waverley is recognised as an iconic piece of Scotland's history for the value she brings to local communities as well as being a great day out for residents and visitors to Scotland. WEL argue that they are essentially operating a museum piece, one which makes an economic and social contribution to our communities.
- 4.3 WEL has advised that its charitable organisation can no longer support the operating costs for Waverley from passenger revenue alone. In the last decade the company has overcome a number of challenges but there are two factors they have not been able to moderate which is legislation and fuel costs.
- 4.4 WEL would like to work in partnership with the strategies that Councils are implementing in respect of Community, Heritage, Marine & Coastal and Tourism.
- 4.5 Members should note that WEL's sustainability from a funding perspective remains uncertain and a significant amount of work is required to be undertaken by WEL's executives to confirm how achievable this is. Should it become apparent this is not achievable, Members will be advised accordingly.
- 4.6 Newark Castle, as a building of historic significance, contributes to the development of tourism in Inverclyde creating a more positive image and profile.
- 4.7 Inverclyde's Tourism Strategy 2009-2016 aims to maximise the potential that exists to develop the tourism product in the area as well as improve the quality and range of the tourism offering through innovation and product development.

## 5.0 FINANCE

### 5.1 Financial Implications – One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Reserves	N/A	2013/14	£28,000	N/A	Subject to P&R Committee approval
		2013/14	£20,000		
		2014/15	£15,000		
		2015/16	£10,000		

### Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

## 6.0 CONSULTATIONS

- 6.1 The Chief Financial Officer has been consulted on the contents of this report.