Agenda Item	5
Report No	TC/09/21

HIGHLAND COUNCIL

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Date: 29 September 2021

Report Title: Tourism Infrastructure

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

1.1 This report updates Members on recent work in on projects in the Highland area that have been funded through the Scottish Government's Rural Tourism Infrastructure Fund. It also provides an update on the funding bids that were put forward to the 4th round of the Rural Tourism Infrastructure Fund which had a closing date for applications of 10 September 2021.

2 Recommendations

- 2.1 Members are asked to:
 - i. Note the current position with the Highland Rural Tourism Infrastructure Fund supported projects;
 - ii. Note the new tourism infrastructure projects that were the subject of funding bids to the 4th funding round that closed in September 2021;
 - iii. Agree the proposals for supporting the development of a network of Àirigh and any related facilities that would provide a particular public benefit; and
 - iv. Note the work proposed to produce a Strategic Tourism Infrastructure Development Plan by January 2022.

3 Implications

- 3.1 **Resource** The Council employs a Tourism Projects Coordinator who liaises with project leads and submits all Rural Tourism Infrastructure Fund applications and supporting evidence including for projects not being run by the Council. The costs of this post and activity are met from the Service budget. Where projects are led by the Council, the resources required are met by the services concerned. The Council was successful in attracting 90% funding towards the employment of an officer to produce the Strategic Tourism Infrastructure Development Plan with the remaining costs being met from Service budgets.
- 3.2 **Legal** There are no implications arising directly from this report, but all projects funded by the Rural Tourism Infrastructure Fund or other grants are the subject of a legal agreement between the grant awarding body and the Council. Similar legal agreements are in place between the Council and any third parties delivering projects.

- 3.3 **Community (Equality, Poverty and Rural)** there are no implications arising directly from this report. However, the delivery of the projects described are expected to produce positive benefits for communities as well as for visitors.
- 3.4 **Climate Change / Carbon Clever** there are no implications arising directly from this report. However, projects have been developed with elements of sustainability in mind and these were required to be detailed in the applications for Rural Tourism Infrastructure funding. Some elements of the Strategic Tourism Infrastructure Development Plan and of individual Rural Tourism Infrastructure Fund supported projects will specifically focus on infrastructure that can help reduce climate change impacts.
- 3.5 **Risk** There are no implications arising directly from this report.
- 3.6 **Gaelic** There are no implications arising directly from this report. However, in keeping with the Council's Gaelic policy there can be Gaelic elements to some of the infrastructure projects described.

4 Rural Tourism Infrastructure Fund

- 4.1 In October 2017 the First Minister announced a new Rural Tourism Infrastructure Fund with the first round of awards announced in October 2019 and second and third rounds following in 2019 and 2020. Initial awards for the third round were announced in January 2021 when some projects were also added to a "wait list". A subsequent increase in the budget being made available saw 4 further Highland projects awarded support.
- 4.2 The three rounds to date have seen approximately £4.5m awarded to Highland tourism infrastructure projects with a combined project value of almost £7.5m. This means half of the £9m awarded nationally has been awarded to projects in the Highland area. In terms of delivery, some of those projects are being delivered directly by the Council and others delivered by community organisations with the Council as a supporting partner. Funding for one of the projects was awarded to and the project has been led by the Cairngorms National Park Authority.
- 4.3 More recently a fourth round of applications were invited with full applications to be submitted by 10 September 2021. The assessment process is now under way and it is anticipated that an announcement on which projects have been successful will be made in early November 2021.

5 Rural Tourism Infrastructure Fund - Round 1 projects

5.1 The first round of the Rural Tourism Infrastructure Fund saw 6 Highland projects awarded funding with a total of just over £1.1m and a total project value of just over £1.6m. All projects are now largely complete:-

Project	Status
Bealach Na Ba scenic viewpoints – led by The Highland Council	Project complete except for installation of viewpoint walls & interpretation
Blabheinn, Skye - Increased Parking and new composting toilets – led by John Muir Trust	Project complete

Old Man of Storr toilets and motorhome facilities – led by The Highland Council	Project complete
New car park for access to Glenfinnan viaduct - led by Glenfinnan Community Facilities Company.	Project complete
Lochinver motorhome facilities - led by Assynt Development Trust	Project complete
New toilets at Mallaig (with motorhome waste facility) and Traigh Beach - led by the Road to the Isles Facilities Group	Project complete
Active Glenmore (parking and linking paths) - application made and project led by Cairngorms National Park Authority	Construction starting autumn 2021

6 Rural Tourism Infrastructure Fund - Round 2 projects

6.1 The second round of the Rural Tourism Infrastructure Fund saw another 6 successful projects awarded funding. These applications include a total grant award of just over £1.5m and a total project value of just over 2.5m.

Project	Status
Isle of Eigg toilets, showers, interpretation and signage - led by Isle of Eigg Heritage Trust	Construction under way – almost complete
Glen Nevis Visitor Facilities (public transport facilities, parking, signage, paths and new toilets) - led by Nevis Landscape Partnership	Construction starting autumn 2021
Expansion of Bayfield car park, Portree with addition of motorhome waste facilities - led by The Highland Council	Project Complete
Cromarty ferry slipways - led by Cromarty Community Development Trust	Project Complete
Cromarty motorhome stopover with waste disposal and toilets - led by Cromarty Community Development Trust	Delayed while revised plans are developed
Storr footpath Improvements	Project Complete
New Bridge to provide safe link from car park to Glenfinnan Viaduct - led by Glenfinnan Community Facilities Company.	Project Complete
Helmsdale toilets and motorhome facilities	Toilet element being tendered. Further flood assessment work under way for motorhome site

7 Rural Tourism Infrastructure Fund - Round 3 projects

7.1 The third round of the Rural Tourism Infrastructure Fund initially saw another 6 projects awarded funding in early 2021. With further funding being made available, another 4 projects which had originally been deemed suitable but had not secured an offer of funding due to the fund being oversubscribed were offered support in late spring 2021. This funding brings the total offered to Highland projects in this round to £1.6.

- 7.2 Due to difficulties in part related to flood risk, elements of one project for a motorhome stopover site and toilet expansion in Kinlochewe were unable to proceed as per the application and this application was withdrawn. However, a more modest scheme involving parking, toilet improvements and a motorhome waste facility are now being progressed with alternative funding.
- 7.3 A further project for toilets and motorhome facilities by the Kyle of Sutherland led by Kyle of Sutherland Development Trust faced issues and so was also withdrawn. Work is under way to revise the project and other funding is being sought to deliver the revised proposals.
- 7.4 The round 3 projects and their current position is therefore now as follows:-

Project	Status
Visitor infrastructure and management in Glencoe & Glen Etive	Delayed – awaiting Transport Scotland
Parking, cycle facilities, interpretation and paths at Ardnamurchan point - led by Ardnamurchan Lighthouse Trust	_
Photographers Knoll Footpath – Old Man of Storr	Project not yet started
Lochinver motorhome facilities – phase 2	Project not yet started
Parking, toilets, motorhome waste disposal facility and path linking Elgol to the harbour - led by Broadford and Strath Community Company.	Construction starting autumn 2021
Motorhome site with waste facility, toilet and shower - led by Sabhal Mor Ostaig / Sleat Community Trust	Tender process under way
Dornoch car and coach parking with Electric vehicle charging - led by Dornoch Area Community Interest Company.	Construction starting autumn 2021
Loch Ness Visitor Facilities: New toilet and motorhome waste facility at Foyers – led by Falls of Foyers Toilet subgroup / Stratherrick & Foyers Community Council. Upgraded toilets and motorhome waste facility at Invermoriston – led by Invermoriston Millennium Hall.	Foyers – construction starting autumn 2021 Invermoriston – delayed while finalising grant agreements

8 Rural Tourism Infrastructure Fund - Round 4 applications

8.1 As mentioned in 4.3 above, applications to the fourth round of the Rural Tourism Infrastructure Fund closed on 10 September 2021. The Council submitted 12 applications by the closing date for projects led either by the Council or by other organisations. Those projects for which applications were submitted are given in the table below and the results of those applications are expected to be announced in early November.

Project	Project Lead
Achmelvich Beach car park and toilets	Assynt Development Trust

Canna Visitor facilities	National Trust for Scotland / Isle of Canna Community Development Trust
Foyers	Boleskine House Foundation
Gairloch beach toilets	Gairloch Area Development Ltd
Glen Affric parking and toilets	Forestry & Land Scotland
Kilmuir parking and toilets	Kilmuir Community Trust
Kilt Rock parking	The Highland Council
Lairg Motorhome Facilities	Lairg & District Community Initiatives
North Coast 500 parking improvements	The Highland Council
Sleat motorhome facilities	Duisdale & Camuscross Community Initiative
Stac Pollaidh parking and toilets	Outdoor Access Trust Scotland
Ullapool Waterfront	Ullapool Harbour Trust

9 Àirigh – Highland Motorhome stopover sites

- 9.1 While many tourism infrastructure developments are led by the public sector or community groups, one particular type which is particularly relevant at present are overnight stopovers for motorhomes traditionally known by their French name "Aire" but for which the term Àirigh has been adopted for a Highland network.
- 9.2 As these are essentially providing a form of tourist accommodation the Council has taken the view that these are primarily likely to be developed by the private sector as they can easily operate as a commercially viable business. To assist businesses seeking to undertake such a development the Council produced guidance earlier this year on the development of <u>Àirigh – Highland Motorhome stopover sites</u> which has already been issued to a number of interested parties.
- 9.3 Despite the emergence of a network of Àirigh around Highland it is still anticipated that many motorhome users will continue to camp informally in many areas of Highland. This will continue to mean that there is a need for a network of waste disposal sites. While many standalone facilities are being developed including as part of many of the projects referred to above, there is still likely to be a need for further facilities in some areas. One way to continue to develop such a network would be to work with the providers of new caravan and camping sites or smaller scale Àirigh to create publicly available facilities.
- 9.4 At their meeting on 1 September 2021, the Council's Economy & Infrastructure Committee Members were updated on some of the more detailed proposals for an Economic Prosperity Fund. Within this Fund there is a suite of projects and programmes including a growth finance package designed to support start-up businesses, growing businesses, and businesses seeking to adapt to new business conditions. This fund includes both grant and loan elements with developers of Àirigh being able to apply in the same way as any other business type.
- 9.5 In view of the clear commercial element related to developing a site for overnight stays it is recommended that any applications from Àirigh developers for this element be treated as with those from any other business type. However, where there is a strategic need in the geographic area concerned, and a clear opportunity to develop a facility that

would be in the wider public interest, (anticipated to be limited to waste facilities and related services) it is recommended that additional grant support is considered. For the avoidance of doubt, this support would be solely towards the facility providing the wider public benefit and any grant support would require to be predicated on the facility being easily publicly accessible including for those not staying overnight at the site concerned.

10 Strategic Tourism Infrastructure Development Plan

- 10.1 At a national level there has been an ambition to see a more strategic approach to the development of tourism infrastructure and this may have future implications on how the Rural Tourism Infrastructure Fund is used. To some extent it could be argued that the projects submitted to date have been self-selecting and often driven by the fact that a certain community or group has had the capacity to put forward an application (and deliver a project). While this is a welcome addition to what can be delivered by the public sector it has to some extent meant there is a lack of strategic planning for provision. In order to address this further funding was offered through the Rural Tourism Infrastructure Fund for local authorities and National park Authorities to undertake consultation and produce a Strategic Tourism Infrastructure Development Plan that would identify, the key priorities for their area.
- 10.2 The Highland Council submitted a bid for funding for this purpose in spring 2021 and was successful in being awarded a grant to cover up to 90% of the costs of employing an officer for a fixed term of approximately 6 months to produce such a plan. A project officer has been appointed to undertake this role and took up post on 20 September 2021. A successful application was also submitted by the Cairngorms National Park Authority who will be undertaking similar work for the part of the Highlands that falls within the Cairngorms National Park.
- 10.3 As has been reported previously to this Committee, the Council had commenced some work on a tourism infrastructure plan prior to the first Covid lockdown. This work was paused as Covid activity was undertaken before being restarted in autumn 2020 which included a consultation exercise with partner organisations, communities and busines groups. Work was again put on hold when Covid related activity again took precedence during the second lockdown and subsequent reopening of the tourism sector. The work already undertaken will therefore be used as the first stage of developing the new Strategic Tourism Infrastructure Development Plan.
- 10.4 Following completion, the Council is expected to submit a copy of this plan to VisitScotland for further consideration with the Scottish Government by January 2022. The plan, along with those from other areas is anticipated to then be used to help guide the planning of any future tourism infrastructure funding programmes.

Designation:	Executive Chief Officer Infrastructure, Environment & Economy
Date:	13 September 2021
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