

**The Highland Council**  
**Lochaber Area Committee**  
**25 November 2013**

Agenda Item	<b>10</b>
Report No	<b>LA/15/13</b>

**Sailwest – Conclusion of EU Funded Marine Facilities Project**

**Report by the Corporate Manager**

**Summary**

This report summarises the EU funded Sailwest project, its impact on Lochaber and the potential for future funding.

**1. Background**

1.1 An Interreg IV bid was made in 2007 for a project involving partners in Ireland, Northern Ireland and the West Coast of Scotland which involved provision of infrastructure and related marketing campaign - Lochaber and Skye are the only eligible areas within Highland for this fund. Infrastructure projects (installation of pontoons) for Lochaline and Mallaig were put forward as well as a feasibility study for the provision of marine facilities at Kinlochleven, Knoydart and the Small Isles.

**2. Objectives**

2.1 The aims of the Sailwest project were to:

- a) create a marine leisure centre of excellence in the coastal zone
- b) provide sustainable development and rejuvenate coastal communities
- c) provide employment growth and protect existing jobs
- d) provide investment in new infrastructure and ancillary services
- e) develop an overall marketing brand to promote the coastal zone

**3. Partners**

3.1 The funding for this project came from the Interreg IV Programme for Cross Border Territorial Co-operation and required partners from Ireland, Northern Ireland and the West Coast of Scotland. Donegal County Council acted as the lead partner and in total 23 partners were involved in the project. With regard to Scotland, partners came from the whole of the west coast as far north as Lochaber. HIE acted as the lead partner for the projects in Lochaber and Argyll.

**4. Funding**

4.1 Total project value was 7.4 million euros attracting 6.2 million euros of grant funding with an intervention rate of 75% for the eligible elements.

Within Lochaber final project costs were as follows:

Lochaline – 330,667 euros –	approx. £292,000
Mallaig – 1,060,822 euros –	approx. £906,000
Feasibility study – 24,000 euros –	approx. £19,342

Total project spend – 1,415,489 euros – approx £1,217,342

Grant funding received – 706,531 euros – approx £565,224

- 4.2 Total project spend was higher than initially expected due to delays between submission of application for funding (2007) and the award being made (2010) and increased costs particularly of anchor chain in that period. In addition, both projects in Lochaline and Mallaig chose to add in further elements to enhance the projects but these were ineligible for grant funding.
- 4.3 Match-funding for these projects came from Morvern Community Development Company (plus the wider Lochaline community), Mallaig Harbour Trust, HIE and Highland Council. The Council's total contribution was £120,841 and came from Planning and Development (£30,000); Ward budgets (£30,000) and the Capital Discretionary Fund (£60,841).
- 4.4 The facilities at both Lochaline and Mallaig are community-owned, and the funding mechanism was for Highland Council to give the funds to HIE (as lead partner) who in turn funded Morvern Community Development Company and Mallaig Harbour Trust. These arrangements were set out in legal agreements between HC/HIE and HIE/Donegal County Council.

## 5. Marketing Campaign

- 5.1 Behind the infrastructure sits a marketing campaign with the Sailwest projects being branded under the MalinWaters brand ([www.malinwaters.com](http://www.malinwaters.com)). Valued at 750,000 euros, this campaign comprised attendance at trade shows, advertising, business to business knowledge exchanges, hosting marine events eg Clipper Homecoming in Derry and creation of the website. The Lochaber Wards have agreed to contribute to further marketing costs in 2013-14 to ensure the brand remains 'live' until the new 2014-20 funding becomes available. If this further funding is not achieved it is likely that the brand will be wound up unless the private sector / third sector partners can retain it.

## 6. Evaluation

- 6.1 An evaluation of both the outputs and outcomes from the project is around 75% complete and early drafts indicate that all the expected outputs have been exceeded. One major project in Scotland and one in Northern Ireland are yet to complete but both have extensions in to 2014.
- 6.2 More locally, for Lochaline, the change in fortunes which the marine facilities have brought is significant. Information from both the local shop and restaurant is that spend has increased dramatically. The community has had the confidence to install on-shore facilities including laundrette, showers etc and is looking to expand further.

6.3 In Mallaig, the community is also looking to build on-shore facilities with a planning application being recently submitted.

## **7. Way Ahead**

7.1 It is clear that most partners are keen that some form of similar project should continue and would wish to make a submission to Interreg V when it is established. At this time it is known that there will be another programme with smaller but still substantial budgets. Although no identified priorities or themes have been published yet, it is understood that culture, the environment and social exclusion will feature. In terms of eligible areas it looks as if the same areas will automatically be part of the programme if the current criteria are retained.

7.2 For Lochaber it would seem sensible to include those projects which were considered under the feasibility study i.e. Kinlochleven, Small Isles and Knoydart. There may also be projects in Skye which could benefit from this funding and this would enhance the 'cluster effect' around the West Highlands.

7.3 At this time it can only be anticipated that a similar project will come forward with a request from partners to become involved. It is assumed that the financial arrangements will be similar with grant-funding being sought from community groups to future projects.

7.4 It is therefore suggested that on such an approach being received (or indeed if the Council wished to initiate such an approach) the Council looks favourably on the allocation of grant-funding to such a project in order to build on the infrastructure improvements and marketing carried out over the past three years.

## **8. Implications**

8.1 There are no known resource, legal, climate change, risk, carbon clever or equalities implications as a result of this report

### **Recommendation**

Members are invited to:

- i. note and welcome the results from the Sailwest project; and
- ii. agree in principle to further partnership working aimed at developing a further Sailwest project

Designation: Corporate Manager

Date: 4 November 2013

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