

COMMITTEE	Communities, Housing and Infrastructure
DATE	29 August 2017
REPORT TITLE	Greyhope Bay – support for project development
REPORT NUMBER	CHI/17/202
INTERIM DIRECTOR	Bernadette Marjoram
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**1. PURPOSE OF REPORT:-**

- 1.1 To request a financial contribution towards the revenue costs associated with the development of the Greyhope Bay initiative.

**2. RECOMMENDATION(S)**

- 2.1 It is recommended that Committee:
- a) approve the awarding of £20,000 each year for 2017-18 and 2018-19 to the Greyhope Bay Trust to support the next phase of development work;
  - b) instruct officers from Communities & Housing and Economic Development to continue to explore additional sources of funding to support project development costs and future capital works;
  - c) instruct the Head of Finance in conjunction with the Head of Legal and Democratic Services to prepare a grant agreement.

**3. BACKGROUND**

- 3.1 Greyhope Bay Ltd is a registered Scottish Charity established with the sole purpose of developing a world class facility at Greyhope Bay, focussing on marine science and conservation, related education opportunities for all ages and all levels and providing iconic visitor and community facilities between the current Aberdeen Harbour and the South Harbour extension at Nigg Bay.
- 3.2 The charity was incorporated in November 2015, since which time a board of directors has been steering the work of the organisation and developing the business case and funding strategy. This development phase is now at a critical juncture, with funding being secured for specific elements of the project including feasibility work, preliminary site investigations, outline planning

application, design development and detailed cost planning. £120,000 has been secured through fundraising to date from the following sources:

- Heritage Lottery
- Creative Scotland
- The Wellcome Trust
- Science in Culture
- Visit Aberdeenshire (in kind)

In addition, Nexen Petroleum and the Big Partnership are sponsors of the Greyhope Bay initiative.

- 3.3 However the charity does not have revenue funding to support the management of the project going forward and the delivery of the business case and funding strategy, which includes priorities such as audience development and community engagement, branding / marketing and online content and fundraising.
- 3.4 Project development costs for the next two years, to enable capital funding applications to be submitted in line with the fund-raising strategy and to enable the project to move to full planning application, are estimated to be £60,000 per year. This is in the context of a potential £8.5 million – £10 million capital project.

## **FIT WITH ABERDEEN CITY COUNCIL PRIORITIES**

- 3.5 The project has a strong fit with a number of Aberdeen's strategic and locality priorities, as set out below:

### **Regional Economic Strategy**

Aims to '**capitalise on our natural heritage and quality of life** and broaden our economic base by growing and developing our food and drink, agriculture and fishing, **tourism**, life sciences, business, financial and professional services, creative industries and new energy technologies'.

Diversification of the local economy and a focus on improving the leisure tourism offer is a key priority through the Regional Economic Strategy, Opportunity North East, Visit Aberdeenshire and the Council's Events 365 Strategy. The Greyhope Bay facility could be a major visitor attraction in its own right and would also complement developing proposals for a Cruise Strategy, linked to the new South Harbour development scheduled to open in 2020. Visitor numbers have been estimated at up to 65,000 per year, with over half of these expected to come from outwith the immediate area.

### **Aberdeen City Centre Masterplan**

Highlights the Torry Waterfront as a priority intervention area. The Greyhope Bay facility would be an 'anchor' attraction at the eastern end of the Torry Waterfront, enhancing the physical environment through securing investment into improved coastal paths and delivering up to 30 FTE jobs for the local area.

### **Torry Locality Plan**

Greyhope Bay is intrinsically linked with celebrating Torry's place and natural heritage and alongside the harbour expansion will seek to create a wider coastal park development that includes interpretation of the areas built heritage (Torry Battery and Girdleness Lighthouse). As part of the coastal park development the Greyhope Bay centre will include an adventure outdoor play park, accessible to the local community and general public for free.

In addition to employment, the operation of Greyhope Bay will create volunteering, internship and continuous professional development opportunities strengthening and supporting a range of activities. Further, investment at Greyhope Bay will contribute to increase use, economic and social value of the coastline, connecting to other investments planned for the area to deliver on the placemaking agenda.

### **Aberdeen Local Development Plan (2016)**

The proposal is not consistent with the existing Aberdeen Local Development Plan as the area is zoned as greenbelt and recognised as undeveloped coast. The Greyhope Bay Trust would need to work through the Local Planning Authority's usual processes to request a change to the Local Development Plan to accommodate the proposed development.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 It is proposed that £20,000 per year in 2017-18 and 2018-19 is awarded to Greyhope Bay Ltd to enable the next phase of project development to be carried out. The Council's contribution would come from the following sources:

£10,000 – Economic Development (J66100)  
£10,000 – Communities and Housing (E61533)

- 4.2 Funding for 2018-19 will only be released on satisfactory completion of key milestones and actions agreed for the 2017-18 contribution and will be subject to the Council's annual budget setting process.

## **5. LEGAL IMPLICATIONS**

- 5.1 A Grant Agreement will be drawn up to set out the Council's expectations in relation to its financial contribution. There are no procurement implications as the charity's sole purpose is to take the Greyhope Bay project forward. Although the proposed Aberdeen City Council contribution does not breach any State aid regulations contributions from other sources, when aggregated, may require this to be investigated in future.

## **6. MANAGEMENT OF RISK**

### **Financial**

- 6.1 The Council's proposed revenue contribution is one third of that required by the charity for the next development phase. If the remaining £40,000 per year cannot be secured, there is a risk that the project development phase will not proceed as planned or will need to be re-profiled over a longer timeframe. There could, therefore, be a further request to the Council for revenue funding support. Medium likelihood and impact. Mitigation – build clause in to the Service Level Agreement stating that the Council will not increase or extend its funding contribution without the relevant Committee approval.

**Employee**

- 6.2 None.

**Customer / citizen**

- 6.3 None.

**Environmental**

- 6.4 None.

**Technological**

- 6.5 None.

**Legal**

- 6.6 The Greyhope Bay Trust may not comply with the terms and conditions of the grant agreement which is required by the Local Code of Practice for the Funding of External Bodies and following the public pound requirements of the Council.

**Reputational**

- 6.7 The Greyhope Bay project is well-recognised locally, regionally and nationally and a high-profile launch event took place in May 2017. The project has already engaged with participatory budgeting through UDecide Torry which resulted in significant buy-in from the Torry Locality - voted 2<sup>nd</sup> out of 55 bids. The project aims to increase civic pride for Torry and Aberdeen and to continue active engagement with the community to ensure the Greyhope Bay development responds to needs locally. There are potential risks, therefore, if the project fails to progress due to a lack of development funding.

**7. IMPACT SECTION**

- 7.1 This section demonstrates how the proposals within this report impact on the strategic themes of Aberdeen City Council and Community Planning Aberdeen, as set out in the [Aberdeen City Local Outcome Improvement Plan 2016-26](#) and the [Aberdeen City Council Strategic Business Plan](#).

**Economy**

- 7.2 The project will have a positive impact on the local economy, particularly for the immediate locality of Torry, due to the capital investment (and the jobs this creates), the increase in visitor numbers (and spend) and the long-term job,

volunteering and work experience opportunities that it will support. In addition, the facility aims to be a nationally and internationally renowned centre for marine science and conservation research which will complement the city's developing conferencing and exhibition offer.

### **People**

- 7.2 As noted above (6.7), the project has a high local profile and a lot of work has been done to ensure that the Torry community, in particular, are engaged with project development. This will be a key objective of the next phase of project development and will link in to work being undertaken by the Aberdeen Harbour Board to engage local people in the new harbour development at Nigg Bay.

### **Place**

- 7.3 The project will have a positive impact on the place and will hopefully improve community pride in the local area. In the longer-term, proposals for a coastal park and improved coastal paths will help to link the new facility to Torry and the wider city. The project will also provide an anchor attraction for the Torry Waterfront and South Dee proposals in the City Centre Masterplan.

### **Technology**

No direct implications.

## **8. BACKGROUND PAPERS**

None.

## **9. APPENDICES**

None

## **10. REPORT AUTHOR DETAILS**

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