

The Highland Council

Resources Committee – 27 August 2014

Agenda Item	10.ii.a
Report No	RES/32/14

Highland Hospice – Application to Capital Discretionary Fund 2014/15

Joint Report by Director of Finance and Acting Head of Community and Democratic Engagement

Summary

The Highland Hospice is undertaking a full refurbishment of Ness House and the Netley Centre along with the demolition of one of the original buildings to build a new In-Patient Unit. The Project includes an element called “The Sanctuary at Highland Hospice”. The aim is to create a “....spiritual space for those of all faiths and of none”. The total project cost is £6.500m. Funding from the Council has been applied for in the sum of £0.200m.

1. Background

- 1.1 Highland Hospice has been considering options for investing over the past 6 years. Consideration was given to re-locating out of the City Centre, however the benefits of locating close to the River Ness, along with being situated near to Eden Court and the City Centre, outweigh the benefits of moving.
- 1.2 Since the initial development of the site in 1988, the Hospice has enhanced facilities so as to provide a much valued service to Palliative care within the City and the Highlands.
- 1.3 The presence of the Hospice also provides a wide range of jobs and generally promotes economic activity. The links with Eden Court are also being developed.
- 1.4 Highland Hospice is a charity which receives approximately a third of annual expenditure from the NHS Highland. Across the UK ‘Hospice movement’ funding varies from 100% funding by the NHS to almost 100% funding by charities, but the service is always free to patients.
- 1.5 The Hospice has already successfully raised £3.761m from private charitable trusts and philanthropic private donations and its own reserves. The Hospice has not previously received funds from the Council. The Hospice’s fundraising effort continues with their “ProjectBuild Appeal”.
- 1.6 The project fits with the Council’s Programme through:
 1. ‘working together for the economy’ as the Project will support the creation of quality jobs in the Highlands; and
 2. support for an economically vibrant City of Inverness, which is a key theme of the Inverness City Vision.

- 1.7 The Project will retain the high level of service offered and allow for the Hospice to continue to recruit and retain high quality employees. They will increase footfall in the centre of the City and also bring their families to live in the Highlands and contribute to the wider economy.

2. Proposal

- 2.1 The Hospice is undertaking a very significant investment programme in its facilities. The value of the services the Hospice provides to the Highland Community will be enhanced and provision secured to enable continuation of a high standard service provision.
- 2.2 Members are invited to consider agreeing to support the Project from the Council's Capital Discretionary Fund with an award of £0.200m. This will be met from the budget for 2014/15 and will be focussed on delivery of the Sanctuary, which will appeal to all members of the community and add value to the project.
- 2.3 The Housing Grants, Construction and Regeneration Act 1996, makes provision for the Council to consider contributing to expenditure incurred in connection with activities which contribute to the regeneration or development of an area. This includes providing or improving training, education facilities or health services for local people.

3. Implications

- 3.1 Climate Change/Carbon Clever and Equalities - the project will have positive climate change impacts as the buildings will be refurbished to modern standards in accordance with Building Regulations. Application of these regulations will also result in an improvement for those people with a disability.
- 3.2 Legal - the development will provide an improved service to people living in the Highlands; create employment (both in terms of construction and, potentially, some increase, or as a minimum, retention of existing jobs); and ensure a fit for purpose facility is created in Inverness for the City and the Highlands.
- 3.3 Resource - there are no resource implications beyond the grant sum requested and no ongoing commitments arising from the Council's involvement.
- 3.4 Risk, Gaelic and rural – there are no risk, Gaelic or rural implications to highlight in this report.

Recommendation

Members are invited to consider awarding the project to refurbish and partly reconstruct the Highland Hospice as detailed within the report the sum of £0.200m from the Capital Discretionary Fund for the year 2014/15.

Designation: Director of Finance and Acting Head of Community and Democratic Engagement

Date: 14 August 2014

Authors: Derek Yule and David Haas