

The Highland Council

8 September 2016

Agenda Item	16
Report No	HC/38/16

Application to Capital Discretionary Fund 2016/17 – Fort Augustus and Glenmoriston Community Company

Report by Director of Finance

Summary

The purpose of this report is to consider an application for funding of £50,000 from the Capital Discretionary Fund from Fort Augustus and Glenmoriston Community Company towards the cost of rebuilding the Medical Centre in Fort Augustus.

1. Background

- 1.1 This bid has been assessed on the criteria which was approved at Resources Committee on 24 August 2016.
- 1.2 Whilst officers have reviewed the application and assessed whether it meets the criteria for the Fund, Members are asked to consider the application on its own merits, taking account of the project outcomes, links to the criteria set, and the financial implications for the Council.

2. Discussion

- 2.1 The core detailed application is attached as Appendix 1 to this report. The application seeks £50,000 from the Capital Discretionary Fund towards a total estimated project cost of £780,420. Funding of £730,420 has already been secured, and the bid for £50,000 aims to close the residual funding gap.
- 2.2 The project seeks to purchase land and build a replacement Medical Centre following a major fire. The provision of a Centre will support the local community and avoid travel to the nearest NHS facility. The bid meets the following criteria:-
 - the application is less than 50% of the total project cost
 - funding is for a Community Group
 - the application meets the definition of capital expenditure
- 2.3 The application meets the following Council priorities in terms of the Council's Programme *Highland First*:-
 - Supporting communities to be vibrant and stable
 - Empowering communities to deliver services locally
 - Enhancing our town centres
 - Building the local economy
 - Promote equality of opportunity

- Addressing poverty and deprivation

3. Financial Implications

- 3.1 The cost of borrowing to finance the capital grant of £50,000 is estimated at £5,000 per annum. At present this is provided for within the Loans Fund budget. If the Council opted not to award the grant then a revenue saving could be achieved.
- 3.2 The current uncommitted balance on the Capital Discretionary Fund is £0.116m. If the Committee supports the Grant Application then the balance will reduce to £0.066m.

4. Implications

- 4.1 Rural – this project supports a range of communities within Fort Augustus, Glenmoriston and Glengarry
- 4.2 Equalities – the application outlines a range of equalities issues that the project seeks to address
- 4.3 Climate Change/Carbon Clever – the proposals create a new facility that should be energy efficient
- 4.4 Resource – are set out at Section 3 above
- 4.5 Gaelic –no specific implications, but the Centre name (Cill Chuimein Medical Practice) promotes the Gaelic language.
- 4.6 Legal and Risk – there are no specific issues to highlight. The project has confirmed a significant proportion of the required funding, so there is substantial assurance that the project will be delivered.

Recommendation

The Committee is invited to consider the application.

Designation: Director of Finance

Date: 29 August 2016

Author: Derek Yule, Director of Finance

Background Papers: None

APPLICATION FORM FOR ORGANISATIONS APPLYING FOR GRANT AND



DISCRETIONARY FUNDING AND FUNDING IN KIND FROM THE HIGHLAND COUNCIL – Over £10,000

Name of Organisation:

Fort Augustus & Glenmoriston Community Company

Name of Project or Activity Requiring Support:

Fort Augustus Medical Centre

Which of the Council's funding streams are you applying to?

(Please provide closing date details where applicable)

Capital Discretionary Fund – Resource Committee 24th August 2016

Is the amount you are applying for:

£5,000 or under Under £10,000 £10,000 or over

Total amount applied for: £.....50,000.00.....

Estimated cost of funding in kind applied for: £...0.00.....

Please detail what funding in kind has been applied for e.g. Council staff time, use of premises or equipment, waiving of fees or administration support

What type of organisation are you? (Please tick all that apply)

Third Sector (voluntary or community) organisation	x	Community Council	
Registered Charity If yes – Registration number SCO38513.....	x	Company Limited by Guarantee If yes – Company Number ...SC327824.....	x
Other - please specify.....			

Please remember guidance to completing the application form is available [here](#).

For official use only Application reference number			
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PART 1: ABOUT YOUR ACTIVITIES OR PROJECT

Guidance on completing part 1 can be found on Page 8 of the guidance document.

1.1 What is the name of your activity or project?

Fort Augustus Medical Centre

1.2 When will your activity or project take place? (specifically those for which you are seeking an award from The Highland Council)

Start date (month and year)...September 2016.....

End date (month and year).....November 2017.....

Location.....Fort Augustus.....

1.3 What activity or project do you want us to support?

For example:

- Aims of the project and how you are going to do it
- Help with running costs or for a specific project or activity?
- Who will benefit

Please note that the Council will be unable to provide any resources not specified on this form or supporting information.

To Rebuild the Medical Centre in Fort Augustus.

We are looking to purchase the land and burnt out shell of the old doctors surgery situated on Fort William Road Fort Augustus. Once we have purchased this land and remains of the building we will proceed to build a new medical centre in the same piece of land with a similar footprint but with better complementary medical services as well as the normal GP services. The ground is between 0.070 and 0.075 hectares approximately in size and has a current value of approximately £100,000 . It has parking facilities and lies in the conservation area of the village surrounded by trees. Although it is in the conservation area, we will be replacing a 20 year old building with a modern building but using a slightly larger size of footprint than before but just slightly as this is needed for the automatic doors. The rebuild cost is based on £2000 per sq mtr. until we are able to get the QS to finalise the tender documents. We are working closely with the NHS in a variety of ways, firstly their architect has looked over the plans to ensure to their standard and to secure services for the future we have asked them to lease the new build to ensure that if the doctors in the practice decided to go they could put in a salaried GP. The NHS have offered us help in anyway they can through health and safety during the build and attending meetings with the community as well as progressing the lease through their finance committee in enough time to ensure we meet the needs of the Scottish Land Fund which we have been awarded for the purchase of the land. This ensures we have a good return on investment of 4.5% approximately for the money that we have dedicate to this project and due to better design we will be able to have additional services both from the NHS & complementary medicine which will bring great benefits to the communities involved.

1.6 Where relevant and appropriate please describe any contribution your project may make towards promotion of the Gaelic language?

The medical Centre name is already a Gaelic Name as it is called Cill Chuimein Medical Practice and the doctors intend to retain this name

1.7 Please tell us if you have spoken to anyone about your application for advice and support – e.g. Local Highland Council Elected Member, Community Council Member, Council Staff, local Council for Voluntary Service (CVS) – If yes, please provide details:

Councillor Margaret Davidson and ward manager Charles Stephen

1.8 Please tell us about any funding in kind you are seeking from the Council:

Detail i.e. premises, facilities, staff time, waiving of fees	Estimated value
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1.4 Does your activity or project involve building or landscaping work?

Yes No

If yes please answer both a) and b) below.

a) Does your organisation (Please tick):
Have ownership of the land or building

Yes No Purchase will be concluded by end of August 2016

OR

Hold at lease of at least 5 years that cannot be ended by the landlord?

Yes No

b) Is planning permission needed for your project? Tick one option below.

Planning permission not required

Planning permission required and has been granted outcome
awaiting application has been made again we hope by end of august
2016

1.5 Please tell us how your project or activity will help the Council to meet its Public Sector Equality Duty to:

- Get rid of unlawful discrimination, harassment and victimisation;
- Make sure that people from different groups* are treated fairly and have equal chances to use services and that there is more equality between groups*;
- Make sure that people from different groups* get on together.

*Groups are people who have "protected characteristics" in the Equality Act: age, gender reassignment, pregnancy and maternity, religion or belief, sexual orientation, disability, marriage and civil partnership, race and sex.

For example are people with protected characteristics likely to face barriers; how you intend to tackle these barriers; does your project promote inclusion?

The communities of Fort Augustus, Glenmoriston and Glengarry will be treated fairly and have equal chances to use services that the rest of the country get because they will have an enhanced medical centre that will provide modern up to date GP services as well as other NHS services and complementary health services.

1.9 Please provide a breakdown of how much will your activities/project will cost and how much funding you are applying for from The Highland Council:

Item/Activity	Breakdown of Total Costs £	Year 1 £	Year 2* £	Year 3* £	Total £
Staffing					
Other	Legal Fees Application Fees Professional Fee Build Cost Land Purchase	3920 6000 20,500 250,000 100,000	50,000 350,000		3920 6000 70,500 600,000 100,000
Total Project Cost £		380,420	400,000		780,420
Total Funding Request £		50,000			50,000

1.10 **Other funding relating to this project** Please include other funders and own resources and income. Continue on separate sheet if required.

Organisation and status of application	Year 1 £	Year 2* £	Year 3* £	Total £
Glengarry Trust	10,000			10,000
SSE Regional Fund	50,000			50,000
SSE Renewable Fund		40,582		40,582
Doctors	25,000			25,000
Scottish Land Fund	98,724			98,724
Fort Augustus & Glenmoriston Community Company	146,696	359,418		506,114
Successful x Unsuccessful <input type="checkbox"/> Awaiting Decision <input type="checkbox"/>				
Successful <input type="checkbox"/> Unsuccessful <input type="checkbox"/> Awaiting Decision <input type="checkbox"/>				
Totals	330,420	400,000		730420

*See guidance notes for specific funding stream to see if you are able to apply for more than one year of funding.

- 1.11 Please tell us how you know that there is a need for this activity or project and how your approach will meet this need. This might include:
- a. Community support for your project (e.g. surveys, etc.)
 - b. Statistics which show the need for your project (e.g. unemployment figures, crime statistics)
 - c. Evidence from similar projects which shows that they have worked (e.g. research from elsewhere or evaluations of previous local work)

The Need for the project

Our community company covers Fort Augustus & Glenmoriston with the main dwellings (2/3) being in the village of Fort Augustus which sits on the most southern tip of Loch Ness on the Great Glen Way with the Caledonian Canal running through the centre of the village. In the spring and summer months the area can have over 3000 visitors daily and we are approximately a 70 mile round trip from either Fort William or Inverness. Glenmoriston is situated 15 miles north of Fort Augustus and has a more spread out community which runs from the village of Invermoriston westwards 21 miles to Loch Cluanie. Invermoriston sits on the west side of Loch Ness. The medical centre burnt down in October 2015 and the two doctors who own the surgery do not wish to take a new surgery forward as one retired two years ago and the other retired in June 2016. Currently they are working out of the old peoples home in the village and the care commission are looking for them to relocate as soon as possible as there is a high risk of cross contamination with the residents. A temporary surgery is being sought but due to lack of premises this is proving difficult so we need to get the new surgery built as soon as we can. The Insurance money will only clear their mortgage as they were given bad advice 20 years ago and have an interest only mortgage with an exceptionally high get out clause and no endowment policy as it crashed approximately 5/6yr ago. The new doctor does not want to be involved in owning a surgery due to having his own mortgage and young family.

1. LACK OF PREMISES FOR HEALTH SERVICES.

This leaves the community in a very vulnerable position as the NHS do not require to provide a premises they only require to provide a service. As they have built a NHS Surgery in Drumnadrochit (22 miles away after a 15 year wait) there could be the likelihood of the communities having to travel there if we do not do something about building the surgery within our village. The NHS has advised they will not build a surgery in this village now or in the future.

2. TRANSPORT

Transport is a big challenge to the communities if you need to travel for services like dentist, optician, podiatry if you do not own a car. Public transport is so expensive and infrequent and even if you own a car the cost of fuel and distances having to travel can mean you lose income from your employment as a simple 20 min appointment in Inverness or Fort William can end up being over 4 hours when travelling by car and 6 by bus. As we have an aging population travel becomes even more complex and we are seeing this currently with the temporary surgery and no additional NHS services for the elderly. Young mums are also going to struggle if they have to travel with young children and take them out of school.

3. RECRUITMENT OF DOCTORS

Another challenge we will face is the recruitment of a doctor in the area as the new generation of doctors seem to wish to be able to come to an area to work without having the responsibility of a building. It was difficult enough the last time to recruit and it took him 2 years to agree to be a partner as he did not want the added burden of a building.

4.EMPLOYMENT

If the surgery were to be moved, this would mean jobs are lost within the community, 2 F/T staff and 3 P/T staff. The Community Company has just awarded the medical centre a grant to recruit a modern apprentice in administration and business management and this new post would also be lost.

5. COMMUNICATION

A challenge that has been thrown up since the surgery has been burnt down is the communication between doctors, nurses, district nurses, social work and specialist nurses (Diabetic). Before they all used the surgery now they only meet once a week so where previously they could communicate regarding a patient on the passing it is kept to the following week.

6. ACCESSABILITY

Previously the accommodation did not allow patients to meet with these professions as there was no lift. With the new surgery we will ensure a lift is installed to get the best out of the services provided and the building.

7. DEPOPULATION

Overall to ensure our community is complete we need a medical centre and if we do not have one this could very easily lead to depopulation of the area. With the cost of travel and the few all year round employment opportunities, we are seeing families already moving out of the area and the Academy role is only at 50 with 10 coming from the South side of Loch Ness. The primary school only has a role of 57. This has dropped in the last ten years as the school role used to sit at 78 for the Academy and 80+ for the Primary. No children at that point came from the South side of Loch Ness. Services have to be available to encourage young families into the area.

How we engaged with the community

After the initial proposition from the doctors for us to rebuild the medical centre we did a bit of pre work on what it would cost and could we afford it, but we also looked at what we could bring to the community if we owned the surgery and what that would mean for the community in the future.

1. We set up a public meeting for the residents of Fort Augustus and Invermoriston so they could hear our ideas and see a draft drawing. We held the public meeting on the 14th January 2016 after we had leafleted every household in both villages and put up public notices. The night of the meeting we had over 150 members of the community present and we gave a speech on what we saw were the benefits of the community owning the medical centre.

2. Dr Flavin (GP continuing the practice) spoke to the community at the public meeting on why he does not want to take the medical centre building on and would be delighted if the community would consider it. His main reason is he does not want a further mortgage and having to find monies to buy out the practice as he has a young family and just managed to get his own mortgage. He also feels it will help recruit a doctor either by partner or salaried.

3. We had a fairly robust question and answer session and at the end of the session we held a survey by ballot with one question on it "Are you supportive of the community company taking ownership of the medical centre" the result was 88.5% yes. This gave us the mandate to continue and use the community company's money to rebuild the surgery.

4. We held two drop in sessions in Fort Augustus one on a Saturday afternoon and one on a Thursday evening. The following week we held one in Invermoriston in the evening. We asked everyone who came to fill out a survey but we were disappointed with the numbers and we found out by generally speaking with the public that because they had given us their blessing to take it forward they did not think it

necessary to come to the drop in session, so we then decided to approach a few groups i.e. the weekly coffee morning, parents & toddlers, 4th, 5th & 6th Year at the local academy to say a few. We finally received a return of 131 surveys and we have submitted the results as Appendix 2a (to match business plan).

5. We are keeping the community informed via face book, website and posters. There were a few concerns raised at the public meeting about the NHS not being there so we took action by inviting the NHS to the drop in sessions which enabled us all to answer people's questions and give good clear answers, the main worry being that we had not spoken with the NHS and by them being there this dissolved the concerns.

6. We have letters of support from various groups in the community and the local MP, Councillor & NHS which we will submit with this application as Appendix 3(to match business plan).

1.12 Is this a new or additional activity or project? – Yes No

If yes, what change will your activities or project make in your community?

We propose to rebuild a modern and enhanced medical centre to respond to the current challenge of GP'S but to also tackle the problem of travel for additional complementary services, which require to be approved by the NHS. This includes, dental, private podiatry, private physio, optician and counselling. The company will manage the building as a landlord through a proper lease drawn up by our solicitor to the NHS, the additional rooms will be managed by the medical centre practice and initially will have no room charge. Once a practitioner has built up trade there will be a small service charge which will be kept separate for the upkeep of the building. We will work closely with the NHS and medical centre throughout.

1. When we build the medical centre we are designing it in a way that allows for additional complementary medical services along with the General Practitioners and as there will be at least 1 more consulting room and 1 more treatment room the GP/ NHS will also be able to offer more services which could not previously be offered due to lack of space. The second floor will be accessible to all via a lift where as in the previous surgery they were unable to use the second floor as there was no access for elderly or disabled because they did not have a lift

2. We intend to work with the GP to ensure that additional services can be offered and the three most needed from our current survey is Dentist, Optician & Podiatrist.

3. If these three services can be added initially the amount of travel that people have to do will be greatly reduced and the benefits to the elderly and young families will be immense.

4. Having a modern building will also help the GP practice to recruit a new doctor as they will not need to be able to buy into the practice.

5. There will be additional space within the surgery for future use by the community for social care as this is currently getting explored by other individuals in the community regarding care for the elderly and they would need premises to operate out of.

6. The district nurses will also be able to operate out of the centre as well as a weekly visit by a health visitor, currently these services are being operated remotely and there is not the same connection between the GPs, social workers, district nurses & health visitor. They still have their formal meetings but the day to day where concerns

could be flagged up are not being done to the same extent and we want our close knit community to have the best health care possible as this will ensure better health and social wellbeing and less hospital admissions, this in turn makes our community an attractive place to stay and stops depopulation.

If No, how has your activities or project been funded in the last three years?

- 1.13 Please tell us how you will know that your activities or project is working and that you are benefiting your community. You only need to provide targets for the years in which your project will operate. See the detailed guidance for examples of targets.

How you will know you have made the change?		
Year 1 Measurable Outcome	Year 2 Measurable Outcome	Year 3 Measurable Outcome
Purchase Land & Build a well-designed modern Medical Centre	Facilitate a space for sustainable & additional health services for the community thus empowering people to look after their own health	
Make our community more attractive for engaging future GPs to the area	Retention of local health services in the community	
	Financial return for the Community to enable to continue to distribute grants through leasing the building to the NHS for a minimum of 10 years	Financial return for the Community to enable to continue to distribute grants through leasing the building to the NHS for a minimum of 10 years

- 1.14 If it is intended that this activity or project continue beyond the period of Council support, how will it be funded?

3.4 Does or has your organisation receive(d) any other funding from The Highland Council? Please provide information relating to Council funding for the last 3 years:

Yes No

If yes –

a) What is/was it for, and from which Service or Ward budget was it provided?

Year 1: Village Hall Fund 2012
Year 2: Village Hall Fund 2013
Year 3: Ward Discretionary April 2014

b) How much funding do/did you receive?

Year 1: 1000
Year 2: 1000 may have been 750
Year 3: 1000

c) Estimated value of existing funding in kind, and from which Service or Ward budget was/is it provided?

Year 1:
Year 2:
Year 3: