

Agenda Item	3
Report No	WRSL/017/21

HIGHLAND COUNCIL

Committee: Wester Ross, Strathpeffer and Lochalsh

Date: 18 October 2021

Report Title: Highland Coastal Communities Fund – Assessment of Applications

Report By: Executive Chief Officer Infrastructure, Environment and Economy

1. Purpose/Executive Summary

- 1.1 The Highland Coastal Communities Fund is a new fund designed to support economic regeneration and sustainable development around coastal areas in Highland. The fund is derived from revenue generated by Scottish Government Crown Estate marine assets. Each year, local authorities are allocated a proportion of the profits.

Within an overall allocation to Highland of £3,034,703, the Wester Ross, Strathpeffer and Lochalsh Area Committee has been awarded £347,543.75 of Crown Estates revenues for distribution within the Wester Ross, Strathpeffer and Lochalsh Area. Funding will be distributed as the Highland Coastal Communities Fund – Wester Ross, Strathpeffer and Lochalsh (HCCF).

- 1.2 Broad eligibility criteria for the scheme is as follows:-

All projects are expected to be able to meet at least one of the following priorities:-

- Economic recovery.
- Community resilience.
- Mitigating the impact of the climate/ecological emergency.
- Addressing the challenges of rural depopulation.

Projects should be able to demonstrate that they are:-

- Sustainable/viable;
- Providing value for money;
- Providing additionality;
- Able to evidence local support/local benefit; and
- Able to evidence positive impacts for coastal communities and/or the coastal economy

- 1.3 An open call for expressions of interest was held during June 2021. Following this, a number of projects were invited to proceed to full application stage.

1.4 In summary the position in Wester Ross, Strathpeffer and Lochalsh at Area Committee on 18 October 2021 is as follows:-

Available HCCF Funding – £266,632.73

Number of applications for consideration – 6

Business Gateway proposal - £40,000.00

Total value of grant requests - £213,527.88, including Business Gateway proposal

To aid Members in their decision making, the following appendices are provided to this report:-

- **Appendix 1** - Summary spreadsheet of applications for consideration including RAG status from technical assessment;
- **Appendix 2** - Project summary and outcome of technical assessment for each application; and
- **Appendix 3** – Business Gateway proposal

Technical assessments and the RAG status are based on the application form and supplementary information provided during the application process.

1.5 Members agreed that it would be appropriate to seek a proposal from Business Gateway as the recognised first point of call for Young Entrepreneurs looking for support. The proposal should outline the added value to the Business Gateway service through the provision of HCCF grants to Young Entrepreneurs in Wester Ross, Strathpeffer and Lochalsh.

1.6 **Appendix 3** details the proposed Wester Ross, Strathpeffer and Lochalsh Young Entrepreneurs Scheme.

2. Recommendations

2.1 Members are asked to:-

- i. Consider all applications presented for funding and agree whether to approve, defer or reject the application. An approval of funding should detail the amount approved and outline any conditions of funding that Members wish to attach to the approval over and above the required technical conditions. A deferral would allow an applicant to resubmit the current application at a future date with updated information. A rejection would mean that the application will not proceed and any future application to the fund should be brought forward initially as a new expression of interest;
- ii. Agree the proposal for delivery of business support through adding value to the Business Gateway service in Wester Ross, Strathpeffer and Lochalsh, as set out in the **Appendix 3**; and
- iii. Agree a ringfenced sum of £40,000 of HCCF – Wester Ross, Strathpeffer and Lochalsh funding to deliver the proposal for Young Entrepreneur Grants.

3. Implications

3.1 **Resource** – It is proposed a sum of £40,000 be ringfenced to specifically add value to the services provided in Wester Ross, Strathpeffer and Lochalsh by Business Gateway through provision of grants to Young Entrepreneurs.

Wester Ross, Strathpeffer and Lochalsh has available funding of £266,632.73. Applications under consideration, including Business Gateway's proposal total £213,527.88. There are therefore no resource implications should Members wish to approve all applications.

- 3.2 **Legal/Risk** – When managing external funding it is imperative that the risks to Highland Council are assessed/mitigated and any back-to-back grant award letters with third parties and financial claims management protect The Highland Council financial and reputational interests.
- 3.3 **Community (Equality, Poverty and Rural)** – Coastal communities funding is available to all Area Committees within Highland with a coastline. The focus of the funding is economic recovery and community resilience. Consideration on issues relating to equalities, poverty and rural issues are dealt with on an individual basis for applications and covered in the technical assessments of project
- 3.4 **Climate Change/Carbon Clever** – Mitigation of the climate/ecological emergency is a specific aim of the HCCF funding. All applicants are required to evidence environmental sustainability as referenced in the technical assessments
- 3.6 **Risk** – When managing external funding it is imperative that the risks to Highland Council are assessed/mitigated and any back-to-back grant award letters with third parties and financial claims management protect The Highland Council financial and reputational interests.
- 3.6 **Gaelic** – Consideration given within individual project applications in line with HC policy.

Designation: Executive Chief Officer Infrastructure, Environment and Economy

Date: 4 October 2021

Author: Fiona Cameron, Programme Manager

Appendices: **Appendix 1** – RAG Status Summary Sheet

Appendix 2 – Project summary and outcome of technical assessment

Appendix 3 – Wester Ross, Strathpeffer and Lochalsh Young

Entrepreneur Grant Proposal

EOI Ref	Applicant	Project Name	Total Project Cost	Grant Requested	Timescale for Start
Allocation				£347,543.75	
1st Round Projects				£80,911.02	
Balance				£266,632.73	
174	Gairloch Community Car Scheme	Gairloch Community Car Scheme (Hospital Car)	£40,215.00	£12,705.12	01/10/2021
175	Wester Loch Ewe Trust	Old School, New Use	£49,500.00	£38,500.00	01/12/2021
177	Badrallach Community Company	Badrallach Old School	£30,000.00	£15,000.00	01/11/2021
178	Applecross Trust	A Brighter Face of Tourism	£13,000.00	£6,500.00	01/09/2021
179	Applecross Community Company	Restoring the Natural & Cultural Heritage of Torgarve Woodland	£20,945.52	£10,472.76	01/09/2021
208	Community Out West Trust	Kinlochewe Community & Tourist Facilities Hub	£94,000.00	£90,350.00	01/10/2021
	Business Gateway	Young Entrepreneurs Scheme	£40,000.00	£40,000.00	
				£287,660.52	£213,527.88

Balance Remaining for 3rd Round

£53,104.85

Gairloch Community Car Scheme: Gairloch Community Car Scheme (Hospital Car)	
Total Project Cost: £40,215.00	Grant Requested: £12,705.12
<p>The funding requested will allow Gairloch Community Car Scheme to lease a suitable Hospital Car for the purpose of continuing to take passengers from local and neighbouring communities to appointments and treatments at any NHS Highland hospital and further if the expertise is not available in the Highlands. They have taken passengers to Aberdeen Royal Infirmary at the request of consultants at Raigmore. Funding for three years lease would give Gairloch Community Car Scheme a chance to build up reserves ensuring this popular service will continue for years to come. Full match funding package has been confirmed.</p>	
Technical assessment outcome – passed. Project is eligible for HCCF Funding	
Wester Loch Ewe Trust: Old School, New Use	
Total Project Cost: £49,500.00	Grant Requested: £38,500.00
<p>The applicant group is underway with extending and redeveloping the old school and is seeking funding from Coastal Communities for the fixtures and fittings for the space and also a community design and options study for Phase 2 of the major development of the Old School community building.</p> <p>Full match funding package has been confirmed.</p>	
Technical assessment outcome – passed. Project is eligible for HCCF Funding	
Badrallach Community Company: Badrallach Old School	
Total Project Cost: £30,000.00	Grant Requested: £15,000.00
<p>This project involves the restoration of the Old School at Badrallach for tourist accommodation along with secure fencing of the area. Applicant group are providing match funding.</p>	
Technical assessment outcome – passed. Project is eligible of HCCF Funding	
Applecross Trust: A Brighter Face of Tourism	
Total Project Cost: £13,000.00	Grant Requested: £6,500.00
<p>With the easing of lockdown, the Highlands (and Applecross) became the place to visit and the number of people holidaying in the area was unmanageable. An emergency pilot scheme was introduced which eased the issues of human and general waste, overcrowding, wild camping, fires, cutting down of trees, and negative impact on quality of life for those living in the area. This project will build on the pilot scheme by designing a website, introducing a dog waste and beach clean campaigns along with signage and information board.</p> <p>Full match funding package has been confirmed.</p>	
Technical assessment outcome – passed. Project is eligible for HCCF Funding	

Applecross Community Company: Restoring the Natural & Cultural Heritage of Torgarve Woodland

Total Project Cost: £20,945.52

Grant Requested: £10,472.76

This 12-month project will deliver the first phase of the Torgarve Community Woodland's Business Plan. It will focus on implementing Woodland Management, enhancing the biodiversity of the area and engage the community with developing amenities and building volunteer capacity.

Full funding package has been confirmed.

Technical assessment outcome – passed. Project is eligible for HCCF Funding

Community Out West: Kinlochewe Community & Tourist Facilities Hub

Total Project Cost: £94,000.00

Grant Requested: £90,350.00

The overall project aims to provide community toilets open 24/7 throughout the year for the local community, whilst also providing a range of much needed facilities for the many visitors to the area. The project is a multi-phase one, allowing development to take place without the need to close the toilets for an extended period.

Planning permission has not been applied for yet and an element of match funding is still outstanding.

Technical assessment outcome – passed. Project is eligible for HCCF Funding

Coastal Communities Fund for Business - Ward 5

The purpose of the proposal is to help stimulate the economy in this area by providing extra funding for young entrepreneurs setting up a business.

According to the recent Business Gateway research snapshot the area has a very low business start-up rate in the 18-35 age demographic and therefore this would be an opportunity to increase those numbers.

We would work with the Prince's Trust who also have grant support for the 18-30 years olds setting up in business. There is also an opportunity to assist growing businesses that have started up within the last year.

The support from the Coastal Communities Fund would run in parallel and align to the new Business Gateway Highland start-up grants from the Economic Prosperity Fund (EPF). This fund will add value and allow the Council to scale up its activities to support start-up businesses; to help growing businesses and to encourage existing businesses to adapt to new trading conditions and secure new business.

The EPF will be delivered by the Council's Business Gateway service. The EPF will build on the Council's existing ERDF supported Local Growth Accelerator Programme, the Scottish Government's Digital Boost programme, and with local funds made available by Wester Ross, Strathpeffer and Lochalsh Area Committees.

The Business Start-up and Growth package of support will look like this:-

Business Start-up Programme

(to encourage new businesses to start-up and to take their first steps to growth)

To get your business going:-

- Start-up business course and access to the BG suite of online support
- 1:1 specialist business start-up adviser
- Flat rate set-up grant of £500

To get your business growing:-

- Specialist advice and support
- Continued 1:1 specialist business start-up adviser
- Early-stage growth grant, up to £1000

Business Growth Programme

(to support those businesses who aspire and who actively want to grow)

To give businesses the advice and guidance they need to grow their business:-

- All growing businesses automatically already have access to a Business Gateway adviser and to the BG suite of online support
- 1:1 specialist adviser support targeted to their business needs and opportunities
- Specialist online webinars focused to their business needs and opportunities
- Business growth grant, range from £5,000 up to £10,000
- Business growth funding package up to £25,000
- Business growth loan, £15,000 and above