

Agenda Item	7
Report No	BI/010/21

HIGHLAND COUNCIL

Committee: Black Isle Committee

Date: 16 November 2021

Report Title: Highland Coastal Communities Fund – Assessment of Applications

Report By: Executive Chief Officer Infrastructure, Environment & 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 Black Isle Area Committee has been awarded £11,007.91 of Crown Estates revenues for distribution within the Black Isle Area. Funding will be distributed as the Highland Coastal Communities Fund – Black Isle (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 December 2020 with Expressions of Interest accepted on a rolling basis. Following this, a number of projects were invited to proceed to full application stage.

1.4 In summary the position in Black Isle at Area Committee on 16 November is as follows:-

Available HCCF Funding – £6,557.91
Number of applications for consideration – 1
Total value of grant requests - £10,380.00

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

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

- **Appendix 1** - Project application form and technical assessment for the project under consideration; and
- **Appendix 2** - Technical assessments and the RAG status are based on the application form and supplementary information provided during the application process.

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.

3. Implications

- 3.1 **Resource** – Black Isle has available funding of £6,557.91. The application funding request under consideration totals £10,380.00 exceeding that available, therefore Members can only approve up to the amount available of £6,557.91
- 3.2 **Legal/Risk** – When managing external funding it is imperative that the risks to The 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 The 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 & Economy

Date: 27 October 2021

Author: Fiona Cameron, Programme Manager

Appendices: **Appendix 1** – Ferintosh Community Hall Application
Appendix 2 – Ferintosh Community Hall Technical Assessment

Highland Coastal Communities Fund



- Please read the Application Form and the Guidance Notes completely before completion
- No project should start or commit expenditure before receiving approval of grant

SECTION 1: PROJECT SUMMARY

1.1 Organisation/applicant name	Ferintosh Community Hall EOI ref 205
1.2 Project title	Roof Insulation and Associated Works

1.3 Total cost of project	Total cost of project	£21,380
	Match Funding	£10,500
	Grant requested	£10,880

1.4 Estimated Start Date	February 2022
1.5 Estimated Finish Date	March 2022

1.6 Which of the following programme themes will your project meet?	
Economic Recovery	
Community Resilience	By carrying out these improvements the hall management team are ensuring there is an attractive, comfortable, and energy efficient building available for all manner of community use. With assistance from SSE we have generator connections for powering up during any prolonged power cut.
Mitigation of climate/ecological emergency	By carrying out these improvements energy will be reduced.
Rural de population	

How will your project benefit coastal communities or the coastal/marine economy?

Please provide any evidence you have of wider community support for this application?

In cold weather and due to the poor level of ceiling insulation there is ongoing criticism of the length of time it takes to heat the hall prior to use. The following are examples of community feedback.

1. Our neighbouring primary school, in pre-covid times, make use of the hall for PE classes and concerts. Over winter, when most of our functions are held, the head teacher has to switch the heating on an hour before the session to ensure a minimum temperature for little ones. Prior to covid, the hall took twice weekly bookings for yoga classes. The instructor cannot always arrive in time to put the heating on early enough for the hall to heat up properly for the beginning of the session.
2. A local artists group stopped coming as their hands couldn't warm up enough within the session to paint properly.
3. It was the suggestion of a local hall user who was concerned about our heating to get in touch with Resource Efficient Scotland to begin with and to seek their advice on ways of improving the heating situation.

SECTION 2: CONTACT DETAILS

2.1 Main contact name	Rod Mackay
Contact number	[REDACTED]
Alternative contact number	Philip Ross, treasurer, [REDACTED]

2.2 Position	Chairman/Secretary
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2.3 Address	[REDACTED]
Postcode	[REDACTED]

2.4 Email address	[REDACTED]
2.5 Website address	[REDACTED]

SECTION 3: ORGANISATION DETAILS

3.1 Organisation Status	Please indicate (x)	Organisation number
Company limited by guarantee		
Constituted Group		
Public Body		
Private Business		
Charity	X	SC005925
SCIO		
Other (please specify)		

3.2	Are you VAT Registered? (delete as appropriate)	NO		
3.3	If you are registered for VAT please quote number			
3.4	Is the VAT related to the project being reclaimed from HMRC (x) <i>please provide any relevant details in the box below, details of exemptions etc.</i>	Wholly	Partially	None
				X

Notes:

3.5 Key Project Personnel – please list personnel involved in this project detailing their skills to be involved

Name and position in organisation	Skills/Area of work
Rod Mackay, chairman/secretary.	Grant applicator, form filler and project liaison. Rod had a former career as a construction engineer, part of which involved pricing and administering projects.
Philip Ross, treasurer.	Assistant grant applicator. Philip ran his own hard landscape business for some years and is presently involved in oil related construction.
Fraser Stewart, committee member.	Architect and contract administrator. Fraser is a qualified professional architect and is a member of various professional architects bodies.

SECTION 4: PROJECT DETAILS

4.1 Where will the project be happening? (Please include postcode)

The project will be happening within Ferintosh Community Hall, Easter Kinkell, Dingwall, IV7 8HZ

4.2 Project summary. Please summarise your project as concisely as possible:

(a) What need or opportunity will your project address? How do you know that there is local support for the approach you are taking?

The project will remedy the poor insulation of the hall's ceiling and so address the time taken to bring the hall up to a reasonable temperature from cold, and maintain that temperature once reached. In carrying out this work, our old fluorescent light fittings will be removed and replaced with energy efficient equivalents. As the work involves the installation of a new false ceiling, there will be significant redecoration works to finish off giving the hall a partial face lift and new look.

There is local support as outlined at the bottom of section 1.6 above.

(b) Project Summary and main activities

Resource Efficient Scotland identified the poor ceiling insulation as the main drain on our heating efforts and made recommendations to apply insulation and form an area of false ceiling at the peak of the ceiling. As this required technical expertise they recommended we employ the services of an expert to prepare and draw up a contract – architect Fraser Stewart as listed above.

They also recommended the installation of air vents in the roof space to avoid problems caused by condensation once the installation is fitted. They also suggested we replace the old fluorescent strip lights with LED equivalents. In adding more weight to the hall ceiling our architect had the roof trusses checked and as they were found to be on their load bearing limit, steel strengthening plates will have to be fixed before insulation works commence. Once all the above is complete, fire alarm fittings and existing heaters will be refitted and reused with decoration to finish.

(c) In development of your project, please detail how you have considered the following:

- **Environmental impact:** Our project will effectively reduce our electricity consumption and provide a more comfortable environment within the hall. The existing quartz heaters will be reused along with fire alarm fittings. The intended tradesmen and those who will be overseeing the work are all local, living within five miles, some within walking distance.
- **Equalities impact/issues:** Our delightful hall is available to all who want to use it. We have a toilet for the disabled and a ramp to one of the entrances. We work with other local charities and fund raising initiatives to offer premises and support, if required, to enable their function to proceed. For example, Maggie's meals and students raising finance for overseas trips and gap years. Our committee members are all diverse local folk with hearts who talk to each other and have our feet firmly on the ground. Should a need arise we would be happy to do what we can to help others in need.

(d) Who will benefit from your project?

Those who benefit from the hall will be those who use it. As well as making the premises significantly more energy efficient, the main area within the hall will have had a facelift. It is hoped that with the after effects of covid and as we get back into circulation, this will encourage more use of the hall premises. Over the years the surrounding community has become aged, however with some new houses being built and younger families moving in it is hoped that we will see a return to the use the hall once had.

In particular, use of the hall is made by the local primary school for PE, concerts and functions. They will benefit as will the yoga and other groups as they begin functioning again.

It is hoped that the benefit of the proposed works will be felt by future generations who use the hall.

(e) How will your project be continued after HCCF funding and/or what will the lasting benefits of the project be?

It is the responsibility of the present committee to both maintain the hall for current use and also to leave the building fit for purpose for the future. This project has a beginning and an end which in itself is a step in securing the fabric of the hall for the present and the future.

(f) Please outline how your project fits with other local plans or strategies.

Though our project is not part of a local plan or strategy it is part of an unofficial network of community halls which is kept open by small groups of volunteers to the benefit of their communities. We are available to act as a resilience hub and to be part of any plan as and when the need arises.

4.3 Does your project require planning permission or any statutory regulatory requirement or consent? *(delete as appropriate)*

NO

If YES, please detail

Type	Steps Taken	Date

SECTION 5: BUDGET

This can be provided in a separate excel spreadsheet if you prefer. Please delete the example below before completing this form.

Budget Heading	Detailed cost	Amount
Architectural Services.	Preparing design and drawings, specification, tender and receiving estimates, supervision, and handover.	£750
Builder Work	Install steel strengthening plates to existing roof trusses, form false ceiling, prepare for and install plasterboard faced insulation, install roof vents, decorate and complete.	£16,228

Electrical	Remove and set aside for reuse fire alarm fittings and quartz heaters. On completion of insulation works, replace fire alarm components and heaters and commission.	£2,122
Decoration	Finish insulation board joints and other defects in a workmanlike manner, paint as specified and complete.	£2,280
TOTAL PROJECT COST		£21,380

A note on funding shortfall.

At the time of submitting our expression of interest it was anticipated that with an award of £5,000 and our money in the bank the project could have gone ahead. We have a committee member who is involved in the building trade who has advised that the present cost of materials is currently +150%. For example, a £30 sheet of plywood now costs £80. If we take the materials element as roughly a third of the estimate, £7,000, then a further £10,000 may be required for the project to proceed. Thankfully relevant funding providers are coming online again after a covid `break` and so there is potential.

SECTION 6 – MATCH FUNDING

6.1 Please give details of any other funders that will contribute to the project:			
Name	Confirmed Yes/No	Date (month/yr)	Amount £
The National Lottery Community Fund	Awarded	May 21	£6,000 (£10,000 applied for)
Robertson Trust wee Grants	Awarded	June 21	£2,000 (£2,000 applied for)
The Highland Council Discretionary	Awarded	June 21	£2,500 (£10,000 applied for)
Total £			£10,500
Please detail HCCF Grant requested £			
(This should total project costs section 5) Total £			

6.2 Will your project involve any “in kind” support?	
YES	Rod Mackay
Please detail:	Time spent securing funding, assisting architect with supervision, etc.

SECTION 7 – BUSINESSES AND REVENUE GENERATION PROJECTS

For all business applications or projects that will generate revenue you **MUST** submit a business plan to accompany your application. Please also complete the following:

7.1 Have you had any support from other organisations in developing your project:	
Business Gateway	No
HIE	No
Resource Efficient Scotland	Preparing original energy saving report.

7.2 Have you previously received public funds for your business/organisation?	
Yes	

If yes, please provide further details: Over the years we have had various grants from The Highland Council Discretionary Budget including £750 towards our fire alarm system, and £1,000 towards the cost of new quartz heaters.
Over 20 years ago HIE contributed towards the cost of a new toilet block and kitchen.

SECTION 8 – SIGNATURE

I declare that the information contained in this application is correct to the best of my knowledge, that I have read the guidance notes and that I understand and accept the terms and conditions noted within them.

The data you have provided in the application and claim forms are subject to the provisions of the Freedom of Information (Scotland) Act 2002, the Data Protection Act 1998 and the Environmental Information (Scotland) Regulations 2004.

8.1 Would the person named as main contact for this application please sign below		
Signature:		Print:
		
		Date 7 th Oct. 2021

8.2 To be completed by the Chairperson or equivalent of your group or organisation (if different from above)		
Signature:	Print:	Date

Attachments checklist. Please ensure you enclose copies of the following where appropriate.		Please Indicate (x)
1	Constitution or Articles and Memorandum	X
2	Committee Members or Directors List	X
3	Permissions – Planning etc	
4	Policies – Child, Risk, Equal Opportunities etc	X
5	Confirmation of Match Funding if available	X
6	Bank Statement	X
7	Research/Evidence of Need and Demand	
8	Business Plan	
9	Insurance	X

For assistance completing this form please contact:

coastal.communities@highland.gov.uk

Please ensure you include your EOI reference number that was supplied to you with your application pack.

Highland Coastal Communities Fund – Application Assessment

File Reference:	HCCF205	Applicant Name:	Ferintosh Community Hall	Organisation Type:	Charity
Project Title:	Roof Insulation and Associated Works	Date application received:	07/10/2021	Area Committee:	Black Isle

Project Summary			
Total eligible project costs (£)	£21,380.00	Total HCCF funding sought (£)	£10,380.00 (only £6,557.91 HCCF Black Isle budget available)
Percentage HCCF grant intervention rate applied for (%)?	51% (only 31% contribution available)		
Estimated Start Date	February 2022		
Estimated Finish Date	March 2022		

Application Technical Check			
		Yes-No-N/A	Comments
1	Is HCCF grant requested within the Highland/local thresholds?	Y	
	Has any work already started/costs been incurred prior to application?	N	
2a	Does the project have to comply with any Statutory Regulatory Requirements?	N	Applicant has stated that their architect has confirmed a building warrant is not required for the works
2b	Are the necessary planning consents/licences in place or applied for?	N/A	
3	Is project activity being proposed, a public sector statutory duty?	N	
4	Is application organisation VAT registered? Has evidence to confirm VAT status been received?	N	Project is not VAT registered
5	Is the proposed activity/project within 5km of coastline or has applicant provided justification of benefit to coastal communities?	Y	Project based in Ferintosh

6	Is the applicant an eligible business/organisation/person? Has applicant confirmed organisation type and appropriate registration?	Y	Applicant is a registered Charity
7	Will the project generate revenue? Has the applicant provided a business plan (if required)?	N/A	
8	Project fits with the following HCCF priority(ies) - Economic Recovery - Community Resilience - Mitigation of climate/ecological emergency - Rural Depopulation	Y	Applicant states that project will meet 'Community Resilience' and 'Mitigation of climate/ecological emergency'
9	Is a full match funding package in place or applied for pending decision (written evidence provided)? If a match funding decision(s) is pending, what is the expected date of decision(s)?		£11,000 Match funding confirmed: National Lottery Community Fund - £6,500 (Typo in application form states £6,000) Robertson Trust - £2,000 Highland Council Discretionary - £2,500 Based on request to HCCF for remaining Black Isle budget of £6,557.91 there would be match funding shortfall of £3,822.09.
10	Is the application form signed and dated by chair person or equivalent (authorised signatory)	Y	Application is signed

Assessment Criteria

	Application has demonstrated:	RAG Status	Comments
11	Project Robustness	A	Architects have already been engaged to discuss work required and provide cost estimates. Applicant's funding request exceeds that currently available within the Black Isle budget, applicant has stated that they are continuing to apply for match funding and fund raising activities. There is a concern that material costs may rise in the interim leaving further match funding being require.
12	Engagement & Support	A	Uses of the hall include – art classes, yoga, local primary school PE classes, concerts and functions, local fundraising activities. It is expected that all users of the hall would be supportive of the project however evidence (letters of support etc) have not been included with the application
13	Meeting a Need of Demand/Market Demand	G	Need for energy saving improvements have been informed by Resource Efficient Scotland. Poor heating is currently limiting the buildings use as the hall
14	Legacy & Exit Strategy	G	Improving energy efficiency of the hall will provide long term energy savings and will allow the hall to be used more frequently in colder months
15	Consideration of equalities issues/impacts	G	Building has disable toilet and ramp access. Applicant does not have Equal Opportunities Policy – Condition of grant made to provide Equal Opportunities Policy
16	Environmental sustainability	G	Project will result in improved energy efficiency of the hall
17	Value for Money	G	Project will result in the improved energy and cost efficiency of the hall and represents value for money

18	Match funding	G	Match funding is in place from National Lottery Community Fund, Robertsons Trust and Highland Council Discretionary. Applicant is actively applying to other funders to cover the remaining shortfall
19	Meets Local Priorities	G	Specific local priorities have not been set by Black Isle Area Committee however project compliments strategic ambitions of energy efficiency and low carbon initiatives
20	Additionality	G	Funding is required to allow the project to proceed
	Please indicate whether HCCF funding is required to: <ul style="list-style-type: none"> - Allow the project to proceed - Increase the scope of quality of the project - Accelerate the implementation of the project 		
	Has loan finance been considered? Please explain why loan finance has not be considered a viable option:	N	Given the project is non-income generating along with the organisation type and limited funds available it would not be expected that a loan is considered
Procurement and RoC:			
21	Are all project costs eligible/essential?	Y	Costs include labour and materials for roof repair
22	Have the project costs been sufficiently broken down and itemised?	Y	Break down of costs of labour and materials has been provided
23	Have the recommended HCCF procurement requirements been met, where required? If not what steps have been taken to judge whether costs are reasonable?	N	Quotes have been provided but will have to be updated. Procurement will be discussed with the applicant during the post offer meeting. Project will need to follow appropriate procurement processes and evidence provided Costs are deemed reasonable at application stage
24	Is the applicant is VAT registered, has VAT been removed from eligible project costs?	N	Applicant is not VAT registered
25	Has the applicant received previous funding from public sources in the last three fiscal years?	N	Applicant has not received previous funding

Document Checklist		
	Yes-No-N/A	Comments
Expression of Interest	Y	
Most recent bank statement	Y	
Certified financial accounts:	N	Required
Research / Evidence of need and demand	N	
Financial statement demonstrating need for public funding (if relevant) (e.g. letter from applicant/bank statements etc.)	Y	
Complete business plan (If relevant)	N/A	
Evidence of control/ownership of asset	N	Required

Job descriptions (and activity plan) for any post which funding is sought towards	N/A	
May apply:		
Current constitution or articles and memorandum	Y	Constitution provided
Current committee members or directors' list	Y	Committee Members list provided
Permissions – planning, building warrant etc.	N/A	Project architect confirmed building warrant not required
Policies – equal opps Child protection (if relevant)	Y	Child protection policy provided. Equal opportunities policy requested
Written confirmation/evidence of match funding (if available)	Y	Confirmation and bank statement evidence of payment provided
Insurance	Y	Copy of insurance provided
Additional:		
Letters of support	N	
Partnership Agreement	N	
Other	N	

Recommended Conditions of Grant
Pre Approval Conditions
Pre Start Conditions
Match funding to be confirmed
Other Issues/Conditions
Copy of Equal Opportunities Policy to be provided

Assessed by:	Name:	Sarah Lamb
I can confirm that I have completed the eligibility checks as set out above.	Date:	27/10/2021