

The Highland Council

Agenda Item	5.
Report No	CC/02/24

Committee: Caithness Committee

Date: 29 January 2024

Report Title: Community Regeneration Fund Assessment of Applications

Report By: Executive Chief Officer Infrastructure, Environment & Economy

1 Purpose/Executive Summary

1.1 Community Regeneration Funding is an umbrella term for a number of funds that are available for communities/organisations to access in Highland. It comprises elements of the UK Government's Shared Prosperity Fund along with the Highland Coastal Communities Fund and the Place Based Investment Programme, both of which are Scottish Government Funding streams to support economic regeneration and sustainable development in Highland. Area Committees are awarded devolved allocations according to approved formulae and decision making on which projects should receive funding sits with elected Members.

Within Caithness the following allocations are available for distribution in 2023/24:-

- Highland Coastal Communities Fund (capital/revenue);
- Place Based Investment Programme (capital); and
- UK Shared Prosperity (separate capital & revenue allocations)

Total funds available - £494,412.98 (this is a mix of capital and revenue from the individual funding programmes above).

1.2 Broad eligibility criteria for the fund 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; or
- addressing the challenges of rural depopulation

Projects should be able to demonstrate that they are:-

- sustainable/viable;
- providing value for money;
- providing additionality; and
- able to evidence positive impacts and wide community benefit

1.3 In summary the position in Caithness at Area Committee on 29 January 2024 is as follows:-

- Available Funding – £354,412.98
- Number of applications for consideration – 14
- Total value of grant requests - £500,358.68

The available funding is less than the figure given in paragraph 1.1 above due to earlier approvals for funding awards and/or ring fencing of funds for priority projects.

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

- **Appendix 1** – Project application forms; and
- **Appendix 2** – Caithness RAG Summary Spreadsheet

RAG status on key criteria is based on the application form and supplementary information provided during the application process. All applications presented are technically eligible – if any criteria are marked as red this does not indicate an eligibility concern but reflects the quality of information provided or outstanding requirements that will require technical conditions to be applied to any award of funding.

2 Recommendations

2.1 Members are asked to:-

- Consider** the applications presented 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 or for the project to be approved subject to further funding becoming available. 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;
- Agree** the approved CRF grant award for each application up to the value of the available area allocation; and
- If there is a balance of funding remaining, **agree** to ringfence remaining grant within the 2023/24 allocation to deliver area priorities identified through work to develop an area-based plan, subject to full applications being brought to a future committee meeting for consideration.

3 Implications

3.1 **Resource** - Caithness have available funding of £354,412.98. Applications under consideration total £500,358.68 therefore as the applications exceed the funds available, the committee will need to undertake a prioritisation process to agree the final funding awards.

- 3.2 **Legal** - 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, Rural and Island)** - The focus of the funding is economic recovery, regeneration and community resilience. Consideration on issues relating to equalities, poverty and rurality are dealt with on an individual basis for applications and covered in the technical assessments of projects.
- 3.4 **Climate Change / Carbon Clever** - Mitigation of the climate/ecological emergency is a specific aim of the CRF funds. All applicants are required to evidence environmental sustainability as referenced in the technical assessments.
- 3.5 **Risk** - A balanced approach to risk is necessary when disbursing grant funds as sometimes it is necessary if a community led project is to proceed, to forward grant payment. Factors such as past knowledge of and project experience of the grant recipient, release of funds related to invoices/works completion certificates etc are considered in such assessments.
- 3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – No risks arising directly from this report. Risks within projects are identified and managed on a project-by-project basis by the applicant organisation.
- 3.7 **Gaelic** - Consideration given within individual project applications in line with the Council's policy.

Designation: Executive Chief Officer Infrastructure, Environment & Economy

Date: 12 January 2024

Authors: Fiona Cameron, CRF Programme Manager
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Background Papers: None

Appendices: Appendix 1 – Project Application Forms
Appendix 2 – Project Technical Assessments – RAG Summary

2270	Association of Northern Trails Scotland	Stepping Up on the JOGT	Improvements to the JOG trail at the Forse section, specifically the installation of steps to address what is currently a steep and difficult slope	£14,292.00	£8,000.00	£8,000.00	18/03/2024	20/04/2024	56%	1	3	3	3	2	2	3	3	3	3	26
2274	Wick Harbour Authority	Harbour Entrance Improvement Works - Phase 1	WHA have been investigating options to develop the Outer Harbour which is not suitable for all year round berthing due to wave climate during winter storms. To progress this we have to make improvements to the existing harbour entrance as Phase 1 of the project. Works will strengthen and better align the harbour entrance for vessels using innovative modern methods and materials. This will future proof the ongoing fishing, leisure and offshore wind activities of stakeholders.	£876,730.00	£100,000.00	£100,000.00	01/03/2024	01/08/2024	11%	2	3	3	3	2	2	3	2	3	2	25
2278	John O'Groats Mill Trust	John O'Groats Mill	The John O'Groats Mill is an unused B listed former watermill currently on the buildings at risk register. This project will bring it back to life for the benefit of the community, creating a new heritage visitor attraction and community venue.	£4,847,802.00	£50,000.00	£50,000.00	01/03/2024	01/12/2024	1%	3	3	3	3	2	3	3	3	3	2	28
TOTALS				£500,358.68	£398,647.48	£101,710.80														

All projects are given a rating of red, amber or green against key assessment criteria. As part of the application paperwork applicants are made aware of the criteria for these. These ratings are then converted into scores as follows: Red = 1; Amber = 2; Green = 3. This allows a total score for each project to be provided. Ratings are based on information provided during the application process and are provided as a guide only.

All projects presented are eligible but if Members wish to approve projects that have red or amber ratings it would usually suggest that additional conditions will be attached to the award to address these concerns.