

## **Item: 6**

**Community Development Fund Sub-committee: 22 February 2024.**

**Application Number 0/5/8/87.**

**Birsay Heritage Trust.**

**Construction and Installation of Toilet Block at HMS Tern.**

**Report by Corporate Director for Enterprise and Sustainable Regeneration.**

### **1. Purpose of Report**

To consider an application from Birsay Heritage Trust for assistance towards construction and installation of an accessible toilet block, with septic tank and water supply, at HMS Tern.

### **2. Recommendations**

The Sub-committee is invited to note:

#### **2.1.**

That Birsay Heritage Trust has applied for assistance from the Community Development Fund towards the construction and installation of accessible toilet block, with septic tank and water supply, at HMS Tern for use by visitors to HMS Tern, at a total eligible cost of £50,000.

#### **2.2.**

That HMS Tern is a unique war-time heritage asset that is recognised in the Council's draft Strategic Tourism Infrastructure Development Plan as having investment potential as a tourist attraction.

#### **2.3.**

That the Trust contributed £5,000 towards the project for design and planning costs that commenced prior to making the application to the Community Development Fund and does not form part of the eligible costs.

#### **2.4.**

That messages of support have been received from a wide range of organisations and individuals, as detailed in section 5.2 of this report.

## **It is recommended:**

### **2.5.**

That a grant amounting to 46% of total eligible costs, up to a maximum sum of £25,000, to be met from the Community Development Fund, be offered to Birsay Heritage Trust towards construction and installation of an accessible toilet block, with septic tank and water supply, at HMS Tern, subject to:

- Confirmation of the subsidy control position to the satisfaction of the Corporate Director for Enterprise and Sustainable Regeneration.
- Confirmation of the full funding package.

### **2.6.**

That powers be delegated to the Corporate Director for Enterprise and Sustainable Regeneration, in consultation with the Head of Finance, to authorise advance payment of the grant, referred to at paragraph 2.5 above, on receipt of invoices, if required in order to assist cash flow requirements of Birsay Heritage Trust.

### **2.7.**

That powers be delegated to the Corporate Director for Enterprise and Sustainable Regeneration, in consultation with the Head of Legal and Governance, to determine whether appropriate security can be put in place and, if so, to conclude an Agreement, on the Council's standard terms and conditions, with the Trust in respect of the funding, detailed at paragraphs 2.5 and 2.6 above.

## **3. Background**

### **3.1.**

Birsay Heritage Trust was established in 1998 and is a constituted community group. The Trust's primary objective is the preservation of the historical, cultural, and natural heritage of the parish of Birsay through education in the history, culture, natural history, and other features of life in the parish of Birsay. The group is run by a board of 12 Trustees.

### **3.2.**

The Trust has undertaken a range of projects to record and promote the history of Birsay. It operates the Barony Mill – a working 19th century flour mill as a visitor attraction. In addition to being a heritage centre, the mill produces a range of heritage Bere products including three grades of flour, flake and Bere berries from locally sourced traditional grain.

### **3.3.**

The Trust has sought to preserve HMS Tern; a former Royal Navy Air Station located near Twatt in the parish of Birsay. HMS Tern was originally commissioned to provide accommodation for disembarked front-line squadrons and aircraft latter becoming a flight training base for the Royal Navy that was operational from 1941 to

1949. HMS Tern was sold in 1957 and saved from demolition in 1986 by the local community.

### **3.4.**

As the best-preserved wartime airfield on Orkney and one of the few surviving WWII naval airfields, HMS Tern has exceptional historic importance for both Orkney and the United Kingdom. The control tower is listed and is the only one of this type to survive. The Trust has continued to preserve HMS Tern and the Council transferred ownership of the site to it in 2020. The Trust has significant ambitions to restore the control tower and other buildings on the site and create a heritage and interpretation centre depicting life during the war to create a significant visitor attraction.

### **3.5.**

Partial restoration of the cinema and fire station have been completed enabling some buildings which had fallen into decline to be preserved. Progress to date has allowed HMS Tern to be opened to visitors in line with the Trust's vision. Visitor numbers and further development of the site has however been restricted due to a lack of accessible toilet facilities.

### **3.6.**

The Trust's plan, as part of a staged development, is to further restore the cinema and fire station. It also plans to restore some of the other buildings on the site with the aspiration of opening a shop and café at a future date.

### **3.7.**

HMS Tern attracts interest from far and wide. Veterans that served at HMS Tern in WW2 and their relatives frequently contact the Trust and a number have visited the site. The site attracts a few hundred visitors per annum, although open days have previously attracted up to 1500 visitors. There is interest from the many smaller tour groups who currently visit Barony Mill and would also like to include HMS Tern to their tour offerings. HMS Tern is well placed for a short walking tour between the Brough of Birsay and Skara Brae. It also ties in well with the triangulation of the three WW2 naval sites of Scapa Flow and Ness Battery.

### **3.8.**

The site has generated interest from smaller cruise ships who are keen to explore the unique historical sites of Orkney as part of their tour package, and to accommodate such visits, toilet facilities would need to be in place to an acceptable standard.

### **3.9.**

HMS Tern is therefore a unique war-time heritage asset that is recognised in the Council's draft Strategic Tourism Infrastructure Development Plan as a key Military Heritage asset identified as a desirable project with potential to unlock the value of a more integrated promotion of Orkney's wartime heritage and as having investment potential as a tourism offer.

### 3.10.

The Trust was awarded an Economic Development Visitor Attraction grant in March 2021 for the first phase of creating a heritage visitor destination at HMS Tern, and included management training, website design and marketing.

### 3.11.

The Trust commenced with the design and planning of this project to ensure that it would be viable, prior to making their Community Development Fund application, at a cost of £5,000; these costs are therefore ineligible for Community Development Fund funding.

### 3.12.

The Trust is awaiting confirmation of a £25,000 grant award from the Crown Estate Community Led Development Fund towards this project.

## 4. Project Proposal

### 4.1.

Birsay Heritage Trust wishes to construct and install an accessible toilet block with septic tank and water supply. This will be situated between the cinema and fire station and will enable the site to further develop as a heritage centre whilst also enabling more visitors for HMS Tern.

### 4.2.

The works include the following:

- Supply of an accessible toilet block.
- Installation toilet block, septic tank, and water supply.

### 4.3.

The project costs, which have been determined by way of quotations, and proposed funding arrangements, are outlined below (inclusive of VAT as Birsay Heritage Trust is not VAT registered):

<b>Project Details.</b>	<b>Cost.</b>
Professional fees	£5,000.
Supply and installation of Toilet Block, Septic tank, and water supply.	£50,000.
<b>Total.</b>	<b>£55,000.</b>
<b>Project Financing.</b>	
Birsay Heritage Trust.	£5,000.

Community Development Fund (46%).	£25,000.
* Crown Estate Community Led Development Fund (CECLDF) (46%).	£25,000.
<b>Total.</b>	<b>£55,000.</b>

\* Supported and approved by the Orkney Local Action Group (LAG) on 22 January 2024 but awaiting final approval see section 5.4.8 below.

#### **4.4.**

A Community Development Fund award would match the CECLDF award, considered as external funding, has been approved to support this project and enable work to start in advance of the summer season.

#### **4.5.**

Birsay Heritage Trust will continue to maintain, clean, and promote the new facilities once the project is complete.

## **5. Project Appraisal**

### **5.1.**

The proposals put forward in the development plan, which accompanied the application, outlines the intention to construct and install an accessible toilet block with septic tank and water supply. These new facilities will ensure the site is welcoming and accessible to all visitors of HMS Tern and enable the site to be further developed as a visitor attraction.

### **5.2.**

Letters of support in relation to HMS Tern development and this specific project have been received from the following groups and individuals identifying considerable support for the regeneration of the site from a diverse range of interested parties.

- Aviation Research Group Orkney & Shetland.
- Birsay Community Council.
- Councillor Owen Tierney.
- Councillor Rachael King.
- Commander D A Hobbs MBE Royal Navy Retired.
- Destination Orkney.
- Dounby Community School.
- Experience Orkney Tours.
- Great Orkney Tours.
- JP Orkney.
- Lizzies Orkney Tours.
- Mark Shiner, Maritime and Engineering, UHI Orkney.

- Roderick Richmond .
- Orkney Archaeology Tours
- Orkney Heritage Society.
- Orkney Tourism Group Board.
- Orkney Tourist Guides Association.
- Orkney Vintage Club.
- Orkney Wireless Museum.
- Royal British Legion – Kirkwall Branch.
- Start Point Media.
- Stromness Tours.
- Visit Scotland.

### **5.3.**

The Community Development Fund and its predecessor, the Community Development Fund for the New Millennium, have supported a wide range of development projects involving heritage and community facilities, including:

- North Ronaldsay Development Trust towards the creation of a well-being centre with gym, meeting room and office.
- Westray Sailing Club towards the construction of a new workshop and the building of a traditional Westray skiff passing on heritage skills.
- Gable End Theatre Company Limited towards enhancements to the existing energy system at the Gable End Theatre.
- Shapinsay Development Trust towards the redevelopment of Shapinsay Smithy into multi use facility into a Heritage Centre and Community Café.
- Orkney Natural History Society Museum towards enhancement of the Stromness Museum.

### **5.4.**

With regard to Birsay Heritage Trust's application, the following is an assessment and evaluation against each of the approved assessment and evaluation criteria:

#### **5.4.1. Evidence of need**

- Birsay Heritage Trust employed a Heritage Project Officer and a Business Planning Consultant to explore options to preserve HMS Tern seeking views of a wide range of stakeholders to determine how best to safeguard the site. A development plan was created for HMS Tern that determined a heritage visitor destination would provide lasting educational, economic, and environmental benefits for local people. It also offered the best opportunity to safeguard the long-term future of the site.
- Whilst the local community will benefit from this project in terms of job creation and increased revenues, the primary benefit pertains to the wider community of Orkney and the annual influx of tourists. The installation of the accessible toilet

block, septic tank and water supply will enable the site to increase visitor numbers and will also help to facilitate additional projects.

- The Trust expect an increase in visitors not too dissimilar to the Barony Mill in the first year, 5 % of locals and 5% of tourists.

#### **5.4.2. Achievability**

- Birsay Heritage Trust is run by a board of 12 trustees, who represent a wide demographic and possess a wide range of skills and experience to carry through the project. This includes people involved in tourism, education, business, agriculture, and environmental consultancy, sectors.
- Some of the Trustees have been involved in the coordination of previous projects, which received funding from various sources. The board also successfully co-ordinates the running of Barony Mill as a working mill and visitor attraction.

#### **5.4.3. Sustainability**

- The project will help support the sustainability of HMS Tern as a visitor attraction and in turn help to preserve the site for future generations. The project will also provide employment opportunities for young people in the area.
- Birsay Heritage Trust will have an accessible toilet facility that will enable more visitors to attend the site. This will help support the overall project of developing a visitor heritage centre as a tourist attraction.

#### **5.4.4. Serving the local public and having lasting benefits**

- HMS Tern is one of the few remaining Royal Navy airfields in the United Kingdom and attracts both local and Orkney wide visitors, in addition to visitors from throughout the United Kingdom. Visitors range from those interested in wartime history, to surviving personnel who were stationed at HMS Tern in WW2, and their relatives. This project will expand the accessibility of the site and will enable the visitor attraction to be further developed, which will further sustain HMS Tern's viability and ultimately its preservation.

#### **5.4.5. Opportunities provided or upgraded**

- The proposals seek to create an accessible toilet facility that will be located between the firehouse and cinema that will support the wider visitor attraction development.
- The new facilities will assist in raising the profile of HMS Tern as a heritage site and visitor destination and its future use by locals and visitors. The development of HMS Tern will provide new opportunities for community participation, education, and recreation within the island.

#### **5.4.6. Enriching quality of life**

- Heritage centres offer an insight into the past and provide an important educational and recreational facility within their communities. This project will enable the site to increase visitor numbers and in turn generate further revenue that will be used to develop the site and preserve the heritage for future generations. This will ensure the facility continues to provide an important link with

its wartime past and allow visitors to learn and enjoy the unique experience that the facility has to offer.

#### **5.4.7. Value for money**

- Project costs have been carefully identified through requesting competitive quotes for the various works contained within this project, aimed at ensuring best value for money. There was only one contractor able to quote for the works due to other project commitments.
- The Trust is well supported by the community and have a team of volunteers, who have over a number of years offered their time to preserve the site. Their time represents a significant contribution to the development of the site. The community's efforts have also attracted considerable public interest in the site and with it a substantial donation. Donations and volunteer time have enabled some of the buildings to be preserved and opened to the public.

#### **5.4.8. Partnership funding**

- The Council's Crown Estate Community Led Development Fund which was established in 2022 and considered as external funding to be able to match Council funds supported and recommended the project request for £25,000 following the Local Action Group held on 22 January 2024. Final approval is delegated to the Corporate Director for Enterprise and Sustainable Regeneration, in consultation with the Leader, Depute Leader, Chair and Vice Chair of the Development and Infrastructure Committee, together with the Chair of the Orkney Local Action Group (established to deliver the 2014-20 LEADER Programme).
- Birsay Heritage Trust has invested a further £5,000 for design and planning application costs that were commenced prior to this application and are therefore ineligible but can be considered as a match for the overall project intention.

## **6. Links to Council Plan**

### **6.1.**

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Council Plan strategic priority theme of Strengthening our Communities.

### **6.2.**

The proposals in this report relate directly to Priority C1 Social Care / Community Led Support of the Council Delivery Plan.

## **7. Links to Local Outcomes Improvement Plan**

The proposals in this report support and contribute to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priorities of Sustainable Development and Local Equality.



## **8. Financial Implications**

### **8.1.**

In December 2022, a further £1,000,000 was allocated to the Community Development Fund, with £100,000 ring fenced for Community Councils.

### **8.2.**

At present there is sufficient budget within the 2023 Community Development Fund tranche to consider this project.

### **8.3.**

On 6 September 2022, the Development and Infrastructure Committee recommended that the Crown Estate Community Led Development Fund be recognised as funding which is external to the Council. Applicants to this funding stream are eligible to seek co-funding from other Council funding streams, including the Community Development Fund.

## **9. Legal Aspects**

### **9.1.**

Subject to section 9.3 below, there are no legal constraints to the recommendations in this report being implemented and the relevant powers are contained in section 20 of the Local Government in Scotland Act 2003.

### **9.2.**

If grant assistance is to be provided by the Council, a legally-binding agreement will require to be entered into between the Council and the recipient setting out the terms on which the funding is being provided.

### **9.3.**

Any financial assistance provided by the Council will need to be assessed to determine if the financial assistance proposed meets the definition of a subsidy under section 2 of the Subsidy Control Act 2022 (the 2022 Act). If it is determined that the financial assistance is a subsidy, then it will need to be provided in a manner compliant with the provisions of the 2022 Act.

### **9.4.**

In accordance with the Community Development Fund Guidance, if grant assistance is to be provided by the Council and the total project cost exceeds £10,000, then the Community Development Fund Sub-committee will determine whether appropriate security should be taken over any appropriate heritable property improved as a result of the project.

## **10. Contact Officers**

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