

## **Item: 3**

**Community Development Fund Sub-committee: 10 December 2019.**

**Application Number 0/5/8/71.**

**St Magnus Centre Management Committee.**

**Proposed Upgrading of St Magnus Centre.**

**Report by Executive Director of Development and Infrastructure.**

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

To consider an application from St Magnus Centre Management Committee for assistance towards upgrading St Magnus Centre.

### **2. Recommendations**

The Sub-committee is invited to note:

#### **2.1.**

That St Magnus Centre Management Committee has applied for assistance from the Community Development Fund towards upgrading St Magnus Centre, comprising extension and reconfiguration of the kitchen area and installation of insulation in the hall area, at a total estimated eligible cost of £51,975.

#### **2.2.**

That St Magnus Centre Management Committee is contributing £22,867 of its own resources towards the project.

#### **2.3.**

That St Magnus Centre Management Committee has applied for an interest free loan of £20,803 from Resource Efficient Scotland towards the energy efficiency elements of the project, including a 15% cashback element, amounting to £3,120.

#### **2.4.**

That messages of support have been received from the undernoted groups and individuals:

- Kirkwall and St Ola Community Council.
- Magnus Guild.
- Orkney Field Club.
- St Magnus Mother and Toddler Group.

- MS Society, Orkney.
- Institute for Northern Studies.
- Orkney Wargamers Club.
- Kirkwall BID.

**It is recommended:**

## **2.5.**

That a grant amounting to 50% of total eligible costs, up to a maximum sum of £25,988, to be met from the Community Development Fund, be offered to St Magnus Centre Management Committee towards upgrading St Magnus Centre, subject to the full funding package being secured and required building warrants approved to enable the project to be completed.

## **2.6.**

That powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Solicitor of the Council, to conclude an Agreement, on the Council's standard terms and conditions, with St Magnus Centre Management Committee in respect of the funding, detailed at paragraph 2.5 above.

## **3. Background**

### **3.1.**

St Magnus Centre Management Committee was established in 2000 and comprises 12 committee members.

### **3.2.**

The main objective of the St Magnus Centre is to provide a popular community facility, which maintains its historic link with the Cathedral, whilst providing space and facilities for a varied range of events from small local groups to large corporate organisations.

### **3.3.**

St Magnus Centre is well-used and integral community facility in Kirkwall, hosting a wide range of users on a regular basis, from operating as a polling station, to providing a facility for local charities and clubs of all ages to meet. However, there are currently some issues with the building, which are impacting on its operating efficiency:

- The ceiling of the hall currently has no insulation.
- The kitchen is not very user friendly at present, with a poor lay out leading to congestion and restrictions to users when navigating around the kitchen.

### **3.4.**

In July 2019, the St Magnus Centre Management Committee organised a survey of the building from Resource Efficient Scotland, who produced a Resource Opportunity Assessment regarding the use of the building and heating/energy use. The feedback from the report identified options for insulating the roof and improving the energy efficiency of the building, saving an estimated £2,500 per year.

### **3.5.**

A professional architect was commissioned to develop a reconfigured plan for the kitchen, which will allow for a more user-friendly and safer operating environment.

### **3.6.**

Relevant building warrants for the proposed works have been applied for by the St Magnus Centre Management Committee.

### **3.7**

A potential interest free loan from Resource Efficient Scotland has been applied for towards the energy efficiency elements of the project, amounting to £20,803. This will have a payback period of 8 years; however, a 15% cashback clause means that only £17,863 is required to be repaid.

## **4. Project Proposal**

### **4.1.**

St Magnus Centre Management Committee wishes to carry out upgrades to St Magnus Centre. The project will enhance the facility, enabling it to be run in a more environmentally-friendly and financially efficient manner, strengthening the overall sustainability of the centre for the future.

### **4.2.**

Works include the following:

- Extension and reconfiguration of the kitchen area. This will include repositioning one of the access doors, installation of new kitchen appliances and full redecoration of the entire kitchen.
- Installation of insulation in the hall area. This will include creating a false ceiling, installing insulated panels on the roof area below the new ceiling, installation of destratification fans to recirculate heat and re-siting of roof lights.

### 4.3.

The project costs, which have been determined by way of quotations, and proposed funding arrangements, are outlined below (inclusive of VAT as St Magnus Centre Management Committee is not VAT registered):

<b>Project Details.</b>	<b>Cost.</b>
Kitchen extension and reconfiguration.	£26,448.
Insulation of hall and installation of destratification fans.	£20,803.
Equipment.	£3,424.
Professional fees.	£1,300.
<b>Total.</b>	<b>£51,975.</b>
<b>Project Financing.</b>	<b>Amount.</b>
Community Development Fund (50%)*.	£25,988.
Own Resources (44%)*.	£22,867.
Resource Efficient Scotland (6%)**.	£3,120.
<b>Total.</b>	<b>£51,975.</b>

\* Confirmed.

\*\* 15% cashback from an interest free loan of £20,803 from Resource Efficient Scotland.

### 4.4.

The Community Development Fund grant and Resource Efficient Scotland interest free loan are the two remaining funders to be confirmed. A decision on Resource Efficient Scotland application is expected within the next few weeks.

### 4.5.

St Magnus Centre is owned by the Congregation of St Magnus Cathedral, who have given their full consent for the works to be undertaken by the St Magnus Centre Management Committee.

### 4.6.

As highlighted in the constitution of the Congregation of St Magnus Cathedral, St Magnus Centre Management Committee is in total control of the property and manage the day-to-day hall operations.

## **4.7.**

Letters of support in relation to this project have been received from the following groups and individuals:

- Kirkwall and St Ola Community Council.
- Magnus Guild.
- Orkney Field Club.
- St Magnus Mother and Toddler Group.
- MS Society, Orkney.
- Institute for Northern Studies.
- Orkney Wargamers Club.
- Kirkwall BID.

## **5. Project Appraisal**

### **5.1.**

The proposals put forward in the development plan, which accompanies the application, outlines the intention to upgrade St Magnus Centre, improving the facility for all members of the local community, as well as visitors to enjoy.

### **5.2.**

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

- Graemsay Community Association towards the upgrading of Graemsay Community Centre.
- Sandwick Community Association towards the upgrading of Sandwick Hall.
- Deerness Community Association towards the upgrading of Deerness Hall.
- Firth Community Association towards upgrading Firth Community Centre.

### **5.3.**

With regard to St Magnus Centre Management Committee's application, the following is an assessment and evaluation against each of the approved assessment and evaluation criteria:

#### **5.3.1. Evidence of need**

- St Magnus Centre Management Committee has identified costly inefficiencies with the building in its current state, following an assessment of the building by Resource Efficient Scotland.
- Feedback from user groups has highlighted that the current layout of the kitchen is restrictive and becomes easily congested.

### **5.3.2. Achievability**

- St Magnus Centre Management Committee has a volunteer committee of 12 people, who have successfully operated the facility for several years and have a wide range of skills and experience to carry through the project.
- The St Magnus Centre Management Committee is financially stable and have also been fundraising towards the project.

### **5.3.3. Sustainability**

- The enhancements to St Magnus Centre will improve the overall efficiency of the facility, ensuring continued and, hopefully, increased use by the local community and visitors.
- The installation of insulation and destratification fans will reduce the running costs of St Magnus Centre. Also, reconfiguring and upgrading the kitchen area will allow for a more user-friendly, safer facility for user groups to enjoy.

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

- The enhancements will benefit existing and future user groups of St Magnus Centre.

### **5.3.5. Opportunities provided or upgraded**

- The proposals seek to enhance the existing community asset, St Magnus Centre, through provision of an upgraded kitchen facility and additional energy efficiency measures. These upgrades should improve the overall efficiency of the building and will assist in raising the profile of the facility and its future use by locals and visitors.

### **5.3.6. Enriching quality of life**

- The enhancements to St Magnus Centre will have a positive impact on the quality of life for the local community and visitors to the area and provide a more user-friendly facility for people to enjoy.

### **5.3.7. Value for money**

- Project costs have been carefully identified through completion of competitive tendering exercise, ensuring best value for money.
- Feedback from the Resource Efficient Scotland report identified an estimated saving of £2,500 per year, following installation of energy efficiency measures.

### **5.3.8. Partnership funding**

- Efforts have been made to secure interest free loan support from Resource Efficient Scotland towards the project, which will potentially lever in external funding to Orkney through a 15% cashback clause in the loan.

## **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 themes of Thriving Communities and Quality of Life.

### **6.2.**

The proposals in this report relate directly to:

- Priority 3.11 – We will review and develop Empowering Communities Project to create a sustainable model which will enable and empower communities in the delivery of services and projects in their community.
- Priority 5.6. – Continue to support Community Associations and Community Schools.

## **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 Strong Communities and A Vibrant Economy.

## **8. Financial Implications**

### **8.1.**

In July 2016, a further £1,000,000 was allocated to the Community Development Fund, with £100,000 ring-fenced for Community Councils, leaving £900,000 remaining in the new allocation.

### **8.2.**

A total of £445,339 has been allocated from the 2016 tranche of funding to date.

### **8.3.**

Any award to St Magnus Centre Management Committee in respect of this project would be met from within the Fund, referred to at section 8.1 above, of which a budget of £333,000 per annum has been agreed for the period 2016 to 2019.

## **9. Legal Aspects**

### **9.1.**

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.

## 10. Contact Officers

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