

Item: 3

Community Development Fund Sub-committee: 28 March 2024.

Application Number 0/5/8/87.

Birsay Heritage Trust.

Construction and installation toilet block at HMS Tern.

Report by Corporate Director for Enterprise and Sustainable Regeneration.

1. Purpose of Report

To consider an amendment to the funding previously offered to Birsay Heritage Trust in relation to the 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, on 22 February 2024, the Community Development Sub-committee resolved 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 conditions.

2.2.

That the percentage calculation outlined above included ineligible project costs, namely the professional fees amounting to £5,000, which had already been incurred by the Trust.

2.3.

The proposal that, as the sum of £25,000 is required to complete the funding package, a grant of 50% of total eligible costs be offered to Birsay Heritage Trust, on the same terms and conditions as agreed on 22 February 2024.

It is recommended:

2.4.

That the offer of grant to Birsay Heritage Trust towards the construction and installation of an accessible toilet block with septic tank and water supply at HMS Tern be amended to 50% of total eligible costs, up to a maximum sum of £25,000, to be met from the Community Development Fund, and on the same terms and conditions as determined by the Community Development Fund Sub-committee on 22 February 2024.

3. Introduction

On 22 February 2024, the Community Development Fund Sub-committee resolved, in terms of delegated powers:

3.1. 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.

3.2. 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 3.1 above, on receipt of invoices, if required, in order to assist cash flow requirements of Birsay Heritage Trust.

3.3. 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 could be put in place and, if so, to conclude an Agreement, on the Council's standard terms and conditions, with Birsay Heritage Trust in respect of the funding, detailed at paragraphs 3.1 and 3.2 above.

4. Proposed Amendment

4.1.

When considering Birsay Heritage Trust's application for assistance towards the construction and installation of a toilet block at HMS Tern, the Community Development Fund Sub-committee were advised of the following project costs (contained in the table below), which had been determined by way of quotations, and proposed funding arrangements, are outlined below (inclusive of VAT as Birsay Heritage Trust is not VAT registered):

Project Details.	Cost.
Professional fees	£5,000.
Supply and installation of Toilet Block, Septic tank, and water supply.	£50,000.
Total.	£55,000.
Project Financing.	Amount.
Birsay Heritage Trust.	£5,000.
Community Development Fund (50%).	£25,000.
* Crown Estate Community Led Development Fund (CECLDF) (50%).	£25,000.
Total.	£55,000.

* approved by the Orkney Local Action Group (LAG) on 22 January 2024

4.2.

The percentage calculation within the recommendations presented to and approved by the Sub-committee included ineligible project costs (the professional fees amounting to £5,000, which had already been incurred by the Trust).

4.3.

As the sum of £25,000 is required to complete the funding package, it is proposed that a grant of 50% of total eligible costs be offered to Birsay Heritage Trust. There is no alteration to the figures and the previously approved maximum sum of £25,000 grant, together with terms and conditions, would still apply.

5. Links to Council Plan

5.1.

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

5.2.

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

6. 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.

7. Financial Implications

7.1.

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

7.2.

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

7.3.

At its meeting held 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.

8. Legal Aspects

8.1.

Subject to section 8.3, 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.

8.2.

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.

8.3.

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.

8.4.

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.

9. Contact Officers

Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration, extension 2103, Email gareth.waterson@orkney.gov.uk.

Sweyn Johnston, Head of Enterprise and Economic Growth, extension 2348, Email sweyn.johnston@orkney.gov.uk.

Gavin Barr, Economic Development Manager, extension 2518, Email gavin.barr@orkney.gov.uk.

Carol Coleman, Economic Development Officer, Extension 3330, Email carol.coleman@orkney.gov.uk.