

## **Item: 13**

**Special General Meeting of the Council: 6 May 2020.**

**Community Development Fund.**

**Application Number 0/5/8/64 – John Rae Society.**

**Feasibility work in respect of Hall of Clestrain.**

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

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

To consider an application from John Rae Society for assistance towards feasibility work in respect of Hall of Clestrain.

### **2. Recommendations**

The Council is invited to note:

#### **2.1.**

That John Rae Society has applied for assistance from the Community Development Fund towards feasibility work in respect of future restoration plans for the Hall of Clestrain.

#### **2.2.**

That the feasibility work will focus on developing a business plan, options appraisal and conservation report at a total estimated eligible cost of £29,460.

#### **2.3.**

That John Rae Society is contributing £10,830 of its own resources towards the project.

#### **2.4.**

That John Rae Society has secured £3,900 of grant funding support from the Architectural Heritage Fund towards the feasibility works.

#### **2.5.**

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

- Firth and Stenness Community Council.
- Kirkwall and St Ola Community Council.

- Orphir Community Council.
- Stromness Community Council.
- European Marine Energy Centre.
- Hope Community School.
- Jamie Halcro-Johnston MSP.
- Liam McArthur MSP.
- Orkney Heritage Society.
- Orkney Museum.
- Scott Polar Research Institute.
- Visit Scotland.

**It is recommended:**

## **2.6.**

That a grant amounting to 50% of total eligible costs, up to a maximum sum of £14,730, to be met from the Community Development Fund, be offered to John Rae Society towards feasibility work in respect of future restoration plans for the Hall of Clestrain, subject to the full funding package being secured.

## **2.7.**

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 John Rae Society in respect of the funding, detailed at paragraph 2.6 above.

## **3. Background**

### **3.1.**

John Rae Society is a Scottish Charitable Incorporated Organisation (SCO44463), which was established in 2013 and comprises seven committee members.

### **3.2.**

The main objective of John Rae Society is to advance the education of the public in the life and achievements of Dr John Rae and preserve the Hall of Clestrain, the birthplace and childhood home of Arctic explorer Dr John Rae.

### **3.3.**

In 2018, the Society completed the purchase of the Hall and carried out urgent repair works to the Hall as suggested by a commissioned structural report. The building is currently wind and watertight, but it remains in a fragile state.

### **3.4.**

In May 2019, a part-time Project Manager was employed to drive the Hall of Clestrain restoration project forward, with funding support from LEADER. In December 2019, the Project Manager role became full-time with funding support from the Architectural Heritage Fund, as well as continued LEADER support.

### **3.5.**

A commissioned Feasibility Study was completed in August 2019, which concluded that the project, with an estimated project cost of around £3,000,000, can become a financially viable visitor centre and community resource at the heart of Orkney's tourism economy and community life.

### **3.6.**

The Feasibility Study, which enabled the John Rae Society to make decisions about the next steps of the project, covered the following:

- Background.
- Proposed project.
- Market.
- Project design.
- Development costs.
- Situation and planning context.
- Operation.
- Financial planning.
- Project outputs.
- Risk assessment.
- Action plan.

### **3.7.**

John Rae Society is currently carrying out community consultation work, led by the Project Manager. The initial questionnaire has received 221 responses and findings from responses will be explored in more depth at future community consultation events.

## **4. Project Proposal**

### **4.1.**

John Rae Society wishes to carry out further feasibility work to ensure all necessary steps have been completed as part of future funding applications for the capital stage of the project.

## 4.2.

While much work has been done to establish the potential of this project, nothing yet exists which collates this research and extrapolates the meaning in terms of the viability, sustainability and deliverability of the project in a way which will provide the assurances which funders seek.

## 4.3.

The feasibility work will focus on the following:

- **Conservation Report**

- An assessment of the historic asset in cultural heritage terms. This will inform policies which will enable the various elements of the asset to be conserved in a manner appropriate to their significance.
- Conservation guidelines will be developed enabling the significance of the building and environs to be protected, preserved and enhanced or at least impaired as little as possible in the future.

- **Options Appraisal**

- Identifying the strategic objectives and priorities to be met in securing a sustainable long-term future for the Hall of Clestrain.
- Identifying and engaging with key stakeholders to determine priorities from their perspective.
- Identifying a range of possible options that might meet those objectives.
- The different stages of this process will inform the appraisal of options against the benefits that they deliver, the risks involved and cost implications.

- **Business Plan**

- Development of an outline Business Plan to enable the production of a robust 5-year plan for sustainable management, demonstrating strong business planning with market analysis and realistic financial projections. This will be a practical working document that can be updated on an ongoing basis.

## 4.4.

The feasibility work will be used to complete funding applications for the National Lottery Heritage Fund Phase 1 and Historic Environment Scotland Repair Fund.

## 4.5.

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

<b>Project Details.</b>	<b>Cost.</b>
Conservation Report.	£7,800.
Options Appraisal.	£17,160.
Business Plan.	£4,500.
<b>Total.</b>	<b>£29,460.</b>
<b>Project Financing.</b>	<b>Amount.</b>
Community Development Fund (50%).	£14,730.
Own Resources (37%)*.	£10,830.
Architectural Heritage Fund (13%)*.	£3,900.
<b>Total.</b>	<b>£29,460.</b>

\* Confirmed.

#### **4.6.**

The Community Development Fund is the only remaining funder to be confirmed.

#### **4.7.**

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

- Firth and Stenness Community Council.
- Kirkwall and St Ola Community Council.
- Orphir Community Council.
- Stromness Community Council.
- European Marine Energy Centre.
- Hope Community School.
- Jamie Halcro-Johnston MSP.
- Liam McArthur MSP.
- Orkney Heritage Society.
- Orkney Museum.
- Scott Polar Research Institute.
- Visit Scotland.

## **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 Thriving Communities and Quality of Life.

## **5.2.**

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 5.7 – Work in partnership to deliver the Strategy to Further Protect Orkney's Cultural Heritage.

## **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 Strong Communities and A Vibrant Economy.

## **7. Financial Implications**

### **7.1.**

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.

### **7.2.**

A total of £471,327 has been allocated from the 2016 tranche of funding to date.

### **7.3.**

Any award to John Rae Society 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 until the tranche is fully committed.

## **8. Legal Aspects**

### **8.1.**

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.

### **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.

## **9. Contact Officers**

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