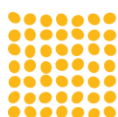


# Acharacle Community Centre

## Business Plan

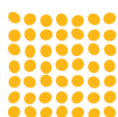
Acharacle Community Company  
April 2019 updated October 2019



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## Contents

<b>1. Introduction .....</b>	<b>3</b>
1.1 Background .....	3
1.2 Acharacle Community Company .....	3
1.3 Acharacle : What Our Place Is Like .....	5
1.4 How we developed this Business Plan .....	5
1.5 A summary of the Research .....	7
<b>2. A Future for Acharacle Centre .....</b>	<b>10</b>
2.1 Vision .....	10
2.2 Key Areas of Service Delivery .....	10
2.3 Services Under Themes .....	10
2.4 The Building .....	14
<b>3. Creating Positive Outcomes .....</b>	<b>16</b>
3.1 Local Challenges .....	16
3.2 Main Outcomes .....	16
3.3 SLF Outcomes .....	17
<b>4. Delivering the Project .....</b>	<b>19</b>
4.1 Governance .....	19
4.2 Staffing .....	19
4.3 Volunteers .....	20
4.4 Policies and Procedures .....	21
4.5 Monitoring and Evaluation .....	21
4.6 Partners .....	22
4.7 Risk Mitigation .....	24
<b>5. Marketing .....</b>	<b>27</b>
5.1 Marketing Context .....	27
5.2 Marketing Strategy .....	28
5.3 Marketing Communications Plan .....	29
5.4 Branding .....	30
5.5 Budgets .....	30
<b>6. Funding and Finance .....</b>	<b>31</b>
6.1 Refurbishment Costs .....	31
6.2 Funding .....	33
6.3 Ongoing Revenue and Project Funding .....	33
6.4 VAT .....	34
6.6 Income Generation and Sustainability .....	34
<b>Appendix 1 : Cash Flow Projections .....</b>	<b>36</b>



# 1. Introduction

88% of the people of Acharacle in the community survey said they would support the concept of community control and ownership of the centre

## 1.1 Background

Acharacle Community Company (ACC) is a regeneration agency that initiates projects across this crofting community. As noted in more detail below, the organisation runs a range of projects and has a small portfolio of assets. Seven years ago, it took control of the community centre in Acharacle and when the lease ended the organisation started to consider and research whether to progress an asset transfer of the building from the Highland Council. A feasibility study was commissioned and substantial community consultation and market research was undertaken which concluded in a recommendation that the ACC should indeed consider taking on ownership of the asset for the benefit of the community. The research report concentrated on whether an asset transfer would be financially viable, fundable, additional to other activity locally and would be supported by the wider community which would benefit directly from it.

This control would allow the community to upgrade and renovate the centre. The centre will primarily serve the village of Acharacle and the neighbouring crofting community.

The peppercorn lease from Highland Council ended in December 2017 and the organisation has been operating on a month to month arrangement while this consideration of asset transfer took place.

As well as the centre, the group was looking at the possible transfer of the playpark and a purchase of some of common grazings to be used for housing and the build of a reuse centre including workshops, storage and a shop, car parking and associated facilities. This is still part of a long term master plan, but a decision was taken to focus on the centre transfer as a main first phase and that is the focus of this business plan. This business plan presents the most up to date vision for the future of Acharacle Community Centre as a sustainable asset.

## 1.2 Acharacle Community Company

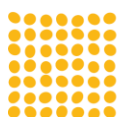
### About the Acharacle Community Company (ACC)

The Company has been formed to benefit the community of Acharacle, comprising the area covered by the Acharacle Community Council in Argyll as defined by postcode<sup>1</sup>. The key objectives of the organisation as indicated in the memorandum and articles are;

1. To manage community land and associated assets for the benefit of the Community and the public in general as an important part of the protection of Scotland's natural environment.
2. To promote for the public benefit rural regeneration, in areas of social and economic deprivation within the Community by all or any of the following means:
  - a) the relief of poverty in such ways as may be thought fit;
  - b) the relief of employment in such ways as may be thought fit, including assistance to find employment;
  - c) the advancement of education, training or retraining, particularly amongst unemployed people, and providing unemployed people with work experience;

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<sup>1</sup> PH36 4JY; PH36 4JZ; PH36 4JX; PH36 4JL; PH36 4LD; PH36 4LE; PH36 4JQ; PH36 4LR; PH36 4JJ; PH36 4LA; PH36 4JW; PH36 4JR; PH36 4LB; PH36 4JN; PH36 4HX; PH38 4ND; PH38 4NG; PH38 4NB; PH36 4JU



- d) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- e) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- f) the maintenance, improvement or provision of public amenities;
- g) the preservation of buildings or sites of historic or architectural importance;
- h) the provision or assistance in the provision of recreational facilities for the public at large and/or these who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- i) the protection or conservation of the environment;
- j) the provision of public health facilities and child-care;

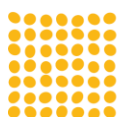
As a result there is a wide remit across the whole community. These M&A are constantly reviewed and may need small amendments as part of this asset transfer process.

### **The Organisation's History**

The organisation was originally formed in 2001 to save the local Post Office from closure. Since then, the organisation has developed various projects including the Re-use Project and Local Produce and Craft Markets as well as social events in the community which can also generate some income.

The Company owns property in Acharacle including a bungalow 'Druim Garbh' which has been renovated by the Highland Small Communities Housing Trust and is now rented to a local family. Next to this the Company owns the wooden building which was leased out to the Post Office (until October 2016) and also Café Tioram. As a result the organisation has shown it has the capacity to own and manage property in this community. Also leased by the Company is the Forest Pavilion near Salen known as Sgoil na Coille ("Wood School") and a composting toilet on land also leased from the Forestry Commission. Regular woodland events are held here throughout the year with help from Highland Council Rangers.

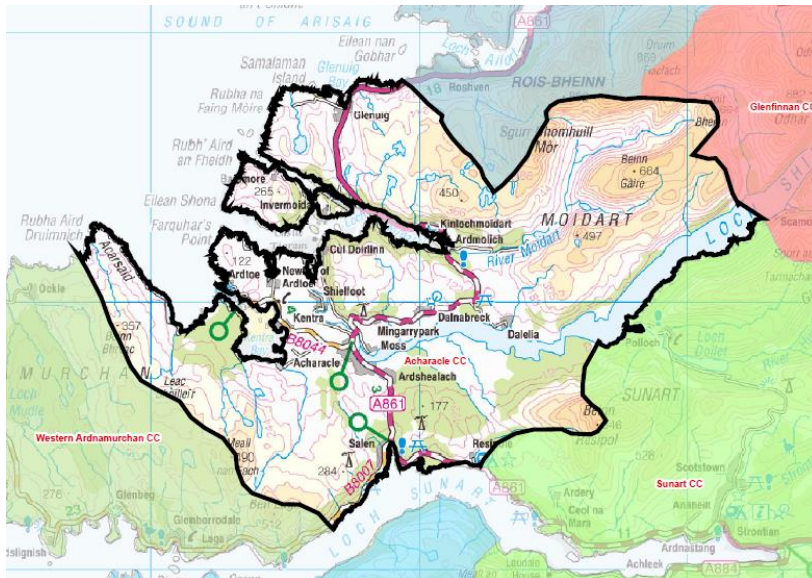
One of the main activities the Company started in 2007 was the Re-use Project. This recycles anything from furniture to bric a brac and is run by Volunteers. A van was funded in 2015 to help manage collections and deliveries.





### 1.3 Acharacle : What Our Place Is Like

Acharacle is a widely dispersed settlement that serves as the main centre for a large area of Moidart and Ardnamurchan. The proposals for the centre seek to maximise the benefit to the surrounding community, while drawing on the assets already in place in the area.



The Acharacle community council area is shown on the map below:

Location of project and community council areas



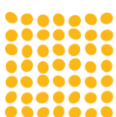
### Vision for the Future

The vision for the centre is to invest in the service and space to have more activity, more people and more colour. There is a desire to open the centre to more local people and visitors.

### 1.4 How we developed this Business Plan

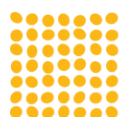
Engaging with as many people as possible in different ways was a critical part of the research phase for this feasibility study. Every effort was made to carry out participative community engagement. The aim was to ensure that proposals for community asset transfer and development were community-led and addressed a real need. Community Enterprise has engaged with:

- 43 members of the public at a community event in the late Summer
- 6 Stakeholders representing the views of local groups, facilities, businesses and services via a number of one-to-one meetings and interviews.
- 125 members of the local community through a community survey, distributed online and on paper. There were 53 individual responses. Many individual surveys indicated that these responses represent the views of additional friends, family members of groups and we which increases the number to 125
- Reflections from 49 people in a 2017 survey
- Discussions with High School pupils
- We would estimate that at least 150 separate individuals were able to contribute to this feasibility study, making up over 25% of the community.



The stages of this study are outlined below:

<b>Awareness Raising</b>	ACC raised awareness of the upcoming consultation process, informing local groups about open meetings.
<b>Demographic and Policy Analysis</b>	A demographic analysis was undertaken for the area using interactive software called "Community Insight", an online tool that pulls together 20 different data sets and is updated live as new data emerges in Scotland. We have compared local statistics for this specific area to the Scottish averages. We have also used figures from the Scottish Index of Multiple Deprivation 2016 (SIMD).  In addition, this report considers relevant national and local policy.
<b>Open Meeting</b>	We used a summary activity day as a public consultation event. We engaged with 43 people in one to one conversations as well as in group sessions to debate the needs of the community.  These conversations have continued by the consultant within the community
<b>Focus Group</b>	It was felt that young people were not engaging in as much depth as required so a session took place at the high school with a representative group of young people.
<b>Stakeholder Interviews</b>	Stakeholders in the area were consulted via a series of one-to-one conversations conducted in person and over the phone
<b>Community Survey</b>	In order to gather the views of a wide range of people living and working in the Acharacle area, a community survey was carried out using the online tool Survey monkey. Paper copies and flyers were distributed at the centre and at local events. 53 responses were obtained, representing the views of 125 people.
<b>Desk-based Research</b>	Over the course of the project, Community Enterprise undertook desk-based research to establish the viability of the project. This included research into market trends, case studies, and financial viability for example into trends for charity shops.
<b>Options Appraisal and Report</b>	The feasibility of this idea is rooted in a consideration of the options that emerged during the research, which has led to a preferred option.
<b>Facilitated business planning session</b>	The Feasibility Study was presented to a full room of local people at the ACC's AGM.  The next morning a detailed facilitated session took place with the staff and board to discuss the variables and agree a way forward for this business plan
<b>Business Plan</b>	This business plan was produced based on the needs and desires of the community.



## 1.5 A summary of the Research

### *Assets in the Area*

- 42% of respondents rated Acharacle as an excellent place to live. Only 2% said it was a poor area to live in. 83% of respondents said the thing they liked most about the community was the beautiful environment, whilst 66% said they liked the friendly people
- ACC has a wide remit across the whole community so is well placed to operate the centre. In addition the company already owns property and has a track record in asset management.
- The current staff are highly valued.
- NHS funding has offered significant security, but it creates inherent vulnerability and its recent loss is a blow to the centre. As a result we would suggest increasing room hire and occupancy rates. There is substantial space to promote this. Though there is some nervousness locally, a bold approach to weddings and events will be required to increase occupancy and maximise the income generating potential of the building.
- The centre offers great space and facilities, is in reasonable condition and has room to grow. The main concern is the poor conditions and effectiveness of the heating (electric storage heaters) which are expensive but grants are available to fund this in principle.
- This is an area of natural beauty that is attractive to visitors but better facilities and marketing could increase usage.
- 27.7% are employed full-time (Scotland = 39.6%), 14.7% part-time (Scotland = 13.3%), and 22.9% are self-employed (Scotland = 7.5%).

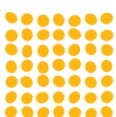
### *The Centre*

- Though sound there is a need to improve the fabric in particular the heating.
- The centre is seen as having an 'image' problem because it looks like a traditional local authority care centre. A high proportion of local people never attend the centre so upgrade as well as communications is vital.
- There is also an issue with location and a feeling that the centre is not in the facility of the centre of the village.

- 'Acharacle is a fantastic place to grow up. However, there is a lack of opportunity for young people to branch out and understand the wider world. It is bubble of sorts. The community centre from my perspective provides a fantastic base for the elderly with the over 50's club. I think this could be pushed more to include or become a wider community event.'

### *Challenges in the Area*

- As reflected by its SIMD classification as one of the most deprived areas in terms of access to services. Geographic access is bottom 5% most deprived, reflecting the extreme rurality of the area and distance from mainstream services including road links.
- Public transport is perceived as a major challenge by local people: this has a direct impact on the project, as older people who do not have access to a private car also find it difficult to reach The Acharacle Centre by public transport. 11.5% of households have no cars. The survey noted transport as one of the biggest concerns.



- 56% of respondents said that the biggest challenge to the area was lack of services. This was followed closely behind by isolation and loneliness at 50% and lack of transport at 43% exacerbating this.
- Acharacle residents aged 65+ are 24.5% of the population, significantly higher than the Scottish average of 18.5%. Though there are young families very visible in the area, there are statistically a higher level of older people in the community. Many of these individuals are living alone and vulnerable to isolation. Community consultation indicated that many older people who could benefit don't use the centre.
- The relatively high non-user numbers were considered to be related to older people retiring to the area with good health and not needing services.
- Working age DWP benefit claimants (aged 16 – 24) are at 11%, Highland average is 9.2%, Scotland is 9.4%.
- 15.2% of people have connections with low broadband speeds (less than 2 Mbit/s), Scotland = 2.5%.
- When asked about the area as a place to work in only 10% said it was excellent, 37% said it was average, whilst 12% said it was poor. Many of the qualitative comments indicated that though unemployment was low, much of the work is low paid, seasonal and insecure.

#### *Support for the Project*

- 88% of respondents said they would support the concept of community control and ownership of the centre. 2% said they would not support the takeover and 10% said they were not sure.
- In total, 22 respondents said they would be interested in getting involved as a volunteer. 9 said they would not be interested in volunteering and 13 said they weren't sure. 14 people left their contact details.
- There was significant support from children and young people though they were looking for space for games and sport.

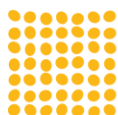
- 'If being for the community, let the community run and own it.'

#### *Financial Sustainability*

- All users pay for use of the centre although more could probably be done for users to understand running costs because the rental income is currently too low to cover overheads. In the 2017 survey, 33% don't use the centre and in the 2018 survey 14% have never used it and 25% rarely use it, which is a relatively high proportion for a small community.
- There is significant opportunity to grow and develop the re-use project
- There are opportunities to offer services for tourists and visitors but the detail of this will need to be scoped out.

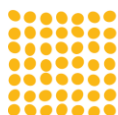
#### *New Ideas*

- Numerous ideas for new services emerged during the research which can be seen in survey results and in open meeting write up.
- 51% of respondents said they strongly agreed with the statement that turning the centre into a central hub for activities in the village will help reduce social isolation. 50% of people also strongly agreed that a new hub would give people of all ages more to do.





- There was demand for inter-generational work that met the needs of older people, children and families and brought them together (e.g. through events) rather than bespoke projects.



## 2. A Future for Acharacle Centre

### 2.1 Vision

A centre in Acharacle with more space, more facilities, more colour, more warmth and more activity will attract make residents lives better and the community more resilient.

### 2.2 Key Areas of Service Delivery

The following diagram outlines the four key areas of service delivery:



### 2.3 Services Under Themes

It should be noted that many of these services have multiple benefit, bringing people together while dealing with personal issues and they may even have an employment of economic benefit. As a result the split below is relatively artificial but services are sited where the fit strongest.

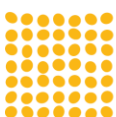
#### 2.3.1 Creating Social Opportunities and Reducing Isolation

Some users are very local, some live further afield. If transport was available it is clear that there would be scope for a greater number of users. One issue that arose during the research was how the relatively small number who benefit from the centre do so to find and strengthen relationships with people. It was also acknowledged that there are a large number of isolated individuals who need this opportunity. It was clear that, though many of these are indeed older people who live alone, this traditional view of isolation is different here with young people who, due to a lack of services and transport combined with on-line activity, find themselves not leaving the house.

In the survey, isolation and loneliness was noted by 50% of respondents as a key issue with lack of transport at 43% exacerbating this.

We will develop a suite of social activities including seasonal events. These will be organized and managed by the staff and volunteers and information will be distributed across the community. This will include;

- Seasonal events, such as Christmas parties, Hallow'een parties. There will be a particular focus on encouraging inter-generation opportunities so that young children, families and older people can get to know each other in the community. We are keen that these community events will be



a vehicle for people supporting each other and creating a mutually supportive rural community beyond the work of the centre.

- Themed meals and special events like quiz nights and a drop in community pub.
- Exhibitions showing off local talent, particularly local crafts such as the knitting group

### Pop up café

This has happened periodically and we will commit to re-establishing this as the centre develops and grows. It allows people of all ages and abilities to attend a social gathering where there is always excellent home baking. It can also be the conduit to access services discreetly such as Ewen's Room.

### Services for particular age groups

Tots and toddlers provides a gathering space for young parents to get together while their children have a safe space to play. This can build relationships between families which is vital as, when this feels like a welcome mutually supportive place, people will be attracted to stay here and bring up their families.

Brownies are starting in August 2019 for older children which will provide a new service for families. These basic community run traditional services are the bedrock of a sustainable community.

The Sewing and knitting group is largely for older people, bringing isolated people together round a purposeful activity. They recently not only made items for their own use, but sent them to international charities for distribution.

### 2.3.2 Social, Health and Welfare Services

The centre offers a range of activity and is well used with the following core regular activities. They do of course bring people together but are more focused on a particular individual or group

#### Lunch Club

This is a vital resource largely for older people with a focus on health but mostly on reducing isolation and strengthening relationships. The lunch club meets three times a week and has a cook making high quality nutritious meals.

#### Ewen's room

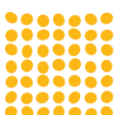
			
<b>Donations</b> There are three ways of donating to Ewen's Room: Direct Banking Cheque or cash PayPal Account Name: Ewen...	<b>Fundraising</b> As a Voluntary Community Association, we are totally reliant on grants and donations to pay for our activities. We are V...	<b>Winter Warmer 2018</b> Our annual Winter Warmer family social event will be taking place from 12:30 till 4pm. on 27th of January 2018, back at ...	<b>Support</b> We have a confidential telephone helpline and a text-based support service for people who need to talk. They run between...

Ewen's Room was started in response to the loss of a local young man. This is a mutual support group which meets during the week and is open to everyone. The group has

recently extended its service with a small investment, to offer a telephone helpline operated entirely form within the community.

#### Bike club

This will promote physical health, transport and social integration.



## **Therapists**

There is space for therapists in the centre to meet needs as the demand arises. This can range from aromatherapy to yoga, Holistic Medicine and Massage

## **Hair dressing**

Though less to do with social welfare, hair dressing is a key service which people with poor transport links struggle to access and it is vital for personal well-being.

### **2.3.3 Facilitating a local Infrastructure**

#### **Royal mail**

The royal mail van uses the car park so the centre provides an essential piece of local infrastructure and this also secures an annual rent.

#### **Training and Learning**

The centre will be used to encourage training and learning sessions to take place delivered by outside agencies. This has in the recent past included sessions on asset development by the Development Trust Association and on rural resilience, health and safety and local history. This has been reactive till now and a programme of more proactively organised training will commence.

#### **Community Meetings**

The centre allows for meeting space for a range of existing and potentially new groups from the common grazings committee or the church to consultation events run by other bodies.

One of the key aspirations of the centre, is that they will not be solely responsible for organising and establishing new services. A community owned and upgraded centre will be a catalyst for people in the village to come together to establish new initiatives. That will need meeting space and resources. There was demand for the following services identified during the research;

- Playgroup and more family support work
- Conversational Gaelic so that local speakers can practice and new residents can learn
- Music appreciation and learning
- Advice Support groups
- Craft and art groups
- Fitness classes

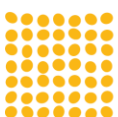
#### **Community car and Hospital Transport scheme**

This is based at the centre though managed by Care Lochaber. Considering the serious dearth of transport identified in the research, this will be a vital lifeline for people, helping them get to hospital and other crucial life changing appointments. It will be one element of the community that will encourage people to stay.

There is currently no allowance in their funding to pay any room rental but this is not viable going forward and will need to be negotiated.

#### **Washing Facilities**

There is also a shower and washing machine for local individuals in an emergency and for community groups such as local sports teams.



### 2.3.4 Strengthening the rural Economy

#### Re-use Project / Re-made in Acharacle

The Reuse Project was established in 2007 using grant funding from Voluntary Action Fund, and has been operated since the funding ran out on an entirely voluntary basis. The project operates throughout Lochaber but mainly in the areas surrounding Acharacle. The project collects a huge range of items, including furniture, material, books, tools, musical instruments, electrical goods, bikes and any other items that are in good condition and suitable for reuse. These are then resold to the local community from a shed within the community and recently quality items are sold from a room in the centre.

There are opportunities for landfill diversion, volunteering, sales and employability and this project has plans to advance and develop. At the moment the focus is on rescuing, recycling and retailing items that are donated. With additional investment, we plan to establish this as a re-use centre along the lines of Remade in Edinburgh, which is a model where by a finite range of goods (in that case clothes, computer items and furniture) are repaired and up-cycled before being sold.

This will create a fuller circular economy in the area, driving sales growth and facilitating skills development and jobs as the activity diversifies and increases.

Grant funding will be required to kick start this enterprise, from a funder such as Climate Challenge Fund or Zero Waste Scotland. The staff will assess which kind of items are most prevalent over recent years as a basis for which kind of Re-made project this is.

There was significant support for this from local people interested in the concept of upcycling but also local jobs.

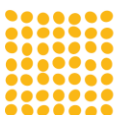
#### Hot Desking

Though demand was not huge, so we are not going to invest in specific space or equipment, there was some latent demand for the encouragement of enterprise including social enterprise. As a result we will advertise the centre as a space for new businesses to work from at a very affordable rate. Working from home can be challenging so this will help local sole traders to grow and develop.

Though too small to adopt the model formally, we will aspire to be one of Scotland's "Can Do Places"<sup>2</sup>.

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<sup>2</sup> <http://www.candoplaces.org/>





## 2.4 The Building

The internal floor space extends to 248 m<sup>2</sup>.

There is only one level and the space comprises;

- 3 multi-use recreational rooms
- 3 small offices, one used as a new charity shop – off shoot of facility in the village
- Kitchen
- Toilets
- Storage
- Good circulation space and a welcoming entrance with small glazed office

The centre was built approximately 20 years ago at the same time as the surrounding houses. It was owned by Highland Council but leased to and used by the NHS as a day care centre though the original intention was for it to have wider community use. The centre is located in very close proximity to adjacent housing. Historically, its main clients were older people who attended activities such as the lunch club. As a result some of the décor, seating etc. can still have that “NHS” feel to it, hence the need for a modest but important renovation.

With changes in adult social care, the centre was closed. It was offered to the Community Company and Highland Council entered into a lease arrangement with the Acharacle Community Company which ended in December 2017 and has been monthly since then. There was an early commitment from Highland Council to replace the heaters but this has not happened. Heating is highly inefficient and utility bills are high so addressing this is a medium term priority.

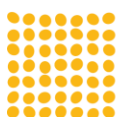
The NHS offered a 5 year funding package to provide a lunch club 3 days a week. The funding covered the costs of the centre manager (20 hours), cook (16 hours) and cleaner (3 hours). This funding finished which creates financial vulnerability and a need to find new income streams, though replacement is currently being negotiated for.

The centre offers good flexible and appropriately sized space and facilities and is in reasonable condition. It is wind and watertight and, though some decoration and a general upgrade would be very positive, the main concern is the poor heating (electric storage heaters) which are expensive.

The valuation and conditions report noted that, while there were minor age related issues to deal with, the building is in a good state of repair with a functional economic life for 30 years.

There is a current valuation of £200,000

The lunch club meets 3 times a week in the Roshven Room, but outwith those times it is free for others to use. It is carpeted with seating around tables, as well as more comfortable seating, a very large TV, sink, darts board, drop down screen. All seating can be moved.



The Resipole room is a large multi-functional space. Again furniture can be moved to suit the various activities

The smallest room in the building used for public internet access.



The Shiel room is a smaller room which is ideal to rent for small meetings or health and healing sessions. It has a specifically designed hair washing sink (used by the regular barber).

The research indicated that those who use it, value it and the centre is providing an important local role as a meeting place, though there is an opportunity to make it more welcoming to families and young people.

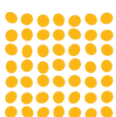
**'Without this place there would be a lot of lonely people.'**

As well as upgrading the décor and furnishings, there a need to improve the signage<sup>3</sup> and to work on the branding of the centre so it is more open to local people and more easily found. It is off the main road and there is no sign of any kind at the turn off that main road.

We understand that funding is not limitless and is under particular pressure at the moment. However, the aspiration of the group is to secure as much capital funding as possible to ensure that the building is attractive and accessible, has an efficient heating system, is energy efficient and looks modern enough to attract visitors as well as local people. This will not require a major renovation but only a modest upgrade which can be done incrementally. The building right now is fully functional and we are already occupying it and delivering services from there.

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<sup>3</sup> This is currently being actioned.



## 3. Creating Positive Outcomes

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### 3.1 Local Challenges

The 2018 Community Consultation revealed a range of challenges experienced by residents of Acharacle as well as the wider area. The needs fit with the four areas of activity noted above and can be delineated into the following areas

#### **Lack of services**

As reflected by its SIMD classification as one of the most deprived areas in terms of access to services. Geographic access is bottom 5% most deprived, reflecting the extreme rurality of the area and distance from mainstream services including road links and very poor public transport. 56% of survey respondents said that the biggest challenge to the area was lack of services

#### **Risk of poor health and welfare needs of people**

This stems largely from the rural isolation of the place but is a very specific need to address issue experienced by real people.

Acharacle residents aged 65+ are 24.5% of the population, significantly higher than the Scottish average of 18.5% and many of them indicated need for health related services.

There a higher number of benefit claimants than the national or Highland average.

#### **Rural isolation**

Isolation and loneliness was experienced by exactly half those we spoke to.

#### **A weak economy with low paid, seasonal and insecure jobs**

Many of the comments in the survey and open meetings indicated that though unemployment was low, much of the work is low paid, seasonal and insecure. 27.7% are employed full-time (much less than the Scotland figure of 39.6%). 22.9% however are self-employed compared to a national average of only 7.5% indicating an economy of sole traders who need support to sustain their businesses.

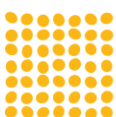
The Trust hopes to reduce the impact of these challenges by developing the centre as a community-led project that meets local needs around the four themes used in the services section above.

### 3.2 Main Outcomes

The following are some key outcomes for the project

A new centre will stimulate new activity and 2 new groups each year will be established, the centre will develop 1 new activity per year and existing activity will extend and grow to impact on more residents.

- 25 local people will access high quality volunteering opportunities in the shop and 3 people will secure jobs
- 30 older people will access weekly opportunities for social interaction to reduce rural isolation
- 10 young families will access services to ensure they remain in the community
- 25 people with mental health issues and feelings of loneliness will improve their lives through accessing Ewen's room and other activity
- 100 people with poor access to services will report their lives being enhanced by contact with social and welfare services
- 100 local people will strengthen friendship and relationships through attending social events.



### 3.3 SLF Outcomes

This project will create a range of outcomes for the community. As the first next stage in the process is applying to the Scottish Land Fund for a grant to purchase the building (for a significantly discounted rate from the Highland Council), this report outlines how plans for the centre meet SLF outcomes, though this will be extended in the application form itself.

#### *1) Our communities will achieve more sustainable economic and/or social development through ownership of land and buildings*

**Economic:** The development of the centre, facilitated by Acharacle Community Company owning the asset, will allow us to increase the income generation within the centre. An upgraded centre with better heating system will attract new community initiatives (family groups, Gaelic classes and a heritage society have all been mentioned) to the meeting and training space. Even if we keep prices affordable, this will facilitate an increase in income. We are projecting an increase in occupancy rates to 30% then ultimately to 50% by the end of year three, substantially increasing core income.

The centre will continue to operate as a social enterprise, trading and employing a small number of staff and stimulating the local economy. The main focus of enterprise development is the evolution of the second hand outlet to a full “Re-made in Acharacle” centre training local people to repair, upcycle and retail repaired goods.

Events and other initiatives will generate income and a growth in our activity will grow our local supply chains in terms of catering, publicity and transport so we will be a modest boost to the local economy.

**Social:** Isolation and lack of services is a key problem in Acharacle, particularly among this ageing population but also crucially in families with young children. The project will bring people together around social events, becoming the heart of the village. Ceilidhs, community lunches, film and quiz nights in partnership with a new community transport initiative will grow the number and depth of local involvement. 30% more people will engage and this will strengthen social capital across the village – making this a more resilient community that looks after each other.

We have a good number of young families and need to invest in the infrastructure to ensure they stay and that is likely to include a better parents and toddlers groups with some considering the construction of a modest soft play area in the future (potentially a temporary one).

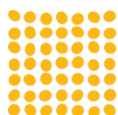
Bringing services into the community, from Ewen’s room and the lunch club, to hair dressers and alternative therapists creates a strong community with the services it needs.

#### *2) Our communities will have a stronger role in and control over their own development*

Acharacle village is isolated with minimal local services. Highland Council have been a good landlord but, due to issues of capacity and funding across local authorities, have not engaged in the development of the building. The most important frustration is the heating system which, though promised, has not been done. Rather than being in a cycle of complaint against the local authority, we want to be in a place where we have control and we simply raise funds and fix the heating system ourselves. Right now we don’t have the legal power to do that.

ACC is community run and already has a range of assets and projects. Our projects are directed by the suggestions and needs of local people. We have already shown resilience in developing new services. Owning the centre and operating it as a sustainable facility will strengthen us as an organisation by building our portfolio of assets. It will generate income and we are projecting modest growth to ensure profit can be redistributed. With a site of our own, we can continue to develop responsive initiatives.

We believe that the community owning this rather than Highland Council will engender a sense of true ownership and will attract more members and a greater number of people to the board and any governance sub-groups we choose to establish. Right now it has been a challenge to attract new board members and responsibility has fallen on a small number of people. There are already indications during the research of the concept of more people wanting to be involved. In the survey, 22



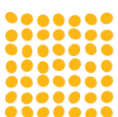
respondents said they would be interested in getting involved as a volunteer. 9 said they would not be interested in volunteering and 13 said they weren't sure. 14 people left their contact details

### *3) Our communities own well managed, financially sustainable land and buildings*

Business planning indicates that our plan for Acharacle Centre will allow the community to make a modest profit, reinvesting in services and the community. With more people involved and more users, we will be able to attract new skills in management and governance. As noted above, new enterprise activity will allow the building to be more financially sustainable and a new heating system will massively reduce costs helping us to be more sustainable.

ACC have a track record of strong governance and already manage other assets.

The Trust has a range of policies and procedures already in place to protect the business and ensure its efficiency. The maintenance of the physical asset will be ensured through reinvesting earned income as well as drawing on the skills of local people.





## 4. Delivering the Project

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### 4.1 Governance

The Acharacle is a company incorporated on 27 March 2001 and a charity (SC033393) registered in July 2002.

The Trust has 6 directors, with 3 office bearers. The AGM is well advertised and well attended with a full room at the AGM in January 2019.

The members and directors can be anybody over the age of 18 who live in the Acharacle area and there are over 70 members. We have representatives from the whole of the local community on the board to ensure that what we deliver will meet the needs of everyone in our community. We are endeavouring to attract a diversity of people and have a parent of young children as chair which we hope will attract more young people and families.

We already have robust processes in place reporting on progress and discussions at meetings regarding all our other initiatives, through our Agendas, Minutes and other records. We are approached by local residents about issues directly by email and phone and will respond to these requests at each meeting.

The company has a significant track record in asset ownership and development including income generation. The group owns a house (which is managed by Highland Small Communities Housing Trust) which generates a modest income. They also own the building that is currently leased out to the café and to a shop na'vi organics which has employed several local people.

Despite this track record, we are seeking an additional director with financial experience.

Volunteer management is another element that works well but may need to be formalised with policies and procedures so we are focussing on that at the moment.

#### Governance and Strategic Management

The Board is aware of the amount of time, commitment and hard work that will be required to develop and manage this project. Board members meet regularly (every 6 weeks) to discuss progress and plan ahead and all decisions are fully discussed, minuted and approved before implementation.

Processes and procedures will be reviewed to ensure that they are robust enough to cope with the increased levels of activity and responsibility that will come with managing the facility, our staff and volunteers as Acharacle develops and welcomes higher footfall.

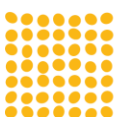
### 4.2 Staffing

The board will have a strategic overview of the running of the building. There are already four staff members in place so there is an aspiration to secure this staff team rather than grow it into something that is unsustainable. There is a desire to grant fund and enterprise post that will focus mostly on the development of the “Re-made in Acharacle” project but that will need to generate enough income to pay for the post beyond grant funding as it cannot be sustained from centre income generation.

The operational roles will be as follows:

#### ACC board

- Set strategy
- Manage senior staff
- Appoint contractors
- Oversee financial sustainability



## Centre Co-ordinator

### *Management*

- Oversee the centre activity
- Develop new services
- Prepare funding applications
- Manage funding strategy
- Put together monitoring information
- Oversee project planning
- Develop marketing plan
- Reporting
- Developing partnerships and managing relationships

### *Administration*

- General management and administration
- Financial controls and gathering financial data
- Support funding applications
- Be part of the communications strategy and help developing the marketing activity
- Establishing systems and improving procedures including booking procedures.
- Responsible for day to day management of the building and managing all bookings
- Paying invoices
- Being first point of contact

**Cleaner** – a part time sessional role

### **Re-Use project Planning and Development Role**

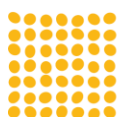
- This person will be the driving force of a new suite of enterprise activity built around the re-use project. In the rural context however, a good member of staff will be flexible enough to bring that enterprise knowledge to other enterprise elements of the centre as it grows.

## **4.3 Volunteers**

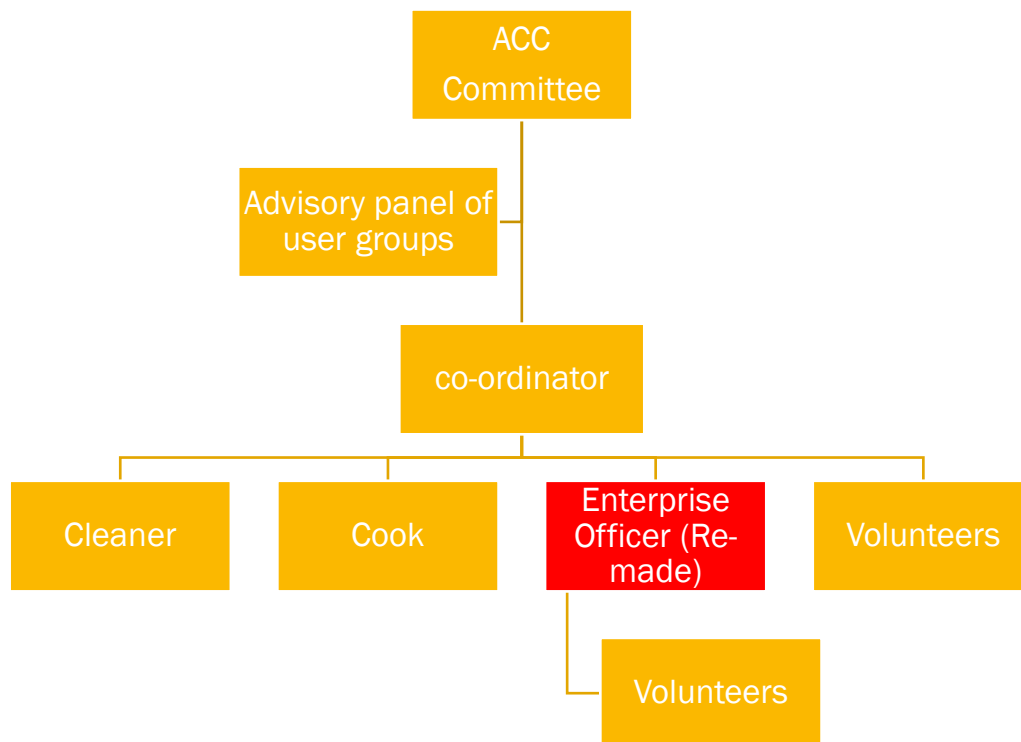
Volunteers will continue to support the centre and hold keys. They will also run social events and help develop projects

They will report to the Co-ordinator and we will devise a Volunteering Policy to ensure volunteers get the support they need through induction training and ongoing access to training as required, as well as ensuring we recruit new volunteers on an ongoing and regular basis.

The ability to recruit volunteers in such a small community while avoiding burnout amongst the core volunteer cohort is a real concern. A key way to address this is to ensure there is a sustainability plan for continuing to fund at a small team of staff, while also focussing on creating and supporting a strong



well-trained and committed team of volunteers with lead volunteers to support small teams if that is possible.



#### 4.4 Policies and Procedures

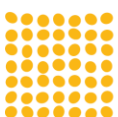
We will review our policies and procedures, during the next few board meetings, with help from the local Third Sector Interface. We already have a handbook of policies and will ensure everything is up to date including;

- Health and Safety Policy
- Data Protection
- Child Protection
- Vulnerable Adult Protection
- Grievance Policy
- Membership Policy
- Staffing Policy
- Volunteering Policy
- Recruitment and Training Policy
- Environmental Policy
- Equalities Policy

#### 4.5 Monitoring and Evaluation

The outputs and outcomes set out in sections 3.2 and 3.3 of this business plan will form the basis of our vision and where we want to be over time. If we want to evidence hard facts such as increased usage numbers, and soft outcomes such as greater feelings of community and belonging, we will need to deliberately find ways to appropriate record that information.

Evidence will be sought from the following:



- Number of social hires (booking the main Hall)
- Though permission will need to be sought, we will use photos and videos to evidence activity which can be amplified through facebook.
- Numbers of people who attend these events
- Numbers and kinds of people attending initiatives (a simple sign in sheet will help with this as well all initiative leaders buying into the gathering of user data.
- Value of income generated by each project by using cost centres for each activity
- We will monitor the impact these projects are making for local people, user, groups and families and capture this through life stories of those involved; this will be valuable to feedback to funders and stakeholders as well as being a good way to promote what we do at Acharacle.
- Maintenance of a up to date customer database (to use for ongoing direct marketing to local people)
- Numbers and nature of volunteers. All volunteers will tell us their aspirations, skills and interests and we can easily track the increase (or otherwise) of volunteers and the depth of their contact with Acharacle.
- Customer surveys which will be kept simple and used on a regular basis to elicit views.
- A confidential annual local survey to record wider benefit. This will be to the local community. It will be very simple.
- A regular stakeholder meeting will also gather data about how workers involved locally have found the impact in Acharacle from their perspective and from the perspective of their members or users.
- We will use facebook and a page on our website to facilitate comments electronically.
- Our marketing plan will agree targets for numbers of followers and numbers of likes etc. on social media.

### How We Will Use This Information

*Improving what We do* : Getting feedback, especially quick feedback, will enable us to adjust what we do, do it differently or change timings and approaches

*Developing new services* : On-going information gathering will identify new services which we can then respond to by developing.

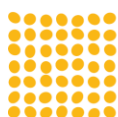
*Sharing Learning with others*: gathering this data from our customers, clubs, groups, stakeholders and partners will allow us show others what we have achieved. There is a network of rural development trusts and this will be useful to others.

*Responding to funders* : We will have monitoring reports to write so need this information to show funders what we will do.

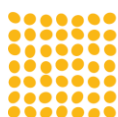
### 4.6 Partners

ACC has worked hard to foster strong partnerships with a range of organisations and groups over the years. This consultation has identified a number of these partners providing really positive partnership opportunities as shown below:

Partner Organisation	The Partnership Opportunity
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Local businesses	Being our local supply chain including things like catering and publicity
Highland Council	Strategic and political support for the asset transfer then potential for joint rural projects
NHS	Continuation and evolution of the funding arrangements that invests in crucial local support such as the lunch club
Common Grazings	Discussion and negotiation about land use, particularly opposite the hall
Highland small communities housing trust	Partnership approach to development and the potential for future initiatives
High School	Support with things like pupils placements and volunteer recruitment
Care Lochaber	Management of the Hospital Transport Scheme

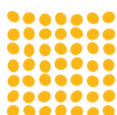




## 4.7 Risk Mitigation

We have identified the key risks we will face through the build and development phases of our project:

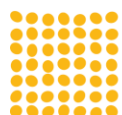
Risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
Difficulty securing match funding for purchase	High	Low	Discounted rate from Highland council	Local fundraising Investigate alternatives such as crowd funding and community shares	Board and Co-ordinator
Asset transfer is not agreed by Highland Council	High	Low	Already having positive dialogue	Continue to develop this relationship; ensure strong communication/PR	Board
Low demand for activities	High	Medium	Building awareness; involving the community; consultation	Strong marketing throughout; keep community advised during build and as elements are open for business; ongoing social media and digital marketing plan	Co-ordinator
Inability to raise money for refurb and heating system	High	Medium	Funding strategy	Detailed funding strategy	Co-ordinator
Project not supported by local community	High	Medium	Extensive community consultation involving everyone in the community with the chance to "have an opinion"	Keep communication channels open	Board



Risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
Costs are not covered by income generated	High	Low	Cashflows prepared;	Realistic cashflow forecasting to ensure we understand the level of income we need to cover costs  Need to input full build costs when we have these	Board and administrator
Difficulty recruiting volunteers	Medium	Medium	The community supports this project and we feel confident we'll get help from local people already interested in the project	Continued communication with residents offering opportunities to volunteer as required	Board and staff
Refurbishment costs higher than expected	Medium	Low	Cash flow projection and business plan estimate with contingency	Get competitive quotes See cost savings Phase fit out costs during construction Allow for contingencies in cashflow	Administrator
Difficulty getting revenue funding	High	Medium	Clear outcomes; evidence of need Strong relationships Partnerships	Approach a mix of funders; clearly demonstrate outcomes	Co-ordinator
Loss of Key Personnel, Volunteers and Board Members	High	Medium	Good terms and conditions for volunteers and clear CPD for staff	Write a succession plan Good terms and conditions for future staff Continued CPD for staff and board	Board



Risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
Insufficient reserves to manage cashflow	High	Low	Building up trading income and ensuring no loan servicing Reserves planned in current cash flow	Build reserves during initial years	Board and staff team



## 5. Marketing

### 5.1 Marketing Context

We have lower usage than we would like. Our centre is not in the most visible and accessible of locations. As a result communication with local people is vital to achieving our outcomes. In the future we will want visitors to come here and hear about our heritage, perhaps attend events, but this is not a tourist centre so the majority of effort will be put into attracting more local people to use the space and what happens in it.

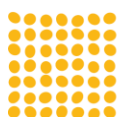
The marketing strategy will at its core, develop an effective means of communicating and consulting with the local community to ensure that its needs and interests are understood and that services and facilities being provided reflect the needs of local people. This will aim to ensure local people also know what is offered at the centre and what is on. Physical and electronic sign posts should drive people here.

Marketing will also be vital to reach “external” customers to promote the commercial aspects of what the centre has to offer. This will include people from the wider Lochaber area attending concerts and events and purchasing from our Re-made shop.

Full use will be made of the range of communication tools people here use to ensure all potential users are aware of the facilities available. Promotion will be carried out through social media, local press and radio and use will be made of a dedicated website.

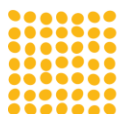


A register of local organisations and individuals will be maintained and publicity material will be regularly distributed via a mailing list or customer database. Use will be made of public noticeboards which are located around the area and we will also make use of community groups' newsletters as well as sharing information on through their social media posts



## 5.2 Marketing Strategy

2019/20 Planning Phase Refurbishment Market Research and Pilot of activities	2020/21 Completion of refurbishment Roll out of activities Operating	2021/22 Increasing Footfall and Income Review potential to extend offering
<p>Employ new Officer</p> <p>Agree marketing objectives</p> <p>Devise programme of ongoing market research – to clearly define services and customer needs as well as to inform marketing communications strategy</p> <p>Devise communications strategy</p> <p>Design newsletters/ digital communications</p> <p>Define services – features and benefits</p> <p>Develop website – including online bookings</p> <p>Devise communications plan</p> <p>Clearly identify different customer groups – profile and needs</p> <p>Develop Brand</p> <p>Clarify main marketing messages</p> <p>Build and Improve stakeholder relations</p> <p>Build partnerships</p> <p>Identify networking events</p> <p>Clarify monitoring tools for sales income/ targets</p>	<p>Agree marketing objectives and sales targets for each activity</p> <p>Arrange official opening event</p> <p>Go live with Website</p> <p>Roll out social media strategy</p> <p>Build brand awareness</p> <p>Advertising in newsletters</p> <p>Use of other facebook pages such as Acharacle Community Council</p> <p>Continue to improve stakeholder relations</p> <p>Increase social media posts/ shares – general</p> <p>Weekly blogs, posts on Facebook and/or Twitter</p> <p>Conduct customer satisfaction survey</p> <p>Build brand awareness</p> <p>Quarterly newsletters via MailChimp</p> <p>Customer satisfaction survey</p> <p>Review marketing budget</p> <p>Develop database of customers</p>	<p>Agree marketing objectives and sales targets for each activity</p> <p>Develop communications strategy</p> <p>Develop social media plan</p> <p>Quarterly newsletters via MailChimp</p> <p>Weekly blogs, posts on Facebook and/or Twitter</p> <p>Review marketing and sales targets – all activities</p>





### 5.3 Marketing Communications Plan

The key communications tools underpinning our marketing strategy are shown in the table below:

<b>Service:</b> All services and initiatives	<b>Communications:</b> <ul style="list-style-type: none"> <li>• Devise social media plan, with regular tweets and facebook posts</li> <li>• Newsletter</li> <li>• PR campaign</li> <li>• Website promoting</li> <li>• Database of local people by post and email used regularly to give updates</li> <li>• Deals and promotions on events</li> <li>• Initiatives such as “volunteer of the week”, “today’s news” to show up to date activity and impact</li> <li>• A sign at the end of the road</li> </ul>
<b>Target Market</b> local people of Acharacle	

<b>Service:</b> Events and RE-use shop and other activities relevant to wider community	<b>Communications:</b> <ul style="list-style-type: none"> <li>• Devise social media plan, with regular tweets and facebook posts shared beyond the village</li> <li>• Information distributed by partners</li> <li>• Flyers in High School bags and via parent’s council</li> <li>• Periodic stories in the Oban Times, Press and Journal and local community newspapers</li> </ul>
<b>Target Market</b> Wider Lochaber population	

#### Key Messaging

In all of our marketing information targeting locals and tourists, we will clearly identify the key assets that Acharacle has to offer:

- Natural environment
- Peaceful community
- Welcome crofting community
- A place to grow old
- A place to bring up children



## 5.4 Branding



The Acharacle Community Company has a strong brand and a clean logo. We will consider whether to develop a sub-brand identity for the centre itself, within this brand architecture so that it is clearly linked to the ACC brand.

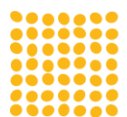
The brand is beyond the logo and will include the following key factors:

- Vision – why the centre exists and how ACC hopes local people and the wider community will benefit from its work.
- Position statement – how ACC and the centre wants its users to feel and think about Acharacle Centre and their experience here
- Unique selling point – what makes the Acharacle Centre different to other halls in the area such as Shielbridge.
- ‘Why you can believe our claims’ – examples of proof points that support ACC’s claims. This will come for monitoring data noted above
- Brand attributes – a list of attributes that affect its beliefs and brand personality.
- Messaging tone – high level tone of voice and the kind of words we use in facebook posts, on the website etc.
- Elevator pitch – a 60 second statement selling what Acharacle Community Centre offers that all staff and volunteers can buy into.
- Tagline – brief statement reflecting our brand.

## 5.5 Budgets

We will ensure a budget for marketing is set aside each year. Whilst a small budget is allowed for marketing, we will in the first 3 years improve the Community Centre pages of our website and have a social media plan by using volunteers to reduce our costs.

2019/20	2020/21	2021/22	2022/23
Planning and establishing new branded materials £2000	Consolidating and launch £1500	Operating £1,200	sustaining £1,200



## 6. Funding and Finance

### 6.1 Costs

#### Purchase Price

The valuation of the building was £200,000. Acharacle Community Company are offering Highland Council a price of £30,000. Below is an estimate of how this discount relates to best value, though it is acknowledged that this is not a scientific process.

There is no one formula for financial savings to statutory services and it is challenging to set a target at the outset of this project. This is due to the substantial range of variables. The outcomes have set out estimates but the issues of individuals will range from physical health issues, to depression and loneliness and the interventions will range from a small number of expensive social work sessions, to a relatively inexpensive placement in a lunch club.

A range of measurements are available. The following are taken from various sources, notably the NHS cost book for Scotland.<sup>4</sup> Various pieces of research in relation to Social Prescribing have attempted to put a cost to statutory savings from community activity so we have used this as a helpful reference point.

Figures for cost savings for example are part of the Rotherham Social Prescribing Pilot.<sup>5</sup> This project helpfully estimated significant savings of £819,000-£920,000 for added well-being, £81,000-£148,000 for volunteering and £350,000 for extra welfare benefits claimed which give a feel about what can be considered.

The following are some key savings that are likely to be made during the first 5 years of the project in Acharacle;

Parameters	Rationale for this project	Estimated cost saving across 5 years
Average reduction in GP attendance from Social prescribing projects is 28%. Median attendance to GP practices from more vulnerable users is 8.3 per year. 28% reduction is 2.3 fewer GP consultations per year which makes £83 saved per person.	If 25% of the 300 local people are regular visitors to the GP, then the saving would be 75 people x 2.3 fewer visits x £83 x 5 years.	£71,587
Cost per attendance at hospital psychiatry services £183	Services such as Ewen's Room, the lunch club etc. may remove the need for, say 3 people to access this per year	£2745

<sup>4</sup> <http://www.isdscotland.org/Health-topics/Finance/Costs/>

<sup>5</sup> [http://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/rotherham-social-prescribing-annual-eval-report-2016\\_7.pdf](http://www4.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/rotherham-social-prescribing-annual-eval-report-2016_7.pdf)



Cost of diabetes is up to £2500 per patient <sup>6</sup>	If 10% of people have obesity, diabetes or risk of diabetes (say 30 people) and there is a 50% cost saving due to better diet with the lunch club and good health advice.	£37,500
Other	Other potential savings include savings on benefits because people are more able to work, quicker hospital discharge due to better community care etc. Say £10,000 per year	Say £50,000
<b>Total Potential Savings to the Statutory Sector</b>		<b>Circa £160,000</b>

## Refurbishment

Fundamentally the asset transfer of this building and the success of the sustainability and growth plan do not depend on any capital upgrade to the building. It is structurally sound, wind and water tight and well used with all systems working. The renovation estimates below are aspirations for the organisation to implement in their first phase of ownership. They will substantially enhance the building and will be a key gateway to increased usage and increased financial efficiency, but the asset transfer is not dependent on this being done.

The centre requires a modest refurbishment to modernise the décor and furnishings. A new heating system will be researched and installed. The building will be developed to a high standard in order to be attractive to local people especially young people and families. A long list of funders is identified in the feasibility study. The following are viewed as the most likely. We also believe that Princes Countryside Trust Rural Four and the SSE Sustainable development (which fund opens in Autumn in the Highlands) would be potential investors but are currently closed.

At this stage, this very early cost table has been produced, but will need to be updated once quotes are received.

Item	Projected Cost
<i>Development Costs</i>	
Purchase price (Valuation is £200,000)	£30,000
Legal Fees	£3,000
<i>Capital Costs</i>	
Refurbishment, upgrade and furniture	£25,000

<sup>6</sup> <http://www.diabetes.co.uk/cost-of-diabetes.html>



New heating system	£25,000
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## 6.2 Funding

This table divides available capital funding for community projects into two sections to indicate more likely sources of funding. Post-acquisition funding is required only for a modest upgrade.

The current funding strategy is shown below:

Item	Amount	Source of Funding	Amount
Purchase			
Site Acquisition	£30000	Scottish Land Fund  5% (or higher) match achieved from discounted rate from the £200,000 valuation.	£33000
Legal fees	£3000		
Renovation and upgrade			
Heating system	£25,000	SLF	£10,000
Renovation	£25,000	Trusthouse Foundation  Robertson Trust	£40,000
Additional funding			
Brand and marketing materials	£2,000	Foundation Scotland Express Grants	£2,000

## 6.3 Ongoing Revenue and Project Funding

It should be noted that the financial position is of the community company not solely the community centre but gives a feel about the foundation from which we are starting. The last two years have seen very small deficits and, though not significant in relation to the reserves and assets that the organisation holds there is not significant income that can be reinvested form other elements of the company.

Income into the centre was largely made up of a core grant of £25,000 which has ended but is being negotiated, and £12,580 of rent the other income made up of sales and landfill diversion, some income from second hand retail and the lunch club. At the moment Highland Council pay for buildings insurance which the company will need to take on.

In order to be sustainable, ACC will need to ensure to undertake a full cost recovery exercise for each project it undertakes. Projects will need to cover a percentage of central costs.



It is standard across Scotland that such trusts have an element of grant funding in the income mix, even though there is always an aspiration to be 100% sustainable. What funds those will be will depend on the funding environment and circumstances at the time, including new funds coming on stream that we don't know about. Likely funds are set out in the feasibility study.

## 6.4 VAT

As the cash flow, even in later years, shows the project operating well below the VAT threshold, there is no need to register for VAT. We have included all VAT on costs and have not factored VAT into the cash flow projection. If the organisation was keen not to have VAT liability, it is possible to opt to tax voluntarily. This will allow the project to reclaim some or all of the VAT, but will impact on the long term sustainability.

A formal VAT assessment will be required to assess this.

## 6.6 Income Generation and Sustainability

In order to stay sustainable, the centre will operate commercially, securing lets and other income streams. Key to this will be strong marketing and communication and a highly capable staff team who can secure funding as well as income generation.

Key income streams will be;

- Room hire. It is acknowledged that occupancy rates are very low at the moment. With a new re-furnished centre, these are projected to grow very gradually from around 10% to 25% but not till the end of 2023.

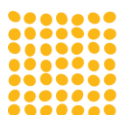
Though this is a steep target, we believe that aiming for 25% occupancy gives a good value return to the Scottish Land Fund for part funding the purchase of the building.

At the moment social work pay for supervised visits. This needs to be built on and marketed as this is a customer with a budget for a commercial rent.

- Events from Film nights to community meals charging local people to attend events.
- Lets for corporate events and weddings with a premium price. This has been set at £750 but effort will need to be made with décor, customer care and branding. This corporate service is low in year one, leading to a target of one event per month in year 3.
- Re-use project (especially as it evolves into something more substantial). Sales of charity shop items are set out initially based on current sales figures but this grows as the project becomes an up-cycling and re-use project.
- Desk space for sole traders
- Royal Mail rent for using the car park

There is currently no allowance in Care Lochaber's funding to pay any room rental but this is not viable going forward and will need to be negotiated.

In summary, with reasonable pricing and a very small (10%) occupancy rate in year one in addition to some income from Royal Mail, lunches etc., there is financial sustainability, though it is tight. With no NHS funding, the model shows a need to increase occupancy from 10% to 25% and be more ambitious with commercial lets. The cash flow also factors in small grants tapering from £20,000 in year one to £10,000 in year three (which is a break even budget). If these funding and trading levels are not achieved, the staffing complement will need to be reduced. It is clear that a volunteer only run hall would be financially sustainable but more challenging to manage.



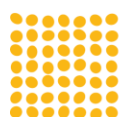


Our full financial projections are shown in Appendix 1 in this Business Plan. We have shown 3 years altogether.

Showing small increases in charity shop trading, increasing to an average of £500 surplus per month with the grant funded programme, and showing a gradual increase in occupancy over three years to 25% (ie at the end of March 2023 which allows a long period of marketing and slow growth) shows good surpluses. Turnover increases from £42,191 to £45,127 with trading increasing from 53% to 78%. The surpluses and accumulated reserves rise to £26,409. However this will not grow to this level. Either trading will not be as strong as expected and this is viewed as a contingency or, if there is this commercial success, it will be invested in new programmes with reserves held at a maximum of 4 months running costs.

A summary of the financial trajectory can be seen below;

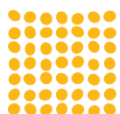
	year 1	year 2	year 3	Total
<b>Income</b>				
Trading Income	£22,191	£27,498	£35,127	£84,816
Revenue Grant	£20,000	£15,000	10000	£45,000
NHS grant/SLA	£0	£0	£0	£0
% sustainability	53%	65%	78%	
Total Income	£42,191	£42,498	£45,127	£129,816
<b>Expenditure</b>	£33,502	£34,802	£35,103	£103,407
<b>Surplus</b>	£8,688	£7,696	£10,024	
<b>Accumulating Reserves</b>	£8,688	£16,385	£26,409	



## Appendix 1 : Cash Flow Projections

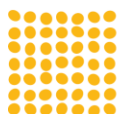
Note	Details												
1	Asset transfer done. Fundraising during the summer, with redecoration and heating system installed by end March 2020												
2	Small grant target eg Awards for All. Without this the organisation will still make a small profit but this will help reserves to build.												
3	There is potential to apply in the future												
4	Target - significantly higher than existing which is only nominal. Social Work use of space can be built on.												
5	NHS subsidy will relax sustainability if secured in future years												
6	Slightly higher than current costs												
7	Current figure is £420. New heating system will reduce bills but occupancy will be higher.												

Staff posts								
	Salary	NI	pension	Portion	Total	Notes		
Cook	£16,575		£497	0.32	<b>£5,463</b>	12 hours per week		
Co-ordinator	£17,550		£527	0.42	<b>£7,592</b>	16 hours per week		
Cleaner	£16,575		£497	0.10	<b>£1,707</b>	4 hours per week		
<b>Total</b>	<b>£50,700</b>	<b>£0</b>	<b>£1,521</b>	<b>£1</b>	<b>£14,762</b>			
Enterprise Manager (Re-Made)	£25,000	£2,287	£750	0.60	<b>£16,822</b>			



Acharacle Centre		2021													
Cash Flow year one															
	Assumptions	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	Notes
		5	4	4	5	4	4	5	4	5	4	4	4		1
Grants															
Fundraising															
Grants		10,000						10,000						£20,000	2
NHS grant	Zero but budget line left for futur negotiation													£0	3
Total Grant and Subsidy		£10,000	£0		£0			£10,000			£0			£20,000	
Community Groups and Hall Hire															
Large Hall average price per hour	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	
Small hall average price per hour	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	
Small Room average price per hour	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	
Total number of possible hours per week		84	84	84	84	84	84	84	84	84	84	84	84	84	
Occupancy rate	Increase to 15%	10%	10%	12%	12%	12%	12%	15%	15%	15%	15%	15%	15%	15%	
Income from Room Rentals		£882	£706	£847	£1,058	£847	£847	£1,323	£1,058	£1,323	£1,058	£1,058	£1,058	£12,066	4
Royal Mail income	Current figure is £3500	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£1,800	
Charity Shop Takings	Estimate before Re-Made project in place	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£200	£2,400	
Lunch club takings		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£1,800	
Desk space for sole traders		£20	£20	£40	£40	£40	£40	£40	£40	£40	£40	£60	£60	£500	
Community Socials and Events															
Events per month		1		1		2		1		2		1	1		
Number of attendees		25	25	25	25	25	25	25	25	25	25	25	25		
Price per event		£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5		
Premium Events	Corporates and weddings	£500			£500			£1,000			£500			£2,500	
Income per Event		£625	£0	£125	£500	£250	£0	£1,125	£0	£250	£500	£125	£125	£3,625	
Total Trading		£2,027	£1,226	£1,512	£2,098	£1,637	£1,387	£2,988	£1,598	£2,113	£2,118	£1,743	£1,743	£22,191	
Total Income		£12,027	£1,226	£1,512	£2,098	£1,637	£1,387	£12,988	£1,598	£2,113	£2,118	£1,743	£1,743	£42,191	5
Overhead Expenses															
Staffing	Link to staffing sheet	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£1,230	£14,762	6
Payroll		£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£360	
Advertising	Use of word of mouth and social media mainly	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600	
Rates	100% charitable relief	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	
Water Rates	Contingency - ACC to check with HC	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£1,200	
Electric		£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£4,200	7
Phone and internet	Based on current figures	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600	
Insurance	Needs quote	£2,500												£2,500	
Stationery, postage & Printing		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£300	
Volunteer expenses	10 volunteers x 5 visits x £1.50	£75	£75	£75	£75	£75	£75	£75	£75	£75	£75	£75	£75	£900	
Professional and accountancy fees	Higher than current figure												£1,000	£1,000	
Repairs & Maintenance	Not major repairs and upgrade	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£3,000	
Security alarm and other contracts	Estimate	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600	
Cleaning materials and refuse collection	Estimate	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440	
Food for lunch club	80% of income	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440	
Misc		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600	
Total Expenditure		£5,000	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£3,500	£33,502	
Operating Profit		£7,027	-£1,275	-£988	-£402	-£863	-£1,113	£10,488	-£902	-£387	-£382	-£757	-£1,757	£8,688	
Balance		£7,027	£5,752	£4,764	£4,362	£3,498	£2,385	£12,873	£11,971	£11,584	£11,202	£10,445	£8,688		

Acharacle Centre		2022														
Cash Flow year two																
	Assumptions	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	Notes	
		5	4	4	5	4	4	5	4	5	4	4	4			
Grants																
Fundraising																
Grants		7,500						7,500						£15,000		
NHS grant														£0		
Total Grant and Subsidy		£7,500	£0		£0			£7,500			£0			£15,000		
Community Groups and Hall Hire																
Large Hall average price per hour	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00		
Small hall average price per hour	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00		
Small Room average price per hour	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00		
Total number of possible hours per week		84	84	84	84	84	84	84	84	84	84	84	84	84		
Occupancy rate	Increase to 20%	15%	15%	15%	18%	18%	18%	18%	18%	20%	20%	20%	20%	20%		
Income from Room Rentals		£1,323	£1,058	£1,058	£1,588	£1,270	£1,270	£1,588	£1,270	£1,764	£1,411	£1,411	£1,411	£16,423		
Royal Mail income		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£1,800		
Charity Shop Takings	5% month on month growth with Re-Made project	£300	£315	£331	£347	£365	£383	£402	£422	£443	£465	£489	£513	£4,775		
Lunch club takings		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£1,800		
Desk space for sole traders		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£1,200		
Community Socials and Events																
Events per month	Increase to one per month	1	1	1	1	1	1	1	1	1	1	1	1	1		
Number of attendees		25	25	25	25	25	25	25	25	25	25	25	25	25		
Price per event		£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5		
Premium Events	Corporates and weddings	£750		£750		£750		£1,000		£750			£750	£4,750		
Income per Event		£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£1,500		
Total Trading		£2,148	£1,898	£1,914	£2,460	£2,160	£2,178	£2,515	£2,217	£2,732	£2,402	£2,425	£2,449	£27,498		
Total Income		£9,648	£1,898	£1,914	£2,460	£2,160	£2,178	£10,015	£2,217	£2,732	£2,402	£2,425	£2,449	£42,498		
Overhead Expenses																
Staffing	2% cost of living increase	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£1,255	£15,058		
Payroll		£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£360		
Advertising	Use of word of mouth and social media mainly	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600		
Rates	100% charitable relief	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0		
Water Rates		£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440		
Electric		£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£4,200		
Phone and internet	Slight in crease	£60	£60	£60	£60	£60	£60	£60	£60	£60	£60	£60	£60	£720		
Insurance	Needs quote	£2,500												£2,500		
Stationery, postage & Printing		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£300		
Volunteer expenses	15 volunteers x 5 visits x £1.50	£112	£112	£112	£112	£112	£112	£112	£112	£112	£112	£112	£112	£1,344		
Professional and accountancy fees	Slight increase due to increased work												£1,200	£1,200		
Repairs & Maintenance	Not major repairs and upgrade	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£3,000		
Security alarm and other contracts	Estimate	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600		
Cleaning materials and refuse collection	Estimate	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440		
Food for lunch club	80% of income	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440		
Misc		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600		
Total Expenditure		£5,092	£2,592	£2,592	£2,592	£2,592	£2,592	£2,592	£2,592	£2,592	£2,592	£2,592	£3,792	£34,802		
Operating Profit		£4,556	-£693	-£678	-£132	-£432	-£414	£7,423	-£375	£140	-£190	-£167	-£1,343	£7,696		
Balance		£4,556	£3,863	£3,185	£3,053	£2,621	£2,207	£9,630	£9,255	£9,396	£9,206	£9,039	£7,696			



Acharacle Centre		2023														
Cash Flow year three																
	Assumptions	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	Notes	
		5	4	4	5	4	4	5	4	5	4	4	4			
Grants																
Fundraising																
Grants		5,000						5,000						£10,000		
NHS grant														£0		
Total Grant and Subsidy		£5,000	£0		£0			£5,000			£0			£10,000		
Community Groups and Hall Hire																
Large Hall average price per hour	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00		
Small hall average price per hour	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00	£8.00		
Small Room average price per hour	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00	£5.00		
Total number of possible hours per week		84	84	84	84	84	84	84	84	84	84	84	84	84		
Occupancy rate	Levels out at 25%	20%	20%	20%	20%	20%	22%	22%	22%	22%	22%	22%	25%	25%		
Income from Room Rentals		£1,764	£1,411	£1,411	£1,764	£1,411	£1,552	£1,940	£1,552	£1,940	£1,552	£1,764	£1,764	£19,827		
Royal Mail income		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£1,800		
RE-made Takings	Monthly target	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£9,000		
Lunch club takings		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£1,800		
Desk space for sole traders		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£1,200		
Community Socials and Events																
Events per month	Increase to one per month	1	1	1	1	1	1	1	1	1	1	1	1			
Number of attendees		25	25	25	25	25	25	25	25	25	25	25	25	25		
Price per event		£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5		
Premium Events	Corporates and weddings	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£9,000		
Income per Event		£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£125	£1,500		
Total Trading		£3,039	£2,686	£2,686	£3,039	£2,686	£2,827	£3,215	£2,827	£3,215	£2,827	£3,039	£3,039	£35,127		
Total Income		£8,039	£2,686	£2,686	£3,039	£2,686	£2,827	£8,215	£2,827	£3,215	£2,827	£3,039	£3,039	£45,127		
Overhead Expenses																
Staffing	2% cost of living increase	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£1,280	£15,359		
Payroll		£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£360		
Advertising	Use of word of mouth and social media mainly	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600		
Rates	100% charitable relief	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0		
Water Rates		£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440		
Electric		£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£350	£4,200		
Phone and internet	Slight in crease	£60	£60	£60	£60	£60	£60	£60	£60	£60	£60	£60	£60	£720		
Insurance	Needs quote	£2,500												£2,500		
Stationery, postage & Printing		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£300		
Volunteer expenses	15 volunteers x 5 visits x £1.50	£112	£112	£112	£112	£112	£112	£112	£112	£112	£112	£112	£112	£1,344		
Professional and accountancy fees	Slight increase due to increased work												£1,200	£1,200		
Repairs & Maintenance	Not major repairs and upgrade	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£3,000		
Security alarm and other contracts	Estimate	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600		
Cleaning materials and refuse collection	Estimate	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440		
Food for lunch club	80% of income	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£1,440		
Misc		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£600		
Total Expenditure		£5,117	£2,617	£2,617	£2,617	£2,617	£2,617	£2,617	£2,617	£2,617	£2,617	£2,617	£2,617	£3,817	£35,103	
Operating Profit		£2,922	£69	£69	£422	£69	£210	£5,598	£210	£598	£210	£422	-£778	£10,024		
Balance		£2,922	£2,991	£3,061	£3,483	£3,552	£3,762	£9,361	£9,571	£10,170	£10,380	£10,802	£10,024			

