

The Highland Council

17 December 2015

Agenda Item	19
Report No	HC/63/15

Dornoch Common Good - Grant Application from Dornoch and District Community Association

Report by Director of Finance and Head of Policy and Reform

Summary

This report invites Members to consider an application of £100,000 over three years to the Dornoch Common Good Fund from Dornoch and District Community Association. The application is for funding to support the development and construction of a new Community Centre at the Meadows, Dornoch.

1. Background

- 1.1 Dornoch and District Community Association (DADCA) is a long established Community Group. This community group has been the driving force behind the rejuvenation and community use of the current Dornoch Social Club which was built in 1845. Since 2007 the use of the current Dornoch Social Club has risen from little or no use to 900 separate classes and events in 2014. This includes a wide range of classes and groups e.g. Keep Fit, Car Boot Sales, as well as Community Meetings and dances.
- 1.2 DADCA have for some time been in a position where letting requests for the Social Club have had to be turned down due to lack of capacity or suitability. The current building is not fit for purpose as it has limited capacity but also has major structural issues including cracks in the building which although safe affect the long term stability of the building.

2. Community Centre Project

- 2.1 Since 2007 DADCA has consulted extensively throughout the Dornoch Community and have received strong support for its proposal to relocate the Social Club and users to a new build property in the town.
- 2.2 In response to the positive feedback DADCA made a successful Leader application which allowed them to commission a feasibility study into the options for a new build. The results of this were presented to the people of Dornoch via an exhibition and public meeting at the beginning of October 2008.
- 2.3 The progression of the project has been slower than was originally anticipated. This has been mainly due to the need for DADCA to ensure there was no duplication of provision with other projects/groups and issues around ownership of the preferred site.

- 2.4 The preferred site for the new centre is owned by Dornoch Meadows Trustees. The Trust is bound by very specific terms in relation to use and disposal. DADCA are in constructive discussion with the Trustees. The Trustees have taken legal advice and the intention now is to vary the terms of the Trust by making an application to the Lord Advocate under Section 10 of the Land Reform (Miscellaneous Provision)(Scotland) Act 1990 which is specifically for Small Trusts. This would allow them to seek permission to change their legal format into a small trust, which would then endow them with the powers to sell and dispoise assets i.e. the land required for the new build. The success of this application is critical to the proposal but all parties have agreed in principle to do this.
- 2.5 Because of the time it has taken to reach this stage DADCA has recently issued a 'refresher' consultation document. This summarises the background to the project and asks voters to respond to questions regarding their preferences. It has been delivered to every household on the electoral role in Dornoch and Area and has also been launched as an online survey and utilising Facebook and Mail Chimp. The responses were collated by an independent group on 7th December. In total 534 votes were cast of which 452 (approx. 85%) supported the project. Only 7% were not supportive with the balance abstaining. This Consultation may result in some changes to the exact specification for the new centre but will not have a significant impact on the overall project outline or budget.
- 2.6 In January 2014 DADCA were awarded £50,000 from Big Lottery Growing Community Assets to progress the project. This enabled the group to commission a design for the new building which received planning consent in March 2015.
- 2.7 DADCA are now in the process of identifying a funding package and continue to vigorously pursue other funding sources.

3. Grant Application

- 3.1 DADCA have applied to Dornoch Common Good Fund for £100,000 over a three year period broken down as £50,000 in year one, and £25,000 in years two and three. The Project description and funding profile from the application are contained in Appendix one.
- 3.2 Members will note that DADCA anticipate raising £150,000 from the sale of the current Social Club. As per appendix 1 further funding would be sourced initially from :

Funder	£
Big Lottery Growing Community Assets	1,000,000
SSE Sustainability Fund	100,000
HIE	200,000
Sports Scotland-£	200,000
DADCA existing funds	40,000
Other Fund raising	10,000

3.3 They will also seek funding from Robertson Trust, Highland Leader, and Bank of Scotland Community Fund, Highland Council Capital Fund, Peoples Postcode Trust, Gordon and Ena Baxter Foundation and others as detailed at 1.10 on Appendix 1.

3.4 DADCA have submitted this application at an early stage as committed funding may be helpful in attracting match funding.

4. Common Good Funds

4.1 Grants greater than £10,000 require Highland Council approval.

4.2 This is a significant application in relation to the capacity of the Dornoch Common Good. The Usable Reserves stood at £213,639 at March 2015. Overall a surplus of £9,280 of income over expenditure is anticipated in 2015/16. This includes a one off payment of £3,000 received in respect of a cancelled lease on Dornoch airfield. Based on these assumptions it is envisaged that the usable reserves by March 2016 will be £222,919.

4.3 If the current expenditure budget (which includes a grants budget of £12,000 per year) and anticipated income levels stay at 2015/16 levels over coming years the resulting surplus of just over £6,000 per year could be used to offset the impact of a £100,000 award

4.4 It is important that Common Good reserves are kept to a prudent level. Whilst the liabilities of the DCG are relatively limited it is felt that £25,000 should be the minimum balance kept.

5. Consultation

5.1 In line with Common Good Policy, Dornoch Area Community Council were consulted at their meeting on 17th June 2015, and unanimously agreed to support the application in full. East Sutherland and Edderton Ward Members confirmed their support at a Ward Business Meeting and the Caithness and Sutherland Area Committee of 16th September 2015 noted its support for a £100,000 grant for this project provided the Director of Finance confirmed that the Fund could meet this commitment.

5.2 This award would be made on the provision that the full funding package is in place and the land secured.

6. Implications

- 6.1 The new build project will mean a more environmentally friendly building which will have a positive impact in terms of Climate Change/Carbon clever. There will also be positive implications for Gaelic in that the new building would be available to be used to promote such activities. DADCA fully understand and accept that any funding approved would be on the basis that they obtain appropriate quotes as at 5.1 on application form and that DADCA evidence “best value” throughout.
- 6.2 There are financial implications for Dornoch Common Good Fund but these are contained in section 4 above. The award would be to support a specific building project and would not result in ongoing financial implications after completion.
- 6.3 There are no Legal, Risk, Equalities, Rural or Gaelic implications to this application.

7. Recommendation

Members are recommended to grant £100,000 from the Dornoch Common Good Fund to Dornoch and District Community Association as a contribution towards the costs of the new Social Club build over three years, subject to the group getting permission to purchase the land and full funding package being in place.

Designation: Director of Finance

Date: 8 December 2015

Author: Garry Cameron, Ward Manager, Golspie

Background Papers: Appendix One – DADCA application.



APPLICATION FORM FOR ORGANISATIONS APPLYING FOR GRANT AND DISCRETIONARY FUNDING AND FUNDING IN KIND FROM THE HIGHLAND COUNCIL – Over £10,000 – Common Good Funds F

Name of Organisation:

Dornoch and District Community Association (DADCA)

Name of Project or Activity Requiring Support:

New Dornoch Community Centre

Which of the Council's funding streams are you applying to?

(Please provide closing date details where applicable)

Dornoch Common Good Fund

Is the amount you are applying for:

£5,000 or under Under £10,000 £10,000 or over

Total amount applied for: £100,000.00

Estimated cost of funding in kind applied for: £0

Please detail what funding in kind has been applied for e.g. Council staff time, use of premises or equipment, waiving of fees or administration support

Nil

What type of organisation are you? (please tick all that apply)

Third Sector (voluntary or community) organisation	<input checked="" type="checkbox"/>	Community Council	
Registered Charity If yes – Registration number SC013716	<input checked="" type="checkbox"/>	Company Limited by Guarantee If yes – Company Number 375856	<input checked="" type="checkbox"/>
Other - please specify.....			

Please remember guidance to completing the application form is available [here](#). Appropriate links to the guidance are situated throughout the form: [This page](#)

For official use only Application reference number			
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PART 1: ABOUT YOUR ACTIVITIES OR PROJECT

Guidance on completing part 1: ABOUT YOUR ACTIVITIES OR PROJECT

1.1 What is the name of your activity or project?

Dornoch Community Centre

1.2 When will your activity or project take place? (specifically those for which you are seeking an award from The Highland Council)

Start date (month and year) Est: 2016

End date (month and year) Est: 2018

Location: Meadows Park, Dornoch

1.3 What activity or project do you want us to support?

For example:

- *Aims of the project and how you are going to do it*
- *Help with running costs or for a specific project or activity?*
- *Who will benefit*

Please note that the Council will be unable to provide any resources not specified on this form or supporting information.

AIMS

Our project is to replace an existing community building with one which is fit for our town's use in the twenty-first century and beyond. DADCA (Dornoch and District Community Association) is the applicant behind this bid. We ask for a commitment to ring fence funds to help build a new community centre in Dornoch. Specifically, it would be used to build on previous design work and the detailed planning permission granted, to carry work on to building warrant stage and ultimately to construction.

BACKGROUND

The need for a new Dornoch community centre has become increasingly clear from empirical evidence from recent history. Our current Social Club building was built in 1845 and has been extended twice since then. Since DADCA's rejuvenation in 2007, our Social Club building's usage has risen from almost nil to around 900 events in 2014. These have included: a wide range of classes such as yoga, dog training and art work; sporting events such as keep fit and indoor bowls; local democracy activities such as Highland Council Ward Forums and "clinics" by elected parliamentary representatives; commercial events such as car boot sales, farmers' markets and sales of rare and antique books; and small and large community events such as model fairs, book fairs, wedding receptions and dances. We now have to turn down some applications.

Dornoch is "bucking the trend" of the Highlands in that its population is growing, with over 40 new houses built recently, 100 more in course of construction, and with outline planning permission granted for up to many more over the next decade or so.

Our current building is not suitable for upgrading to current standards. Not only is it not big enough, but it is also has major structural and usage issues. In short, clear evidence from the building's usage has left no doubt that it is incapable of meeting current needs properly, still less projected future needs. Our current building has stone walls, single

glazing and little insulation - our fuel bills are huge. A new Community Centre would replace this outdated, inefficient building with one which is ecofriendly, whose carbon footprint will be tiny by comparison, and whose fuel bills will be greatly reduced.

A detailed appraisal of our options, backed up by strong support from Dornoch's people, has indicated that the only viable solution to meeting Dornoch's needs is to build a new community centre for the town. This application represents a pivotal stage in our work.

FUNDING REQUIREMENT

The funding for which we are applying would be used to meet parts of the following costs.

- Moving our plans through the Highland Council's process to obtain a building warrant.
- Employing a chartered surveyor to take the project forward
- Construction and landscaping costs
- car parking costs
- Professional fees
- Furniture & Equipment

BENEFICIARIES

Those who will benefit from a new Community Centre would be the people of Dornoch and district and its visitors. All our citizens stand to benefit, and the very busy record of usage of our current building – despite its many shortcomings - illustrates just how badly needed a community building is.

The new community centre would permit an improved range of activities - academic, practical and sporting. The current building is restricted in the activities it can host, but this new Community Centre would provide improved recreational opportunities, through its large main hall (with overflow marquee when required); its fitness suite (sorely needed in Dornoch) its flexible layout and changing facilities. It would also permit improved access to those with disabilities. The current building is non-DDA compliant, and poses great difficulties to those with disabilities.

It would provide employment. The current building is run almost exclusively through volunteer effort - which has reached its ceiling. The enhanced usage which the new building will permit will also necessitate moving to a system where paid employees are required to man it.

1.4 Does your activity or project involve building or landscaping work?

Yes No

If yes please answer both a) and b) below.

a) Does your organisation (Please tick):
Have ownership of the land or building

Yes No

OR

Hold at lease of at least 5 years that cannot be ended by the landlord?

Yes No We are currently in negotiations with the Trustees of the Meadows Park to enable them to dispoene part of the land for the purposes of constructing the new community centre there.

b) Is planning permission needed for your project? Tick one option below.

Planning permission not required

Planning permission required and has been granted (14/0400/FUL)

1.5 Please tell us how your project or activity will help the Council to meet its Public Sector Equality Duty to:

- Get rid of unlawful discrimination, harassment and victimisation;
- Make sure that people from different groups* are treated fairly and have equal chances to use services and that there is more equality between groups*;
- Make sure that people from different groups* get on together.

*Groups are people who have "protected characteristics" in the Equality Act: age, gender reassignment, pregnancy and maternity, religion or belief, sexual orientation, disability, marriage and civil partnership, race and sex.

For example are people with protected characteristics likely to face barriers; how you intend to tackle these barriers; does your project promote inclusion?

Sutherland is the least densely populated county in Scotland, with just 2 people per square kilometre. But the people are not evenly distributed, of course: they are grouped into settlements such as Dornoch, with miles to the next settlement (Dornoch is 11 miles from Golspie and 9 miles from Tain.) The issue of transport makes Dornoch's communities heavily reliant on facilities within its town boundaries – and older and poorer people (who may lack independent transport) are at a disadvantage. We are strongly committed to equal opportunities, and to inclusivity, but our current building, which is cold, non-disability-compliant, and badly positioned on a hill, hampers us in promoting these because it is so difficult to access.

We believe, however, that those who are elderly, infirm or disabled will gain particular benefit from a new Community Centre, because our current building – on which local people are so reliant – is so difficult to access. Tai Chi, Pilates and Otago exercises classes take place in the current building and it is a matter of regret that there are those who do not attend because of the inaccessible nature of the building.

The inclusion of a Fitness suite would enable those who need to access a medically approved rehab or health improvement programme to have ready access to a facility for that purpose rather than travelling to Invergordon for supervised support.

The current building hosts 4 youth groups, there is a lack of storage space for their equipment and set up times are unnecessarily lengthy for the organisers. A well equipped space fit for purpose would enable organisers to offer wider and a more appropriate range of activities to our young people in an attractive and comfortable environment.

1.6 Where relevant and appropriate please describe any contribution your project may make towards promotion of the Gaelic language?

DADCA appreciates the importance of encouraging the use of Gaelic, both in the

spoken and written word and in song. Gaelic Classes (Cli Gaidhlig) are scheduled to take place in the current building, and we shall give every encouragement to having these continue to be offered in a new one. Enquiries have been made in the past to use the current building for traditional music activities but the lack of acoustic dampening has militated against this type of class. The new building would be much better placed to provide suitable acoustics and up-to-date sound insulation, and we would encourage Feis style activities and would hope to host the local Mod.

1.7 Please tell us if you have spoken to anyone about your application for advice and support – e.g. Local Highland Council Elected Member, Community Council Member, Council Staff, local Council for Voluntary Service (CVS) – If yes, please provide details:

Cllr Jim McGillivray
 Cllr Graham Phillips
 Dornoch Area Community Council
 Highland Council Planning officers (Bob Robertson)
 TECS Roads officers (Simon Young)

1.8 Please tell us about any funding in kind you are seeking from the Council:

Detail i.e. premises, facilities, staff time, waiving of fees	Estimated value
None	

1.9 Please provide a breakdown of how much will your activities/project will cost and how much **Funding you are applying for from The Highland Council:**

Gross Floor area excl external store 873m2

Item/Activity	Breakdown of Total Costs £	Year 1 £	Year 2* £	Year 3* £	Total £
Staffing	NIL self sustaining				
Stage C Cost estimate for the Main Building	Building Works (c. 800sqm)	£1,765,907			
	Project / Design Team Fees	£ 158,932			
Other Costs e.g. property costs, transport, equipment, insurance, marketing	Risk Allowance		£192,484		
	Inflation Allowance		£179,972		
	Furniture and equipment		£ 50,000		
	New Centre to comprise main hall, meeting rooms, kitchen, storage, fitness suite, changing rooms and replacement viewing stand for adjacent games field.				
	Externally, construction of adequate car parking and hard standing to permit erection of community marquee for larger events and storage shed				
Total Project Cost £		1,924,839.00	£372,506.00		£2,297,345.00
Total Funding Request £		50,000	£25,000	£25,000	

1.10 **Other funding relating to this project** Please include other funders and own resources and income. Continue on separate sheet if required.

Organisation and status of application	Year 1 £	Year 2* £	Year 3* £	Total £
Funders in negotiation:				
Big Lottery Growing Community Assets	General capital 1,000,000	1,000,000		1,000,000
Sale of Social Club	General capital 150,000		150,000	150,000
	Contingency 3 years 100,000	50,000	25,000	100,000
Dornoch Common Good SSE Sustainable Development	Renewables 100,000	100,000		100,000
HIE	General capital 200,000	200,000		200,000
Sports Scotland	Fitness suite 200,000	200,000		200,000
DADCA existing reserves	40,000	40,000		40,000

DADCA fund-raising	3 years	30,000					30,000
		1,820,000	10,000	10,000	10,000		
Successful <input type="checkbox"/>	Unsuccessful <input type="checkbox"/>	Awaiting Decision x					
			1600,000	185,000	35,000		1,820,000
Funders To be approached			Year 1 £	Year 2* £	Year 3* £		Total £
Highland Council Capital Fund	General capital	100k	100k				
Leader 2015	Storage Unit	30k	30k				
Robertson Trust	General capital	25k	25k				
People's Postcode Trust	General capital	20k	20k				
Gordon & Ena Baxter Foundation	Fitness suite	10k	10k				
	Volunteer						
Voluntary Action Fund	Training	1k		1k			
Ben Tharsuinn community fund	Renewables	1.5k	750	750			
Community Energy Scotland	Renewables	10k	10k				
Energy saving trust	Renewables	2k	2k				
Enterprise Ready Fund replacement	General capital	25k	25k				
	Sport and youth work	tbc					
Erasmus +							
HC Carbon clever fund	Renewables	10k	10k				
Scottish Land Fund	land purchase	20k	20k				
Esmee Fairbairn Foundation	retractable seating/staging	20k	20k				
	Cinema equipment						
BFI Neighbourhood Cinema Fund	Induction loop tiered seating	£5k In Kind	5k				
Co-op Community Fund	General Capital	10K	10k				
Creative Scotland	Renewables	10k	10k				
The Wolfson Foundation	Fitness Suite	20k	20k				
Bank of Scotland foundation	General capacity	50k	50k				
Local Business Donations	General capital	10k	5k	3k	2k		
Local Personal donations	General capital	50k	30k	20k			
Awards for All		30k	10k	10k	10k		
Carnegie UK Trust	Digital capacity	20K	20k				
TOTAL FUNDING		£479,320.00					
Successful <input type="checkbox"/>	Unsuccessful <input type="checkbox"/>	Awaiting Decision <input type="checkbox"/>					
Totals							

*See guidance notes for specific funding stream to see if you are able to apply for more than one year of funding.

1.11 Please tell us how you know that there is a need for this activity or project and how your approach will meet this need. This might include:

- a. Community support for your project (e.g. surveys, etc.)

- b. Statistics which show the need for your project (e.g. unemployment figures, crime statistics)
- c. Evidence from similar projects which shows that they have worked (e.g. research from elsewhere or evaluations of previous local work)

We did not rely solely on our own judgements in concluding that Dornoch urgently needs a new Community Centre. As far back as 2007 we commissioned the first of our surveys of Dornoch community opinion, posing this key question (among others): do respondents favour refurbishing the current building; or do they want a new Community Centre. The great majority opted for the new Community Centre option. Following that initial sounding of Dornoch opinions, we commissioned a Feasibility Study from consultants Phillips Aitchison, which confirmed that a new building is a realistic aspiration, and which made recommendations as to its location and architectural features. More recently, in 2012, we carried out a highly-detailed follow-up community consultation, which strongly supported our drive towards a new Community Centre for Dornoch. This month we have just issued to every household on the electoral roll in IV25 area a consultation document summarising the background to the project and asking voters to respond to questions regarding their preferences. This was also launched as an online survey and further efforts to involve our community and the wider community used our Facebook account and Mail Chimp account. The responses will be collated by VG-ES as a neutral party on 7th Dec and we expect to have the results by the 9th Dec.

1.12 Is this a new or additional activity or project? – Yes No

If yes, what change will your activities or project make in your community?

A new community centre will allow all our residents to access the building. Our current building is very difficult to access for people with walking difficulties or in wheelchairs.

Our new building will contain a fitness suite which will provide a facility in our town which currently is only available to people who travel 20 miles round trip to Tain or Golspie.

We will create a number of short term construction jobs and a minimum of one FTE permanent job within our community.

Our project will provide an emergency centre to improve resilience within our community in times of difficulty (power outages, etc.)

Our project will enhance the current activities at the Meadows Park (e.g. annual Highland Gathering and regular amateur football) by provision of improved facilities.

Our project will provide a semi-permanent home for our Youth Café and our after school club.

Our project will provide much needed community storage for items such as Christmas lights, community tables, chairs, bunting, Highland Games equipment, Dornoch Festival Week, etc., etc..

If No, how has your activities or project been funded in the last three years?

N/A

- 1.13 Please tell us how you will know that your activities or project is working and that you are benefiting your community. You only need to provide targets for the years in which your project will operate. See the detailed guidance for examples of targets.

How you will know you have made the change?		
Year 1 Measurable Outcome	Year 2 Measurable Outcome	Year 3 Measurable Outcome
Major contractor appointed and building work starts	New Community Centre opens	Our new community centre is financially sustainable without grant support
Community storage facility is created early in the project.	More events happen in the new building than the 850 at present through additional space availability and more facilities	Our carbon footprint has been halved compared to our existing building
	New fitness suite is subscribed by over 60 members	The Community Association has 50% more members than the current 320
	A minimum of one new FTE employment opportunity is created.	Communities overcome disadvantage and inequality through the ownership and development of local assets
Communities work together to own and develop local assets.	Communities are sustainable and improve their economic, environmental and social future through the ownership and development of local assets.	Communities develop skills and knowledge through the ownership and development of local assets.

- 1.14 If it is intended that this activity or project continue beyond the period of Council support, how will it be funded?

The project will be self funding.

We have run our existing building profitably since 2007, accumulating over £40,000 of reserves in that time.

The new Community Centre business plan (copies available on request) has been developed in conjunction with HISEZ specialist advisers provided as part of our initial Big Lottery Fund award.