



REPORT TO: CORPORATE SERVICES COMMITTEE ON 14 JUNE 2022

SUBJECT: REGENERATION CAPITAL GRANT FUND

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

To inform the Council of the Regeneration Capital Grant Fund invitation for stage 1 applications with a deadline of 17 June 2022. As only Local Authorities can apply to this fund, the Tomintoul and Glenlivet Development Trust, Lossie 2-3 Group and Forres Area Community Trust are requesting for the Council to be the lead applicant on their behalf.

- 1.1 This report is submitted to Council in terms of Section III A (2) of the Scheme of Administration relating to long-term financial plans.

2. RECOMMENDATION

2.1 It is recommended that the Corporate Services Committee:

- (i) consider the request by the Tomintoul and Glenlivet Development Trust to act as a lead applicant to the Regeneration Capital Grant Fund with no financial implications for the Council and if agreed;**
- (ii) approve the submission of stage I application and if successful stage II application;**
- (iii) consider the request by the Lossie 2-3 Group to act as a lead applicant to the Regeneration Capital Grant Fund with no financial implications for the Council and if agreed; and**
- (iv) approve the submission of stage I application and if successful stage II application**
- (v) consider the request by the Forres Area Community Trust to act as a lead applicant to the Regeneration Capital Grant Fund with no financial implications for the Council and if agreed; and**
- (vi) approve the submission of stage I application and if successful stage II application**

3. **BACKGROUND**

- 3.1 The Governments Regeneration Capital Grant Fund (RCGF) is delivered annually in partnership with COSLA, supporting locally developed place-based regeneration projects that involve local communities, helping to tackle inequality and support inclusive growth in disadvantaged and fragile communities across Scotland.
- 3.2 The fund is primarily aimed at providing new and/or improved infrastructure to improve the economic, social, and physical environment of communities and is open to all 32 Scottish Local Authorities.
- 3.3 There is no restriction on the number of applications that may be submitted by each Local Authority but, given the limited size of the overall fund, applicants are requested to be realistic with the number of applications and combined value of grant requests being made. Also where project proposals are being submitted by lead bodies on behalf of partners, these project proposals must be considered and supported by lead bodies prior to final submission. Lead applicants are expected to review all applications closely, consider how the projects will meet RCGF criteria, and in particular, can deliver the outcomes and draw grant as profiled within the required timeframes. If appropriate, project proposals should be prioritised accordingly.
- 3.4 RCGF applications follow a two-stage, competitive process. The independent RCGF Investment Panel makes recommendations to Ministers and COSLA on those projects to be funded from each round. Closing deadline for stage I application is 17 June 2022 and if successful stage II applications have to be submitted in October 2022 with outcomes known in January 2023.
- 3.5 Applicants may apply for 100% funding of the total eligible project costs. However, any match funding leverage will be considered as part of the RCGF Investment Panel's assessment of applications, in terms of either contribution to a wider programme or within the project itself.
- 3.6 **Tomintoul and Glenlivet Development Trust** is an open membership community owned and run Regeneration Company with charitable status. It has a well-established track record of successfully delivering large scale capital funded projects. The proposal is to create a touring style campsite just outside the village of Tomintoul. If the proposal is successful it will deliver strong environmental, economic and social regeneration outcomes. The indicative total project cost is £1,761,000 with a request from RCGF of £1.2 million and match funding from the Trust to be confirmed in due course. Details are included in **APPENDIX 1** of this report.
- 3.7 **Lossie 2-3 Group** is a community charity founded over 10 years ago and registered as SCIO in 2019. The board members have a wide range of relevant experience to carry out this proposal and will have suitable management arrangements in place for this capital project to renovate a permanently closed Warehouse Theatre building in Lossiemouth (25 year lease & planning permission in place). On completion of the capital works it will create a community hub with a wraparound service for the most

disadvantaged people in Lossiemouth. The services provided will be for Childcare, Parenting, Mental Health and Isolation, Income and Hardship with strong economic, social and physical regeneration outcomes. The indicative total cost is £350,000 with a request from RCGF of £300,000 and £50,000 match funding in place. Details are included in **APPENDIX 2** of this report.

- 3.8 **Forres Area Community Trust (FACT)** is a charity and registered as Company Limited by Guarantee. Since 2011, FACT has a well- established track record of identifying and responding to community needs through various initiatives including a Community Asset Transfer of the Town Hall. (Design team and planning permission in place). On completion of transforming the Town Hall it will provide a high quality, environmentally sustainable and fully accessible mixed use facility, capable of responding to current and future community needs with strong regeneration outcomes. It will include performance / events space, heritage, community and visitor information, hot-desking facility for social enterprises / small businesses and employment and training opportunities for young people. The total project cost is £3,738,348 with a request from RCGF of an estimated £3 million and match funding from the Trust to be confirmed in due course. Details are included in **APPENDIX 3** of this report.

4. SUMMARY OF IMPLICATIONS

(a) **Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

The projects will contribute to achieve the corporate plan priority to promote economic development and growth, also the LOIP priority of a growing and sustainable economy

(b) **Policy and Legal**

The Council considers support for economic development issues on their merits, against the objective to facilitate sustainable economic growth and the desired outcomes of the Ten Year Plan and Corporate Plan. For any partnership agreements Legal will be consulted.

(c) **Financial implications**

As only Local Authorities can apply to this fund, the request from the Trusts / SCIO have been made for the Council to front the applications. As outlined para 3.6 for the Tomintoul and Glenlivet Trust proposal the request from RTIF is in the region of £1.2 million and match funding from the Trust to be confirmed in due course.

Para 3.7 highlights that the Lossie 2-3 group request from RTIF is in the region of £300,000 with £50,000 match funding in place.

As stated in para 3.8 the Forres Area Community Trust still has to finalise match funding for their proposal with a request from RTIF for an estimated £3 million.

However there are no financial implications for Council.

(d) **Risk Implications**

There is a risk of the 3rd sector provider being unable to fulfil the funding conditions and the Council being liable to repay the grant funding.

To mitigate any risks, partnership agreements will be drawn up at full application stage outlining that the Trusts will adhere to all funders grant conditions and that they are solely responsible for any liabilities associated with the funding. It includes confirmation of all match funding being in place prior to any works, details of professional management arrangements with regular reporting, compliance with procurement and subsidy control requirements.

(e) Staffing Implications

The applicant organisations will prepare applications and claims; set up project systems for carrying out the works including for procurement, monitoring and evaluation.

Staff from the Economic Growth & Regeneration section will provide support for submitting the applications, interim and final claims to the RCGF and make arrangements for claimed funds to be transferred to the organisations. If the funding applications are successful, all projects have to be completed by end of the financial year 24/25.

The required support work can be accommodated within existing staffing resources, however at this stage it is difficult to forecast how many staff hours it will require as it depends on the experience & efficiency of the project management for these initiatives. It can range from the equivalents of a couple of hours to several days per month, which may impact on resources needed to be considered against present economic recovery work and new economic priorities and funds. If the project management provided by the organisations is effective and efficient the impact on staff will be a few hours a month.

All applicants have been made aware that they require suitably qualified and experienced project management staff and arrangements to be in place.

(f) Property

None arising from this report

(g) Equalities/Socio Economic Impact

An equality impact assessment is not required as the reason for the report is for the Council to consider being the lead applicant for the community organisations to access funds, which they could not undertake themselves.

The focus of the RCGF is on projects in areas that suffer from high levels of deprivation and disadvantage and that demonstrate clear community involvement. Being lead applicant for these projects will assist the council in addressing socio-economic inequalities in accordance with the Fairer Scotland duty.

(h) Climate Change and Biodiversity Impacts

As part of the RCGF application process all proposals have to demonstrate consideration and contribution towards achieving the target of net-zero carbon emissions by 2045.

(i) Consultations

Consultations have been undertaken with the Chief Executive, the Deputy Chief Executive (Economy, Environment and Finance), the Deputy Chief Executive (Education, Communities and Organisational Development), all Heads of Service, Equalities Officer and Lindsey Robinson Committee Services Officer. Where comments have been received, these have been included within the report.

5. CONCLUSION

5.1 The project proposals have ambitious regeneration plans in their respective areas. They have been locally developed, involving the communities and on completion of the projects will create economic, social and physical regeneration outcomes.

5.2 The Regeneration Capital Grant Fund could be the most suitable funding source for this type of investment, however as only Local Authorities are eligible to apply, it is recommended to support the Community organisations requests for Council to work in partnership and be the lead applicant for the applications.

Author of Report: Reni Milburn, Economic Growth & Regeneration Manager
Background Papers: Documents on file in Economic Growth & Regeneration section
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