

## EAST AYRSHIRE COUNCIL

### DEVELOPMENT SERVICES COMMITTEE – 29 JUNE 2004

#### DALMELLINGTON AND DISTRICT CONSERVATION TRUST

##### Report by Executive Director of Development and Property Services

## 1. PURPOSE OF REPORT

1.1 To ask the committee to:

- i) note the current activities undertaken by the Dalmellington and District Conservation Trust; and
- ii) approve the continuation of grant funding in terms of the Code of Guidance on Funding of External Bodies.

## 2. BACKGROUND

- 2.1 This report has been prepared in the context of the requirements of the **Code of Guidance on External Funding and Following the Public Pound**, as issued by The Accounts Commission and the Convention of Scottish Local Authorities (COSLA). The code requires that where substantial grant funding is provided to an external organisation, that organisation should be subject to monitoring and review to ensure that maximum effectiveness is obtained from the funding. In the case of funding provided by East Ayrshire Council, the definition of “substantial” has been interpreted as being an amount in excess of £35,000 per annum.
- 2.2 The Board comprises of representatives from the Ayrshire Railway Preservation Group (ARPG), Dalmellington Community Council the local community and East Ayrshire Council. The Council nominated Councillors Farrell, Dinwoodie and Stewart to represent the Council on the Board of Dalmellington and District Conservation Trust.
- 2.3 The principal activity of DDCT Trust is to operate Dunaskin open air museum and visitor centre which displays the social, industrial, geological and natural history of the Dalmellington area.

## 3. STRUCTURE OF DALMELLINGTON & DISTRICT CONSERVATION TRUST

3.1 The Board of DDCT comprises of 15 directors, as follows;

Elected by Trust Membership	8
East Ayrshire Council	4
ARPG	2
Dalmellington Community Council	1
Scottish Coal	Vacancy
Ayrshire and Arran Tourist Board	Vacancy

- 3.2 It should be noted that the fourth Board place allocated to East Ayrshire Council is taken up by an Officer from the Department of Development and Property Services, acting as the day to day link between DDCT and the Council. Currently, the Executive Director of Development and Property Services undertakes this role. The Chairmanship of the board is currently held by Archibald Thom, who is also on the Board of the ARPG.
- 3.3 The Board of Directors meet on a regular basis and updated financial reports are submitted to each meeting.
- 3.4 There is also regular contact between an officer of Development and Property Services and the Museum Director to monitor the operation of the company.
- 3.5 The current Museum Director is Robert McSporrán who has held the post for over 4 years. He reports to the Board who make the final decisions on the operation of Dunaskin.

#### **4. FUNDING OF DALMELLINGTON AND DISTRICT CONSERVATION TRUST**

- 4.1 The Annual Report and Accounts for the year to November 2003 have been prepared, audited and were presented to the Board of Directors at the AGM held on June 2nd 2004. The accounts show a trading loss of £5,777. This figure was in line with the forecast loss for the year.
- 4.2 The total income for the year to November 2003 was £142,437 and comprised:

	2003	2002
East Ayrshire Council	£85,191	£84,261
Other Public Sector Funding	£19,141	£12,791
Sales, Functions and Admissions	£28,539	£20,156
Other income	£ 9,566	6,648
<b>TOTAL</b>	<b>£142,437</b>	<b>£123,856</b>
No of Visitors	5,241	2,599

#### **5. RECENT ACHIEVEMENTS AND CURRENT PROJECTS**

- 5.1 It has been acknowledged that there have been difficulties within the visitor attractions market, including the closure of the Big Idea in Irvine and the funding difficulties experienced by the Burns Heritage Park in Ayr. It was recognised that there was a need to bring new projects to the site in order to increase both the visitor numbers and vitality of the site.

##### **5.2 Development of Rally Racing Track**

- 5.2.1 The establishment of the racing track was a project which aimed to diversify and expand the facilities available at Dunaskin Heritage Centre and therefore to assist in consolidating the operation and financial viability of the Centre. During the year the track was opened to the public on two days over a week end and proved to be a huge success with 1,200 additional visitors to the site. This generated additional income of over £3,000.

5.2.2 The Board was given planning permission to operate the Rally Racing for another year on condition that a liaison committee was established. The liaison committee has now been established with 1 representative each from the planning and environmental services of East Ayrshire Council, 1 local resident, 1 member from the local community council, 1 representative from Scotwest Auto, who will manage the Rally Racing project and 1 representative from the DDCT Board.

5.2.3 The Board are planning to hold 5 race days during the year, the first of which will be on August 15<sup>th</sup> 2004, followed by one each month. This project will allow opportunities for further development, particularly in respect of events and competitions which focus on attracting people from other areas of the country to come into Ayrshire.

### 5.3 Relocation of the ARPG to the Dunaskin site

5.3.1 During the year the ARPG received grant funding from the Minerals Trust to enable them to relocate from their present location in Dalmellington onto the site at Dunaskin. This move should be complete by during the season 2003/2004. At their site in Dalmellington the ARPG was open to the public on 10 Sundays over the summer months and they regularly attracted over 3000 visitors per annum to their site.

5.3.2 The ARPG have planned their steam days to run throughout 2004, these will take place for the 4 Sundays in July, 5 Sundays in August and 1 Sunday in September.

5.4 These two developments will ensure that Dunaskin compliments other visitor attractions available in the Doon Valley, such as Loch Doon and the Dalmellington Book Town Project. Increased numbers of visitors to the area will also have positive benefits for other local businesses and attractions and thereby, for the economy of the local area.

5.5 The development of these projects will be closely monitored by the Board of DDCT and will be reported to the Development Services Committee, following the end of the company's trading year.

5.6 The above projects will be incorporated into a formal **Service Level Agreement** which will be concluded between the Council and DDCT.

## 6. FUNDING AND VALUE FOR MONEY

6.1 In the year 2002/2003 the funding contribution provided by East Ayrshire Council represented 59% of the base line budget of DDCT other public sector lenders are SIP and Minerals Trust.

## 7. POLICY IMPLICATIONS

7.1 The activities of DDCT, working in close liaison with East Ayrshire Council and other local partners will assist in the achievement of the goals of the East Ayrshire Community Plan: Improving the Environment Theme.

## **8. LEGAL IMPLICATIONS**

8.1 DDCT maintains its insurance cover in respect of Directors and Officers Liability Insurance as required by East Ayrshire Council.

8.2 All other relevant insurances are in place.

## **9. FINANCIAL IMPLICATIONS**

9.1 The approved funding support for DDCT in the current financial year is £85,190 is allocated from the Grants to External Agencies budget within which there are available resources.

9.2 To maintain the cash flow position of the company, half the annual payment was released at the beginning of the financial year and the other half will be paid, following approval of this report.

## **10. PERSONNEL IMPLICATIONS**

10.1 There are no personnel implications.

## **11. RECOMMENDATIONS**

11.1 That the committee:

- i) notes the compliance with the terms of the Code of Guidance in respect of the Council's relationship with DDCT;
- ii) notes the achievements of the company during the financial year 2003/2003, as outlined in this report;
- iii) approves continued support for the work of DDCT;
- iv) approves the preparation and implementation of a Service Level Agreement in respect of the Council's funding incorporation the activities as set out in Section 7; and
- v) remits to the Executive Director of Development and Property Services to bring further reports to future meetings of the Committee, regarding the monitoring or the agreed service level targets and outcomes.

**James Lavery**

**Executive Director of Development and Property Services**

4 June 2004

## **BACKGROUND PAPERS**

1. DDCT Report and Financial Statements for the year ended 30 November 2003

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