

Glencorse Centre to open in January



The new Glencorse Centre, a state-of-the-art community centre in Auchendinny, a little over a mile north-west of Penicuik in Midlothian, has been completed and the building has been handed over to the Glencorse Association.

The Centre, which is scheduled to open next January, has been built with the support of Midlothian Council and a loan from Charity Bank, which lends solely to charities, community organisations and social enterprises. It will open to the public on 11 January 2014.

The Glencorse Association story

[The Glencorse Association](#), originally the Auchendinny Village Association, was formed in 1966 to provide facilities for the Glencorse Parish and wider surrounding area and to ensure that all the facilities and land remained community-owned and community managed. The focal point of the association is the local village hall, built in the early 1970s, which has been home to many social, recreational and sports groups. The hall has been used by the Dalmore Boys Club (the local football team) and has hosted many competition matches and weekly training sessions. Regular social dances were attended at the hall and social groups including a weekly youth group, a nursery group and regular dog training classes also used the facilities. Local children made daily use of the outdoor space and play park.

By 2007, the community hall was at the end of its lifespan and due to health and safety regulations was forced to close,

leaving the community without a vital resource. Since the hall's closure, The Glencorse Association has planned to demolish the old hall and build the Glencorse Centre – a new, environmentally-sound and fit-for-purpose facility to accommodate the changing needs of the community. With an estimated construction cost of just over £1.2m, the project was allocated funding through two grants. The first grant of around £386,000 comes from the Midlothian Council from a developer contribution and the second of around £823,000 from a successful application to the Scottish Rural Development Programme (SRDP), an EU funding scheme. These funds will cover the full cost of demolition and the rebuild, the creation of a multipurpose sports pitch, resurfacing of the car park and some external landscaping, as well as provisional costs for the children's play park.

The challenge

The issue faced by The Glencorse Association was that the invoices from their contractor had to be approved by the SRDP in order for them to receive matching grant payments, a process that could take up to three months. During this time they would need working capital to meet the regular payments for the project until they were able to receive the grant funding.

This would happen each time an invoice was received from the contractor. The Association's solution was to look for a loan to be used as bridging finance but, due to the large size of the loan and lack of apparent tangible security, The Glencorse Association was turned down by a number of high street banks and other social lenders. The Glencorse Association approached Charity Bank via Midlothian Council as the last possible potential provider of the required loan facility.

The solution

Charity Bank worked with The Glencorse Association to understand better the risks involved. Satisfied that this was a viable project, and having secured Midlothian Council as guarantors of the loan, Charity Bank agreed a bridging loan £450,000, which has enabled work on the project to begin and will allow it to complete.

Ngeme Ntuli, The Glencorse Association Treasurer, says:

“Not unreasonably, Midlothian Council and the Scottish Rural Development Programme have very strict rules governing grants. We’d have to provide invoices before they would release the grants, but without support we couldn’t pay those invoices without having first got the grant monies. The delay could be up to three months.

“It was all a bit chicken-and-egg, and with this apparent lack of security no other lender was ready even to give our project a chance. Fortunately, Charity Bank’s expertise in this kind of specialised lending was brought to our notice and both I and Midlothian Council approached the bank.

“We were extremely impressed at how Charity Bank took time and care to understand the problem and to ensure that the risk to itself and ourselves was minimised, and so were able to offer us the bridging finance that no one else would. Quite simply this project would not have happened without Charity Bank, and the people in the parish of Glencorse and nearby would have been left without this vital community centre.”

Cllr Owen Thompson, Chair, Community Planning for Midlothian Council says:

“The Council was delighted that Charity Bank was able to support this project when no other lender would. By providing the bridge financing, The Glencorse Association was able to use the grant funding that it had worked so very hard to

secure thereby allowing the construction of an important new community asset to proceed. We have been pleased with Charity Bank's critical engagement in the project and have recommended it to other organisations in our Council area."

John Barnett, Charity Bank's Regional Manager in Scotland says:

"Charity Bank not only comprehends the sector but we have a regional presence that helps us better understand local requirements, employing a network of regional managers who offer free consultations for organisations looking for finance. Our knowledge can be invaluable in helping organisations work their way through the loan application process and also give them insights into their own capabilities, as well as determine if a loan is their best option.

"It has been an inspiration to work with the dedicated volunteers at The Glencorse Association and their supporters at Midlothian Council. The bank is delighted to have been of assistance but the real stars are the people in the community who brought this challenging project to fruition. I am looking forward to seeing the completed building at the official opening."