



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	The New Neighbourhood Fund Implementation Review
Meeting of:	Cabinet
Date:	12 th March 2018
Is this an Executive Decision:	NO
Is this a Key Decision:	YES
Is the Report Confidential:	NO
If so, please state relevant paragraph from Schedule 12A LGA 1972:	
<p>Essential Signatories:</p> <p>ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE</p> <p>Monitoring Officer: Angela Wakefield</p> <p>Date...23rd January 2018 Signature</p> <p>Chief Finance Officer: Sal Khan</p> <p>Date ... January 2018 Signature</p>	

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 12th March 2018

REPORT TITLE: The New Neighbourhood Fund Implementation Review

PORTFOLIO: Neighbourhoods

HEAD OF SERVICE: Mark Rizk

CONTACT OFFICER: Andy Mason **Ext. No. 1037**

WARD(S) AFFECTED: All

1. Purpose of the Report

- 1.1. The purpose of the report is to provide an update on the implementation of the Neighbourhood Fund that was introduced in April 2017 to replace the Neighbourhood Development Fund. The report sets out how the implementation of the process for awarding of funding has progressed.

2. Executive Summary

- 2.1. The new Neighbourhood Fund has generated interest from a variety of organisations with differing levels of experience of applying for funding. It also has provided a variety of different types of project.
- 2.2. The fund has provided a platform for local community groups to present their ideas and to deliver projects or use the 'in principle' offer of funding to start to secure match funding from other organisations.
- 2.3. The process allows for clarification questions at the presentation stage that actually provides prompt decision making on 'in principle' offers.
- 2.4. The full impact of projects being delivered will begin to be apparent during 2018 as they are completed and publicised. The fund is on track to exceed its corporate plan target of supporting four projects in the first year.

3. Background

- 3.1. Neighbourhood Working evolved from its launch in 2009 running until 2016 with a range of projects being delivered. These ranged from open spaces improvements to improvements to various community facilities.
- 3.2. By November 2015 the process was receiving fewer project nominations and many of them were of a type that would be more closely aligned to the Councillors Community Fund (previously Ward Action Service Plan Fund) rather than the Neighbourhood Development Fund. There was also a reduction in the number of projects that required access to the funding. These factors reinforced the view that the process was ready for a review.
- 3.3. In September 2016 Cabinet made the decision to create a rolling program over 3 years which would provide 'one off' capital investment for projects that were identified locally and were supported by the local community. This would be delivered through a three stage process including; an expression of interest, a presentation and finally, when the project plan was confirmed the funding award. Applications would also need to demonstrate links to the council's corporate strategy or strategic policy documents e.g. local or neighbourhood plans. Full details of the scheme are provided in the September 2016 Cabinet Report (see attached).
- 3.4. A successful launch of the fund took place in January 2017 at the Brewhouse Arts Centre in Burton upon Trent which was attended by Borough Councillors, parish representatives as well as representatives of community groups and organisations.
- 3.5. The fund commenced in April 2017 and a review of progress would be completed as close as possible to the first anniversary of the fund being launched.

4. Contribution to Corporate Priorities

- 4.1. Protecting and Strengthening Communities

5. Report

- 5.1. The Neighbourhood Fund commenced in April 2017 following an event in January to launch the fund to a wide range of community representatives.
- 5.2. The panel that oversee the Councillors Community Fund applications also took on the responsibility for the Neighbourhood Fund and currently consists of cross party membership and an independent representative. The panel has recently been increased in size to ensure it being quorate when declarations of interest are received for some applications

- 5.3. The first Expressions of Interest (EOI) forms were presented to the funding panel at the end of May 2017 and since then fifteen have been submitted for consideration. So far three applications have been rejected at the EOI stage.¹
- 5.4. The type of applications have covered a wide range of projects such as play area equipment, community buildings work, equipment for sports clubs, open space improvements and heritage projects.
- 5.5. The presentation stage of the process was first held in July 2017. Since that date there have been fourteen groups who have attended to present their projects. The initial intention was to hold presentations on a quarterly basis, however the panel found it necessary to be more flexible and presentations are now arranged in line with the monthly meetings and when the groups are ready.
- 5.6. Once a presentation has been completed the panel use a set criteria, see Appendix 1, in their deliberations and if they are able to reach a decision, that is recorded and the group subsequently informed of the amount of the 'in principle' sum that has been agreed.
- 5.7. All panel members have stated that the opportunity to talk to project leads is very valuable. It enables the panel to observe the knowledge and enthusiasm brought by the applicants in support of their project. It is also more efficient than the previous process as the panel can ask questions directly that in the past may have required further clarification which often delayed the application's approval or rejection.
- 5.8. Of the fourteen projects to reach the presentation stage only one was rejected. The rejection was based on the deliberations of the panel and follow up enquiries around the business case.
- 5.9. The table below shows the number of enquiries and applications at each stage of process. The data also shows the breakdown by ward. The number of enquiries includes projects that are not in a position to submit an EOI yet or have secured funding from other sources.

¹ The panel meetings being held at the end of January and in February occurred after the report was written and therefore the data may be different by the end of the financial year

Ward	Enquiries	Expression of Interest submitted	Approved to go to the Presentation Stage	Approved to go to Stage 3	Completed stage 3	Project Completed Funding Drawn Down
Winshill	5	3	1	1		
Brizlincote	1	1	1			
Stapenhill	2	1	1	1		
Burton	2	2	1			
Churnet	1	1	1	1	1	
Crown	4	4	2	1	1	1
Bagot	2	1	1	1		
Abbey	2	2	2	1	1	1
Needwood	3	2	1	1	1	1
Uttoxeter Town	1	1	1	1	1	
Anglesey	2	1				
Shobnall	1	1	1	1		
Tutbury & Outwoods	2	1	1			
TOTAL	28	21	14	12	5	3

Table 1. Enquiries and application received by ward and progress

- 5.10. Stage three of the process is the point at which, if all legal permissions and match funding is confirmed, the funding panel can authorise the final approval of the application.
- 5.11. At all stages of the process applicants area aware that the Neighbourhood Fund will contribute up to 50% of the project cost and where there have been larger projects the maximum contribution has been £20,000.
- 5.12. As at the 3rd January 2018 panel meeting the total amount of funding that had been agreed 'in principle' to successful applicants was £111,413.50. The value of expenditure agreed at stage three is £38,913 against a total project value of £1,041,862

PROJECT TITLE	STAGE 1 EOI	STAGE 2	STAGE 3	FINANCIAL COMMITMENT	TOTAL PROJECT VALUE (ex VAT)	FUNDS CLEARED
Croxden Car Park Lights	Yes	July Approved	Approved	£1,025.00	£2,050	£1,025.00
Holland Sports Club Play Area	Yes	July Approved	Approved	£12,388.50	£29,792	£12,388.50
Draycott Village Hall Repairs	Yes	July Approved	Approved	£5,500.00	£11,620	£5,500.00
Uttoxeter Heritage Trust	Yes	Oct Approved	Approved	£20,000.00	£998,400	Awaiting Draw Down
Totals				£38,913.50	£1,041,862	£18,913.50

Table 2 Project approved at Stage 3 and amount of funding allocated.

- 5.13. Whilst the commitment for year one appears at first glance to be above the allocation for the financial year, the current process allows for funding projects that can be agreed in principle on the basis that it will be finalised in year 2 or 3. This was highlighted in the original report as it was anticipated that often projects would not fit neatly into one financial year.
- 5.14. The original intention was to create a more dynamic process that supported larger projects. Up to the third stage this has proved to be the case with projects proposals moving from the EOI stage to the presentation stage within two to three months. It was always anticipated that there would be a slowing down at Stage 3 whilst community groups secure match funding and finalise their permissions and plans and be in a position to complete.
- 5.15. Applications have been received from a range of Parish Councils such as Denstone and sports clubs such as Stapenhill Bowls Club and the whole process is explained so that it is understood by the applicants and they have the support of and access to the Neighbourhood Team throughout.
- 5.16. The groups represented that are applying for funding do so on the understanding that there is a wider community benefit. Whether it be increased participation in a particular activity, improved facilities that are then available for the wider community or celebrating the heritage of a particular location, the groups have to satisfy the panel with evidence that these benefits can be realised.
- 5.17. One initial concern was the potential for some applicants to attempt to use the Neighbourhood Fund to fund projects arising from Neighbourhood Plans with the Borough Council becoming the main source of finance to deliver them. At this point in time this has not been the case and no applications have come forward with proposals for such projects.
- 5.18. At present all of the proposals that have come forward have demonstrated funding from a variety of sources and this has included an allocation of Councillors Community Funding (CCF) as match funding to total project cost. The total value of projects supported at Stage 3 is £1,041,862.
- 5.19. This does highlight an issue that where there is a contribution from both funds there could be an overall contribution of ESBC fund that is over 50%. Whilst this is not excluded within the terms of reference of the Neighbourhood Fund this point may warrant future consideration and review.
- 5.20. Some enquiries have been received that were more suited to the CCF and projects leads have been referred to the appropriate Borough Councillor to pursue that enquiry.
- 5.21. As there are occasional links between the two funds, the CCF could undergo a similar review focusing how and where it is being allocated-potentially during 2018/19.

- 5.22. There is currently work being undertaken to audit the process of the Neighbourhood Fund and that piece of work may result in further recommendations coming forward in due course.

6. **Financial Considerations**

This section has been approved by the following member of the Financial Management Unit: [Anya Murray]

- 6.1. The main financial issues arising from this Report are as follows:

Capital	2017/18	2018/19	2019/20
Project Grant Funding as per MTFS	100,000	100,000	100,000
Expenditure to date	18,914	0	0
Remaining in principle commitment	92,500	0	0

- 6.2 As at the report date, only £20,000 of the in principle commitment has been approved for spend in 2017/18.
- 6.3 The Capital Scheme 'Neighbourhood Working Fund' also includes £30,770 carried forward budget from 2016/17 relating to previous schemes of which £9,770 has been spent to date.

7. **Risk Assessment and Management**

- 7.1. The main risks to this Report and the Council achieving its objectives are as follows:

- 7.2. **Positive** (Opportunities/Benefits):

7.2.1. Improvements to facilities available to communities across East Staffordshire

7.2.2. Funding available throughout the year rather than just as one specific time of the year.

7.2.3. Links to need and support through projects having commonality with strategic and/or local plans

7.2.4. Clearly defined stages that allow applicants to understand how and when they may then access funding.

7.2.5. Opportunity to build capacity with community groups around presentation skills.

- 7.3. **Negative** (Threats):

- 7.3.1. Process may put off certain groups from wanting to apply and bids may be received from more developed groups.
- 7.3.2. Matched funding for larger projects can take longer to find and secure and may create an issue as the fund enters year 3
- 7.3.3. Some areas may have difficulty aligning projects to Neighbourhood Plans or don't have Neighbourhood Plans.
- 7.3.4. Community led projects are often difficult to tie into financial year deadlines for funding.
- 7.3.5. Momentum needs to be maintained to ensure continued viability of the fund.
- 7.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

8. Legal Considerations

This section has been approved by the following member of the Legal Team:
Angela Wakefield

8.1. There are no significant legal issues arising from this Report.

9. Equalities and Health

9.1. **Equality & Equality impacts:** An equality and health impact assessment is attached as Appendix (4).

9.2. The main equality or health issues arising from this Report are as follows:

Age	✓		The new process will mean that whereas the previous systems tended to engage with a population group over 40, there will be opportunities to engage with all age groups who are involved with their local area.
Disability	✓		The new process continues to allow for reasonable adjusts to be made to allow disability groups to be able to partake in the process.

Sex / gender reassignment / pregnancy or maternity			
Race			There are contacts across different ethnic groups across the borough.
Religion or belief			There are contacts across different faith groups across the borough.
Sexual orientation			
Other	✓		<p>It has been identified that the new process may create some reluctance especially at the presentation stage skills and opportunities therefore exist to build capacity</p> <p>There is still some imbalance across geographical areas in access and delivery, however progress to address that is being made and the new process will still allow for that to occur.</p>

9.3. The main equality or health issues arising from this Report are as follows:

	No (provide a brief explanation of your response)	Yes (Is this impact positive or negative? provide a brief explanation of your response)
Have a direct impact on health, mental health and wellbeing?		This depends on the projects that are brought forward but would be expected to be positive.
Have an impact on social, economic and environmental living conditions that would indirectly affect health?		Previous projects such as improvements to open spaces or community facilities could have an indirect or direct and positive impact on mental health/wellbeing.
Have an effect on an individual's ability to improve their own health and wellbeing?		It could as in the past the process has produced projects such as outdoor gym installation.

Affect access to, and the quality of, health, mental health or wellbeing services?	The proposal relates to capital projects so are not expected to directly affect services.	
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9.4. The equality and health impact assessment identified no actions to be carried out

Is it a Health or Equality action?	Issue/impact identified	Recommendation/Action required	Lead officer and timescale	Resource allocation

10. Human Rights

10.1. There are no Human Rights issues arising from this Report

11. Sustainability (including climate change and change adaptation measures)

11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) **N/A**

12. Recommendation(s)

12.1. To note and record the contents of this report.

13. Background Papers

13.1. Cabinet report from September 2016

14. Appendices

14.1. Appendix 1 Criteria for Presentation Stage



Neighbourhood Fund Presentation Stage

Project title:	
Ward/Parish	
Organisation:	
Total project cost:	
Amount of funding requested:	
Date EOI approved:	

Assessment Criteria and Checklist

Criteria	Criteria met?	Comments/ Additional information
1. Need for project		
1.1. Link between project and evidence of need		
1.2. Impact and benefit that the project will have on the whole community		
2. Project details		
2.1. Detailed description of the project		
2.2. Project plan <ul style="list-style-type: none"> - Details about key activities/stages - What work is involved - Key timescales 		
2.3. Site/location plan		
The following criteria (2.4, 2.5 and 2.6) may not be applicable to all projects:		
2.4. If partnership working is required have steps been taken to get this underway?		
2.5. Acknowledgement/ understanding of what the planning, legal or other permissions are for the project		
2.6. Consideration of ongoing maintenance/sustainability		
3. Funding requirements		
3.1. The funding request is for a maximum of 50% of the total project cost		

3.2. Approximate costs provided		
3.3. Plans in place to secure external funding required for the project		
4. Additional comments/information		
4.1. Any other comments/information:		

Decision record

Approve in principle	Yes	No
Maximum grant award approved (in principle)	£	
Requirements for final submission (tick as applicable):	<ul style="list-style-type: none"> • Safeguarding policy • Equal opportunities statement/information • Full breakdown of costs • Quotes (min. of 3 for projects costing over £3000) • Evidence of match funding • Accounts • Constitution • Lease document/agreement • Support required from Neighbourhood Working team • Other, please specify 	
If refused, provide details for feedback to applicant		