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## **COMMUNITY FUND INTERIM ALLOCATION AND GOVERNANCE ARRANGEMENTS**

**Report by Service Director Customer & Communities**

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### **SCOTTISH BORDERS COUNCIL**

**28 March 2019**

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#### **1 PURPOSE AND SUMMARY**

- 1.1 This report proposes interim allocation and governance arrangements for the Community Fund for Area Partnerships and a proposed review and consultation on the way forward.**
- 1.2 At its meeting on 28 February 2019, the Council considered a report "Fit for 2024", which proposed a new 5 year programme of transformation across the Council. While recognising the leadership role of the Council, to maximise the impact of limited collective resources, there must be a greater focus on supporting communities to participate in the shaping and enhancing of community resilience and quality of life in their own areas.
- 1.3 As part of the Fit for 2024 proposals, Members decided to consolidate a number of existing Council funds into a single Scottish Borders Council Community Fund to be devolved to the five Area Partnerships from 1 April 2019. The total Community Fund available for 2019/20 is £1,166,433. Community Councils' funding will continue to be allocated at the same level for 2019/20 to allow a review of these grants to take place. Given the short time scale in introducing the Community Fund, it is now proposed that, in order to give financial security and continuity to Village Halls and Local Festivals in the coming year, that – as with grants to Community Councils - these grants are also allocated in 2019/20 on the same basis and with the same criteria as in 2018/19. The additional Fit for 2024 funding of £445,000 to the Community Fund agreed as part of the budget is allocated to Area Partnerships based on a per head of population. This is the same allocation basis for the £288,670 which is the remaining balance of available funds after deduction of the Community Action Team (CAT) and financial plan savings.
- 1.4 This leaves a balance of funding in the Community Fund of £234,900 from the residual Community Grant Scheme and Quality of Life Funding for devolvement to Area Partnerships for 2019/20. A number of options are given in the Appendices to this report on methodology for the allocation of this to Area Partnerships, including current allocation, per head of population and by Scottish Index Multiple Deprivation (SIMD) or a

combination of these methods. It is proposed that this funding is allocated to each Area Partnership on the basis of: Community Grant Scheme – current allocation (population base) less £35k for Borders Wide applications; and Quality of Life – current allocation basis i.e. £20k per Area Partnership.

- 1.5 In order to ensure there is no gap in the provision of grants to communities and local organisations, it is suggested that interim arrangements are put in place for Area Partnerships disbursing their Community Fund to operate from 1 April 2019. It is therefore proposed that the current criteria for applications to the existing Community Grant Scheme is used for community groups to apply for funding and a new application form is made available. While the limit on the current Community Grant is £5k it is proposed to extend this to £10k, or in exceptional cases up to £30k. The applications meeting the required criteria for Community Fund money will be presented to Area Partnerships for decision, with no decision making devolved to officers.
- 1.6 No change is proposed at the moment in membership of Area Partnerships. However, it is proposed that a public consultation is carried out to include all stakeholders (Community Councils, community organisations, Community Planning Partners, other interested parties, etc.) as part of a review to assess Area Partnerships as a model of community level governance. This review would include input to the design of the future governance arrangements of Area Partnerships and the disbursement of the Community Fund. It is proposed that a report is brought to Council with details of this Review.

## **2 RECOMMENDATIONS**

### **2.1 I recommend that the Council agrees:-**

- (a) to note that funding for Community Councils, as part of the new Community Fund allocated to Area Partnerships, shall be allocated in 2019/20 on the same basis as in 2018/19;**
- (b) that the previous Third Sector accommodation funding of £19,955 is used to contribute to the permanent effect of the financial plan saving 2018/19;**
- (c) to note that funding from “Fit for 2024 Communities Fund” and the Localities Bid Fund has been previously agreed on a per head of population basis;**
- (d) that Area Partnerships shall allocate funding to Village Halls and Local Festivals in 2019/20 on the same basis and to the same criteria as in 2018/19;**
- (e) that the allocation of the remaining budget of the Community Fund per Area Partnership shall be on the following basis:**

- (i) Community Grant Scheme – current allocation (population base) less £35k for Borders-wide applications; and,**
  - (ii) Quality of Life – current allocation basis ie £20k per Area Partnership;**
- (f) that the grants available from the new Community Fund on an interim basis shall have the same criteria as that for the existing Community Grant Scheme for a grant of up to £10k, but in exceptional cases up to £30k;**
- (g) that for an interim period, the decisions of Area Partnerships on the distribution of the remainder of the Community Fund shall be by consensus (i.e. widespread agreement) and where consensus is not possible, then SBC Elected Members shall make the final decision, with the Chairman of the Area Partnership having a casting vote if required should there be an even split amongst the SBC Elected Members;**
- (h) that the Clerk to the Council shall make the necessary amendments to the Scheme of Administration and Scheme of Delegation following the decisions around the interim arrangements for allocation and governance of the Community Fund to Area Partnerships; and**
- (i) that a further report is brought to Council as soon as practicable detailing the proposed review, including public consultation, on the future governance arrangements for Area Partnerships, including the allocation and disbursement of the Community Fund.**

### 3 BACKGROUND

- 3.1 In its report in 2011, the Christie Commission advocated a joined up approach in which public services are viewed as a whole system, which in turn would allow poverty, poor health and educational attainment to be tackled. The Report further recommended that public services should: prioritise prevention, involve people and communities, promote partnership working, and increase the efficiency of public services. Above all, it contended the focus should be on outcomes rather than process and inputs.
- 3.2 The Community Empowerment (Scotland) Act 2015 was created to strengthen community empowerment, engagement and participation, and how this can be supported and embedded within communities. As a response to this Act, the Council at its meeting on 2 November 2017, established Area Partnerships, part of their remit being to inform the development of Locality Plans by involving communities in establishing a shared understanding of need in the area; the outcomes and priorities for the area; and the proposed outcomes to be achieved.
- 3.2 At its meeting on 28 February 2019, the Council considered a report "Fit for 2024", which proposed a new 5 year programme of transformation across the Council with the aim of delivering a Council that is adaptable, efficient and effective, and one ultimately capable of not only meeting the challenges ahead, but of fully optimising outcomes for its citizens and communities. This report recognises the growing appetite for strengthened community empowerment, engagement and participation in the Scottish Borders. While recognising the leadership role of the Council, and to maximise the impact of limited collective resources, there must be a greater focus on supporting communities to participate in the shaping and enhancing of community resilience and quality of life in their own areas.
- 3.3 Fit for 2024 will require Elected Members and Officers to work collectively and collaboratively with communities and partners to:
- Reflect current and future legislative and policy requirements that call on greater community engagement and involvement (including the outcomes of the Planning Review and Local Governance Review)
  - Better understanding of communities' capacity to participate in local decision making and take forward actions/projects which meet the identified local priorities, as per each Locality Plan
  - Provide the appropriate level of support, tools and resource to those communities that wish to use it.
- 3.4 As part of the Fit for 2024 proposals, Members decided to consolidate a number of existing Council funds into a single Scottish Borders Council Community Fund to be devolved to the five Area Partnerships. By creating a Community Fund with a single point of entry, this allows for a more effective and efficient processing of funding applications. It was decided at the Council meeting on 28 February 2019 that the Community Fund would be established from 1 April 2019, but Community Councils would continue to be funded at the same level for 2019/20 to allow a review of these grants to take place at the same time as the forthcoming review of the Scheme for Community Councils. It was also decided that a further report would be

brought to Council on options for the allocation of the Community Fund to each Area Partnership, including any required changes to governance, following further engagement with Elected Members.

#### 4 THE COMMUNITY FUND

4.1 Fit for 2024 will drive innovation and creativity in how investment is used to best effect. The Council will need to be bolder and braver in its estate decisions, engaging communities and partners in dialogue about how, together, we meet changing customer needs and community demands. Part of this work will be to build on community fund arrangements to create fluidity and flexibility. This will support and facilitate communities to come up with creative solutions to meet local priorities within their Locality Plans and also build community capacity to take these solutions forward.

4.2 The total Community Fund available for 2019/20 is £1,166,433 and consolidates the following existing Council budgets, along with savings requirements and new funding:

• Community Grant Scheme	£134,900*
• Local Festival Grants	£ 85,110*
• Community Councils	£ 62,728
• Federation of Village Halls	£ 50,025
• Contribution to the Third Sector	£ 19,955
• Quality of Life	£100,000
• Localities Bid Fund	£500,000
• Localities Bid Fund earmarked balances from 2018/19	£250,000

*(\*£2,565 from Community Grant Scheme subsidises Festival Grants, hence the difference in amounts from those in the Fit for 2024 report annex)*

LESS

• Police Community Action Team Funding	-£281,285
• Financial Plan required saving	-£200,000

PLUS

• Fit for 2024 Communities Fund	£445,000
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4.3 With reference to the original Localities Bid Fund pilot of £500k, it should be noted that the funding for Phase 1 was allocated in 2017/18 and the funding for Phase 2 is currently in process for distribution and this funding is contained in the current 2018/19 budget. The £500k listed in paragraph 4.1 above is not the funding for the pilot.

4.4 While the funding for Community Councils is being moved in to the Community Fund, it was decided at the Council meeting on 28 February 2019 that the Community Councils funding would be continued at the same level for 2019/20 to allow a review of these grants to take place. Given the short time scale in introducing the Community Fund, it is now proposed that, in order to give security and continuity to Village Halls and Local Festivals in the coming year, that – as with grants to Community Councils -

these grants are also allocated in 2019/20 on the same basis and with the same criteria as in 2018/19. The additional Fit for 2024 funding of £445,000 to the Community Fund agreed as part of the budget is allocated to Area Partnerships based on a per head of population. It is suggested that the previous Contribution to the Third Sector accommodation funding amount of £19,955 is used to contribute to the permanent effect of the financial plan saving 2018/19 with in-kind accommodation being offered.

- (a) Therefore, the agreed/proposed allocations per Area Partnership detailed above for 2019/20 (comprising Community Council Funding, Local Festival Grants, and Federation of Village Halls) which are effectively ring-fenced are as follows:
- Berwickshire Area Partnership - £40,702
  - Cheviot Area Partnership - £35,025.50
  - Eildon Area Partnership - £53,395
  - Teviot & Liddesdale Area Partnership - £24,279
  - Tweeddale Area Partnership - £30,263.50
  - Community Councils Borders-wide fund (incl. insurance, hall hire, etc.) - £14,198
- (b) Fit for 2024 Communities Fund funding of £445,000 was agreed on a per head of population basis, which would give each Area Partnership:
- Berwickshire Area Partnership - £81,033.95
  - Cheviot Area Partnership - £75,354.42
  - Eildon Area Partnership - £136,687.96
  - Teviot & Liddesdale Area Partnership - £69,415.67
  - Tweeddale Area Partnership - £82,508.00
- (c) Localities Bid Fund pilot funding was previously agreed on a per head of population basis, which would give each Area Partnership:
- Berwickshire Area Partnership - £52,566.45
  - Cheviot Area Partnership - £48,882.16
  - Eildon Area Partnership - £88,669.02
  - Teviot & Liddesdale Area Partnership - £45,029.71
  - Tweeddale Area Partnership - £53,522.66

4.5 Taking all this into account and should the proposals around Village Halls and Local Festivals be agreed, then this will leave a balance of £234,900 - comprising the balance of the Community Grant Scheme (less £2,565 subsidy to Local Festivals) and Quality of Life funding - in the Community Fund where the methodology for devolvement to Area Partnerships in 2019/20 is to be agreed. A number of options are given in Appendix 1 to this report to the allocation of this £234,900 to Area Partnerships, either by current allocation (A); per head of population (B), or by Scottish Index of Multiple Deprivation (C).

4.6 The existing Community Grant Scheme has a Borders-wide element of £10,000 and it is suggested going forward that an additional £25,000 is taken from the total to bring this amount up to £35,000. Such Border-wide funds would be considered by the Executive Committee, and should there be no/insufficient applications to utilise this funding then it would be

returned to Area Partnerships for use in each locality. It is further suggested that the Community Grant Scheme funding is allocated per head of population. It is suggested that for Quality of Life Funding, this continues to be allocated as per the current method i.e. £20,000 per Area Partnership. This would give each Area Partnership (from Quality of Life and Community Grant Scheme):

- Berwickshire Area Partnership - £38,191.67
- Cheviot Area Partnership - £36,916.64
- Eildon Area Partnership - £50,685.68
- Teviot & Liddesdale Area Partnership - £35,583.43
- Tweeddale Area Partnership - £38,522.58
- Borders wide allocation - £35,000.00

4.7 Assuming that all of the above proposals are approved, then the total allocation to each Area Partnership would be as follows:

<b>AREA</b>	<b>TOTAL COMMUNITY FUND</b>	<b>RING-FENCED (CCS, Village Halls, Local Festivals)</b>	<b>AVAILABLE FOR GRANTS</b>
Berwickshire Area Partnership	£212,494.07	£40,702	£171,792.07
Cheviot Area Partnership	£196,178.72	£35,025.50	£161,153.22
Eildon Area Partnership	£329,437.66	£53,395	£276,042.66
Teviot & Liddesdale Area Partnership	£174,307.81	£24,279	£150,028.81
Tweeddale Area Partnership	£204,816.74	£30,263.50	£174,553.24
Borders-wide funding	£49,198	£14,198	£35,000

4.8 At the previous Council meeting on 28 February 2019, Members asked for details of the current allocation per Area Partnership locality of funding for the Community Grant Scheme, Community Councils, Local Festivals, and Federation of Village Halls. These details are contained in Appendices 2 - 5 to this report.

## **5 INTERIM GOVERNANCE ARRANGEMENTS**

5.1 In order to ensure there is no gap in the provision of grants to communities and local organisations, it is suggested that interim arrangements are put in place for Area Partnerships disbursing their Community Fund to operate from 1 April 2019. It is therefore proposed that the current criteria for applications to the existing Community Grant Scheme is used for community groups to apply for funding and a new application form is made available. The criteria for the Community Grant Scheme are detailed in

Appendix 6 to this report. It is further proposed that all decisions about the Grants will be made at Area Partnerships, with no delegation of decisions to Officers (as happens presently). While the limit on the current Community Grant is £5k it is further proposed to extend this to £10k, or in exceptional cases up to £30k. An exceptional project could include:

- A robust and well-considered business case which addresses a special or particular need
- A very high level of skills and expertise to deliver the project are in place and can be demonstrated
- A secured funding package is in place (if appropriate)
- The project attracts significant external match funding i.e. non-Council (if appropriate)
- A high proportion of community engagement has taken place and significant community support is evidenced
- Outcomes are clearly defined including significant, sustainable community benefit

5.2 Each application for a grant from the Community Fund will be checked by officers to ensure the required criteria has been met and will then be presented to the relevant Area Partnership along with officer recommendations. It is preferable that decisions on these applications will be reached on a consensus basis (i.e. widespread agreement) by Area Partnerships, but if that is not possible then it will be for SBC Elected Members to make the decision. Should an equal number of SBC Elected Members vote for and against a particular application (i.e. there is not a majority in favour), then the Chair would have a casting vote.

5.3 No change is proposed at the moment in membership of Area Partnerships. Moving forward however, it is proposed that a public consultation is carried out to include all stakeholders (Community Councils, community organisations, Community Planning Partners, Third Sector, other interested parties) as part of a review to assess Area Partnerships as a model of community level governance.

5.4 This review would include input to the design of the future governance arrangements of Area Partnerships and the disbursement of the Community Fund. It is intended that the review will also cover how best Area Partnerships can provide an enhanced role for communities to engage with the wider Community Planning Partnership, and build community capacity to take forward actions/projects which meet the local priorities identified within the Locality Plans. A further report will be brought forward for Council consideration as soon as practicable on the content and timeline for the proposed review.

## **6 IMPLICATIONS**

### **6.1 Financial**

The funding for the Community Fund for disbursement by Area Partnerships was approved as part of the wider Council budget at its meeting on 28 February 2019.

### **6.2 Risk and Mitigations**

Should no agreement be reached on the allocation of the Community Fund to Area Partnerships and an application process not put in place, there is a risk that community projects will not receive adequate funding to progress. The interim allocation and governance arrangements being proposed to come into effect from 1 April 2019 should mitigate this risk. A review, including public consultation, assessing Area Partnerships as a model for community level governance is also proposed. This review would include input by stakeholders to the design of the future governance arrangements of Area Partnerships and the disbursement of the Community Fund.

### 6.3 **Equalities**

The recommendations in this report do not discriminate on the basis of age, disability, gender, race, sexual orientation, pregnancy and maternity or religion and belief and where possible promote equality and good relations with equality groups.

### 6.4 **Acting Sustainably**

It is anticipated that the Community Fund should act as a catalyst for community organisations to enhance the economic, social or environmental well-being of their area.

### 6.5 **Carbon Management**

It is not anticipated that the proposals in this report will have any impact on the Council's carbon emissions.

### 6.6 **Rural Proofing**

Applications for the Community Fund are welcomed from groups across each Area Partnership. Meetings of Area Partnerships are open to all and are held in venues across each locality.

### 6.7 **Changes to Scheme of Administration or Scheme of Delegation**

Depending on which proposals in the report are agreed, changes will be required to both the Scheme of Administration and the Scheme of Delegation. It is therefore proposed that authority is delegated to the Clerk to the Council to make the necessary changes based on the final decisions of Council.

## **7 CONSULTATION**

- 7.1 Consultation has taken place with Political Groups in the Council. The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Communications Manager and the Service Director HR have also been consulted and any comments received are incorporated into the final report.

**Approved by**

**Jenni Craig**

**Service Director Customer and Communities**

**Signature .....**

**Author(s)**

Name	Designation and Contact Number
Shona Smith	Communities & Partnership Manager Tel: 01835 824000 ext 5504
Jenny Wilkinson	Clerk to the Council Tel: 01835 825004

**Background Papers:** N/A

**Previous Minute Reference:** Scottish Borders Council, 28 February 2019

**Note** – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jenny Wilkinson can also give information on other language translations as well as providing additional copies.

Contact us at Jenny Wilkinson, Scottish Borders Council, Council HQ, Newtown St Boswells, Melrose, TD6 0SA. Tel: 01835 825004  
Email: [jjwilkinson@scotborders.gov.uk](mailto:jjwilkinson@scotborders.gov.uk)