

Report to: Partnerships Scrutiny Committee

Date of Meeting: 19th March 2015

Lead Members: Leader and the Lead Member for Leisure, Youth, Tourism and Rural Development

Report Author: Team Leader External Funding
Team Leader Economic and Business Development South

Title: Co-ordination of Community Funding

1. What is the report about?

This report explains the current position with European Union (EU) and other funds currently available for Community benefit.

2. What is the reason for making this report?

This report will provide the Partnerships Scrutiny Committee with the current position and availability of potential funding sources (subject to eligibility criteria) for Community benefit. It will detail the support available to Community groups in applying for funding which is also available via external agencies and support networks.

This is a guide to the main sources of EU and other funds that will give Partnerships Scrutiny Committee a greater understanding of the types of funding currently available. (Please note that this list is not an exhaustive list of all funding streams available. Communities are recommended to seek advice at time of seeking funding as to what additional sources may be available at that point in time)

3. What are the Recommendations?

That the Committee considers the information and provides observations on how the Council can work with communities to identify projects and raise awareness of funding sources available to community groups with a view to maximising their benefits to those communities and support the delivery of the Council's corporate priorities and plan.

4. Report details.

Detailed below is a guide to the main funding sources currently available:

EU Funds

EU Structural Funds 2014-2020: The EU Structural Funds for Wales have now been approved by the European Commission. Over the period 2014-2020 the EU Funds will allocate £1.6bn to the 15 counties of West Wales and the Valleys, which includes Denbighshire, this will need also to be matched by domestic funding (public, private and voluntary).

The amount of matched funding varies according to each theme, and project, but the

following programme level grant rates are provided to give an indication of grant levels anticipated.

The programmes in Wales will focus on the following investment objectives

1. Research and Innovation, (Grant Rate 66%)
2. SME Competitiveness, (Grant Rate 62%)
3. Renewable Energy and Efficiency, (Grant Rate 69%)
4. Connectivity and Urban Development, (Grant Rate 66%)
5. Tackling Poverty through Sustainable Employment, (Grant Rate 79%)
6. Skills for Growth (Grant Rate 72%)
7. Youth Employment and Attainment. (Grant Rate 74%)

EU Project Development: There will be considerably fewer projects under this round of funding, particularly at the local level. **Projects will be more strategic in nature and will, in the majority of cases, be at a sub-regional, regional or indeed a national level.** Local Government EU Teams are coordinating and facilitating project development work in each region, working with all key partners and sectors to identify operations and activities to progress with Welsh European Funding Office (WEFO).

Rural Development Plan (RDP) 2014-2020: Welsh Government (WG) is currently developing the next RDP programme which will run until 2020. Cadwyn Clwyd submitted an Expression of Interest to become the Local Action Group (LAG) for Rural Denbighshire to deliver the 'LEADER' element of the RDP.

WG has set out a broad framework of thematic options for the next RDP which will include:

1. Adding value to local identity and natural and cultural resources
2. Facilitating pre-commercial development, business partnerships and short supply chains
3. Exploring new ways of providing non-statutory local services
4. Renewable energy at Community level; and
5. Exploitation of digital technology

As yet the 2014-2020 RDP has not been approved by the European Commission and therefore WG are unable to release any funding to the LAGs for communities to bid into.

Rural Community Development Fund (RCDF): The RCDF will be administered by the WG also under the Wales RDP 2014-2020. It will be aimed primarily at LAGs and other community-based organisations in Wales to support projects in key rural priority sectors. The scheme will support locally-determined needs as part of a national framework to ensure that the same types of interventions are available across Wales. WG will, subject to agreement with the European Commission, launch the RCDF in mid-2015 and there will be at least two application rounds.

Other Funds

RWE Windfarm Funding - Clocaenog Forest: Following award of planning consent in September 2014, initial meetings between Conwy and Denbighshire County Councils, local community representatives and RWE have taken place. Funds will become available when the site is fully operational, which is currently anticipated to be in 2017.

RWE will now need to consult on how the Community Benefit fund is delivered and its area of benefit.

Gwynt y Môr: Whilst there have been some delays in the process, RWE are expected to award the contract for a Fund Administrator in March 2015. Once this appointment is made, work will begin in earnest on confirming the Area of Benefit and the project eligibility criteria.

BIG Lottery – Community Asset Transfer: The BIG Lottery is launching a further round of the Community Asset Transfer 2 Programme (CAT2), a programme investing up to £9 million to support the transfer of assets to community ownership. This much needed initiative will help build the capacity of enterprising communities and contribute to the regeneration and sustainability of communities across Wales. We understand that briefing sessions are planned, and dates will be made available to members as soon as possible.

Commutated Sums: A Commuted Sum is a payment by developers to a local authority when it is not appropriate to provide the required outdoor open space during a development. The funds are held specifically for the enhancement of open spaces and play areas, and are often used for the same town or community council from where they came. Funding rounds are advertised with the availability of funding in areas where the payments have been received.

Where there is a clear economic benefit, Economic and Business Development would lead on providing development support. Where activities are more community focused, DVSC / WCVA will provide development support for applicants

5. How does the decision contribute to the Corporate Priorities?

Successful projects will generally have specific outputs attached to their application which will relate to the activity and the eligibility criteria of the specific funding programme.

Projects will in the main address the following areas:

Priority - developing the local economy: New quality job opportunities and the skills required to access these jobs, to reduce economic inactivity where feasible, to diversify the local economic base, to develop new markets for businesses.

Priority – clean and tidy streets: Working directly with the Community in adopting LEADER methodology enables engagements at grass-roots and prioritises the needs of those on a local basis.

The overall aim of the projects is to support the development of sustainable communities, helping to create an environment in which people want to live, work and invest in.

6. What will it cost and how will it affect other services?

Services pursuing an application for EU funding will be required to source matched funding. This will be dependent on the scale and nature of the project being developed.

For community funding, there will also be an expectation that applicants will provide matched funding. This will vary according to the fund.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision?

See attached equality impact assessment.

8. What consultations have been carried out with Scrutiny and others?

For EU programmes, the EU Team has coordinated DCC responses to consultations for the EU Structural Funds and the RDP. Formal Council responses were submitted to WG in April 2013. Events were held in March 2013 with officers, members and the Denbighshire RDP Partnership to inform these responses. Responses were ratified by Cabinet in April 2013 ahead of submission.

For other funds consultations are led by the funding body directly. Economic and Business Development has been involved in consultation events for other funds.

9. Chief Finance Officer Statement

There are no obvious financial implications contained in the report as it is a guide to funding opportunities.

10. What risks are there and is there anything we can do to reduce them?

1. Matched Funding – The requirement to source eligible matched funding, presents a risk to applicants, as without it, projects will not be able to progress.
2. Changes to EU Technical Support and wider EBD Review – At the time of writing there is not enough information to comment in detail, however it's likely that changes to support services will affect:
 - i. Development Support – There will likely be a reduction in capacity and therefore an impact on development support to applicant looking to secure external funds.
 - ii. Compliance and Audit – Reduction in capacity will also impact on the provision of compliance and audit support for projects post approval. Given the monitoring and retention requirements for EU funds in particular, this is a risk.

(a report on the 'Restructure of the Economic and Business Development Team', outlining its future role in developing the local economy and supporting the delivery of the Corporate Plan, was presented to Communities Scrutiny Committee on 12 March 2015. The link below will take you to the report on the Council's website:

<https://moderngov.denbighshire.gov.uk/ieListDocuments.aspx?CId=271&MId=4917&LLL=0>)

11. Power to make the Decision

Section 2 of the Local Government Act 2000 gives the Council the power to do anything which it considers is likely to promote or improve the economic, social and environmental well-being of the area.

Article 6.3.2(c) of the Council's Constitution stipulates that scrutiny committees may consider any matter affecting the area or its inhabitants.

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