

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 27TH MARCH 2007

EXTERNAL FUNDING PROTOCOL

Report by the Depute Chief Executive/Executive Director of Corporate Support

1. PURPOSE OF REPORT

1.1 The purpose of this report is to recommend approval by the Policy & Resources Committee of:

- An Operating Protocol for Handling External Funding Enquiries to be piloted on a 12 month basis from 1st April 2007, and
- The extension of the current East Ayrshire 4 Funding contract with J4B plc for a further three years at a total cost of £24,120 + vat, to be split equally across the Directorates of Corporate Support, Education & Social Services and Neighbourhood Services.

1.2 This report has been considered and approved by the Corporate Management Team on 7 March 2007.

2. SUMMARY OF KEY ISSUES

2.1 The steady increase in requests for support with external funding enquiries has reached a level where a more co-ordinated approach is required in order to provide a consistent level of support, utilising the full range of expertise available throughout the Council and Community Planning Partners. The proposed protocol outlines a framework which links the level of support to the financial and strategic significance of projects. It further seeks to minimise duplication and overlap of officer time, by providing a central first point of call for advice, complimented by regular External Funding Surgeries to provide support for smaller applications.

2.2 The East Ayrshire 4 Funding database performs a useful function in the proposed protocol and also assists with awareness raising and publicity of the Council's role in External Funding support. The contract is due for renewal and while it is not possible to directly link levels of activity with successful funding applications, the External Funding Network have assess the internal and external usage of the produce and concluded that there is sufficient evidence to support its renewal for the next three years.

2.3 It is recognised that the introduction of this protocol will limit the amount of officer time which is spent supporting community and voluntary groups with applications for small amounts of grant award, which often require a disproportionate amount of involvement. This has the potential to be interpreted as the Council offering a reduced level of

service, and it will be important to ensure that common sense is applied during the transitional pilot stage of the process to mitigate against such a reaction. Good communication between colleagues will be necessary over the initial months to ensure that agreed strategic and political priorities are adequately addressed.

3. BACKGROUND

- 3.1 The Corporate Management Team approved an expanded remit for the External Funding Network, with increased representation to incorporate all relevant Services, on 22nd February 2006. At that time it was agreed that one of the first actions of the expanded EFN should be to prepare an Operating Protocol for the Handling of External Funding Enquires, for approval by Committee and the Community Planning Partnership.
- 3.2 A small sub-group was set up to draw up the protocol, which has now been agreed by all members of the External Funding Network as representatives of their respective Departments.
- 2.3 As part of its commitment to providing support and assistance to Community Planning Partners in search of external funding opportunities, East Ayrshire Council purchased a new software package from J4B plc in March 2005. The East Ayrshire 4 Funding software system has been a valuable additional resource to Community and Voluntary Groups, Businesses and Social Enterprises in their efforts to search and track down suitable External Funding sources. The system has also benefited Council colleagues wishing to access funding information and will act as a first point of reference under the draft Operating Protocol.
- 2.4 To date a total of 626 registrations from individuals and/or groups has been recorded, with the greatest interest under the EA4 Community category (362), followed by EA4 Business (184) and EA4 Social Enterprise (80). Whilst it is not at present possible to track enquiries through to eventual application and approval, the level of increase in grant application and approval rates across East Ayrshire, as detailed in the External Funding Update report, would suggest that there is some correlation, particularly for small community group applications.
- 3.3 The contract for East Ayrshire 4 Funding falls due for renewal from 1st April 2007. The External Funding Network have reviewed its performance to date and concluded that it provides a valuable resource which is fundamental to supporting the most efficient handling of external funding enquiries.
- 3.4 The original two year contract for set up and ongoing maintenance was £14,525, funded by equal contributions from each of the four Council Directorates. Following negotiation the quote for a three year renewal of the full service is £19,800 + vat, payable in three annual amounts of £6,600 on 1st April each year. It is proposed that each of the three Directorates contribute £2,200 per annum to enable this service to be continued.

4. CURRENT PROPOSALS

4.1 The Draft Operating Protocol for the Handling of External Funding Enquires (attached as Appendix A), sets out the mechanism by which all enquires from both internal and external sources can be co-ordinated, supported, tracked and reported upon. The protocol makes best use of the range and level of expertise existing across Council Departments, with responsibility for co-ordination and tracking resting with the External Funding and Sustainability Officer.

4.2 The primary objectives of the Operating Protocol are to:

- minimise duplication and overlap in terms of providing advice and support on external funding applications;
- provide a consistent level of support, utilising the full range of expertise available throughout the Council and Community Planning Partners;
- focus activity on projects which have been identified as high priority;
- provide effective tracking and monitoring of external funding activity and funding gains to East Ayrshire.

4.3 The level of support to be provided has been split into three tiers, related to the levels of external funding required and the status of the project relative to Council and Community Plan priorities, Action and Service Plans. Full detail of categorisation considerations is provided in the Eligibility Matrix which forms Appendix 2 of the Protocol. This can be broadly summarised as follows:

Project Category	Total Value	Council Involvement	Fit with Community Plan	Level of Support
Tier 1	Up to £10k	None	None or Implicit only	Refer to EA4 Funding & information provided through Funding Surgery
Tier 2	Over £10k up to £50	Contributes to Service objectives	Contributes to more than two themes	Lead Officer agreed, support with application process
Tier 3	Over £50k	Committee approval/financial contribution	Identified within Theme Action Plan	Project Group established, intensive support

4.4 The above provides an operating framework for establishing the range and level of support to be provided by Council Officers. However, it is recognised that there will be certain circumstances where higher levels of support than those indicated for a particular category of project will be required. These will be agreed through consultation by the External Funding Network.

4.5 The Operating Protocol is built around the following principles:

- The External Funding Unit will be the central contact point for all initial enquiries with regard to securing external funding.
- All requests for advice/support with external funding will be referred in the first instance to the East Ayrshire 4 Funding database.
- All enquiries and follow up will be logged on a simple Outline Proposal database to be hosted on the Council Intranet.
- A schedule of regular Funding Surgeries, attended by nominated Council Officers will be established.
- Lead Officer responsibility will be agreed via the External Funding Network for all significant projects.
- All successful project applicants will be offered support with the establishment of an appropriate monitoring and claims process.
- All external funding requests will be tracked through to completion, with statistics being reported to CMT, and Policy & Resources Committee on a Quarterly basis.
- The External Funding Network will be responsible for monitoring the operational effectiveness of this Protocol.

4.6 It is proposed that the Operating Protocol is adopted from 1st April 2007 and will operate for 12 months with a review thereafter. Any necessary amendments will then be made by the Depute Chief Executive/Executive Director of Corporate Support.

4.7 As previously reported, a small sub-group of the External Funding network is currently looking into various models of “fund tracking” software systems available including one from J4B and another bespoke system being commissioned by North Lanarkshire Council as part of an Efficient Government bid. Following detailed evaluation a separate briefing note will be produced for consideration.

4.8 The EFN considers that the introduction of a simple Outline Proposal database as part of the Operational Protocol, will establish the principal of recording basic details related to external funding applications, prior to moving to a more sophisticated system if appropriate in due course.

7. RECOMMENDATIONS

7.2 That Committee:

- Agree the draft Operating Protocol for Handling External Funding Enquiries.
- Agree to extend the current East Ayrshire 4 Funding contract with J4B plc for a further three years at a total cost of £19,800 + vat, to be split equally across the Directorates of Corporate Support, Education & Social Services and Neighbourhood Services.

Elizabeth Morton

Depute Chief Executive/Executive Director of Corporate Support

6th March 2007

**EAST AYRSHIRE COUNCIL
EXTERNAL FUNDING NETWORK**

**PROTOCOL FOR HANDLING INTERNAL AND EXTERNAL REQUESTS FOR
EXTERNAL FUNDING SUPPORT**

This document should be read in conjunction with the attached Flow Chart (Appendix 1), Eligibility Matrix (Appendix 2) and Outline Proposal Form (Appendix 3), list of Nominated Officers (Appendix 4).

1. FUNDING ENQUIRIES

The External Funding Unit is the central contact point for all initial enquiries with regard to securing external funding, both from within the Council (Officers and Elected Members) and from all external partners and community/voluntary groups.

All Officers receiving enquiries (either internal or external) regarding the need for external funding should request the caller to fill in the Outline Proposal Form (Appendix 3) located on the Council website. The enquirer should be informed that this information will be shared among members of the External Funding Network as appropriate, to provide the right level of support. Completion of the OPF will automatically generate an email to the External Funding Unit, who will respond by telephone to the enquiry within two working days.

Where the caller does not have internet access, they should be given the following telephone contact number for the External Funding Unit, who will complete the Outline Proposal Form on their behalf:

Tel : 01563 576201

External funding support is only available to public sector partners and constituted community and voluntary organisations. Where enquiries are received from individuals, unconstituted organisations or profit making businesses, they should be told that the External Funding Service is unable to provide advice on funds available to their sector, but that the following organisations will be able to tell them what grants and/or other types of support may be available. It should be made clear that they are NOT grant giving organisations, but support agencies with a remit to provide advice and assistance to their sector.

Enquiry Source:	Enquiry Type:	Refer To:
Individual	Business Start Up	Business Gateway 01563 541579
Individual	Seeking to establish a community/voluntary group.	CVO East Ayrshire 01290 420262
Individual	Any other financial support	Citizens Advice Bureau
Unconstituted Group	External Funding and/or constitution etc.	CVO East Ayrshire 01290 420262
Profit making business	Grant support	Economic Development Service
Profit making business	Advice, support and grant sourcing	Business Gateway 01563 541579

2. ENQUIRY HANDLING

2.1 On receipt of a fully completed Outline Proposal Form, the External funding Unit will determine the eligibility status of the enquiry, as determined by the Project Eligibility Matrix (Appendix 2) and take the following action accordingly.

2.2 Tier 1 Projects

Where a project is determined as Tier 1, the applicant will be provided with initial advice and appropriate funding application paperwork and/or offered a booking onto the next available Funding Surgery. The External Funding Unit will confirm time and venue for funding Surgery appointment in writing to the applicant and relevant Officer for that Surgery.

A schedule of Funding Surgeries for the year will be drawn up by the External Funding Unit and agreed by the External Funding network at the beginning of each year. Surgeries will be scheduled bi-monthly, but may be provided more frequently at periods of high demand.

Further support with applications will be available through CVO East Ayrshire. Where appropriate a Nominated Officer from the agreed list of support officers (Appendix 4) may also be identified and requested to provide feedback on draft application forms where appropriate, e.g. Sports related projects.

2.3 Tier 2 Projects

Where a project is determined as Tier 2, the External Funding Unit will either support the project directly, or agree a Lead Officer from Appendix 4. The applicant may also be booked onto a Funding Surgery if appropriate.

Confirmation of how this project will be handed over will be made by email and recorded by the External Funding Unit on the Outline Proposal Database, held on the Council Intranet.

The nominated Lead Officer will make contact with the project applicant to progress the enquiry within 7 working days of receiving initial email confirmation. Brief notes of contact and actions agreed should be entered into the Outline Proposal database.

Where the project is regarded as more complex/higher Community Planning or Council priority, a small sub group may be established by the Lead Officer to provide additional support.

2.4 Tier 3 Projects

Where a project is determined as Tier 3 a small sub group is likely to be established to support the project. Agreement as to the appropriate Lead Officer and make up for the sub group will be agreed by email through the External Funding Network.

Confirmation of how this project will be handed over will be made by email and recorded by the External Funding Unit on the Outline Proposal Database, held on the Council Intranet.

The nominated Lead Officer will make contact with the project applicant to progress the enquiry within 7 working days of receiving initial email confirmation. Brief notes of contact and actions agreed should be entered into the Outline Proposal database.

The Lead Officer will be responsible for ensuring that CMT and/or Committee have issued the necessary approval for such projects and for ongoing reporting of progress as appropriate.

- 2.5 A summary report of enquiry activity will be collated by the External Funding and Sustainability Worker on a quarterly basis to the External Funding Network. This information will also be included in quarterly reports to CMT and regularly to Policy & Resources Committee, as part of the External Funding Update Report.

3. PROJECT PROGRESS

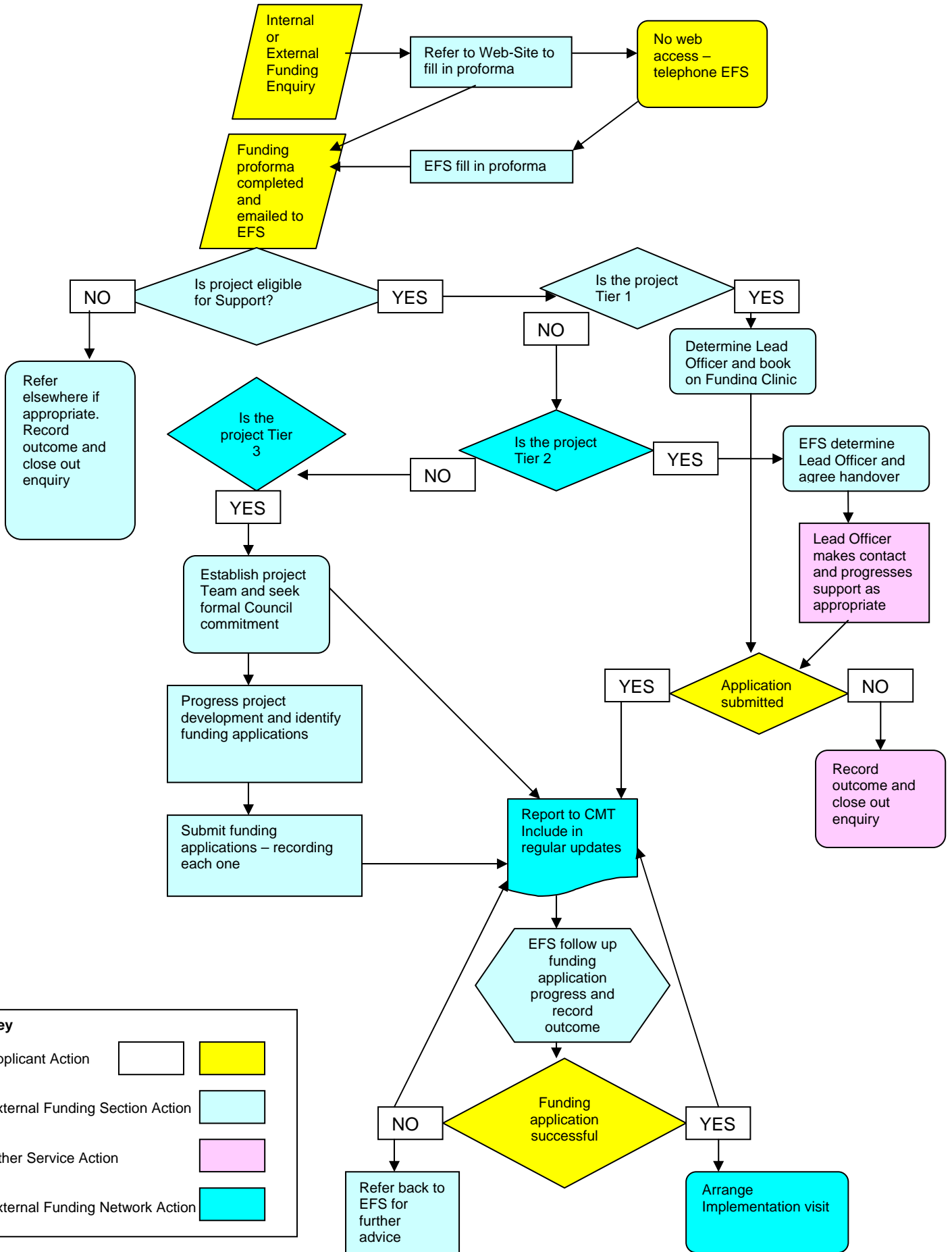
- 3.1 Project progress should be recorded in the Outline Proposal Database held on the Council website. Recording progress will be the responsibility of the nominated Lead Officer.
- 3.2 The following basic information should be recorded as appropriate:
- Dates of contact with applicant and agreed actions.
 - Changes to applicant contact details.
 - Significant project milestones, e.g. Planning Permission, signing of Lease etc
 - Updating of total project costs and potential funders
 - Date and value of External Funding applications
 - Anticipated decision dates for External Funding applications
 - Decision not to proceed with the project – Close Out
- 3.3 The above information should be recorded on a timely basis, and in any event no later than 2 weeks after the relevant quarter end, in order that such information can be summarised in the necessary reports.
- 3.4 The External Funding and sustainability Worker will monitor the database and be responsible for pursuing outcomes with the relevant External Funder, based on the information available. When outcomes are known the database will be updated by the EFSW and the Lead Officer for the project will be informed by email.
- 3.5 Where an External Funding application has been unsuccessful, feedback will be requested by the EFSW for discussion with the Lead Officer.
- 3.6 Further support to secure additional funding will be provided as appropriate, until such time as the project is fully funded, or the applicant takes the decision not to continue.

4. FOLLOW UP

- 4.1 Following approval of an external funding application, the External Funding Unit will contact the applicant and offer a Project Implementation visit. This visit will be carried out by the appropriate Officer as identified within the Monitoring and Support Protocol.
- 4.2 Copies of application forms will be requested from applicant organisations and their permission to share information with other groups will be sought. This permission to be confirmed in writing.
- 4.3 The External Funding Unit will keep such copies in a format which can be accessed by other officers in order to assist with future funding applications of a similar nature or to the same Funder.
- 4.4 Whether or not the applicant chooses to take up a Project Implementation visit, the External Funding Unit will contact the organisation again within 6 months of the project start date to find out how the project is progressing. The External Funding database will be updated at this point in time.

External Funding Network
10th January 2007

EXTERNAL FUNDING SUPPORT FLOW CHART



Key

- Applicant Action
- External Funding Section Action
- Other Service Action
- External Funding Network Action

**EXTERNAL FUNDING
PROJECT
ELIGIBILITY MATRIX**

APPENDIX 2

	Tier 1	Tier 2	Tier 3
Financial Value of the project	Up to £10k	£10-£50K	£Over £51k
Is there Council cash support agreed	No	Less than 5%	Over 6%
Is there other match funding approved	No	Less than 5%	Over 6%
Is there other match funding identified	No	Less than 5%	Over 6%
How many of the Community Planning Themes does the project contribute to?	None	Up to 2	3 and over
Is the project identified in the Community Plan	No	Not specifically but implicitly by theme	Specifically
Is there formal Committee support for the project	No	No	Yes
Is there formal CMT support for the project	No	Yes	Yes
Is there formal Service support for the project	No	Yes	Yes
Has Officer working time been allocated to the project.	No	Yes	Yes

Tier 1 Support -

Provision of funding application paperwork and guidance notes if required.
Booking for Funding Surgery.
Groups complete and submit their own applications.

Tier 2 Support -

Provision of advice on suitable funding streams.
Funding application paperwork and guidance notes if required.
Booking for Funding Surgery
Lead Officer identified
Check over of application prior to submission
Further discussion and support from other Officers if required.

Tier 3 Support -

Full range of support and advice.
Nominated Lead Officer and project team
Liaison with other partners, CMT, Committees as required.

EXTERNAL FUNDING NETWORK
OUTLINE PROPOSAL FORM

What is the name of your group?

Name of contact

Address

.....

Tel. No. Mobile No

Email Address

Select the category that best describes your group:-

- Community Group
- Public Body
- Profit Making Organisation

Briefly describe the project you want to fund?

What is the likely total cost of your project?

How much funding is already in place?

How much money do you want to apply for?

Are you getting help from anyone else the Council?

Where will your project be based?

Who will benefit from your project?
.....

Please indicate which of the following applies to your group:

Bank Account Constitution Charity Status

Audited Accounts VAT Registered Used EA4 Funding

**EAST AYRSHIRE COUNCIL
EXTERNAL FUNDING NETWORK**

NOMINATED OFFICERS FOR EXTERNAL FUNDING PROTOCOL

Type of Application & Areas of Expertise	Nominated Officer	Contact Details
Credit Unions; Social Services related;	Ian Gemmell	01563 576908 ian.gemmell@east-ayrshire.gov.uk
Sports facilities; leisure services;	Katie Kelly	01563 576722 katie.kelly@east-ayrshire.gov.uk
Arts and cultural activities	Phillipa Aitken	01563 578152 philippa.aitken@east-ayrshire.gov.uk
Community Development; community learning	Dot Grieve	01563 578127 dot.grieve@east-ayrshire.gov.uk
Schools activities;	John Wilson	01563 555634 john.wilson@east-ayrshire.gov.uk
Alcohol and Drugs interventions	Ian Gemmell	01563 576908 ian.gemmell@east-ayrshire.gov.uk
Pre School activities	Dot Grieve	01563 578127 dot.grieve@east-ayrshire.gov.uk
Childcare	Dot Grieve	01563 578127 dot.grieve@east-ayrshire.gov.uk
Economic development	Dave Hewet	01563 554608 david.hewet@east-ayrshire.gov.uk
Community Vehicles	Keith Orton	01563 555714 keith.orton@east-ayrshire.gov.uk
Roads & Transportation	Keith Orton	01563 555714 keith.orton@east-ayrshire.gov.uk
Heritage Projects	Colin McKee	01563 576759 colin.mckee@east-ayrshire.gov.uk
Environmental Projects	Colin McKee Anneke Freel	01563 576759 colin.mckee@east-ayrshire.gov.uk 01563 554748 anneke.freel@east-ayrshire.gov.uk

