

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE: 5 APRIL 2001

REVIEW OF POLICY AND RESOURCES CENTRAL GRANTS BUDGET

Report by Depute Chief Executive/Director of Corporate Resources

1.0 PURPOSE OF REPORT

- 1.1 To advise the committee of the outcome of the review of the central grants budget held by the Policy and Resources Committee and to propose the creation of a new fund to maximise external funding opportunities.

2.0 BACKGROUND

- 2.1 At its meeting on 22 February 2001, the Policy and Resources Committee agreed that a review be undertaken on the central grants budgets to ensure the most effective use of existing resources, including the possibility of creating a match-funding budget to maximise external funding opportunities.

3.0 REVIEW OF THE CENTRAL GRANTS BUDGET

- 3.1 The review examined existing resources, uptake of grants, and the opportunity to create a new match-funding budget that could be used to secure further external funding for the area. It has become clear in recent months, following the appointment of the council's external funding support officer, that there are occasions when a relatively modest direct financial contribution by the council to projects or proposals (over and above the provision of support in kind) could secure a higher number of successful grant applications.
- 3.2 It is therefore proposed that a new fund should be established that projects and council departments can apply to for support where this would lead to an overall increase in external funding. The budget would be available for use for projects throughout the whole of East Ayrshire and would be administered by the Policy and Resources Committee. However, applications from those areas with the greatest levels of need (in terms either of tackling poverty and deprivation or securing the priorities of the council plan) should be prioritised. In addition, the fund should be used as a last resort where other options for match-funding have been exhausted. Projects would therefore be expected to, for example, seek funding from the Coalfield Area Social Inclusion Partnership or from the Better Neighbourhood Services fund, before they would be considered for the new match fund.
- 3.3 In order to create this new fund, options for redirecting existing central grants budgets were considered.
- 3.4 Whilst the Policy and Resources Committee Central Budget for 2001/02 is set at £205, 030, the budget is substantially committed. The following table sets out the current budgetary provision taking into account grants approved to date and those under consideration by this Committee under separate agenda items.

Policy & Resources Committee Central Budget	2001/02
Total Budget	£205,030
Committed to Date	£163,819
Under Consideration	£19,176
Residual Budget	£22,035

- 3.5 It is clear then that there is little scope within this budget to make a contribution to establishing the new match-funding budget, given the need for the Policy and Resources Committee to retain funds for any unforeseen applications that may arise during the course of the year.
- 3.6 Consideration was also given to the Social Inclusion Challenge Fund, which was established by the Policy and Resources Committee on 25 February 2000. While the Coalfield Area Social Inclusion Partnership has recently been awarded increased resources for the next three financial years (and is therefore less likely to call on these council funds), the creation of a new Social Inclusion Board in the North of the area is likely to lead to an increase in the applications made to this fund. It is therefore considered that these funds should not be redirected to a new match-funding budget. They should, instead, be devolved to the new North Board, once constituted, in line with the council's review of social inclusion initiatives undertaken last year.
- 3.7 The North West Kilmarnock Youth Fund was established in March 1999 following the discontinuation of the Kilmarnock Car Project, which was Urban Programme funded and provided services in Kilmarnock's former urban aid areas. It is recommended that the funds available under this budget head, currently £50,540 , should be used to create the match-funding budget. Projects from the former Urban Aid areas that would otherwise apply to this youth fund would be considered for support from the new East Ayrshire wide match funding budget. Developing youth is a top priority in the council's plan and this theme would therefore be reflected in any prioritisation of applications to the fund.
- 3.8 The creation of a match-funding budget provides another source of potential funding which will be available throughout the whole of East Ayrshire.
- 3.9 Applications will be considered on a needs basis by the Policy and Resources Committee. The new fund has the potential to attract significant levels of additional investment into the area.
- 3.10 It is considered that the overall effect of these changes will be to increase the level of support that is available within the area to deliver social inclusion. In addition, devolving responsibility for the Social Inclusion Challenge Fund to the North Area Social Inclusion Initiative Board supports the council's community empowerment objective.
- 3.11 If approved, the new funding arrangements outlined within this report will be reviewed and performance reported to Policy and Resources Committee on an annual basis as part of a comprehensive report on external funding.

4.0 LEGAL IMPLICATIONS

4.1 There are no legal implications arising from this report.

5.0 FINANCIAL IMPLICATIONS

5.1 The proposals contained within this report can be contained within the overall level of funding approved from the Policy and Resources Central Grants Budget.

6.0 RECOMMENDATIONS

6.1 It is recommended that the committee, agree:-

- (i) to establish a new match-funding budget at a level of £50,540 in financial year 2001/02 for use for projects throughout the whole of East Ayrshire and administered by the Policy and Resources Committee;
- (ii) that the existing Social Inclusion Challenge Fund Budget, £65,000, be devolved to the Northern Area Social Inclusion Initiative Board, once constituted, for use in supporting activities in the North of the area;
- (iii) that the funds currently set aside for the North West Kilmarnock Youth Fund be diverted to the new match-funding budget; and
- (iv) otherwise note the contents of the report.

BACKGROUND PAPERS

Nil

For further information on this report please contact Douglas I Campbell, Head of Corporate Development and Communication on (01560) 576165.

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2 April 2001

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AGENDA