

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE - 30TH NOVEMBER, 2000

CUMNOCK AND DOON VALLEY INITIATIVE TRANSFER OF INITIATIVE FUNDS TO EAST AYRSHIRE COUNCIL

Report by Director of Development Services

1. PURPOSE OF REPORT

- 1.1 To inform the Committee of (i) the proposed transfer of funds from the former Cumnock and Doon Valley Initiative to East Ayrshire Council; and (ii) the associated recommendations of the Cumnock and Doon Valley Initiative regarding the use of those funds.

2. BACKGROUND

- 2.1 The Cumnock and Doon Valley Initiative (The Initiative) was a Joint Economic Initiative operational within the former Cumnock and Doon Valley District Administrative Area between 1989 and 1996. The Initiative had a wide range of partners, including Enterprise Ayrshire, Ayr College, CADET etc.
- 2.2 The Initiative received from its public sector partners (a) financial resources to cover the revenue costs of running its own offices; and (b) funds to support a range of local projects to assist with the regeneration of the area.
- 2.3 These funds were administered through the Initiative Steering Group or the Initiative Loans and Grants Scheme Joint Committee as appropriate.
- 2.4 It was advised that arrangements for the disbursement or transfer of the remaining funds should be finalised once repayment of outstanding loans, which represented the bulk of the funds, had been substantially concluded.
- 2.5 The majority of the loan repayments have now been received and it is therefore appropriate to make a suitable transfer of these funds.
- 2.6 Special Meetings of the Loans and Grants Scheme Joint Committee and between the members of the Steering Group with remitted powers were held on November, 1999 and at these meetings arrangements were agreed for the disbursement of some of the remaining funds to support appropriate local projects and for the transfer of the balance of funds to

East Ayrshire Council with recommendations as to how the funds may be spent. The decisions of the Special Meetings as they relate to East Ayrshire Council are outlined below: -

(A) Initiative *Steering Group – Revenue Funds, Balance £22,750*

(i) That a maximum of £2,000 of the Revenue Funds be used to support the preparation of a document summarising the many achievements of the Cumnock and Doon Valley Initiative Partnership and its constituent groups and Committees including the Loans and Grants Scheme Joint Committee and to remit to the Manager of Economic Inclusion, Scottish Enterprise Ayrshire and the Senior Project Advisor of East Ayrshire Council to agree and discuss the appropriate style and format of such a document including giving due consideration to using the expertise of the CONDUIT project;

(ii) that the balance of Revenue Funds i.e. £20,750 be transferred to East Ayrshire Coalfield Area Social Inclusion Partnership to assist with the creation of office accommodation, the resourcing of that office accommodation and subsequent revenue costs for running offices within the Cumnock and Doon Valley Area; and

(iii) thereafter to remit to the Project Leader of the Initiative to close the associated accounts and for the relevant extract of the Minute of the Meeting to be transmitted to East Ayrshire Council for noting.

2.8 (B) *Cumnock and Doon Valley Initiative – Loans and Grants Scheme Joint Committee, Balance £89,184.*

Remitted to the Clerk of the Joint Committee to: -

(i) Arrange for the Internal Audit of East Ayrshire Council to undertake a final audit of the accounts; and

(ii) Thereafter arrange for the balance of the funds associated with the Rural Industrial and Commercial Grants Scheme and the Industrial and Commercial Loans Scheme to be transferred to East Ayrshire Council with recommendations that: -

(a) East Ayrshire Council arrange as appropriate to continue to in-gather any outstanding repayments of loans (although these are now modest);

(b) £40,000 of the funds be used to support Environmental Improvement Projects identified by the Doon Valley Local Committee and the Cumnock Area Local Committee as per the decision of the Development Services Committee at its meeting on 14th April, 1998;

(c) The balance of the funds be used to support projects within the Doon Valley Local Committee administrative area and Cumnock Area Local Committee administrative area including projects such as the establishment of a local Credit Union which are supported and approved by the Social Inclusion Partnership;

(d) To remit to the Clerk to the Joint Committee to forward a signed copy of the Minute of the Special Meeting to Enterprise Ayrshire and to seek confirmation from Enterprise Ayrshire that it agrees to the decision of the Loans and Grants Scheme Joint Committee regarding the transfer of funds;

(e) To thereafter remit to the Clerk to the Joint Committee to forward a signed copy of the Minute of the Special Meeting to East Ayrshire Council with a request that it be presented for noting to the appropriate Council Committee.

2.9 The accounts of the Loans and Grants Scheme Joint Committee have now been audited by Internal Audit of East Ayrshire Council.

2.10 Enterprise Ayrshire has received a signed copy of the Minute of the Special Meeting and has agreed to the decision of the Loans and Grants Scheme Joint Committee regarding the transfer of funds.

3. LEGAL IMPLICATIONS

3.1 In terms of the Local Authorities (Property Transfer)(Scotland) Order 1995 all relevant property vested in the former Cumnock and Doon Valley District Council transferred to and became vested in East Ayrshire Council on 1 April 1996. Accordingly, as these funds were part of the property of the former Cumnock and Doon Valley District Council, no formal procedure for the transfer of these funds to East Ayrshire Council is required.

4. FINANCIAL IMPLICATIONS

4.1 The transfer of funds to East Ayrshire Council from the former Cumnock and Doon Valley Initiative represents windfalls of £20,750.11 to East Ayrshire Coalfield Area Social Inclusion Partnership and £89,184.26 to East Ayrshire Council.

5. POLICY IMPLICATIONS

5.1 The recommendations regarding the use of the transferred funds are consistent with the policies of the Coalfield Area Social Inclusion Partnership and East Ayrshire Council.

6. RECOMMENDATIONS

- 6.1 The Policy and Resources Committee are asked to note and agree content of this report and to authorise the Director of Finance to make appropriate arrangements for the transfer of the funds.

Stephen Chorley
Director of Development Services

16th November, 2000
RP/DAH/SC/CF

LIST OF BACKGROUND PAPERS

Nil.

Any person wishing further information on this report should contact David Hewet, Department of Development Services (Tel: Ext. 4608).

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AGENDA