



## FINANCE REPORT

### Board Meeting – 5 December 2002

#### 1. PURPOSE OF REPORT

- 1.1 To report to members on a range of financial issues pertinent to the projects supported by funding available to the East Ayrshire Coalfield Area SIP and make proposals for expenditure in the current and future financial years.

#### 2. COALFIELD AREA SOCIAL INCLUSION PARTNERSHIP ALLOCATION 2002/03

- 2.1 The 2002/03 financial allocation made available to the SIP by Communities Scotland is as follows:

|                              | £                |
|------------------------------|------------------|
| Core Budget:                 | 1,813,379        |
| Drugs Misuse Budget          | 68,017           |
| Community Empowerment Budget | 60,000           |
| KICKSTART                    | 10,000           |
| <b>Total</b>                 | <b>1,951,396</b> |

- 2.2 To ensure the effective delivery of project and programmes funded by the SIP, the Monitoring and Evaluation Officer meets with project leaders on a quarterly basis. All projects also participate in a formal annual review meeting. The annual review meetings for 2002/03 were convened during October/November 2002, the purpose being to:

- review progress and target achieved to date;
- assess projects' financial performance;
- consider targets for the year ahead;
- identify future funding requirements; and
- consider project sustainability.

- 2.3 Out of the 34 projects supported, 30 projects were noted to be on target for a full spend by 31 March 2003. Due to a range of factors, 4 projects have highlighted a projected underspend totalling £41,400, as follows:

|                          | £      |
|--------------------------|--------|
| Community Food Project   | 2,500  |
| New Cumnock Youth Centre | 30,000 |
| Gift Furniture Scheme    | 3,900  |
| Public Transport         | 5,000  |

- 2.4 This projected underspend, added to the unallocated budget of £28,379 plus a projected underspend in the SIP support team budget of £3,000 gives a projected total of £72,779.
- 2.5 Spend proposals, totalling £72,600 to utilise the underspend against the core budget are detailed at Appendix 1. If approved, this allocation can be fully met from the budget as detailed at section 2.4.
- 2.6 To allow the Cumnock Swimming Pool project to fully utilise their £30,000 allocation for 2002/03, the Board is asked to relax the condition placed on the organisation stating "that the total funding package requires to be in place before the £30,000 can be utilised". The Swimming Pool project has secured over 95% of the total project costs and is awaiting a response from a further funding bid. However, the project group has incurred expenditure which now requires to be met and is confident of meeting the total project cost.
- 2.7 It is anticipated that there will be a full spend on the Tackling Drugs misuse budget and the Community Empowerment Budget although both of these budgets will continue to be monitored closely.
- 2.8 Full expenditure against the KICKSTART budget will be dependant on the recruitment of a local worker. Interviews are scheduled to take place in early December 2002, the outcome of which will dictate the full spend or otherwise of the KICKSTART budget.
- 2.9 To ensure a full spend on all relevant budgets, the Board is asked to remit the Manager Social Inclusion, in consultation with the Implementation Group, to continuously review project spend and reallocate resources appropriately, if required.

### **3. SCOTTISH ENTERPRISE AYRSHIRE ALLOCATION 2002/03**

- 3.1 The allocation of funding from Scottish Enterprise Ayrshire this financial year will be fully utilised, meeting the cost of the consultancy work related to the tasks outlined by the Employment Working Group and in respect of sustainability.

### **4. SIP CORE BUDGET – PROPOSED ALLOCATION FOR 2003/04**

- 4.1 Communities Scotland has advised the SIP that its core budget for 2003/04 will be £2,181,098.
- 4.2 At the Board meeting in January 2002, members agreed an indicative funding allocation for projects in 2003/04. These allocations have been reviewed in response to discussions at the annual review meetings and the proposed budget allocation for all SIP projects is attached at Appendix 2.

4.3 As a result of information presented at the annual review meetings, the SIP Board is asked to initiate, with immediate effect, a review for the following projects:

- CONDUIT
- Business Technology and Training Centre
- Ayrshire ICT Social Enterprise

It is anticipated that the review, which will look at overlap and gaps in service provision, plus management structures and overall project outcomes will be concluded by the end of January 2003 allowing the Board to consider the financial allocation for each of these projects in February 2003.

4.4 The Board is also asked to note that due to a letter received from the Scottish Executive in relation to Credit Unions and State Aid a decision on the financial allocation to the Credit Union has also been deferred.

4.5 To ensure adequate resources are available to respond to the outcome of the reviews as detailed at section 4.3 and the outcome of the state aid issue, the Board is asked to ring fence £156,000. The Board will require to meet in February 2003 to further consider these issues.

4.6 This year, projects were asked to consider sustainability beyond their designated funding period. For some projects this was set at 31/3/03 and for others this was considered to be 31/03/04. This has, as anticipated, proved to be a challenge for some projects. The Board previously agreed to utilise £10,000 from the allocation of resources from Scottish Enterprise Ayrshire to assist projects with this issue. The Board is now asked to remit the Manager Social Inclusion to identify the projects where dedicated support is required.

4.7 All projects are requested to consider sustainability beyond 31 March 2004, however the Board is asked to endorse specific project recommendations as detailed in Appendix 2, as follows:

- Community Food Workers – Evaluation commissioned, outcome of evaluation to be considered in June 2003;
- Creative Skills – Sustainability plan to be submitted by April 2003, review meeting to be convened May 2003;
- Community Learning Opportunities – Partner agencies to explore mainstreaming of teenage pregnancy project;
- yipworld.com – The project has made significant progress towards income generation. It is recommended that a full service review be commissioned to allow identification of core service costs. Project finance will be subject to mid year review, it is therefore proposed that £20,000 in ring fenced until the mid year review has been concluded.

- Young Carers Initiative – Full service review to be carried out, with the view of mainstreaming core activity beyond 31 March 2004;
- Satellite Carers Centre – Full service review to be carried out, with the view to mainstreaming core activity beyond 31 March 2004;
- Alternatives to Addiction – Full service review to be carried out, with the view to mainstreaming core activity beyond 31 March 2004;
- Princes Trust Volunteers - Sustainability plan to be submitted by April 2003, review meeting to be convened May 2003;
- Art for Adults with Disabilities – Consideration to be given to mainstreaming core activity in year;
- Children’s Holiday Project – Sustainability plan required by June 2003;
- Ethnic Minorities Initiative – Partners to consider mainstreaming core activity beyond 31 March 2004.

4.8 The Board is also asked to endorse the recommendations, again contained in Appendix 2, which indicate that specific financial allocations will be subject to progress reports at various stages throughout the financial year, for example: New Cumnock Youth Centre – project progress to be reviewed in June 2003.

4.9 The Board is therefore asked to remit the Manager Social Inclusion to ensure that project progress and appropriate financial reviews are carried out.

4.10 A number of bids to the SIP are recommended for refusal, these are detailed in Appendix 3 for the Board’s information and comment.

4.11 Subject to the Board agreeing the proposed budget allocation for each of the projects as detailed in Appendix 2, and agreeing to ring-fence £156,000 as detailed at point 4.5, the total financial allocation for 2003/04 will be £2,037,000. Leaving an unallocated balance of £144,098.

## **5. STRATHCLYDE EUROPEAN PARTNERSHIP APPLICATION (SEP)**

5.1 The SIP has again been asked to comment on the “strategic fit” of applications submitted for European Funding against the SIP’s core objectives.

5.2 This task has been devolved to the Manager Social Inclusion, and the most recent response to SEP is as follows:

- Outdoor Access Project (sustainable paths network): Comment – Support
- Outdoor Access Project (project management team): Comment – Support
- Housing Wider Action Initiative: Comment – Unknown to the SIP.
- Glaisnock Centre for Catering/Tourism: Comment – Support
- Forestry training Programme: Comment – Support.

5.3 The closing date for comments for this round of applications was 27 November 2002 and a response detailing support or otherwise based on the information contained at 5.2 has been submitted.

## 6. RECOMMENDATIONS

6.1 The Board is asked to:

- i) note the projected underspend total, as detailed at point 2.4 and to approve the reallocation of these resources to the SIP's unallocated balance;
- ii) endorse the proposed budget allocation against projects for 2003/04;
- iii) approve the quickspend proposals as detailed in Appendix 1 and remit the Manager Social Inclusion to ensure a full spend on all SIP budgets;
- iv) endorse the recommendations relating to financial and project performance as contained in Appendix 2;
- v) generally, endorse the reports ongoing management proposals for:
  - relaxing the conditions placed on the Cumnock Swimming Pool;
  - noting the anticipated full spend on the Tackling Drugs Misuse, Community Empowerment and KICKSTART budgets;
  - commissioning a review of various projects;
  - deferring a decision on the Credit Union financial settlement until February 2003;
  - ring fencing £156,000 to ensure sufficient resources are available to respond to the outcome of the project reviews detailed at section 4.3 and to support the Credit Union, if able;
  - ring fence an additional £20,000 to respond to yipworld.com's mid year financial review;
  - comments submitted to Strathclyde European Partnership on behalf of the SIP;

- vi) endorse the recommendation for SIP applications proposed for refusal contained in Appendix 3; and
- vii) otherwise note the content of the report.

**Gwen Barker**  
**Manager Social Inclusion**  
**25 November 2002**

**APPENDIX 1**

| <b>Organisation</b>                               | <b>Proposal</b>   | <b>Funding Request<br/>£</b> | <b>Proposed Funding<br/>£</b> | <b>Recommendation/comment</b>  |
|---|---|------------------------------|-------------------------------|--|
| B TTC   | Equipment/software updates.   | 6,672                        | nil                           | Refusal. SIP Board is being asked to recommend full service review.  |
| East Ayrshire Woodlands                           | To reclaim and transform a derelict site at Bellsbank Adventure Playground for use by the children of both the Primary School and Adventure Playground. | 5,000                        | 5,000                         | Approval. Project can be completed on time and within budget.  |
| East Ayrshire Local Volunteer Development Agency  | Purchase of computer equipment.   | 2,080                        | 2,000                         | Approval. Equipment will host the national online volunteering database due to be launched in Jan 2003.        |
| East Ayrshire Local Volunteer Development Agency  | Office refurbishment.   | 2,100                        | nil                           | Refusal. Recommendation to SIP Board that costs be met within enhanced core budget allocation for 2003/04.     |
| Princess Royal Trust, East Ayrshire Carers Centre | Exhibition Stand.   | 4,112                        | 1,500                         | Approve part funding of £1,500. Group to revisit cost of display boards.                                       |
| Princess Royal Trust, East Ayrshire Carers Centre | Pantomime trip.   | 1,137                        | 1,130                         | Approve.   |
| Princess Royal Trust, East Ayrshire Carers Centre | Presentation equipment.   | 2,271                        | nil                           | Refusal. A number of SIP projects have presentation equipment that the centre can borrow.                      |
| Princess Royal Trust, East Ayrshire Carers Centre | Miss Saigon trip.   | 1,575                        | nil                           | Refusal. Local pantomime supported.  |
| Community Learning Opportunities                  | Refurbishment and equipment.  | 3,724                        | 1,700                         | Approve funding to purchase equipment, refuse application to paint corridor leading to office.                 |
| The Children's Holiday Project                    | Laptop and projector.   | 2,389                        | nil                           | Refusal. Project currently has access to presentation equipment.   |
| Dalmellington and District Conservation Trust     | Brochure production and distribution.   | 6,800                        | 4,000                         | Approve part payment to allow for design and production of new brochure.                                       |
| Recreation Services                               | Keeping U Safe Initiative – deliver programme to Kids Club network Feb 2003.  | 3,000                        | 3,000                         | Approve. Initiative complements existing drugs work within the Kids Club network and across partners agencies. |

| Organisation                           | Proposal  | Funding Request<br>£ | Proposed Funding<br>£ | Recommendation/comment   |
|--|---|----------------------|-----------------------|--|
| Recreation Partnership Project         | Promotional Video   | 6,000                | 6,000                 | Approve. The Recreation Partnership project is a flagship project initiative not only in East Ayrshire but in Scotland, the promotional video will assist the project secure future funding. |
| Recreation Partnership Project         | 'The Health Challenge" board game.  | 4,250                | nil                   | Refusal. Recommendation to SIP Board to enhance the core budget in 2003/04 to fund this development.   |
| Recreation Partnership Project         | To deliver a primary school athletics initiative and carry out an audit of activity.  | 5,000                | 2,500                 | Approve funding for primary schools athletics initiative. Recommendation to SIP Board to enhance the core budget in 2003/04 to carry out the audit of work.                                  |
| Recreation Services                    | Curling's Cool Initiative – Give access to 6 Primary Schools, for a 3 week taster session at the Galleon Centre, Jan-March 2003.  | 3,200                | 3,200                 | Approve.   |
| The Dalmellington Partnership          | Tree planting – plant mature trees along the A713 thus enhancing the village environment.   | 1,500                | 1,500                 | Approve. The work complements the range of environmental improvements carried out within the Dalmellington area.   |
| The Dalmellington Partnership          | News letter.  | 600                  | nil                   | Refusal. It is recommended that the Partnership contact the CCF to utilise space within the Glennie.   |
| Coalfield Communities Federation       | Promotional equipment and display stands  | 6,009                | 1,500                 | Approve part funding. Recommendation to SIP Board that CCF's core budget be enhance to meet additional promotional costs.  |
| EASY                                   | Refurbishment of new premises   | 25,587               | 20,000                | Approve part funding to meet core costs of premises refurbishment.   |
| Creative Arts Centre – Glaisnock House | To part fund the cost of a feasibility and design study. Joint funded initiative with Kilmarnock College & East Ayrshire Council. | 7,500                | 7,500                 | Approve. Total cost is estimated at approximately £15-£20k. Finance secured from partners agencies.  |
| Investment in Drama                    | Touring show with performances in 5 communities from 16-20 Dec 2002.  | 3,950                | 3,950                 | Approve.   |
| Investment in Drama                    | Marketing strategy  | 4,000                | nil                   | Refusal. Recommendation to SIP Board that the projects core budget for 2003/04 be enhanced to allow a comprehensive marketing strategy to be implemented.                                    |

|   |   |       |       |  |
|---|---|-------|-------|--|
| CHIP Van/Recreation Partnership Project | To promote best practice through a targeted piece of commissioned written work. | 2,000 | 2,000 | Approve. Both projects excel at both a local and national level, this pilot would test the process for future good practice work to be recorded. |
| Coalfield Community Transport           | Production of high quality presentation/display boards                          | 4,000 | 1,500 | Approve part funding. Group asked to revisit cost of display material.   |
| Coalfield Community Transport           | Installation of fixed washing facility at garage.                               | 9,800 | nil   | Refusal. Project may in the future require new, larger premises. Revisit proposal in 3-6months time, possible option from SIP core budget.       |
| Coalfield Community Transport           | Attendance at national Community Transport Conference.                          | 990   | nil   | Refusal. Full cost to be met from SIP project development budget.  |
| yipworld.com                            | Refurbishment of meeting/training room.   | 4,684 | 4,620 | Approve. Yipworld.com will part finance initiative totalling £8,184.   |

**Total Cost of Proposals = £72,600**

**SOCIAL INCLUSION PARTNERSHIP CORE FUNDING**  
**2003/04 - Core budget allocation £2,181,098**  
**Appendix 2**

|  | Indicative | Requested  | Proposed   | Comments   |
|--|------------|------------|------------|--|
|  | Allocation | Allocation | Allocation |  |
|  |            |            | 2003/04    |  |
|  | £          | £          | £          |  |
| CONDUIT                                    | nil        | 51,000     |            | Defer decision until Feb 2003 to allow full service review of IT provision to be carried out. (Ring fence £51,000)                                   |
| EASY                                       | nil        | 70,000     | 68,000     | Budget increase of £8k from 2003/04 to meet new accommodation costs.   |
| EAST AYRSHIRE WORKS                        | nil        | 120,000    | 120,000    | Project to consider sustainability beyond 31/3/04.   |
| BUSINESS TECHNOLOGY TRAINING CENTRE (BTTC) | nil        | 31,000     |            | Defer decision until Feb 2003 to allow full service review of IT provision to be carried out. (ring fence £31,000).                                  |
| INDIVIDUAL EMPLOYMENT FUND                 | nil        | 20,000     | 20,000     | Review mid year to consider need for additional resources  |
| EAST AYRSHIRE WOODLANDS                    | nil        | 85,000     | 85,000     | Project to consider sustainability beyond 31/3/04.   |
| HEALTHY LIVING INITIATIVE (C.H.I.P. VAN)   | 40,000     | 40,000     | 40,000     | Project to consider sustainability beyond 31/3/04.   |
| COMMUNITY FOOD INITIATIVE                  | nil        | 24,000     | 5,000      | Evaluation of Community Food Workers commissioned, part fund until June 2003 at which point consider future of programme.                            |
| CREATIVE SKILLS                            | nil        | 30,000     | 30,000     | Sustainability plan to be submitted by April 2003, review meeting to be convened May 2003.   |
| COMMUNITY LEARNING OPPORTUNITIES           | nil        | 90,125     | 54,000     | Partners to explore mainstreaming of teenage pregnancy project. Funding reduction to reflect intention to mainstream.                                |
| COMMUNITY ENVIRONMENTAL ACTION PLAN        | 130,000    | 150,000    | 150,000    | Additional 20k to carry out environmental improvements linked to the new Family Centre in Netherthird.   |
| YIPWORLD.COM                               | 100,500    | 100,500    | 100,500    | Review mid year to consider need for additional resources. (ring fence £20,000).   |
| RECREATION PARTNERSHIP GROUP               | 108,000    | 107,157    | 118,000    | Additional 9k, 2003/04 only, to carry out pilot schools athletics development initiative, audit of activity and produce Health Challenge Board Game. |
| OLDER PEOPLE DAY CARE SERVICE USERS GROUP  | nil        | 84,485     | Nil        | Core services mainstreamed as of 1/4/03.   |
| CUMNOCK AND DOON VALLEY CREDIT UNION       | 24,000     | 53,500     |            | Defer decision until Feb 2003 to allow consideration of new directive on state aid. (Ring fence £24,000).  |
| YOUNG CARERS INITIATIVE                    | 40,000     | 53,500     | 42,500     | Recommendation that full service review be carried out with the view to mainstreaming core activity beyond 31/3/04.                                  |

|   |         |         |         |   |
|---|---------|---------|---------|---|
| SATELLITE CARERS CENTRE                           | 40,000  | 50,300  | 45,000  | Recommendation that full service review be carried out with the view to mainstreaming core activity beyond 31/3/04. |
| ALTERNATIVES TO ADDICTION                         | 42,500  | 42,500  | 42,500  | Recommendation that full service review be carried out with the view to mainstreaming core activity beyond 31/3/04. |
| LOCAL VOLUNTEER DEVELOPMENT AGENCY                | nil     | 11,000  | 13,000  | Additional £2k, 2003/04 only, to carry out premises alterations. In-kind support to continue.                       |
| PRINCES TRUST VOLUNTEERS                          | nil     | 17,000  | 17,000  | Sustainability plan to be submitted by April 2003, review meeting to be convened May 2003.                          |
| ARTS FOR ADULTS WITH DISABILITIES                 | nil     | 6,000   | 4,000   | Consideration to be given to mainstreaming core activity, in year.  |
| COMMUNITY CAPACITY BUILDING/ASPIRATIONAL LEARNING | nil     | nil     | nil     | To be delivered as part of project core activity.   |
| CHILDREN'S HOLIDAY PROJECT                        | 3,100   | 4,500   | 4,500   | Sustainability plan required by June 2003.  |
| COALFIELD COMMUNITY TRANSPORT                     | nil     | 44,000  | 44,000  |   |
| COALFIELD COMMUNITIES FEDERATION                  | 10,000  | 15,000  | 15,000  | Additional finance, 2003/04 to secure promotional resources for road show.  |
| SIP PROJECT DEVELOPMENT                           | nil     | 15,000  | 15,000  |   |
| ETHNIC MINORITIES INITIATIVE                      | 23,000  | 30,000  | 30,000  | Partners to consider mainstreaming core activity beyond 31/3/04.  |
| INVESTMENT IN DRAMA                               | 58,000  | 58,000  | 62,000  | One off additional payment of £4k to carry out effective marketing initiative.                                      |
| AYRSHIRE ICT SOCIAL ENTERPRISE                    | 50,000  | 50,000  |         | Defer decision until Feb 2003 to allow full service review of IT provision to be carried out. (Ring fence £50,000). |
| FAMILY CENTRE DEVELOPMENT                         | 50,000  | 108,000 | 108,500 | Additional finance to complete overall funding package and secure project.  |
| SUPPORT TEAM                                      | nil     | 175,500 | 175,500 |   |
| NEW CUMNOCK YOUTH PROVISION                       | nil     | 30,000  | 30,000  | Project progress to be reviewed June 2003.  |
| DALRYMPLE YOUTH PROVISION                         | nil     | 50,000  | 50,000  | Project progress and finance requirements to be reviewed June 2003.   |
| JOB ROTATION                                      | 10,000  | 10,000  | 10,000  |   |
| CUMNOCK SWIMMING POOL                             | 234,000 | 234,000 | 234,000 | Project progress and finance requirements to be reviewed June 2003.   |
| SIP 2.5% ADMINISTRATION CHARGE                    | 30,000  | 30,000  | 30,000  |   |
| MUIRKIRK ENVIRONMENTAL IMPROVEMENTS               | nil     | 20,000  | 20,000  | Project to be determined.   |
| DALMELLINGTON YOUTH CENTRE                        | nil     | 35,000  | 35,000  | Project progress to be reviewed June 2003   |
| SPORTS AND SOCIAL INCLUSION                       | nil     | 20,000  | 20,000  | To match fund new sport and social inclusion initiative.  |
| DOON ACADEMY                                      | 50,000  | nil     | nil     | Project progress and finance requirements to be considered. June 2003.  |

|                                    |     |        |           |  |
|------------------------------------|-----|--------|-----------|--|
| KICKSTART                          | nil | 28,000 | 28,000    | Project progress and finance requirements to be reviewed June 2003.  |
| <b>PROPOSED NEW PROJECTS</b>       |     |        |           |  |
| LOGAN                              |     |        |           | Project progress and finance requirements to be reviewed March 2003.   |
| COMMUNITY CONFERENCE               |     |        |           | Finance requirements to be considered June 2003.   |
| BURNS HOUSE MUSEUM                 | nil | 15,000 | 15,000    | Project progress and finance requirements to be reviewed June 2003 , overall funding package £100k.  |
| OUTDOOR ACCESS PROJECT             | nil | 50,000 | 50,000    | To match fund a network of paths, linking communities across the coalfield area, overall project value £3million. Fund subject to confirmation of total funding package by March 2003. |
| MEDIA PROJECT                      |     |        |           | Project progress and finance requirements to be considered. June 2003.   |
| MONITORING/EVALUATION REQUIREMENTS |     |        |           | Finance requirements to be considered March 2003.  |
| ALLOCATION TO DATE                 |     |        | 1,881,000 |  |

**APPENDIX 3****SIP APPLICATIONS – PROPOSED FOR REFUSAL.**

| <b>Project</b>    | <b>Requested Allocation<br/>£</b> | <b>Proposed Allocation<br/>£</b> | <b>Comment</b>   |
|-------------------|-----------------------------------|----------------------------------|--|
| Job Coaching ILM  | 23,270                            | nil                              | Recommend refusal of application, priority to existing SIP – ILM's and new Job Rotation Project. |
| Environmental ILM | 50,000                            | nil                              | Recommend refusal of application, priority to existing SIP – ILM's and new Job Rotation Project. |