

The Highland Council
Caithness and Sutherland Area Committee

27 May 2014

Agenda Item	6.
Report No	CS/14/14

Community Challenge Fund – Area Update

Report by Depute Chief Executive

Summary

The Community Challenge Fund was launched in January 2013. This report provides Members with an opportunity to consider the interest in the fund at a local level and also to discuss how the fund can best be promoted and utilised within the local area.

1. Background

- 1.1 The Community Challenge Fund was launched in January 2013 with the aim of allowing local communities to take direct control of services currently provided by the Council, or take ownership of buildings or other assets owned by the Council, where there is worthwhile community benefit to be achieved by the transfer. Where services are transferred from the Council to a community, an appropriate budget will also be transferred.
- 1.2 The Community Challenge fund is used to cover the costs of achieving these transfers of services or assets. These costs can include support for capacity building in the community, feasibility studies, legal costs, and any interim costs involved in the transition of community control.
- 1.3 There are four main types of project which are eligible for funding from the Community Challenge Fund:
 - Projects which deliver a service at a lower cost than currently provided;
 - Projects which provide a higher level of service for the same cost;
 - Projects which help to reduce the Council's costs for maintaining premises; and
 - Projects which will prevent the need for Council services to be provided or expanded in the future, for example projects which would address rural deprivation and access to services in rural areas, reducing and preventing fuel poverty, and supporting employability.

In addition the projects are required to demonstrate that there will be a worthwhile community benefit achieved as a result of the funding.

- 1.4 At a meeting of the full Council in March 2014, Members considered a report which provided details of a review of the fund and agreed several ways to take the fund forward. At that time Members also agreed that reports on the Community Challenge Fund would be considered by each Area Committee.

This is an opportunity to discuss the operation of the fund in each local area and how best it could be utilised and promoted for that specific area going forward.

2. Summary of the fund to date

2.1 Over the course of the first year of the Community Challenge Fund 47 expressions of interest have been received (35 during the first round). 7 of these have met the criteria of the fund and been asked to progress to the second stage and 3 are on hold pending further discussions. To date 3 of the 7 projects have been successful and 4 are still working on the business case stage:

- Kyle and Lochalsh Community Trust, who are in the final stages of taking over the running of the pontoons and public toilets in Kyle of Lochalsh.
- Fort Augustus and Glenmoriston Community Company, who have taken over the village officer role of street cleansing, winter gritting of footpaths and some grounds maintenance.
- Kirkmichael Trust on the Black Isle is to take over the running of the Kirkmichael Church buildings for a heritage project.

2.2 From the Caithness and Sutherland area, there have been:

- 8 expressions of interest received
- 8 have been rejected
- In the main this was because they were for services which the Council currently does not provide, for capital improvement rather than services, or would be cost neutral to the Council. One project was rejected as the request was already being considered by the asset management project board. The projects applied for included:
 - Path maintenance and improving a road junction
 - Community ownership of piers and housing
 - Building a composting toilet
 - Projects to support young people with additional needs

For these unsuccessful expressions of interest, a number were either provided with details of alternative funding sources or referred on to the Third Sector Interface for support with developing their idea further.

Given the change in criteria (discussed below) and the support put in place, all unsuccessful applicants have been written to outlining the new criteria

3. Making the Community Challenge Fund Work

3.1 There are significant opportunities presented to communities through the Community Challenge Fund and it is important to ensure that communities are empowered and supported to make this work for them.

3.2 The Council meeting in March agreed a series of changes in an attempt to make the fund more accessible and applicants and staff more supported.

3.2.1 *Criteria*

One of the key changes agreed was to amend the criteria for the fund to include services that are preventative in nature, for example projects which would address rural deprivation and access to services in rural areas, reducing and preventing fuel poverty and supporting employability, including through voluntary activity. It is hoped that this may encourage some of the projects initially rejected to reapply.

3.2.2 *Proactive Promotion*

The review highlighted that it would be more helpful to communities for the Council to identify opportunities for service delivery and then promote these at a local level. From analysis of responses received to the Council's Budget Consultation in 2010 and 2012 a range of potential areas have been identified. These include: grounds maintenance – grass cutting, litter picking, flowerbed maintenance; road and pavement clearing in winter; running community facilities – public toilets, community halls childcare services; community transport schemes. Work will take place with staff to explore these ideas and others further and consider how best these could be promoted to communities across Highland. Members are asked to consider what other potential services they could envisage communities taking on locally.

3.2.3 *Promotion*

Work has already begun to raise the profile of the fund. Work has been undertaken to improve the information provided on the Council's website and clarify the various service areas which communities could focus on in terms of taking over service delivery. Promotional leaflets and posters are under development. These will be circulated to service points, libraries, community centres and other key local facilities along with local groups and organisations. Leaflets will be made available to Members to enable you to promote the fund within your local area.

A series of Ward Forums will take place during May and June, to consider the first stage in a budget consultation process; however, this will also be an opportunity to talk to communities about their ideas and whether the Community Challenge Fund could offer support for them to take on local assets or services. The first stage in the budget consultation process will be seeking views and ideas from the public on how best the Council can deliver its services in the future and yet reduce our costs, which complements the principles and purpose of the Community Challenge Fund.

Members are asked to consider how best the Community Challenge Fund could be promoted and used to best effect within the Caithness and Sutherland area.

3.2.4 *Capacity Building*

One of the key findings of the review was the need to ensure groups are supported effectively to enable them to participate in the fund. In addition to support from services, the Third Sector Interface (former CVS's) is critical in terms of support for new organisations. This could be support with developing

constitutions and governance structures. The second strand is the support that Highlands and Islands Social Enterprise Zone (HISEZ) or other similar organisations can provide to groups at the second stage; working with groups to develop their expressions of interest into sustainable business plans. As noted above, all groups unsuccessful over the course of the first year have been written to outlining the changes to the fund and also where groups can seek support to enable them to fully participate in the process.

4. Implications

- 4.1 Resource –Funding from within existing resources has been identified for HISEZ to support applicants on developing their business plan. This will be agreed on an application by application basis.
- 4.2 Legal –The Council’s Legal team provides support and guidance to officers when assessing applications.
- 4.3 Equalities – It will be important to ensure that all groups have access to the fund and support for groups is therefore critical. Additional criterion on deprivation will provide a focus on low income groups and they tend to be more likely to have protected characteristics e.g. older people, people with disabilities, young unemployed people and single parents.
- 4.4 Climate Change/Carbon Clever - Additional criterion on preventing deprivation has potential consequences to address issues related to fuel poverty.
- 4.5 Risk - By acting on the review of the programme in its first year we would improve the take up of the fund and reduce the risk of it underachieving its potential.

Recommendation

Members are asked to:

- Note the take up of the fund to date in Caithness and Sutherland
- Note the changes made to the fund and the approach to promoting the fund agreed at Council in March.
- Consider what other potential services they could envisage communities taking on locally.
- Consider how best could the Community Challenge Fund be promoted and used to best effect within the Caithness and Sutherland area.

Designation: Depute Chief Executive

Date: 10-5-14

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