

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Executive

Council : 30 September 2009

Subject: Community Planning Partnership and Fairer Scotland Fund (FSF) 2010/11

1. Purpose

1.1 This report sets out the current arrangements for the use of the Fairer Scotland Fund, and asks Council to agree a continuation of these arrangements in 2010/11.

2. Background

2.1 The Fairer Scotland Fund (FSF) was put in place on 1 April 2008 as part of the Scottish Government's spending review. The purpose of the fund is to tackle poverty and deprivation across Scotland. An allocation from the fund is made to each local authority area to enable Community Planning Partnerships (CPPs) to work together 'to tackle area-based and individual poverty and to help local people access and sustain employment opportunities'.

2.2 The FSF replaced seven previous funding streams¹. This reduced reporting and monitoring burdens and also the administration. By consolidating the range of funds, it was expected that Community Planning Partners would find it easier to integrate services and deliver better outcomes.

2.3 The Scottish Government has established the following principles as essential for investment of the FSF by CPPs:

- A clear focus on addressing the causes of poverty, not only its symptoms.
- A strong emphasis on making early interventions for vulnerable individuals, families and disadvantaged communities.
- Promotion of joint working between local partners.
- Focused action on improving employability as a key means of tackling poverty.
- Empowering communities and individuals to influence and inform the decisions made by CPPs.

2.4 It has been made clear that FSF is provided to promote effective joint working and act as a catalyst for galvanising mainstream resources and budgets held by CPPs.

¹ Community Regeneration Fund; Community Voices Fund; Working for Families Fund; Changing Children's Services Fund (Social Inclusion element); Financial Inclusion Fund, Workforce Plus; More Choices, More Chances

- 2.5** The Scottish Government will require evidence that these principles are being actioned by local partners and while there is no requirement to establish a separate monitoring framework for the FSF, measurement of the impact of the Fund's investment is incorporated into, and will be tracked through West Dunbartonshire's Single Outcome Agreement (SOA).
- 2.6** West Dunbartonshire's first full Community Planning SOA was endorsed by Council in May, and was signed by the Council, its statutory partners and the Scottish Government in August 2009. It sets out the agreed objectives for the period until March 2011, (with some indicative future or 'end' targets where possible). The SOA commits the Council and its partners to achieving these targets through a thematic programme approach, and this approach is dependent on the continuing use of FSF to support the agreed actions. All relevant agencies and stakeholders should recognise that FSF investment should be directly linked to these priorities and that it provides the investment needed to move beyond the delivery which is possible through mainstream budgets.
- 2.7** The FSF provides £5.946m in 2008/09, £5.507m in 2009/10 and £5.067m in 2010/11. The allocation was ring-fenced for the first two years but the ring-fencing will be removed in 2010/11. Nevertheless, it is essential that the funding identified for 2010/11 continues to be available to support the delivery of the SOA. The removal of ring-fencing will increase the need for robust performance reporting on the quality and the value for money of key services and will mean authorities must demonstrate the delivery of agreed outcomes. The details of the process for allocation of FSF are set out in section 3 of this report.

3. Main Issues

- 3.1** The CPP Executive Group² agreed to the following process at their meetings of 27th February and 30 June 2009:
- to provide interim funding for current projects to no later than November 2009 to allow time for the development of theme groups and their respective programmes
 - that the key step to enable a more strategic and focused investment was a move from funding individual projects to investment in multi agency programmes of activity prioritised by theme groups
 - a timetable for establishing themed groups, developing programmes and a revised application process to allow theme groups to invite stakeholder agencies to apply to participate in its programmes and receive FSF
 - a process for the development of thematic group programmes including agreement on the principles for FSF investment.
 - that each programme needs to show a clear link to the SOA; a strong evidence base including baseline information; clear financial information that shows all relevant inputs and match funding; outcomes, output targets

² The Executive Group comprises the Chair of WDCPP; Leader of West Dunbartonshire Council (Deputy Chair of WDCPP); Chief Executive of West Dunbartonshire Council, Director of Community Health Partnership; Divisional Commander of Strathclyde Police; Area Commander of Strathclyde Fire & Rescue.

and other planning information calculated over a 16 month period from November 2009 to 31 March 2011.

This process was implemented and has ensured full transparency and rigour at all stages.

- 3.2** The total FSF available end of November 2009 to 31 March 2011 is £6,935,263. This is made up of Scottish Government award of FSF for 2010/11 of £5,067,000; FSF for 2009/10 available after interim awards are made to November 2009 of £1,355,513 and unallocated FSF from 2008/09 of £512,750. FSF is also the catalyst for considerable income from matched funding from a number of sources.
- 3.3** The key challenges for the thematic groups group have been to consider the best use of the FSF to:
- create sustainable, long term approaches to tackling poverty, inequality and deprivation in West Dunbartonshire combining geographic and thematic approaches.
 - build on existing initiatives which make an impact
 - evaluate any potential new programmes or initiatives
 - maximise impact through strategic use of funds to attract new investment (e.g European Social and Regional Development Funding) and direct mainstream investment.
- 3.4** Following the process as outlined in paragraph 3.1, the Executive Group met on 28 August to consider and approve themed programmes of activity and associated FSF investment as detailed against the National and Local Outcomes of the SOA attached at appendix 1. These programmes of work were developed on the basis of a 16 month delivery period, which coincides with the requirements of the SOA. To allow this work to proceed there is a need to assure the workstreams responsible for delivery that the finances will be available for the full 16 month period. An agreement for 4 months until the end of the current financial year would not provide the stability necessary to proceed. This requires an early assurance about the availability of budgets in 2010/11.
- 3.5** In addition to the work of themed groups, the CPP has also made a commitment to improving support for Community Engagement in Community Planning structures. This is currently subject to a tendering exercise through the European route. This work also requires an assurance that the necessary budget will be available for 2010/11 to allow the contract to be advertised and awarded as speedily as possible.

4. Personnel Issues

- 4.1** There is a potential for redundancies resulting from any delay in a decision.

5. Financial Implications

- 5.1** Finance Circular 1/2008 issued on 7 February 2008 detailed aggregate funding of £218.147m for 2010/11 and confirmed that this included £5.067m in respect of Fairer Scotland Funding which is no longer ring-fenced.
- 5.2** The final financial settlement for 2010/11 to individual authorities will not be confirmed until late November/early December but it is anticipated to be around £3m less than the total identified in 5.1 above.

6. Risk Analysis

- 6.1** There is a substantial risk that the Council and its partners will be unable to deliver on significant sections of the SOA if Council does not confirm a commitment to ensuring that the 2010/11 FSF allocation remains attached to the priorities noted in Appendix 1. This could have implications for the Council's relationship with the Scottish Government.
- 6.2** In addition, there is both a reputational and practical risk to the Council if it diverges from the previous practice of ensuring that the FSF is subject to decision making within Community Planning structures. This would impact on the credibility of the Council in terms of its commitment to Partnership working, and could result in a loss of goodwill and support from Partners.
- 6.3** There is a risk that diversion of FSF from the activity agreed by the CPP Executive Group could lead to a loss of matched funding from various sources.
- 6.4** There is also a very significant a risk that any deferral of a decision on this issue could create a lack of stability in the planned workstreams which would impact both on capacity to deliver, and also directly on the employees involved in terms of potential for redundancy.

7. Conclusions & Officers' Recommendations

- 7.1** West Dunbartonshire Council has a statutory responsibility to deliver Community Planning in its area. The future development of Community Planning in West Dunbartonshire is dependent on both the finances needed to progress the thematic programme approach, and also on the good relationships which have been developed with Partners. The effective delivery of the SOA is also an essential requirement. The continued commitment of the FSF budget as outlined in this report is central to these responsibilities. The approach described is also central to a demonstration of the Council's commitment to the principles of FSF.
- 7.2** Council is asked to agree to continue its existing commitment to ensuring that the use of FSF monies are subject to decision making through Community Planning structures.

7.3 Council is asked to agree that the current figure of £5.067m for 2010/11 continues to be available to be distributed as noted in appendix 1 through Community Planning structures, in addition to any carry forward from the 2008/9 and 2009/10 allocations.

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David McMillan
Chief Executive
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Person to Contact: Liz Cochrane – Head of Service Policy & Performance
01389 737271 liz.cochrane@west-dunbarton.gov.uk
David Connell – Head of Service Finance & ICT
01389 737191 david.connell@west-dunbarton.gov.uk
Alice Morrison – Principal Financial Monitoring Officer
01389 737862 alice.morrison@west-dunbarton.gov.uk

Appendix 1: FSF investment as detailed against the National and Local Outcomes of the SOA

Background Papers: Finance Circular 1/2008
Fairer Scotland Fund: Improving Lives, Regenerating Communities – 21/12/07, 06/03/2008
Single Outcome Agreement – Council report May 2009
CPP Executive Group Papers 27/02/09, 30/06/09, 28/08/09

Wards Affected: All