

 <b>Executive Committee - 8<sup>th</sup> June 2011</b>		<b>Agenda Item No.</b>  <b>15</b>
<b>Title</b>	<b>Rural / Urban Capital Improvement Scheme</b>	
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<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	Yes/ <b>No</b> If yes state why	
<b>Date and meeting when issue was last considered and relevant minute number</b>		
<b>Background Papers</b>		
<b>Contrary to the policy framework:</b>	Yes/ <b>No</b>	
<b>Contrary to the budgetary framework:</b>	Yes/ <b>No</b>	
<b>Key Decision?</b>	Yes/ <b>No</b>	
<b>Included within the Forward Plan? (If yes include reference number)</b>	Yes/ <b>No</b>	
<b>Equality &amp; Sustainability Impact Assessment Undertaken</b>	Yes/ <b>No</b>	
The equality / sustainability impact assessment has been undertaken as part of the review of grants to voluntary organisations (see appendix 3). A further assessment will need to be undertaken before the Scheme is operational.		
<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	03/05/11	Andy Jones
Head of Service	03/05/11	Susie Drummond
CMT	10/05/11	Chris Elliott / Bill Hunt
Section 151 Officer	09/05/11	Mike Snow
Monitoring Officer	09/05/11	Andy Jones
Finance	09/05/11	Mike Snow
Portfolio Holder(s)		
<b>Consultation &amp; Community Engagement</b>		
The Scheme was developed as one of the recommendations of the review of grants to voluntary organisations. The Grants Review Panel, have been consulted on the draft Capital Scheme.		
<b>Final Decision?</b>	Yes/ <b>No</b>	
<b>Suggested next steps (if not final decision please set out below)</b>		

## 1. **SUMMARY**

- 1.1 The report aims to seek the Executive approval of the criteria, application and decision making process for the Rural and Urban Capital Improvement Grant Scheme and application form (see appendix 1 and 2).

## 2. **RECOMMENDATION**

- 2.1 That the Executive agree that the current allocated budget made up of £100,00 from Rural Initiatives and £50,000 from reserves providing a total of £150,000 per annum 2011/12 to 2014/15, is split equally between Rural and Urban areas of the District providing £75,000 for each part of the Scheme per annum
- 2.2 That any bids from the Whitnash area are considered as part of the Urban section of the scheme.
- 2.3 That the Executive agree the criteria, application and decision making process for the Rural and Urban Capital Improvement Scheme (in appendix 1 and 2).
- 2.4 That the Executive agree to the recommendation of the Grants Review Panel to use the slippage money from the existing Rural Initiative Scheme. The money will be used to 'top- up' either of the part of the Scheme and would be in response and determined by demand.

## 3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The Grants Review Panel considered the existing Rural Initiatives Scheme and recognised the need to provide some form of capital scheme for the Urban areas of the District. The Executive agreed that from April 2011 that the Rural Initiatives Grant Scheme is replaced by a district-wide capital fund and that the detail of the scheme is considered by as part of the work by the Grants Review Panel to be agreed by a future Executive. Therefore it is proposed that the funds for the scheme are made up of the £100,000 from the Rural Initiatives Scheme and an additional amount of £50,000 from the Council reserves fund. providing a total budget of £150,000, to be split equally between each part of the Scheme.
- 3.2 The town of Whitnash is currently included as one of the areas eligible for the Rural Initiatives fund. It was felt by the Grants Review Panel that it is more appropriate for Whitnash, now that it proposed to provide a capital fund for urban areas, that any applications are considered as part of the urban section of the scheme.
- 3.3 The Grants Review Panel felt that the existing criteria, application form and decision making process for the Rural Initiatives Scheme are used as the basis for developing the new capital grant scheme. The key elements within the grants scheme are:

### **Introduction**

Under the Rural/Urban Capital Improvement Scheme, capital is described as expenditure on the acquisition of a tangible asset or enhancement of an existing asset, which adds to and not merely maintains, the value of the asset, provided that the asset yields benefit to the user for a period of more than one year - for example the construction of a new pavilion, enhancement of a kitchen

or village hall, the purchase of machinery such as a tractor for mowing or the purchase of play equipment or street furniture.

**a. Sustainable Community Strategy (SCS)** - projects that are appropriate for funding will contribute to the cross cutting themes which form the priorities for funding are as follows:

- Engaging and supporting communities including community cohesion and embedding sustainability.
- Targeted geographical areas (Neighbourhood Anchors).
- Narrowing the gaps/ families at risk
- Rurality

**b. Criteria** - the following criteria will apply to applications under the Rural/ Urban Capital Improvement Scheme:

- The scheme should provide or enhance facilities within all area of Warwick District Council.
- The organisation to provide part-funding of the scheme, and show details of all other funding sources.
- Applications should provide evidence that they fulfil a clearly defined need, and they show a degree of community support or clear benefit.
- Proposals must be open to examination by the council's offers and advisors, including the right to monitor works during their progress.
- The Council's contribution to the scheme will not normally be in excess of 50% of the total scheme cost. However, in exceptional circumstances, this may be increased by 75%.
- If funding is being sought from other District Council sources, the total funding from the District Council, whatever source, will not normally exceed 50%.
- In considering the amount to grant award, regard shall be had to the applicant's level of financial reserves and to what extent the organisation is able to provide funding to the scheme.
- The project should not require the District Council to assist with any future running costs.

**c. Application form** - a Rural/ Town Capital Improvement Scheme Application form should be completed and supplemented with additional information as appropriate. Submissions should include the following information:-

- Description of the scheme and what it is intended to achieve
- Evidence of need
- Plan and/ or drawings where appropriate
- Estimates of scheme costs, including copies of three quotations for the works for schemes in excess of £10,000
- Details of how the project will be funded, including self funding and external contributions or grants, and the status of the external funding
- Estimates of any future running costs of the project and how these will be met
- Three years independently audited accounts of the organisation
- Details of any membership/subscription fees and numbers of members
- Details of usage of the facilities
- Details of the organisation's equalities policies
- Description of how the scheme will contribute towards the Sustainable Community Strategy and the cross cutting themes that form the priorities for funding.

- Any other supporting information that may be useful in enabling the council to consider the application.

**d. Decision making process** – In order to be equitable to all the identified targeted geographical areas, the Council will have regard to the number and value of applications. Grant applications that meet the criteria outlined above will be presented to the Council's Executive Committee for approval throughout the year.

3.4 The Grants Review Panel discussed the slippage money from the existing Rural Initiative Scheme. The Panel acknowledged that at this stage the demand for the Scheme is uncertain. Therefore the Panel have recommended that the existing slippage funds from the Rural Initiatives Scheme be used to 'top up' either Scheme through out the year, subject to the agreement of the Council's Executive Committee.

#### 4. **POLICY FRAMEWORK**

4.1 The Rural and Urban Capital Improvement Scheme Review supports the Sustainable Community Strategy and the cross cutting themes which form the priorities for funding are as follows:

- Engaging and supporting communities including community cohesion and
- Embedding sustainability.
- Targeted geographical areas (Neighbourhood Anchors).
- Narrowing the gaps/ families at risk
- Rurality

**4.2** For a number of years the District Council has operated a capital improvement scheme, solely in rural areas of the District. The proposal recommended by the Grants Review Panel is to make the same opportunity available to urban areas of the District.

#### 5. **BUDGETARY FRAMEWORK**

5.1 The budget estimates have made a provision of £100,000 from the base budget with an additional £50,000 from the Council's reserves to support a capital scheme. This provides a total of £150,000 for the new Rural / Urban Capital Improvement Scheme.

5.1 It is proposed that the budget is evenly spilt providing a total of £75,000 for part of the Scheme.

**5.2** There is a provisional slippage of £136,425 from 2010/11 with £21, 839 of this allocated to unfinished Rural Initiatives Grant Projects. It is proposed that the remaining provisional slippage of £114,586 is used to 'top up' either urban or rural grant pot through out the year.

#### 6. **ALTERNATIVE OPTION(S) CONSIDERED**

6.1 The Grants Review Panel did not consider any other option

#### 7. **BACKGROUND**

7.1 The Executive asked the then Social Overview and Scrutiny Committee to carry out a review of grants to voluntary organisations in 2003/04. As a result of this

request a small sub group, known as the Members' Grants Review Panel, was formed to carry out the review. The Panel made a recommendation to defer the review of the Large Grants to allow at least one year's performance monitoring to be considered. This recommendation was supported and as a result a new Panel was formed in 2005/06 to review the Large Grants.

- 7.2 The scope of the review was broadened to include the full range of grants to the voluntary and community sector including the community bidding pots that the Council provides including the Rural Initiatives Scheme. Therefore it was agreed that a report outlining the Grants Review Panel's recommendations on the future allocation of all funding to the voluntary and community sector would be brought to the Executive meeting on 6<sup>th</sup> January 2011.
- 7.3 The Grants Review Panel considered the existing Rural Initiatives Scheme and recognised the need to provide some form of capital scheme for the urban areas. Therefore the Grants Review Panel recommended that a new Rural / Urban Capital Scheme be developed.
- 7.4 It was agreed that a further report is submitted to the 8<sup>th</sup> June 2011 Executive to agree the detail of the new Rural / Urban Capital Scheme by the committee.