

Title	Rural/Urban Capital Improvement Scheme
For further information about this report please contact	Chris Brown Finance and Admin Support Manager 01926 456204 e mail: fasteam@warwickdc.gov.uk Bernadette Allen 01926 456020 e-mail: Bernadette.allen@warwickdc.gov.uk
Wards of the District directly affected	All Wards
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No
Date and meeting when issue was last considered and relevant minute number	N/A
Background Papers	Rural/Urban Capital Improvement Scheme details.

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	16/12/11	Andy Jones
Head of Service	7/12/11	Susie Drummond
CMT	/12/11	Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer	19/12/11	Mike Snow
Monitoring Officer		N/A
Finance	28/11/11	Chris Brown
Portfolio Holder(s)	7/12/11	Cllr Grainger
Consultation & Community Engagement		
Final Decision?	No	

1. **SUMMARY**

- 1.1 The purpose of this report is to update Members of the Finance and Audit Scrutiny Committee on how the implementation and budget split of the Rural/Urban Capital Improvement Scheme has been along with the rationale behind why the budget was split.

2. **RECOMMENDATION**

- 2.1 It is recommended that the Finance and Audit Scrutiny Committee agree on the successful allocation of the Rural/Urban Capital Improvement Budget.
- 2.2 It is also recommended that the current budget split of 50/50 between Rural and Urban areas remains and that the rationale behind the budget split has proven appropriate to date.
- 2.3 The scheme is still in the early stages of implementation and therefore it is also recommended that a future report is presented in June 2012 to give Members a better view of how the scheme has been implemented.
- 2.4 Members consider if there are any aspects of the scheme which should be considered to be changed.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The Finance and Audit Scrutiny Committee asked for an update on the scheme to be presented at the January 2012 meeting as part of the review of work programme at their June 2011 meeting.
- 3.2 The Grants Review Panel recommended an even budget split between Rural and Urban areas, as at the time of developing the scheme, it was unclear what demands would be made to either the Rural or Urban budgets.
- 3.3 The scheme is still in its infancy and it is too early to ascertain what the continued demand will be for both Rural and Urban budgets, therefore a review of the scheme in June 2012 will allow more time to fully understand the demands of the scheme.
- 3.4 Whilst the scheme has been running relatively well, it is not without the occasional criticism or challenge. Members may wish to consider if there any aspects of the scheme which should be specifically reviewed. Paragraphs 7.5 and 7.6 consider two aspects which members may wish to review.

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

5. **BUDGETARY FRAMEWORK**

- 5.1 The budget for the Rural/Urban Capital Improvement Scheme Applications for 2011/12 is £150,000 (£75,000 for Rural Projects and £75,000 for Urban Projects). To this has been added £114,586 which is the unallocated budget from 2010/11 which will sit in a separate cost centre and be allocated to either Rural or Urban schemes as the main budgets are used up.
- 5.2 After the grants were awarded by the December Executive, there is £14,818 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the Rural Cost Centre in the remainder of 2011/12
- 5.3 After the grants were awarded by the December Executive, there is £13,577 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the Urban Cost Centre in the remainder of 2011/12

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

- 6.1 Alternative options are not applicable to this report.

7. **BACKGROUND**

- 7.1 The Council have operated a Rural Initiative Scheme within the District for many years with an annual grant budget of £100,000 per annum for capital improvements and major equipment purchase for Parish Councils, Village Hall Committees and various clubs/groups within the Parish Areas of Warwick District.
- 7.2 Following a report to the June 2011 Executive, this scheme was extended to take into consideration the Urban Areas or Towns of the District, with the Rural budget being £75,000 per annum and the Urban areas having a new budget of £75,000 as agreed by the Grants Review Panel.
- 7.3 The rationale and reasons behind the split were discussed at the Grants Review Panel Meeting's in March and April 2011 and that the slippage money will be used to top either cost centre which would be determined by demand.
- 7.4 From the review of the scheme and the grants awarded up to December 2011, Members of the Committee can see that the original split of 50/50 has been appropriate with £14,818 remaining in the Rural Cost Centre and £13,577 remaining in the Urban Cost Centre from the original budgets of £75,000. See Appendix 1
- 7.5 Grant requests may be presented to any Executive meeting throughout the year, rather than all grants being considered at a single meeting alongside each other. This policy has been the subject of some discussion. The main advantage of this is that groups do not risk missing an annual "cut off" or having to await the next annual round of bidding. The downside is that with grants awarded throughout the year, there is the risk that all funds may be allocated part way through the year, and so penalise any organisations applying later in the year, irrespective of how deserving they are.

The main advantage of a single cut off is that members will be able to consider the merits of all bids alongside each other, and award grants accordingly. A single annual round of applications will of course have work implications for both officers and members.

7.6 Within the scheme details launched in June, a new statement was included with regards to the level of reserves held by applicants:-

To date, no application has been ruled out on the basis of its reserves being excessive. However, on some occasions members have questioned how deserving some organisations are given the level of their reserves. Members may wish to request officers to consider drafting criteria so as to be more specific as to what an acceptable level of reserves may be.