

CANNOCK CHASE COUNCIL

CHILDREN AND YOUNG PEOPLE POLICY DEVELOPMENT COMMITTEE

5 NOVEMBER 2008

REPORT OF DIRECTOR OF ORGANISATIONAL IMPROVEMENT

RESPONSIBLE PORTFOLIO LEADER - CHILDREN AND YOUNG PEOPLE

DRAFT EXTERNAL FUNDING STRATEGY

1. Purpose of Report

- 1.1 To update the Children and Young People Policy Development Committee on progress to date, in respect of the Draft External Funding Strategy.
- 1.2 To enable Members' consideration of the Draft Strategy and the timetable for development of the full action plan, as the next stage of the consultation process.

2. Recommendation

- 2.1 That Members consider and comment upon the draft document.
- 2.2 That Members agree the requirement, definition, scope and actions to realise the External Funding Strategy
- 2.3 That the Chair of the Children and Young People Policy Development Committee circulates the strategy to all other Policy Development Committee Chairs for consultation and comments, to inform the final strategy and action planning.

3. Reason for Recommendation and options considered

- 3.1 The reason for the recommendation is to enable Members to comment on the draft strategy as part of the formal stages of consultation, to agree necessity, definition and scope for the strategy and to inform the final strategy.

4. Key Issues

- 4.1 As the climate in which both local authorities and their partners in the Private and Third Sectors operate is becoming more competitive, so the requirement for a coherent approach to external funding becomes increasingly important.
- 4.2 All bids will need to illustrate clearly how they support and enhance both the bidders', funders' and partners' corporate missions and objectives; bringing added value to, and complementing services.
- 4.3 In order to provide this evidence, maximise opportunity and minimise risk it is necessary to introduce a corporate policy and strategy to guide and manage the bidding process.

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Section 1

Background

Despite its successful track record, Cannock Chase Council has not had a defined methodology for bidding for external funding. In recent years this has meant that some bidding has been undertaken in an ad hoc manner and the Council has not always maximised opportunities to secure funding

The Audit Commission Value for Money Guidance 2005 also states the need for there to be:

“Evidence that external investment is used to support the Council’s Strategic plan and local priorities, rather than sought opportunistically and resulting in priorities being skewed towards available funding”

In order to provide this evidence, maximise opportunity and minimise risk to the Council it is necessary to introduce a policy and a strategy to guide and manage the bidding process.

The adoption of an External Funding Strategy will:

- Ensure that external funding activity and bidding will be focused on supporting the Council’s 4 key priorities, its CHASE objectives and those of the Chase Community Partnership in meeting local aims and aspirations
- Enable officers to determine and commit appropriately allocated resources.
- Ensure that existing and appropriate officer expertise and experience are acknowledged, fully utilised and shared.
- Support risk management by providing the framework for development and submission of bids and development of guidance in the preparation of applications for external funding – processes, risk management, exit strategies, succession planning etc.
- Support Performance Management

Section 2

Details of Matters to be considered

The draft External Funding Strategy

Section 3

Contributions to CHASE

The strategy will link to the range of internal and external policies, strategies and plans that affect development and delivery of this council's and its partners' services, for example: The Council's Corporate Strategy, The Sustainable Community Strategy, Local Area Agreements etc.

Its formulation has been guided by Cannock Chase Council's Corporate Objectives and its adoption will mean that all future bids for external funding will be screened to ensure that they support the CHASE objectives and will contribute directly to the Council's vision for the district that::

By 2015, Cannock Chase District will be recognised as a place where everyone's lives are enriched by a strong cultural identity, vibrant local economy and pride in the outstanding natural environment.

Section 4

Section 17 Implications

There are no identified implications in respect of Section 17 arising from this report.

Section 5

Human Rights Act Implications

There are no identified implications in respect of the Human Rights Act 1998 arising from this report.

Section 6

Data Protection Act Implications

There are no identified implications in respect of the Data Protection Act.

Section 7

Risk Management Implications

There are no identified Risk Management implications directly associated with this report.

However risk is an important consideration in all works undertaken in Arts Development and detailed risk assessments are made before any projects take place.

Section 8

Legal Implications

There are no identified legal implications directly associated with this report.

Section 9

Financial Implications

There are no identified financial implications associated with this report.

Section 10

Human Resource Implications

There are no identified human resource implications arising from this report.

Section 11

Conclusions

That the Children and Young People Policy Development committee considers and comments on the draft strategy as part of the formal consultation process.

Background Papers

Annexes

Annex 1 Draft External Funding Strategy

CANNOCK CHASE COUNCIL

EXTERNAL FUNDING STRATEGY

EXTERNAL FUNDING STRATEGY

DRAFT

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1. Cannock Chase Profile

1.1 Geography

Cannock Chase District is situated on the fringe of the West Midlands conurbation in the South, extending through the Cannock Chase Area of Outstanding Natural Beauty (AONB), to the River Trent flood plain in the North, and covers 7,700 hectares.

Many of the towns and communities developed around the Coal mining industry.

Forty percent of the District can be described as urban, with 60% being Green Belt; a large proportion of which is also within the AONB (3,008 acres).

The district has good transport links to the rest of the region, with the A5 the M6 Motorway and M6 Toll road all within a few miles of the main centre.

For a district of its size it has a good range of public and private sector cultural and leisure facilities and is ideally placed to develop the local economy around the natural environment, visitor and heritage attractions offer.

1.2 Demography

The District has a population of 94,300 (Office for National Statistics Mid 2005 Population Estimates). The population is split evenly by gender – males representing 49% and females 51%.

The population changes between Census 1991 and 2001, show considerable growth in the older age groups, with the number of persons over 75 years of age having increased by 31%. The Mid 2005 Population Estimates indicate that:

- 20% of the population are under 16 years of age
- 63% are of working age
- 17% are aged over 60 (for females) and 65 (for males)

Future projections to 2014, show an ageing population with a 28% increase in the over 65 age group; a 12% decrease in the number of young people under 15 years and a reduction in the working age population. Projections to 2029 show a similar pattern.

These changes will impact on the development and delivery of other council services and need to be considered when bidding for funding. The future focus for funders is likely to change to provision for those not working and older people, and so strategic development needs to take account of these future trends.

Economic and intellectual access to many services is still limited in some parts of the community still showing significant levels of disadvantage. Cannock Chase District has the highest levels of unemployment in Staffordshire; youth unemployment is 6% higher than the national average. Approximately 8% of the working age population claims incapacity benefit.

Crime reduction, income deprivation, education, skills and training deprivation, disability and health deprivation remain key issues for the district.

Regional Planning Guidance for the West Midlands up to 2021 identifies Cannock and Rugeley as Local Regeneration Areas in recognition of the concentrations of deprivation, with Cannock identified as one of 25 strategic town centres. It is anticipated that this plan will be extended to 2026.

2. External Funding History and context

2.1 History

The collapse of the coal mining industry led to some areas of the district suffering from the most acute concentration of multiple deprivation; there was severe social and economic exclusion and environmental degradation as a result.

The main responsibility for ensuring Cannock Chase Council (CCC) is involved in the local, sub-regional and County-wide Regeneration Funding Frameworks lies within the Economic Regeneration Portfolio, which has a successful track record of securing funding for a variety of regeneration schemes and projects.

Between 1995 and 2003 over £155million of Single Regeneration Budget (SRB) funding was levered in to the district to address the deprivation resulting from the demise of the coal industry. SRB funding from 1995 to 2003 ensured that many of the social, economic and environmental problems were successfully tackled.

In the late 1990s Cannock Chase was, however, identified as one of the least successful areas in the country for securing Lottery funding.

This is changing. Most recently with over £200,000 from the Big Lottery, £50,000 from the Regional Arts Lottery Funding Programme and almost £1m from the Heritage Lottery Fund (HLF) for Cannock Chase Council projects, and many small grants to community groups. At the end of 2007 the district of was fourth in the HLF rankings for Staffordshire, as shown in the following table:

Area	No. Of Awards	Total funding
Stoke on Trent	85	£15,756,997
Stafford	78	£4,759,170
Staffordshire Moorlands	74	£3,460,107).
Cannock Chase	27	£1,707,404,

The Culture, Leisure and Major Projects Service has been particularly successful in bringing in external funding for cultural projects, and its staff regularly assist community groups in bids to various funding agencies and fundraising through a variety of means from Public Subscription to facilitating cultural activities.

The Council has been particularly successful in building strong partnerships and attracting funding for innovative approaches in addressing a variety of issues, ranging from health inequalities to heritage interpretation.

Despite its successful track record, Cannock Chase Council has not had a defined methodology for bidding for external funding. In recent years this has meant that some bidding has been undertaken in an ad hoc manner and the Council has not always maximised opportunities to secure funding.

Other identified issues have been:

- Lack of dedicated resources
- Lack of communication within services and across the Council.
- Finding and obtaining percentage match funding, with which to support external bids
- Inability to revenue fund projects
- Inability to obtain council approvals to bid due to reporting cycles
- Funders' timescales conflicting with council timescales
- Insufficient officer time and resources required to make numerous successful bids (corporate external funding team dissolved)
- Time wasted making abortive bids
- Risks associated with lack of exit strategy
- Risk associated with lack of succession planning

2.2 Plural funding context

As the climate in which both local authorities and their partners in the Private and Third Sectors operate is becoming more competitive, so the requirement for a coherent approach to external funding becomes increasingly important.

This is particularly so with the redirection of National Lottery funds, from a range of good causes, to support the 2012 Olympic Games.

From 2007 the European Structural Funds Programme Objectives 2&3 were replaced with Regional Competitiveness and Employment

Objectives, these funding streams are administered by the Regional Development Agencies and have a more strategic focus, removing the opportunity to develop and support local or site specific projects.

The Local Area Agreement for Staffordshire has led to the structural realignment of the Chase Community Partnership Board, which has key priorities, some of which cannot be delivered through District Council services working in isolation. The key issues for the Chase Community Partnership Board are the Flagship priorities: The Community and Learning Partnerships, Community Engagement, Voluntary and Community Sector Involvement and a Local Delivery Model.

There will be increased need for a more proactive and innovative approach in meeting the partners' objectives and the increased demand for more community engagement in the delivery of services. This, in turn, will lead to an increased need for external funding to support these approaches.

The current commitment of financial and human resources to external funding may need further consideration or review in the light of budget restraints and competition from other bidders.

Due to stronger competition for funds, it is becoming increasingly important to prospective funders that the award of a grant will result in successful projects, demonstrating value for money and sustainability.

In addition Comprehensive Area Assessment (CAA) will assess and report how well public money is spent and will ensure that local public bodies are accountable for their quality and impact

All bids will need to illustrate clearly how they support and enhance both the bidders', funders' and partners' corporate missions and objectives; bringing added value to, and complementing, services.

The Audit Commission Value for Money Guidance 2005 states the need for there to be:

“Evidence that external investment is used to support the Council's Strategic plan and local priorities, rather than sought opportunistically and resulting in priorities being skewed towards available funding”.

3. External Funding Strategy

The aim of this strategy is to address the above issues in order to maximise future external funding opportunities linked to its corporate priorities and objectives for the Council, its partners and the community.

This External Funding Strategy will:

- Ensure that external funding activity and bidding will be focused on supporting the CHASE objectives and those of the Chase Community Partnership in meeting local aims and aspirations
- Enable external funding activity to be focused and supported, and to enable officers to determine and commit appropriately allocated resources.
- Ensure that existing and appropriate officer expertise and experience are acknowledged, fully utilised and shared.
- Support risk management by providing the framework for development and submission of bids and development of guidance in the preparation of applications for external funding – processes, risk management, exit strategies, succession planning etc.
- Support Performance Management

3.1 Definition

External Funding will be defined as:
“Resources received as a result of successful bidding to outside bodies”.

3.2 Scope

This strategy relates to resources that are above and beyond the Local Government Finance Settlement and which support the Council’s strategic objectives, Local Area Agreement and Corporate Plan.

These may be identified as:

- Funds secured competitively, including proposals to central government departments, agencies, nation lottery distributors, charitable trusts etc.
- Funds secured through public service agreements, e.g. Partnerships, Local Area Agreements, and Community Learning Partnerships and Section 106 Agreements (Community Infrastructure Levy from 2009) etc.
- Funds secured through sponsorship agreements between the Council and Private sector bodies.
- Funding from European sources
- Funding sought by this Council and its partners.
- “In-kind” contributions committed in support of bids

- External funding secured by community groups, with assistance from officers of this Council (although not directly for use by this Council will be recorded for performance measurement purposes).
- External funding will not be used to replace core funding for existing services, it will neither be redirected nor the conditions under which the grant was secured be waived.

Funding which does **not** fall within the scope of this strategy is as follows:

- That granted by CCDC to local organisations and individuals.
- That secured through loans or other initiatives (e.g. PFI) for use by CCC.

3.3 Benefits

An External Funding Strategy will be beneficial to the Council, by serving to maximise external funding opportunities, with emphasis placed on one off capital grants or pump priming of council initiatives.

It should:

- Provide a clear rationale for bidding,
- Illustrate the Council's intent to enhance the district.
- Ensure commitment and "buy in" to projects
- Ensure maximisation of resources,
- Prevent bids being made in isolation
- Prevent duplication and weakening of bids
- Ensure synergy with other departments and partners
- Set a framework for performance measurement and review
- Maintain financial probity.
- Establish performance and risk management procedures
- Define marketing and branding of partnership projects

3.4 The Council's Role in the context of external funding

Through the development of External Funding Strategy, Cannock Chase Council will actively seek to secure external funding linked to its corporate priorities and major strategies and to assist in the achievement of its vision for the district.

The combined economic and social regeneration of the district continues to be a driver for CCC, which has secured partnerships and agreements for further development of the district, such as the Town Centres redevelopment, and the visitor economy/tourism product,

business, education, skills and training and the social and voluntary sector projects.

The strategic objectives of the Council are expressed via the acronym CHASE:

C – Children and Young People
H – Healthier Communities, Housing and Older People
A – Access to Skills, Economic Development and Enterprise
S – Safer and Stronger Communities
E – Environment

Each CHASE objective has agreed outcomes contributing to the District's Local Area Agreement.

The current four priority themes, upon which the Council is concentrating its resources, are the improvement and enhancement of:

- Town Centres (Development of Cannock, Hednesford and Rugeley)
- Leisure Provision (The Council's Leisure Strategy)
- The Environment (Clean, Green and Safe)
- Housing (Affordable Housing / housing supply)

As knowledge sharing and support are key to the success of bidding for external funding, and as other departments within the council and partners undertake the bidding function, it will be necessary to build stronger links with the Economic Regeneration Team, either forming an external funding/bidding group or utilising the newly formed Cannock Chase Local Regeneration Group for this purpose.

Where partnership funding is sought the Council may agree act as the lead authority, if and when necessary, as it is ideally placed to take a leadership role in seeking external funding. It is legally and financially accountable and has regulatory and development powers and its staff have a breadth of successful experience in both bidding and administration of external funds.

Due to changes in the way some external funds are administered, previous partners and funders will be acting as "clients"; commissioning council services to deliver projects, through Service Level Agreements, for example the Community and Learning Partnerships and the Primary Care Trust.

In these cases, to ensure financial probity and security for staff and elected members it will be necessary to follow a specific procedure to cover the external funding/bidding process. This will need to comply with current financial regulations and schemes of delegation and as such must be approved by the Council's Section 151 Officer.

Responsibility will rest with Directors, Heads of Service and Service Managers to implement the strategy as part of their overall managerial responsibilities, within existing resources.

Any Council Officers, Members and Community Partners may identify funding opportunities, but all bids must be aligned with, and contribute to corporate objectives and priorities and strategies.

Heads of Service and Service Managers will determine potential benefits and confirm capacity and resources, for both submitting bids and delivering externally funded projects.

Any bid that is outside the Budget and Policy framework will need to be evaluated and prioritised by a working group.

Directors Management Team/Cabinet will assess major bids and approve submission.

A more detailed description of this process will be available in the "Toolkit" to be developed to support the final strategy, as outlined in the following action plan.

3.5 External Funding Strategy – Draft Action Plan

Objective	Actions	Timescale	Responsibility
Produce an external funding strategy	Research external funding strategies and consult internal and external colleagues	June – August 2008	AW
	Produce a report to determine funding strategy define scope, resources and council's proposed role and key issues gain DMT steer.	September 2008	AW
	Draft strategy based on DMT steer Consult C&YP committee	September/October 2008 Delivering Change time table	AW/ME DMT/Reality Group/Members
	Refine strategy based upon outcomes Gain full approval.	October 2008 January 2009	AW/ME AW/ME
<ul style="list-style-type: none"> Provide the framework for development and submission of bids. 	Develop a "Toolkit" for guidance in the preparation of applications for external funding to include Risk Management /Exit strategy development /legacy work	Dependent upon above approvals	AW
<ul style="list-style-type: none"> Ensure that existing officer 	Determine mechanism and resources for information sharing and	Dependent upon above approvals or through CCLRG meeting	AW/Glenn Watson

<p>expertise and experience is utilised</p>	<p>partnership bidding:- Consider establishment and representation internal bidding group</p> <p>Or Use newly established existing Cannock Chase Local Regeneration Group (CCLRG)?</p> <p>Develop a "skills bank"</p>	<p>December 09</p> <p>Dependent upon approvals</p>	
<ul style="list-style-type: none"> • Support Performance Management 	<p>Develop a mechanism and allocate resources for the collection of data relating to bids: Outcomes Lessons learned Record of funding drawn down Legacy</p>	<p>Dependent upon above approvals</p>	<p>AW</p>