

FALKIRK COUNCIL

Subject: FAIRER SCOTLAND FUND
Meeting: POLICY AND RESOURCES COMMITTEE
Date: 11 MARCH 2008
Authors: DIRECTOR OF COMMUNITY SERVICES
DIRECTOR OF CORPORATE AND COMMERCIAL SERVICES
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1. INTRODUCTION

- 1.1 The purpose of this report is to inform Members of the Fairer Scotland Fund, a new fund which has been created by the Scottish Government with the aim of tackling poverty and deprivation across Scotland. This fund replaces the Community Regeneration Fund as well as other challenge funding streams such as Working for Families.
- 1.2 This report will also cover the planned transitional arrangements for projects currently supported through the Community Regeneration fund which ends in March 2008 and currently supports the implementation of the Regeneration Outcome Agreement. The report will also detail the implications on the other funding streams which the Council and its Partners currently receive and which have been absorbed in to the new fund.

2. FAIRER SCOTLAND FUND

- 2.1 In the context of the recent Spending Review, the Scottish Government has announced the creation of a new fund, the Fairer Scotland Fund. The purpose of the fund is to tackle poverty and deprivation across Scotland. An allocation from the fund has been made to each local authority area to enable Community Planning Partnerships to tackle 'area based and individual poverty and to help more people access and sustain employment opportunities'.
- 2.2 The Fairer Scotland Fund replaces a number of current programmes and funding streams, these being:
- Community Regeneration Fund;
 - Working for Families Fund – to support parents to get into training and employment;
 - More Choices, More Chances Fund – to address the challenge of young people aged 16-19 not in education, employment or training;
 - Workforce Plus (of which a small amount is currently available to the Falkirk Council area through New Futures Funding) – to support people to get into training and employment;

- Community Voices Fund – to support communities to have a voice and influence service delivery;
- Changing Children’s Service Fund (Social Inclusion Element) – to support vulnerable children; and
- Financial Inclusion Fund (which is not currently available to the Falkirk Council area) – to tackle severe debt.

2.3 The Scottish Government has indicated that the following principles are crucial for investment of the Fairer Scotland Fund by Community Planning Partnerships:

- A clear focus on investment to address the causes of poverty, not its symptoms;
- A strong emphasis placed 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; and
- Empowering communities and individuals to influence and inform the decisions made by Community Planning Partnerships.

2.4 The purpose of the new fund, as stated by the Scottish Government is that it should be used as a catalyst for galvanising mainstream resources and budgets to create lasting change. Whilst the new fund can be used to continue to fund current activity which has shown to have worked, it is emphatically not about ‘business as usual’.

2.5 The Scottish Government has stated that in a similar way to the Community Regeneration Fund, Ministers expect to see evidence of an accelerated impact for the worst 15% (SIMD 2006). However, in recognising that not all deprived people live within the most deprived areas, there will be greater flexibility to target resources outwith the areas covered in the worst 15% (SIMD 2006). Appendix 1 sets out the datazones within the Falkirk Council area which fall within the worst 15% SIMD 2006.

2.6 The allocation of the Fairer Scotland Fund to the Falkirk Community Planning Partnership is:

- 2008/09 – £1.698m;
- 2009/10 - £1.955m; and
- 2010/11 - £2.212m.

2.7 While the initial letter from the Scottish Government indicated that the new fund would be the total of the contributor funds, this has proved not to be the case and it has been confirmed that the total funding in 2008/09 will be c £59k less than the funding received in 2007/08.

2.8 We have just received further guidance on the new fund from the Scottish Government including a selection of indicators which it is suggested are targeted through the new fund. This is currently being reviewed by officers and will be subject of a report to Policy and Resources Committee in April.

- 2.9 Following that, it is anticipated that recommendations regarding the proposed allocations of the Fairer Scotland Fund will be submitted to the Policy and Resources Committee on 3rd June 2008.

3. TRANSITIONAL ARRANGEMENTS

- 3.1 As highlighted in paragraph 2.2 of this report, seven current programmes and funding streams have been absorbed into the new Fairer Scotland Fund, six of which are currently available to the Falkirk Council area. There are implications for all of the six funds as detailed below.

Community Regeneration Fund

- 3.2 In 2005, the Scottish Executive allocated the Falkirk Council area Community Regeneration funding of £2.6m over three years (2005-2008), to support the implementation of the Community Planning Partnership's Regeneration Outcome Agreement. The allocation for the current financial year is £997,000.
- 3.3 The allocation was based on the Scottish Index of Multiple Deprivation (SIMD 2004) and it was stipulated that at least 80% of this allocation had to be spent on the datazones within the worst 15% in Scotland, as identified through the National Index. There was some limited flexibility to target geographic areas and themes outwith the worst 15% of datazones. Datazones are geographic areas which have an average population of 780. There are 197 datazones in the Falkirk Council area and 6,505 in Scotland. A list of the datazones in the Falkirk Council area currently in the worst 15% SIMD is attached in Appendix 1.
- 3.4 The Community Regeneration Fund was allocated to a broad range of initiatives under the then Scottish Executive's five National Priorities for Regeneration, these being:
- Getting People Back into Work;
 - Better, Stronger and Safer Communities;
 - Improving Health;
 - Raising Educational Attainment; and
 - Engaging Young People.
- 3.5 The Community Regeneration Funding allocations were approved at the Policy and Resources Committee on 5 April 2005.
- 3.6 Approximately 60% of the funds were targeted to support people getting into work and also to support young people at risk of falling into the NEET Group (young people aged 16-19 years not in employment, education or training).
- 3.7 The approach of the Community Planning Partnership, and previously the Social Inclusion Partnership, in recognising that good quality employment is one of the best ways of lifting people out of poverty, complements the Scottish Executive's employability strategy 'Workforce Plus' published in 2007 and now also the new Fairer Scotland Fund.

- 3.8 The Community Planning Partnership, as a condition of funding from the Community Regeneration Fund, is required to submit an annual report to Communities Scotland by July of each year. These and other progress reports are available on the Council website at www.Falkirk.gov.uk/regeneration. Council Services have also regularly reported to Members of progress of projects, in particular to the Economic Development Committee and the Education and Leisure Committee.
- 3.9 In recognition of the delay in announcing the development of the new fund, and the fact that a broad range of projects only have confirmed support from the Community Regeneration Fund until the end of March 2008, Communities Scotland has written to the Community Planning Partnership to give permission, should they wish to do so, to provide an additional (and final) quarter funding support to existing projects (i.e. to cover the period 1 April to 30 June 2008). Any funding allocation in this additional quarter will be taken from the 2008/09 allocation of the Fairer Scotland Fund. It should be noted that the Community Planning Partnership has only had permission to allocate additional funding to projects currently supported through the Community Regeneration Fund.
- 3.10 It is proposed that funding is continued for a further quarter for ten projects as detailed in Table A below. Factors considered when making these recommendations include the likelihood of an existing project meeting the aims of the new fund; the impact of a project finishing at the end of March (and in some cases the ability to restart should further funding be made available); additional time required for some initiatives to seek alternative sources of funding; and whether projects have been mainstreamed into core service delivery. It should be noted that some of the projects which have not been recommended for support through an additional quarter's funding, may be recommended for support in the future from the new Fairer Scotland Fund once the local priorities have been approved. Similarly, projects which have currently been recommended for further support might not be recommended for support in the future. To minimise uncertainty, officers will make recommendations on the new fund's priorities at the next Committee in April.

Table A: Recommendations for Additional Support

Existing projects recommended to receive support for an additional quarter (April to June 08)		Projects recommended not to receive support for an additional quarter (April to June 08) at this stage.	
Project	£	Project	£
Employment Initiatives <ul style="list-style-type: none"> • Pre-employment support • Enhanced work based training • Positive Transitions <i>- to sustain current delivery and will likely meet priorities of the new fund.</i>	12,000 51,560 40,390	Intelligence Led Police Operations – <i>supports specific operations which can easily be started again should more funding be allocated in the future. There were no plans for additional operations from 1st April 2008.</i>	7,500
Financial Inclusion – debt and Income maximisation <i>- likely to meet priorities of the new fund.</i>	5,250	Environment and Safety Projects <i>– can be easily started again should more funding be allocated in the future. There were no plans for any project to start from 1st April 2008.</i>	18,563
Linked Work and Training Trust Central – <i>will allow students</i>	9,738	Dawson Area Representative Association – <i>temporary contract for staff</i>	3,920

<i>to continue studies.</i>		<i>member extended until September, funded through a previous underspend of grant. DARA looking at future role and remit.</i>	
GP Exercise Referral – <i>will support continuation of project until a lottery decision is received in June.</i>	2,965	Equality Matters – <i>Project worker left for other employment.</i>	7,625
Physical Activities-Mental Health – <i>will allow organisation to seek alternative funding.</i>	5,794	Targeted Recruitment Clauses – <i>Alternative funding secure until October 08.</i>	5000
Substance Misuse Outreach – <i>will allow organisation to seek alternative funding.</i>	5,726	Food Development Worker – <i>Alternative funding secure until end of June.</i>	3,750
Skills Force (Educational Attainment) – <i>will allow project to be delivered within schools until the end of the summer term.</i>	23,500		
Young People's Activities – <i>will maintain the momentum of current service delivery and has been identified as a significant priority by groups within the communities.</i>	12,720		
Community Education Worker – <i>to allow completion and evaluation of existing work. Service will be mainstreamed at the end of June.</i>	7,500		
Integrated Pupil Support – <i>will allow project to be delivered within schools until the end of the summer term</i>	11,225		
Pupil Transitional Support – <i>will allow project to be delivered within schools until the end of the summer term and also will provide time for Lead Service to plan for mainstreaming project.</i>	9,025		
Children's Support Workers – <i>To allow for further evaluation of the impact of this service and also to determine how this service might be an element of a redesigned service delivery.</i>	15,305		
Total	212,698	Total	46,358

Working For Families Fund

- 3.11 The allocation of the Working for Families Fund to Falkirk Council in the current financial year is £450,000. The projects supported through this fund delivers services to workless parents and at present 95% of the clients are lone female parents all with children under 16 years. There are currently 256 live clients and the key workers are still taking registrations.

- 3.12 The core project is the provision of key worker support workers, pre employment support, a childcare support programme, transitional support grants and work based training/ employment programme.
- 3.13 The Scottish Government previously agreed a carry forward of funding for the first quarter (1st April to 30th June 2008). Should funding not continue through the new Fairer Scotland Fund beyond June 2008, then registrations would have to cease and an exit strategy put in place to de-activate the live case load.

More Choices, More Chances

- 3.14 The More Choices, More Chances funding contributes to the delivery of the Positive Transitions Programme which targeted S4 pupils in their final year of compulsory education. The total cost of delivering this programme to 108 young people per annum is £327,500 of which £75,000 came from ring fenced funding for the NEET/More Choices, More Chances agenda and £155,000 from the Community Regeneration Fund. The balance is met through Council budgets.
- 3.15 The More Choices, More Chances Fund comes to an end on 31 March 2008 and therefore Quarter 1 funding of £40,390 from the Community Regeneration Fund, as recommended in Table A, 3.10 of the report is essential for the 16 young people who are continuing school leavers and the 24 new starts on 21 April 2008. The balance of funding required will be supported by diverting mainstream budgets until funding decisions can be made regarding the Fairer Scotland Budget.

Workforce Plus (New Futures Funding)

- 3.16 The Falkirk Council area is not eligible for the main Scottish Government Work Force Plus Funding; however, in 2007/08 we received £49,000 New Futures Funding. The funding comes to an end on 31 March 2008.
- 3.17 This fund supports employability initiatives which focuses on 'hardest to reach' individuals who are the furthest from the labour market and who have multiple barriers which would prevent them from moving in to employment. Examples include people who are homeless, have learning difficulties or are substance misusers.
- 3.18 Within the Falkirk Council area, the New Futures Fund supports the Salvation Army deliver the 'Rise Higher' Initiative which delivers a range of employability programmes from its Maddiston premises. As well as general running costs, the funding supports the employment of a full time worker and 2 part time workers.
- 3.19 Recognising the vulnerability of the clients currently supported through the New Futures Fund, the Council is working with the Salvation Army to secure funding for this project.

Community Voices Fund

- 3.20 The Community Voices Fund allocation to the Falkirk Community Planning Partnership has been allocated £53,000 in this current financial year and provides grant support to community organisations. Grants are focused on building the voice of the community and, in particular, on enabling communities to influence regeneration activity in their area. All grants are made as a single payment and are usually less than £5000.

- 3.21 There are no significant implications of discontinuing this fund for the first quarter of 2008-09, as there are neither any projects with continuing funding, nor any projects employing staff.

Changing Children's Services Fund (CCSF)

- 3.22 The current ring-fenced CCSF grant from the Scottish Government is £812,000 and together with £938,000 from the GAE, funds a broad range of initiatives which support vulnerable children and their families. These initiatives are all tied into the Integrated Children's Services Plan (ICSP) Improvement Plans and will be tied into outcomes for the revised ICSP for 2008.
- 3.23 In 2008-2011, £133,115 of the CCSF grant allocation has been absorbed in to the new Fairer Scotland Fund with the balance being included in the GAE.
- 3.24 Members will be aware that there has been a great deal of work undertaken around service re-design and the Children's Commission has agreed that all current temporary posts funded through the CCSF, linked to ILC's and the development of locality model will be extended to 31 December 2008. This is to allow the pilot of the Denny and St Mungo's locality teams to progress and then make informed decisions regarding which posts should become permanent based on the evaluation of the pilots.

4. CONCLUSION

- 4.1 Members are asked to approve the continuation of funding for the projects noted in table A of the report amounting to £212,698. This will be taken from the new fund allocation thus leaving £1.486m for new initiatives in 2008/2009. As guidance has only recently been issued on the new fund it is proposed that priorities for this and therefore subsequent spend be the subject of future reports to Policy and Resources Committee.

5. RECOMMENDATIONS

It is recommended that Members:

- 5.1 **Note the detail of the Scottish Government's Fairer Scotland Fund and the principles of the fund;**
- 5.2 **Request that proposals for the allocation of the Fairer Scotland Fund be brought back to this Committee;**
- 5.3 **Note the transition arrangements and implications of the existing funds which have been absorbed into the new Fairer Scotland Fund; and**
- 5.4 **Approve the allocation of additional funding to projects currently supported through the Community Regeneration Fund, amounting to c£212,698, to the projects set out in paragraph 3.10.**

Shad Ritchie

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Date: 23 January 2008
Ref: ABH0308AH
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LIST OF BACKGROUND PAPERS

1. Committee Report – Regeneration Outcome Agreement, Policy and Resources Committee 5th April 2005
2. Committee Report – Regeneration Outcome Agreement, Policy and Resources Committee 16th August 2005
3. Falkirk Community Planning Partnership's Regeneration Outcome Agreement 2005-2008
4. Falkirk Community Planning Partnership's Community Regeneration Fund Annual Report 2005/2006
5. Falkirk Community Planning Partnership's Community Regeneration Fund Annual Report 2006/2007
6. Falkirk Community Planning Partnership's Community Regeneration Fund Project updates.
7. Integrated Children's Service Plan 2005 – 2008
8. More Choices More Changes, Scottish Executive, June 2006
9. Workforce Plus (an Employability Framework for Scotland), Scottish Executive, June 2006
10. Skills for Scotland, Scottish Government, September 2007
11. Economic Development Strategy, Scottish Government, November 2007

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506028 and ask for Andy Hamilton.

APPENDIX 1

Data Zones Within the Falkirk Council area within the worst 15% Scottish Index of Multiple Deprivation (SIMD) 2006.

The 2006 Scottish Index of Multiple Deprivation (SIMD) identified 19 data zones (out of 197) in Falkirk which fell within the worst 15% overall in Scotland.

Datazone No	Datazone name		CPP Priority Area
S01002520	Langlees	Seaforth Road	Dawson
S01002519	Dawson	Carronside Street	Dawson
S02002429	Falkirk	Callendar Park flats	High Flats
S01002483	Grangemouth	Kingseat/Craigleith	Grangemouth
S01002529	Dawson	Haugh Street/Cobblebrae	Dawson
S01002543	Denny	Bridge Crescent	Denny
S01002414	Westquarter	Langton Rd/Westquarter Ave	Westquarter
S01002536	Langlees	Lomond Drive	Dawson
S01002460	Camelon	Carmuir Avenue west	Camelon
S01002444	Camelon	Carmuir Avenue east	Camelon
S01002472	Grangemouth	Torwood Avenue	Grangemouth
S01002459	Falkirk	Thornhill Road South	Thornhill Road
S01002482	Grangemouth	Avonbank Avenue	Grangemouth
S01002382	Maddiston	Windsor Cres/Simpson Drive	Maddiston
S01002488	Camelon	North	Camelon
S01002502	Bo'ness	Deanfield Drive/Road	Bo'ness
S01002540	Denny	Church Walk	Denny
S01002458	Falkirk	The Bog North	
S01002403	Hallglen	Central	Hallglen