COMMUNITY FUND 2018-19
WDA/01/18

Recommendation

That: Members

1. Approve the allocation of funding in line with Option 2 (Multi Authority Area Scheme) as detailed at paragraph 3.8 of this report; and

2. Delegate powers of the Authority to the Chief Executive, in consultation with the Chairperson, to approve projects subject to the Community Fund being allocated in line with the agreed funding allocation method.

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Community Fund 2018-19
WDA/01/18

Report of the Chief Executive

1. Purpose of the Report

1.1 Members are asked to consider the Community Fund 2018-19 allocation options set out at paragraph 3 and agree Option 2 (Multi Authority Area Scheme) as recommended, for approval of the projects to receive awards for funding.

1.2 To confirm Members agreement to delegate powers of the Authority to the Chief Executive, in consultation with the Chairperson, to approve final projects to receive funding.

2. Background

2.1 The Authority approved the Community Fund policy framework and changes to the annual scheme in February 2015 (Report WDA 03/15). This introduced the two stage streamlined application process that has operated successfully for three years.

2.2 All 10 projects funded in 2016-17 were successfully delivered and overall outputs are summarised below:

- **1,345** tonnes diverted from landfill;
- **1,180** tonnes reduction in CO2e emissions;
- **23** full time equivalent jobs created or safeguarded;
- **£134,500** financial savings in city region landfill costs (based on circa £100 per tonne combined landfill tax and indicative gate fees)
- **25,970** individuals were directly engaged in the projects;
- **151,965** people were reached through engagement with families, community groups, schools, businesses and wider social media;
- **136** volunteers participated in the projects contributing **23,374** voluntary hours;
- **9** waste education visits were made to the Veolia Recycling Discovery Centres by Community Fund projects

These projects have continued to deliver benefits beyond 2016-17 through their legacy and ongoing impact on behavioural change and in many cases through new or continuing activities.

Merseyside Waste Disposal Authority
2nd February 2018

2.3 These outputs demonstrate the major social benefits and positive sustainability impacts of the Fund on the Authority, local communities and for the City Region: Highlights of 2016-17 included:

- 17 new Mersey Waste Muncher cookery clubs were established targeting young adults and students between 16-25 to learn skills, improve diet, reduce food waste and make financial savings;

- Support to HoneyRose Foundation and Halton Play Council charities to raise funds for their causes through increasing re-use and recycling of household items and access to a toy library;

- Centre 63 promoted cycle activities including Bike Loans, Earn a Bike Scheme, Learn to Ride programmes, recycling crafts and maintenance workshops. Helped increase skills and improve physical health for participants;

- Neighbourhood Services developed its programme of using waste wood at Home Farm and providing therapeutic employment in recycling activities for adults with learning difficulties.

2.4 In the 2017-18 scheme, fifty stage 1 Expressions of Interest (EOI) were received and the Fund was significantly over subscribed.

2.5 Projects were allocated between regional and district level with a maximum award of £25,000 per regional proposal and £8,000 per district proposal.

2.6 12 projects were supported in 2017-18 to the value of £114,813 with 3 regional projects worth £58,408 and 9 district projects worth £56,405. The projects supported will be completed by the end of March 2018 and outcomes will be reported to Members at the first Authority meeting in 2019.

3. Community Fund Allocation Options for 2018-19

3.1 The Community Fund has demonstrated over a number of years the range of initiatives which can benefit individuals and local communities by the funding investment from the Authority. Although the priority objective is to reduce waste, these benefits also go beyond the impacts of managing waste. In line with the policy framework, Members are asked to consider the options for the size and apportionment of the fund. The overall Fund budget total of £115,000 includes Veolia's contribution of £15,000.

3.2   Projects taken forward will focus on the Authority's core values to manage waste more sustainably further up with waste hierarchy (on waste prevention, re-use and recycling).

3.3   The two stage application process will continue and the Fund policy framework remains unchanged. The first stage EOI has been simplified but four priority household waste materials have been identified which will be included in all options proposed:

- **Food;**

- **all types of plastics;**

- **Textiles; and**

- **Furniture.**

These materials were identified in the Authority's composition analysis (2016) as key materials being thrown away by residents in their kerbside collections and at HWRCs which could be reduced, re-used or recycled. Food and plastics frequently increase contamination of recyclates; textiles and furniture often still have a re-use and recycling value and should not be thrown away. Over 100,000 tonnes of edible food is thrown away in the region each year whilst provision of food banks continues to increase. All these materials also provide a carbon reduction benefit. Under the suggested schemes, bids must include one or more of the four priority materials to be eligible for funding but projects can also include other household waste materials e.g. paper, card, metals.

3.4   Applicants will also be asked to identify where their projects could support wider environmental impacts and health. Environmental benefits could be through collection of recycling materials as part of clean up campaigns in neighbourhood grot spots, developing green spaces and removing materials that pollute land or water. The health benefits could be obtained by linking skills training in areas like cooking and sewing to help improve mental health; re-use, repair and maintenance activities could benefit physical health and food waste projects could link to healthy eating, growing food and reducing food poverty.

3.5   Projects will be scored against these factors at EOI stage. Those with the highest score will be invited to submitted full project plans in line with Stage 2 of the application process.

3.6   Reducing waste arisings and increasing tonnages and quality of recyclates may have a marginal benefit on the costs incurred by the Authority as more materials are prevented from entering the waste system so the cost of disposal is reduced.

3.7   A key objective of the Fund is to identify good ideas and good practice which have the potential to be tested and replicated in other communities and districts or opportunity to scale up to maximise positive impact across the region.

3.8   Two options are presented for allocation of funding:

Option 1: Status Quo

As in previous years, this option proposes 48% of the Fund (£55,200) be awarded at individual district level up to a maximum of £8,000 for projects per district. The remaining 52% of the Fund (£59,800) will be awarded to City Region wide projects with a maximum award of £25,000 per project. Any underspend of the regional pot will be reallocated to district level projects and vice versa if necessary. Any remaining funding would be allocated to communications for projects.

Option 2: Multi Authority Area Scheme (Recommended)

This option proposes a slight amendment to the share of the allocation in Option 1 with individual district level awards up to a maximum of £5,000 for projects (26% of the Fund £30,000). The remaining 74% (£85,000) will be awarded to projects which must cover 2 or more districts in the region and grants will be between a minimum of £5,000 and £25,000 maximum. This will allow for a greater number of projects to be supported that cover multi authority areas.

The changes proposed in Option 2 provide greater flexibility, benefit more varied and geographical communities and can target where there is need. Ultimately the aim is to support good projects delivering clear outputs/outcomes. Generally the focus of funded projects would be to test impact on local communities and whether similar projects could benefit other communities or scaled up to benefit more districts or the whole region. The reallocation of any underspend will be as with Option 1.

4. Community Fund Approval Process

4.1   The Community Fund timetable has by necessity been put back to February to be launched subject to budget approval. It is proposed that the

Chief Executive consults all Members on the final list of preferred schemes and that the delegated powers are granted to the Chief Executive, in consultation with the Chairperson, to then approve projects to receive final awards for funding. Final outcomes from the 2017-18 round and projects receiving funding in the 2018-19 round would be reported to the Authority at a later date.

4.2 Grants would be issued in May/early June giving projects 10 months delivery time and to submit final reports by March 2019.

5. Risk Implications

5.1

Identified Risk	Likelihood Rating	Consequence Rating	Risk Value	Mitigation
Failure to gain economic, social and environmental benefits to the community by ending the fund. In recent years the Fund has made a significant contribution to increased recycling, re-use and waste prevention, skills development and raising awareness of waste and resource issues	2	5	10	The Authority will continue to engage with local communities through other programmes commensurate with available budgets and staff resources including the Behavioural Change Programme but not to the level of local community support and benefits to householders as seen in projects delivered through the Community Fund.

Over subscription to the Fund	3	3	9	The proposals in this report may encourage more applications but the EOI document is easier to evaluate by officers and more robust in sifting out ineligible applications at an early stage. The changes to funding allocation in Option 2 may enable more projects to be supported.
The Community and Voluntary Sector is not being supported in the right way to make it easier to participate in the fund process.	2	4	8	The stream-lined 2 stage process should continue to make it easier for these community organisations to submit applications. Officers will be able to advise potential applicants during the submission period.
Projects are not awarded in every district.	2	3	6	Any regional projects supported would benefit all districts. The changes proposed in Option 2 can benefit more varied and geographical and demographic splits and can target where there is need but

				ultimately would support good projects delivering clear outputs/outcomes. Generally the focus of funded projects would be to test impact on local communities and whether similar projects could benefit other communities or scaled up to benefit more districts or the whole region.
Challenge by unsuccessful applicants for the grant	2	2	4	Members approved a policy framework and the criteria to be met. This ensures the evaluation process is equitably applied to all applications.
Under subscription to the fund	1	3	3	Promotion and communication of the Fund prevents this from happening but there has been evidence of not getting bids from some district areas in previous years which has required extension of the deadline for applications. Option 2 should help the Authority

				to manage this issue.

6. <u>HR Implications</u>

6.1   The Authority has sufficient internal resources to ensure the delivery of the projects to be funded this financial year.

7. <u>Environmental Implications</u>

7.1   Projects awarded funding will deliver against the Authority's corporate objectives. They will offer clear environmental benefits for sustainable waste and resource management by reducing, re-using and recycling more material and increasing the quality of recyclates. There is potential to encourage wider environmental benefits including reducing litter, fly-tipping and to improve environmental quality in neighbourhoods.

8. <u>Financial Implications</u>

8.1   The Community Fund proposals set out in this report will be subject to budgetary approval being given when the Authority considers the overall budget for 2018-19. If the proposal is agreed and the budget is approved, the Authority will commit £100,000 to the Fund (and a total of £115,000 including Veolia's contribution) for 2018-19.

9. <u>Legal Implications</u>

9.1   The policy and funding procedure ensures the Community Fund is in line with the Authority's Best Value and fiduciary obligations and supports the Authority's statutory duty to address the Waste Hierarchy in line with regulation 12 of the Waste (England and Wales) Regulations 2011 (as amended).

10. <u>Conclusion</u>

10.1   The options put forward for the Community Fund 2018-19 will ensure the delivery of the Authority's core values and continued support for local communities. Projects will also offer wider environmental, economic and social benefits for the Liverpool City Region.

10.2   The Fund maintains a high standard of governance and delivery of sustainable waste management projects in the Region which support the Authority's core objectives especially the higher levels of the statutory

waste hierarchy i.e. increased waste prevention, re-use and recycling and focus on four key materials: food, plastics, textiles and furniture.

10.3 The Fund programme will seek to improve how it can also demonstrate the added value of any financial contribution from the Authority to support local communities through additional environmental benefits and helping to improve health.

10.4 Option 2 (Multi Authority Area Scheme) in paragraph 3.8 is recommended to Members. The budget will be for £100,000 from the Authority plus Veolia's contribution of £15,000. This option is for an individual district level pot of funding of £30,000 with a maximum of £5,000 for projects per district. The remaining £85,000 of the Fund will be allocated for awards between £5,000 and £25,000 for projects to meet our corporate objectives across two or more districts.

10.5 Projects will provide high levels of recycling, re-use and waste prevention across four priority wastes. These will deliver best value outcomes for the Authority and local communities. Good practice demonstrated in projects can be used to test or replicate in other communities and districts or scaled up to maximise impact across the City Region.

10.6 The report seeks to continue the existing approval process granting authority to the Chief Executive, in consultation with the Chairperson, to make final payments, allowing successful applicants' further time to deliver their projects. The decisions on the policy framework and apportionment of the funding will continue to be the subject of an annual report to Members.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.