

COMMUNITY FUND 2020-21 BUDGET ALLOCATION
WDA/03/2020 REPORT

Recommendation

Members are asked to:

1. Note the success and outcomes of the 2018-19 Community Fund projects.
2. Also note the progress of the current 2019-20 Community Fund Projects.
3. Consider options for the continued allocation of funding for the Community Fund and to approve the preferred Option 2 in paragraph 3.4 , subject to the overall budget approval.
4. Continue the policy of delegating powers of the Authority to the Chief Executive, in consultation with the Chairperson, to approve projects subject to the Community Fund being apportioned in line with the agreed funding allocation method.

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COMMUNITY FUND 2020-21 ALLOCATION
WDA/03/2020

Report of the Chief Executive

1. Purpose of the Report

- 1.1 To inform members of the success and outcome of the 2018-19 Community Fund projects.
- 1.2. Members are asked to note the current 2019-20 Community Fund Projects.
- 1.3 Consider options for the continued allocation of funding for the Community Fund and to approve the preferred Option 2 in paragraph 3.4 , subject to the overall budget approval.
- 1.4 Confirm Members agreement to continue the policy of delegating powers of the Authority to the Chief Executive, in consultation with the Chairperson, to approve Community Fund projects to be awarded funding in 2020-21.

2. Background

- 2.1 The Authority approved the Community Fund policy framework and the annual scheme in February 2015 (Report WDA 03/15).
- 2.2 In 2018-19, 12 projects were funded through Community Fund and all were successfully delivered, the overall outputs are summarised below:
 - **673** tonnes of material diverted from disposal
 - **1,419** tonnes CO₂ equivalent reduction of emissions into the atmosphere
 - **26,643** individuals were directly engaged in the projects
 - **50,533** volunteers participated in the projects and **860** of these received skills training as part of their volunteering
 - **14** waste education visits were made to the Recycling Discovery Centre (RDC) by Community Fund projects engaging with **125** people
- 2.3 These outputs also demonstrate social benefits and positive sustainability impacts for the Authority, for local communities and for the City Region. In terms of 'Social Value', the impact of the funding that was achieved through the 2018-19 projects has been significant. We have measured this value

using metrics, shown in the table below, which are based on; the average cost of waste diversion, on the DEFRA metric for carbon reduction and on proportions of the national minimum wage. This is to determine the level of investment that would otherwise have been needed to be financed to achieve these impacts. This shows an indication of the equivalent 'added monetary value' achieved by the Community Fund.

	Output	Metric, based upon (Based on DEFRA's England Carbon Metric Report 2011/12)		Added Value
Tonnage Diversion	673	£100.00/Te	The average cost of the disposal of waste at £100 per tonne	£67,300
Carbon saving	1,419	£12.76/Te	Carbon reduction equivalent of waste disposal tonnage, at £12.76 per tonne using DEFRA metric	£18,106
Engagement	26,643	£2.05/person	An average 15 minute engagement/ discussion with a person and this time equating to 15 minutes of the hourly minimum wage rate of £8.21.	£54,618
Training	860	£54.32/person	Based on ~ 7hours/pp of vocational training equating to the hourly rate for the minimum wage £8.21	£46,715
Volunteer Hours	50,533	£8.21/Vol Hr	At £8.21 per volunteer hour, being the hourly rate for the minimum wage.	£414,876
Media coverage			Based on paid media equivalent	£7,974
Total				£609,589

2.4 This 'value' can also be considered in terms of return on investment. The Community Fund budget of £115,000 achieved an added value, return on investment (R.O.I) of 1: 5, i.e. for every one pound of investment the funding realised five pounds in equivalent value.

2.5 2018-19 projects have continued to deliver benefits beyond the project year, through their legacy and ongoing impact on behavioural change, and in many cases through new or continuing activities.

2019-20 Community Fund Project

- 2.6 In this current Community Fund year 48 applications were received. As in previous years, the fund was significantly over subscribed. The cost to support all of the projects submitted would have required a budget spend of £326,543 i.e. 3 times the available £115,000 budget.
- 2.7 The projects taken forward in 2019-20 concentrate on the Authority's core values to manage waste sustainably within the waste hierarchy (waste prevention, re-use and recycling) and focus on the four priority materials which are: Food, All types of Plastics, Textiles and Furniture. The priority materials were identified in the Authority's waste composition analysis (2016) as materials found in the residual bin, i.e. residents' kerbside collections and at HWRCs, which could be reduced, re-used or recycled. The continued targeting of these materials also provides a reduction in Carbon (CO₂) equivalent reduction in emissions, Members might note that for the 2018-19 projects this equated to 1,419 Tonnes CO₂ equivalent reduction in emissions.
- 2.8 In 2019-20 projects were allocated between regional and district level with a maximum award of £25,000 for a regional application and a maximum of £8,000 for a district proposal.
- 2.9 11 projects to the value of £113,614 received funding in 2019-20; that is two Regional projects funded with £44,700 and 9 District projects with £68,914;

Project Name	Organisation	Area	Funding
Lets Get Saving in Merseyside	British Dietetic Association	Regional	£25,000.00
Recycling Specialist	Community Integrated Care	Regional	£19,700.00
Amazing Rugs	Bulky Bobs	Liverpool	£8,000.00
Recycling for Craft Groups	Halton Play Council	Halton	£5,764.00
Eat Well Waste Less	Feelgood Factory	Sefton	£7,745.00
Recycle Plus	Emmaus Merseyside	Sefton	£8,000.00
ReStore St Helens	Changing Communities CIC	St Helens	£8,000.00
Material Matters	Sefton Council for Voluntary Service	Sefton	£7,580.50
Remake Yourself Hub	Centre 63	Knowsley	£8,000.00
Green up Northwood	Faiths4change	Knowsley	£7,937.50
Wirral Furniture Reuse	Wirral Environmental Network	Wirral	£7,887.00
			£113,614.00

See Appendix 1 for a detailed summary of these projects and the agreed outputs they aim to deliver.

- 2.10 These 2019-20 projects will be completed by the end of March 2019. Final outcomes from the projects will be reported to the Authority in 2020/21.

3. Community Fund Allocation for 2020-21

- 3.1 The Community Fund has demonstrated over many years a wide range of benefits for both the Authority, through activities that deal with waste sustainably within the waste hierarchy, and for the Community and Voluntary Sector across the region.
- 3.2 The Community Fund also supports MRWA's Corporate Plan 2020-21 "To ensure that we reduce the impact of our actions on climate change and improve the sustainable management of waste and resources."
- 3.3 A key objective of the Fund is to identify innovation, good ideas and best practice, which have the potential to be tested and replicated in other communities and districts; or which give opportunity to scale up to give positive impact across the region.
- 3.4 Subject to final approval of the Authority's overall budget for 2020-21, Members are asked to consider funding options to further maximise benefits from the Community Fund programme in 2020-21.

Option 1- Funding remains at 2019-20 level

The budget remains at the current level of £100,000 with a contribution from Veolia ES of £15,000, to keep the funding pot of £115,000. This will be split between regional and district projects with the current maximum award of £25,000 for a regional project and a maximum of £8,000 for a district project maintained. This allocation usually achieves between six – eleven projects to be funded by the Authority for the year.

Option 2 – Increase the funding with amended District/Regional Split (Recommended)

The Community Fund has demonstrated success over a number of years and going forward will make a major contribution towards supporting solutions to the Authority's Climate Emergency, declared in 2019. Members are asked to consider increasing the Community Fund budget by £50,000 from £100,000 to £150,000, with the contribution from Veolia ES of £15,000,

to give a funding pot of £165,000. This option seeks to increase the award for regional projects; i.e. those which cover at least three district areas, to a maximum of £30,000 per project. This would give the potential for two to four larger scale projects that could achieve greater impact across the region. The remaining funding would support district projects to a maximum of £8,000. This allocation could achieve between ten – fifteen projects being funded by the Authority for the year.

- 3.5 For both Options above, any underspend of the regional pot will be reallocated to district level projects and vice versa if necessary.

4 Community Fund Approval Process

- 4.1 Subject to the approval of the Authority's overall budget, the Community Fund Policy Framework and the assessment process for awarding funding for 2020-21 remains unchanged. See Appendix 2 for the draft application guidance.
- 4.2 Projects will again address one or more of the four priority household waste materials: Food, Furniture, Textiles and all types of Plastics, to be eligible for funding. Projects may also, in addition to the priority materials, include other household waste materials e.g. paper, card, metals. Priority materials must form the majority of the project outputs.
- 4.3 In line with the available funding, and ensuring there is at least one project per District, projects with the highest score at evaluation will be offered funding.
- 4.4 It is proposed that the Chief Executive continues the existing policy of consulting all Members on the final list of preferred schemes and the use of delegated powers, in consultation with the Chairperson, to then approve projects to receive funding in 2020-21. Final outcomes from the 2019-20 round and those projects receiving funding in 2020-21, subject to budget approval, will be reported to the Authority at a later date.
- 4.5 If approved, 2020-21 community funding will be launched in February 2020 and, after the assessment process is complete, funding offers issued during May to give Community Organisations 10 months in which to deliver and complete projects.
- 4.6 In terms of monitoring performance and the impacts of the 2020-21 projects, Community Organisations will be required to provide regular information on

the agreed project key outputs, and evidence of the social value impacts achieved during the delivery of projects.

5 Risk Implications

5.1 The following risks have been identified:

Identified Risk	Likelihood Rating	Consequence Rating	Risk Value	Mitigation
Over subscription to the Fund, the proposals in this report may encourage more applications	5	2	10	The application process is rigorous in project evaluation. After assessment the highest scoring submissions, who have demonstrated robust projects, will be offered funding
The Community and Voluntary Sector are not being supported in the right way to make it easier to participate in the funding process.	2	4	8	Officers can offer advice on the process (not project ideas or detail) if requested by applicants during the submission period. A Guidance booklet is available to accompany the application paperwork. Expressions of Interest can be submitted by Organisations, prior to a full submission, and Officers will advise if project ideas can meet the necessary criteria for evaluation.
Projects are not awarded in every district.	2	3	6	Regional projects should support and benefit all district areas, as a minimum regional projects must work in at least 3 District areas. Promotion of the funding, the application process and the supporting paperwork endeavours to attract CVS projects from across all Districts.
Projects under perform in terms of value added.	2	3	6	Continue to evaluate outputs and outcomes prior to award.
Challenge by unsuccessful applicants for the grant	2	2	4	Members have approved a policy framework and the funding criteria that must be met. This process has also been verified by audit. This ensures the evaluation process is equitably applied to all applications. Feedback will be offered to unsuccessful applicants.
Under subscription to the fund	1	3	3	Promotion and communication of the Fund will endeavour to attract CVS applications from across all Districts.

6 HR Implications

6.1 The Authority has sufficient internal staff resources to ensure the delivery of the 2020-21 Community Funding programme.

7 Legal Implications

- 7.1 The policy framework 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).

8 Environmental Implications

- 8.1 Projects that are awarded Community Fund make a major contribution towards the Authority's response to the declaration of a climate emergency, which Members declared in 2019.
- 8.2 Projects awarded funding in 2020-21 will deliver against the Authority's corporate objectives. They 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.

9 Financial Implications

- 9.1 The Community Fund proposals set out in this report will be subject to budgetary approval being given in February 2020 when the Authority considers the overall budget for 2020-21.
- 9.2 Subject to the main budget approval, and Members approval of the preferred funding option 2 in 3.4 above, the Authority will commit budget to the Community Fund for 2020-21.
- 9.3 The policy and funding procedures will ensure that the control measures proposed are commensurate to the budget and the risks associated with achieving value for money.

10 Conclusion

- 10.1 Members are asked to support the Community Fund in 2020-21 and to approve the preferred Option 2 (Increased funding with amended Regional/District Split) in paragraph 3.4 above, subject to the overall budget approval.

- 10.2 The 2020-21 Community Fund will provide and improve levels of recycling, re-use and waste prevention that will deliver core objectives and best value outcomes both for the Authority and for local communities.
- 10.3 The Community Fund will maintain a high standard of governance and delivery of sustainable waste management projects across the Region, and will make a major contribution to solutions for the Authority's declaration of a climate emergency 2019.
- 10.4 The Chief Executive will consult with all Members on the final list of preferred projects for 2020-21; after which delegated powers will continue to grant the Chief Executive, in consultation with the Chairperson of the Authority, to approve the projects to receive funding.
- 10.5 Any future decision on changes to the policy framework and apportionment of the funding will continue to be the subject of a 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

Appendix 1: List of 2019-20 Community Fund Project Outputs.
Appendix 2: 2020-21 Application Guidelines