

COMMUNITY FUND 2021-22 BUDGET ALLOCATION
WDA /19/20

Recommendation

Members are asked to:

1. Note the success and outcomes of the 2019 -20 Community Fund projects.
2. Also note the progress of the current 2020-21 Community Fund Projects.
3. Approve the allocation of funding for Community Fund in 2021-2022, 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/19/2020

Report of the Chief Executive

1. Purpose of the Report

- 1.1 To inform Members of the success and outcome of the 2019-2020 Community Fund projects.
- 1.2. Members are asked to note the current progress of the 2020-21 Community Fund Projects.
- 1.3 Members are asked to consider the allocation of funding, subject to the overall budget approval, for Community Fund in 2021-2022.
- 1.4 To confirm Members agreement that they continue the policy of delegating powers of the Authority to the Chief Executive, in consultation with the Chairperson, to approve Community Fund projects.

2. Background

- 2.1 Community Fund has operated successfully for several years and, with some small adaptations to the process based on lessons learnt, improvements continue to be made to the funding programme.
- 2.2 The Authority approved the Community Fund Policy Framework and the annual scheme in February 2015 (Report WDA 03/15).
- 2.3 Community Fund has demonstrated over past years a range of initiatives that have delivered benefits due to this funding investment of the Authority. Many Organisations continue with activities, initially set up through the funding, for the benefit of the local community.
- 2.4 Although the primary objective of the funding is to reduce waste, benefits of Community Funding in the local community go beyond the impacts of managing waste.

3. 2019-2020 Success and Outputs

- 3.1 All 11 projects funded in 2019-20 were successfully delivered. For the Organisations funded and the details of each project see Appendix 1.

3.2 The table below summarises the achievements of the 2019-20 Community Fund projects

Outputs	Target	Actual	% Achieved
Tonnes Diverted	344	324	94%
CO _{2e} equivalent reduction	259	239	93%
Direct Engagement	19,596	17,910	92%
Volunteer Hours	35,689	34,490	97%
Community Events	631	409	65%
Training Sessions	226	388	172%

3.3 These outputs also achieve other benefits and positive sustainability impacts for the Authority, for local communities, and for the City Region.

3.4 In terms of 'Added Value', the impacts achieved through the 2019-20 projects has been significant. We have measured this value using metrics, shown in the table below. These are based on; the average cost of waste diversion, on the DEFRA metric for carbon reduction, information from studies conducted by WRAP¹ and on proportions of the national minimum wage. This is to determine the level of financial investment that would otherwise have been needed to achieve these impacts. This shows an indication of the equivalent 'added value' expressed in monetary terms achieved by the Community Fund.

	Output in Tonnes	Metric, based upon		Added Value
Tonnage Diversion	324	£100 / Tonne	The average cost of the disposal of waste at £100 per tonne i.e. saving to MHWP disposal costs.	£32,400
Food Waste Prevention	228	£1,452 / Tonne	The value to householders of prevented food waste, based on WRAP Food Waste Report 2020 ² .	£418,358

¹ WRAP – The Waste Resources Action Programme - WRAP works with governments, businesses and communities to deliver practical solutions to improve resource efficiency.

² Based on information in Food Waste Surplus and Waste in the UK, Key Facts Jan 2020. £13.8BN divided by 9.5 MT = £1,452.63 value per Tonne.

Furniture reuse	87	£150 / Te	The value of 1 Tonne of furniture reuse benefits 15 families and saves £150, instead of purchase, based on WRAP case study.	£13,050
Textile	8	£180 / Te	The value of textile reuse/recycling based on the Aug 2020 rate for shop collections of £180-£300/ Tonne- The Sustainable Clothing Action Plan (SCAP).	£1,440
Carbon saving	240	£13.84 / Te	Carbon reduction equivalent of waste disposal tonnage is £13.84 per tonne based on the: Government's Green Book, Central Guidance on Appraisal and Evaluation. HM Treasury, 2018.	£3,322
Engagement	17,910	£2.05 /person	An average 15-minute engagement/ discussion with a person and this time a ratio of the hourly minimum wage rate of £8.21 in 2019.	£36,716
Training	388	£54.32/person	Based on ~ 7hours/pp of vocational training equating to the hourly rate for the minimum wage £8.21 in 2019.	£21,076
Volunteer Hours	34,490	£8.21/Vol Hr	At £8.21 per volunteer hour, being the hourly rate for the minimum wage in 2019.	£283,163
Community Events	409	£32.84	Based on half day being the hourly rate for the minimum wage in 2019. This could be more.	£13,432
Media coverage			Based on the 'paid for' media equivalent.	£25,000
Total Added Value				£847,957

3.5 This 'value' can also be considered in terms of return on investment. The Community Fund budget of £165,000 achieved an added value, return on investment (R.O.I) of 1: 7, i.e. for every one pound of investment the funding realised seven pounds in equivalent value.

3.6 Social Value.

MRWA have undertaken work to identify nationally recognised metrics to interpret social value as a monetary equivalent figure³. In 2019-20 CVS Organisations were asked, where possible, to collect information on the social value their projects realised. An end of project questionnaire was used to ask project participants social value information. Not all projects could take part in the questionnaire for various reasons. Of the eleven project five returned Social Value information.

- 3.7 £4,186,754.00 equivalent pounds was identified by five projects in terms of social value for 2019-20. The social value measured, especially in terms of employment opportunities, overall health and in confidence building, was significant. See Appendix 2 for details.

4.0 2020 -21 Community Fund Projects.

- 4.1 At the Authority Meeting 7th February 2020 (Report WDA/03/2020) Members approved an increase in the Community Fund budget for 2020-21 of £50,000, i.e. from £100,000 to £150,000. Together with the contribution from Veolia ES of £15,000, to give a total funding pot of £165,000.
- 4.2 Community Fund 2020-2021 was launched on 17th February with a submission window of four weeks and applications returned by 15th March 2020.
- 4.3 The assessment of the 2020-2021 Community Fund coincided with the very start of the lockdown period issued by Government on 23rd March 2020 to contain the Covid-19 virus. At this time, because consequences of the pandemic were unknown, the assessment process continued, and applications assessed in line with the approved scoring criteria.
- 4.4 Whilst the Authorities approach to the Community Fund 2020-21 programme remained as practically possible 'business as usual' it became clear that lockdown, social isolation, and containment measures would significantly impact the Community Voluntary Sectors ability to progress projects.
- 4.5 The funding assessment of the applications began on the 23rd March and was completed on 14th April. At that time all CVS applicants were consulted in order to review the situation and consider the impact of the ongoing Covid-19 measures. This was to determine if Organisations would need to cancel projects; which Organisations would need a scope or plan realignment; and

³ MRWA commissioned work with Real Worth; National work through Social Value UK and HACT

which Organisations were able to accept Community Funding and deliver projects more or less to plan, albeit with an extension of time. All applicants responded to the review.

- 4.6 At the June 2020 Authority meeting Members approved the Urgent Decision (WDA/10/20) taken by the Chief Executive, in consultation with the Chairperson. The decision allowed the Community Fund 2020-2021 to progress. This enabled support for the recommended projects, and also incorporated the outcome of the review, and address the risks to the programme due to the Covid-19 pandemic.
- 4.7 Members agreed that the 2020-21 project delivery period is now extended by 3 months until June 2021. Members also agreed that, to minimise the risk of financial default, awards are made by interim stage payments, paid in advance, that are dependent upon the successful progress of the project.
- 4.8 In 2020-21, 34 applications were received and as in previous years, the fund was oversubscribed. The cost to support all the projects submitted would have required a budget spend of £448,329 i.e. 3 times the available £165,000 budget.
- 4.9 The projects taken forward in 2020-2021 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 continued targeting of these materials also provides Carbon (CO₂) equivalent reduction in emissions.
- 4.10 In 2020-21 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.
- 4.11 Initially 16 projects, to the value of £159,823.25, were offered funding. Unfortunately, due to covid-19, one Organisation could not deliver their project and declined the funding at the offer stage. 15 projects will receive funding of £151,854; that is 4 Regional projects funded with £78,238.25 and 9 District projects with £73,616. See Appendix 3 for a summary of the 2020-21 funded projects and the outputs they are aiming to deliver.
- 4.12 The funding to Organisations was delayed until after the first lockdown period and stage 1 awards made in July 2020. The 2020-21 project delivery period has been extended by 3 months until June 2021.

- 4.13 As might be expected, Covid-19 measures continue to effect progress of some projects. Most Organisations are developing and delivering their projects well in these exceptional times, many adapting delivery methods e.g. hosting training sessions digitally. Organisations have expressed thanks to the Authority for continued support, especially during this pandemic. All Organisations are aiming to use best endeavours to complete projects.
- 4.14 By the end of October 2020, 12 Organisations have made sufficient progress to receive the stage 2 payment; 2 Organisations have a slight delay, but progress is expected between November and January so the stage 2 payment can be made. Only one project has not made sufficient progress, mainly due to the project lead leaving, and their stage 2 payment will be reviewed in January.
- 4.15 With the continuing Covid-19 situation and the now Tier 3 measures, it should be assumed delays will be inevitable. It is hoped that the 2020-21 projects will be completed by the end of June 2021. The overall final outcomes for the 2020-21 projects will be reported to the Authority in 2021/22.
- 4.16 At the 7th February 2020 Authority Meeting, Members asked the Chief Executive to host a celebration event to showcase and highlight the success of Community Funded projects. During early 2020 an event programme was in development. Unfortunately, due to the Covid-19 outbreak, progress on the event has been delayed. At an appropriate time, when a celebration can be held Covid safely, the event will be progressed.

5. Community Fund Allocation for 2021-2022

- 5.1 At the 7th February 2020 Authority Meeting (WDA /03/2020) Members approved an increase to the Community Fund budget to £150,000, with the contribution from Veolia ES of £15,000, to give a total funding pot for 2020-2021 of £165,000.
- 5.2 The Community Fund has demonstrated 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.

- 5.3 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."
- 5.4 A key objective of the Community 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 greater impact across the region.

6 Community Fund Approval Process

- 6.1 Subject to, the approval of the Authority's overall budget, the Community Fund Policy Framework, and the assessment criteria for awarding funding the Community Fund process for 2021-22 will incorporate the payment of funding in stages. The application and guidance documents will be available to Members prior to the launch of the funding.
- 6.2 Members should note that between April and June 2021 two years of Community Funded projects will be active. From April to June the 2020-2021 projects will be in the final quarter, and the 2021-2022 projects will start their first quarter.
- 6.3 2021-2022 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.
- 6.4 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.
- 6.5 If approved, 2021-22 Community Funding will be launched in February 2021 and, after the assessment process is complete, funding offers issued late March. Projects will commence in early April to give Community Organisations almost 12 months in which to deliver and complete projects. Members should be aware that there could be changes to the programme dates dependent upon any necessary response to the Covid-19 measures.
- 6.6 It is proposed that the Chief Executive continues with the policy of consulting all Members on the final list of preferred schemes and the use of delegated powers, in consultation with the Chairperson, to approve projects to receive funding in 2021- 22.

6.7 For the 2021-2022 Community Fund programme the grants will again be paid in stage payments, with monies being paid in advance, and each subsequent stage will be dependent on successful progress of the project.

6.8 In terms of monitoring performance and the impacts of the 2021-2022 projects, Community Organisations will be required to provide regular information on the agreed project key outputs, monetary spend and evidence of the social value impacts achieved during the delivery of projects.

6.9 The final outcomes for those receiving funding in 2021-2022, subject to budget approval, will be reported to the Authority at a later date.

7 Risk Implications

7.1 The following risks have been identified for the 2021-2022 Community Fund Programme; these include risk associated with the continuing pandemic:

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 a regional project 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 / post 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	2	2	4	Promotion and communication of the Fund will endeavour to attract CVS applications from across all Districts.
COVID-19 Risks				
lockdown continues into 2021	4	3	12	Applicants are continuing with preparation /adjustments for project delivery during lockdown. Applicants have revised timescales for delivery to later in year wherever possible.
Resurgence due to measures ending too soon	4	3	12	Project delivery will maintain regular handwashing and PPE provision, sanitiser, gloves & masks available and will comply with social distancing measures in

				accordance with Public Health England and Government guidelines.
Project Lead and/or Volunteers, facilitators become unwell / die from virus	4	3	12	Could stop or significantly delay project until replacement can be in place (if possible). Most applicants indicate that teams will deliver projects and others would cover absences.
Virus resurgence	4	4	16	Measures can be put into place quickly to stem the effects of resurgence of virus. Advice will be guided by Public Health England and Government guidelines. Review project progress at such time and explore alternative delivery mechanisms e.g. digital platforms.
Projects don't complete by March 2022	4	4	16	Where possible projects revise timetable to make up time aiming to complete as close to March 2022 as possible.
Projects accept funding but projects don't go ahead or significantly complete	3	3	9	Funding released in interim payments with next stages dependent on progress completion to revised plan. There is an improved service level agreement. If it becomes necessary a % of funding could be retained/clawed back, determined by amount of progress achieved.
Difficulties in Projects attracting Volunteers	3	3	9	Additional support for volunteers (telephone, zoom, mental health resilience, etc) and Volunteers are keen to go on as normal as soon as safely possible. CVS intend to use multiple communication methods to attract existing Volunteers back and recruit new Volunteers.
Projects that depend heavily on movement / travel, will be affected	3	4	12	CVS will use communication methods and digital software (e.g. zoom, Microsoft Team Meetings) to hold online workshops, training, events etc. Many CVS are experienced in being creative with small resources.
Authority suffers loss of reputation if funding is suspended or withdrawn	3	3	9	There could be negative media if funding is /suspended withdrawn. CVS /Volunteers have been providing support (e.g. food banks, food / medical deliveries etc) during the pandemic. Suspending funding could damage the Authorities reputation. There is risk that suspending funding will negatively impact on any future uptake of Community Funding. There is a risk that other behavioural change initiatives (circular economy club, reuse network) could lose future support from CVS and SMEs.

8 HR Implications

8.1 The Authority has sufficient internal staff resources to ensure the delivery of the 2021-2022 Community Funding programme.

9 Legal Implications

9.1 The policy framework and funding procedure, including those adaptations for covid-19 measures, 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 Environmental Implications

- 10.1 Projects that are awarded Community Fund make an important contribution towards the Authority's response to the declaration of a climate emergency, which Members declared in 2019.
- 10.2 Projects awarded funding in 2021-22 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.

11 Financial Implications

- 11.1 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 2021-22.
- 11.2 Subject to the main budget approval, the Authority is asked to agree a £150,00 budget, together with Veolia £15,000 contribution, to give a Community Funding pot of £165,00 for 2021-22.
- 11.3 To minimise the risk of financial default, awards will be made by interim stage payments, paid in advance, and released dependent upon the successful progress of the project.
- 11.4 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.

12 Conclusion

- 12.1 Members are asked to note the success and outcome of the 2019-2020 Community Fund projects.
- 12.2 Members are also asked to note the current progress of the 2020-21 Community Fund Projects, in light of the ongoing Covid-19 pandemic.
- 12.3 Members are asked to approve the Community Fund programme in 2021-2022, subject to the overall budget approval. This will be a budget

commitment of £150,000, with funding awarded in stage payments that are dependent on successful progress of projects.

- 12.4 The 2021-22 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.
- 12.5 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 behavioural change programme and to the declaration of a climate emergency 2019.
- 12.6 The Chief Executive will consult with all Members on the final list of preferred projects for 2021-22; after which delegated powers will continue to grant the Chief Executive, in consultation with the Chairperson of the Authority, approval of the projects that will receive funding.
- 12.7 The final outcomes for projects funded in 2021-2022 will be reported to the Authority at a later date.
- 12.8 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