

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1 st July 2014
Report of:	Peter Bates, Chief Operating Officer Steph Cordon, Head of Communities
Subject/Title:	Cheshire East Putting Residents First Fund
Portfolio Holder:	The Leader of the Council

1.0 Report Summary

- 1.1 With the creation of community hubs we recognise the need to provide one-off funding to support generic community hubs. Cheshire East Council see community hubs as being the way we integrate a modern health service with localism and the provision of resident first services.
- 1.2 This is very much in line with our residents first approach and will enable our local communities the opportunity to deliver activities where they are most needed. As a Council we will encourage those activities that focus on early intervention and prevention.

2.0 Recommendations

- 2.1 That Cabinet agree to the
- i) establishment of a Putting Residents First Fund which will have some flexibility over revenue and capital provision;
 - ii) purpose and criteria of the fund as set out in Section 11 of the report; and
 - iii) delegation of the decision making to the Leader and all decisions to be made in consultation with the relevant Cabinet Member and any comments arising from the consultation to be included in a six-monthly report to Cabinet.

3.0 Reasons for Recommendations

- 3.1 To enable the Council to explore alternative service delivery mechanisms at no further cost to the Council.
- 3.2 Provide support to generic community hubs.
- 3.3 To further advance the delivery of stronger community priorities determined by the Council.

4 Wards Affected

4.1 All

5 Local Ward Members

- 5.1 Local Ward Members will be encouraged to express their views about need in their respective communities.

6.0 Policy Implications

- 6.1 The establishment and commissioning of this fund will enable the Council to flexibly commission the voluntary, community and faith sector to deliver against its key outcomes.

7.0 Implications for Rural Communities

- 7.1 All proposals will be considered for their impact on rural communities.

8.0 Financial Implications

- 8.1 This will support the development and delivery of services at no further cost to the Council.

9.0 Legal Implications

- 9.1 There are no legal issues preventing the establishment of this fund. However, it needs to be carefully managed to ensure that no issues arise at the time that grants are made.
- 9.2 Two of the stated aims of this fund are to enable the council to explore alternative service delivery mechanisms at no further costs to the council and to further advance the delivery of stronger communities priorities. In delivering these objectives, care must be taken to ensure that when funding is provided it is truly a grant. Any attempt to monitor output or apply terms and conditions could, dependent on the value, inadvertently create a service contract that may breach public procurement rules.
- 9.3 There is a small risk that State Aid could apply to the grants being made. However, it is understood that the grants are likely to be relatively small amounts and therefore are in themselves unlikely to meet the threshold of 200,000 euros at which State Aid applies. Assistance under this threshold is viewed as 'de minimis' as it is unlikely to distort competition. However, all 'de minimis' payments over the previous three years must be taken into account when deciding if the threshold has been crossed. It is therefore important that when a grant is awarded the recipient is made aware that the funding qualifies as de minimis aid and that the Council checks that the recipient has not received similar aid which over the previous three year period would cumulatively cross the threshold for State Aid.

10.0 Risk Management

- 10.1 There is minimal risk associated with the introduction of this fund. It is most likely that it could be seen as a competitive bidding process and this will be actively discouraged. It could be considered an opportunity to improve the reputation of the Council by taking positive action to promote and support stronger communities.

11.0 Background and Options

- 11.1 The fund will be used as a flexible resource to support stronger communities and to provide local facilities and services at no further cost to the Council. It will not be a competitive bidding process and use will be determined by the Leader in consultation with the relevant Cabinet Member whose portfolio would be affected.
- 11.2 There will be no application process and activities/facilities will be commissioned according to need in communities and contribution towards Council outcomes. This is a separate fund to community grants which are small levels of grant to activities and is a bidding process. Smaller scale activities which meet the criteria for community grants will continue to be signposted to that process.
- 11.3 A key priority of the fund will be that it will contribute towards the enablement of organisations in the voluntary, community and faith sector to provide services that are valuable to communities and local people that the Council can initially invest in to save money long term.
- 11.4 The alternative to this is that there is no fund put into place and this would mean more limited development of priorities and alternative methods of delivery and potentially prevent new ideas being explored.
- 11.5 The following sets out the principles of the fund.
- (a) Fund is non-recurrent revenue and capital funding
 - (b) Fund is source of one off funding for schemes that will principally allow the Council to advance its priority of creating stronger communities and achievement of key outcomes:
 - Our local communities are strong and supportive
 - Cheshire East has a strong and resilient economy
 - People have the life skills and education they need to thrive
 - Cheshire East is a green and sustainable place
 - People live well and for longer
 - (c) There is no bidding process for the funds, the Leader will determine its use against the criteria and priorities for the fund working with other Cabinet Member portfolio holders.

- (d) The funds can be granted to groups or organisations who show that their proposals will help achieve the Council's outcomes and budgetary requirements and by providing services in a more cost effective and sustainable way.
- (e) Proposals to be forwarded to Head of Communities.
- (f) Decisions on approval or rejection of use of the fund are delegated to the Leader in consultation with any Cabinet Member affected. There will most likely be cross over in terms of ideas coming forward and there may be times when more than one Cabinet Member will be involved.

11.6 Cabinet are asked to agree the following criteria:

- (a) Organisations developing proposals with the Council will be in the main voluntary, community and faith sector. However, social enterprises, mutuals and Town and Parish Councils may also be considered. (Other organisations may work with the Council on developing ideas, but it is expected that there will be a cash injection in exceptional circumstances).
- (b) Provision of match funding to the proposal of at least 30% including volunteer time.
- (c) Extent that they can demonstrate that this may generate efficiency savings within the Council and build stronger communities to carry on these services at no further cost to the Council.
- (d) Innovation in approach and commitment to early intervention and prevention.
- (e) Organisational ability to deliver the proposal past idea stage and make it sustainable.
- (f) Compatibility with key Council outcomes and needs of communities.
- (g) Level of focus on areas contributing towards the key outcomes and needs of communities.
- (h) Funding development of new proposals will be short term in nature usually as this is a one off resource.
- (i) Progress against the Council's key outcomes is provided on a six monthly basis for two years after scheme completion to enable full benefits to be realised and reported to Cabinet.

12.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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