Leeds CITY COUNCIL

Governance Services
Civic Hall
Leeds LS1 1UR

Contact: Andrew Booth
Tel: (0113) 247 4325
Fax: (0113) 3951599
Email: andy.booth@leeds.gov.uk
Our Ref:
Your Ref:

8 March 2013

To Members of the Scrutiny Board (Safer and Stronger Communities)

Dear Councillor

SCRUTINY BOARD (SAFER AND STRONGER COMMUNITIES) – 11 MARCH 2013

Further to the publication and despatch of the Scrutiny Board (Safer and Stronger Communities) agenda papers for the meeting on 11th March 2013, please find enclosed the following late report:

- Agenda Item 9 – Community First Programme

I would be very grateful if you could include the enclosed information with your agenda pack and bring it along to the meeting.

Yours sincerely

Andy Booth
Governance Officer

This page is intentionally left blank

Leeds CITY COUNCIL

Report author: A Brogden
Tel: 24 74553

Report of the Head of Scrutiny and Member Development

Report to Scrutiny Board (Safer and Stronger Communities)

Date: 11th March 2013

Subject: Community First Programme.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	☐ Yes	☒ No
Are there implications for equality and diversity and cohesion and integration?	☒ Yes	☐ No
Is the decision eligible for Call-In?	☐ Yes	☒ No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	☐ Yes	☒ No

Summary of main issues

1. In November 2012, a request was made by Councillor Stuart Golton for Scrutiny to review how Community First funding (Neighbourhood Match funding element) is being administered within Leeds.

2. Community First is a £30m programme funded by the Office for Civil Society on behalf of the government and delivered by the Community Development Foundation. Whilst acknowledging that the governance and accountability arrangements for the Community First programme were not the responsibility of the Council, the Scrutiny Board agreed to hold a working group meeting to discuss the issues surrounding this particular funding programme, including those raised by local Community First Panels, with a view to providing feedback to the Office for Civil Society.

3. This working group meeting took place on 22nd January 2013. Reflecting on the key issues raised during this meeting, the attached draft report summarises the Scrutiny Board's observations in relation to the Community First Programme.

Recommendations

4. Members are asked to consider and agree the attached draft report summarising the Scrutiny Board's observations in relation to the Community First Programme.

Background documents[1]

5. None.

[1] The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

This page is intentionally left blank

Safer and Stronger Communities Scrutiny Board
Community First Programme

Background

1. In November 2012, a request was made by Councillor Stuart Golton for Scrutiny to review how Community First funding (Neighbourhood Match funding element) is being administered within Leeds.

2. Community First is a £30m programme funded by the Office for Civil Society on behalf of the Government. Linked to the Big Society Agenda, its primary aim is to help communities come together through new and existing community groups; to identify their strengths and local priorities; plan for their future and become more resilient.

3. In allocating this funding, the prime objective was to identify neighbourhoods subject to significant deprivation and low social capital. A funding formula was therefore devised using indices of multiple deprivation and Jobseeker's Allowance claimant data. As a result, around 600 areas across England were deemed eligible to participate in this programme. Within Leeds, 15 ward areas were eligible and a total of £1.6 million of Community First funding had been allocated over the programme's four year period. This was the 2nd largest allocation awarded to a single local authority area.

4. The Community Development Foundation (CDF) was appointed by the government to deliver the Community First programme. In practical terms, this is through the development of a Community First Panel in each eligible ward. Panels would help raise awareness of the programme, work with communities to create a plan to effectively spend the funding, and recommend projects to receive funding from the Community Development Foundation.

5. Whilst acknowledging that the governance and accountability arrangements for the Community First programme were not the responsibility of the Council, the Scrutiny Board agreed to hold a working group meeting to discuss the issues surrounding this particular funding programme, including those raised by the Community First Panels themselves, with a view to providing feedback to the Office for Civil Society.

6. This working group meeting took place on Tuesday 22nd January 2013. All members of the Scrutiny Board were invited to attend and the following individuals also contributed to this meeting:

   - Councillor Stuart Golton
   - Anne McMaster, Partnerships, Customer Access and Performance
   - Shaid Mahmood, Area Leader, South East Leeds
   - Paul Schofield, Policy Manager/Local Intelligence - Office for Civil Society, Cabinet Office
   - Mark Law MBE, Chief Executive Officer at BARCA-Leeds.

7. Prior to this meeting, the Chief Executive of Leeds Community Foundation also agreed to approach local Community First Panels to seek their initial views on the Community First programme. The Chair made reference to the feedback received during the working group's discussion.

8. A background information pack was also circulated prior to the meeting to help provide some clarification around where this funding initiative had originated from and the expectations placed upon Community First Panels by the Community Development Foundation.

9. Reflecting on the key issues raised during this meeting, the Scrutiny Board's observations regarding the Community First programme are set out below.

The Scrutiny Board's observations regarding the Community First programme.

Acknowledging the programme's community led approach

10. Linked to the Big Society agenda, the Scrutiny Board acknowledges that the Community First programme aims to encourage people in the eligible wards to participate in relevant local decision making, promoting a sense of ownership not only of problems but of local opportunities and resources. As such, it introduces a new approach to funding projects – leveraging time, money and other resources. The programme's £30m Neighbourhood Match fund element is aimed at encouraging people in deprived communities to give their time and expertise to local projects, to raise money and help make their local area a better place to live. Only not-for-profit, third sector or community groups can apply for this funding and are required to demonstrate match-funding. Whilst this should principally be in volunteer time, it can also be donated cash, goods and services.

11. The programme's £50m Endowment Match Challenge aims to mobilise both national and local giving and philanthropy and is a way of raising money that can be used in the ward once the Community First programme has come to an end in March 2015. Community First Panels are therefore encouraged to work with their local Community Foundations to raise money, as every £2 raised for the ward is matched by £1 from the government. However, as particular attention was given to the Neighbourhood Match funding element, the Scrutiny Board is unable to comment on the extent to which this element of the programme is effectively being progressed locally.

12. The Scrutiny Board received figures from the Community Development Foundation which highlighted that a total of £335,690 of Community First funding had been allocated to organisations within Leeds up until November 2012. In terms of match-funding, it was also noted that this funding had been matched with 499,345 volunteering hours. The Scrutiny Board welcomed this additional source of funding and also supported the programme's community led approach. However, in terms of how the programme is administered both nationally and locally, a number of issues were raised by the Scrutiny Board.

The programme's reliance on the strength and goodwill of communities and the third sector.

13. As the Community First programme encourages philanthropic giving, the Scrutiny Board recognised that the success of the programme is reliant upon the strength of communities and the goodwill of the third sector.

14. Prior to any funding being awarded, each eligible ward was required to create a Community First Panel to help raise awareness of the programme and work with their local community to draw up a list of local priorities for funding. Such priorities would then develop into a formal Community First Plan for the area.

15. To be effective, the government recognised that these Community First Panels needed to be genuinely representative of the community and credible in the aim of using the funds strategically. In view of this, the Community First Panels were required to consist of a minimum of 4 people and a maximum of 8 people that lived in the ward or otherwise be an existing group/organisation based or working within the ward.

16. It was also noted that each Community First Panel is required to identify a Panel Partner. This should be an existing local registered charity or voluntary organisation. The Panel Partner is automatically made a member of the Panel, however, its primary role is to offer support and ensure that the Panel is accountable and transparent in carrying out its responsibilities.

17. As well as raising awareness, the primary role of a Community First Panel is to consider funding applications received from local community groups and organisations, using the Panel's agreed priorities as the basis for such funding. The Panel is then required to put forward a proposal to the CDF to fund what it considers to be an appropriate project. Once approved, the CDF will enter into a grant relationship with the relevant group or organisation.

18. BARCA-Leeds is a Panel Partner for two of the Community First Panels in Leeds (Armley and Bramley and Stanningley) and the Chief Executive Officer of BARCA-Leeds shared his experiences of being a Panel Partner with the Scrutiny Board.

19. It was highlighted that the level of support required by the Community First Panels can vary across different ward areas. Those Panels based within wards that already have established community groups and activists are being inundated with applications for funding, whilst others are struggling and therefore require more support to generate greater interest within their community.

20. The Scrutiny Board learned that considerable support is also required to help some organisations develop their funding applications, despite there being no additional capacity to do this. Some Community First Panels have also expressed frustrations about how intensive the administrative side of the CDF process has been, which has put some Panels under a lot of stress.

21. The Panel Partners are responsible for submitting claims to cover reasonable expenses incurred to ensure Panel members fully participate in Panel meetings.

However, it was reported that each Panel can only claim up to a maximum of 3% of the ward allocation. Whilst the Panel Partner is allowed to claim a small amount for its own expenses, this is capped at a maximum of 10% of the expenses allocation (i.e. 10% of 3% of the ward allocation). Given that expenses are deducted from the ward's Community First allocation, Panel members and Panel Partners are asked to keep these to a minimum so that as much funding as possible is allocated to funding projects in the ward. In view of this, it was emphasised again that the success of the programme is heavily reliant on the commitment and goodwill of the Panel Partners and the Panel members since the financial support available is disproportionate to the level of work required in delivering the programme effectively.

22. Despite this lack of financial support, it was highlighted that the Community First Panels have brought together local people with a wide range of experience and expertise to agree the projects. This has also given local residents a sense of value, with them being directly responsible for decision making on funding allocations in their neighbourhood. It was highlighted that some Elected Members have also been involved in the process, either by living in the area and becoming part of the Panel or by being co-opted on in an advisory capacity. However, it was also noted their level of involvement has varied across the different ward areas.

Acknowledging the supportive role of local authorities

23. Whilst there was no formal requirement for local authorities to become accountable or involved in the Community First programme, it was highlighted that there was some element of encouragement from the government for local authorities to help ensure that Community First Panels were being set up within the specific timescale. It is now acknowledged by the government that local authorities have played a crucial role in helping to establish the Community First Panels and that they continue to invest free time and advice in trying to make this programme work successfully within its communities.

24. It was reported that Leeds City Council had initially set out to support the establishment of local Community First Panels with a view to them then becoming self-sustaining. It was noted that one of the key issues raised initially was around communicating and promoting this new funding initiative. Such support was therefore provided by Area Support Teams in accordance with their wider role in brokering relationships with key partners and building up capacity within local communities.

25. This support varied between localities to ensure appropriateness, proportionality and to complement the support already in place. It was reported that in the East North East area in particular, the Neighbourhood Managers had been directly involved in the priority setting and Panel development process and worked with the community to ensure that the Community First Panel priorities reflected local needs and issues highlighted through community consultation and the neighbourhood index. It was noted that such intensive support was needed due to a lack of capacity from local organisations to take on the administrative role associated with Community First Panels and the apparent lack of financial support.

26. The Scrutiny Board noted that the Council has sought to maintain an overview of how the Community First funding is being applied. Leeds Community Foundation, working with council officers, has facilitated opportunities for Panel members to share approaches and best practices. This was effective and helped to provide an overview of programmes being supported etc. However, these are no longer taking place as Community First Panels grow in confidence and understanding of the process and thereby become more independent. It was reported that local efforts are still being made to bring Panel members together via the Leeds Community Foundation to enable opportunities to share approaches and best practices.

Limitations of a centralised on-line governance system

27. It was reported to the Scrutiny Board that the Community First programme had been regarded as a modest funding initiative by the government, with a minimum of £250 and a maximum of £2,500 being awarded to individual community groups/organisations for a period of one year. Although funding allocations exceed some Area Committee well-being funds, the Scrutiny Board noted that only a 'light touch' approach to the programme's governance arrangements was deemed necessary by the government, yet the Council's financial governance is still expected to be much more stringent.

28. It was also highlighted that the Community First programme is administered in line with the government's 'digital by default' approach, using a remote on-line system that is managed by the Community Development Foundation (CDF).

29. Prior to any funding being awarded, Community First Panels were required to register with the CDF using an on-line system. In agreeing any funding applications, the Panels are required to put forward proposals to the CDF to fund such projects, again using an on-line system.

30. Whilst the funded group or organisation is required to submit monitoring information directly to the CDF upon completion of a project, the Community First Panels are required to create a website to record and share information about the grants awarded to projects and to provide regular updates on how these projects are progressing. The CDF is expected to monitor these websites to check the frequency of updated information. Where this is not being achieved, the Panels are in danger of forfeiting future funding allocations.

31. However, in line with this governance system, the Scrutiny Board learned that there have been some difficulties linked to a lack of clarity about certain processes; a lack of flexibility with some requests; difficulty in understanding requests being made; and delays in grant payments being made.

32. Given that the Community First Panel websites are required to keep the public and Elected Members fully informed about how the funding is being administered, it was reported that the quality of these websites has been variable, with some more up to date than others. With no other formal mechanism available for obtaining such information, the Scrutiny Board recognised that the development of a more obvious connection/relationship between the Council and the Panels would enable a better understanding of where monies are being spent. It would also encourage closer

dialogue in terms of sharing ideas around how this can be maximised and publicised effectively.

33. In view of the issues raised, the Scrutiny Board concluded that there needed to be a more robust governance framework in place, acknowledging that centralised remote systems are often harder to administer successfully compared with more localised governance and delivery frameworks that can also enable stronger partnership collaboration for supporting community involvement and building up capacity.

Development of the Council's community leadership role

34. The Council's new locality working arrangements, introduced in 2011, brought about changes that were underpinned by a set of locality working design principles. Such principles relate to strong and effective governance arrangements that are responsive to the needs and aspirations of local communities. These also promote strong local leadership, with particular emphasis around engaging communities in a way that supports residents in developing local priorities, holding services to account, enabling them to do more for themselves and developing a sense of pride and belonging in their local neighbourhood.

35. In line with such principles, the Scrutiny Board recognises that a 'one size fits all' approach in terms of delivering community funding initiatives is not appropriate. If the timescales had been right and local authorities were given a more formal role in helping to develop and deliver the Community First programme, this could have led to a more tailored and balanced approach in terms of empowering community involvement and decision making within a more robust and well established quality assurance framework.

36. To demonstrate this point further, particular reference was made to another community funding programme, the Big Local. This is a £200m lottery-funded programme that also aims to give communities the leading role in making decisions about how to improve their area and tackle problems. This programme is run by Big Local Trust, which was set up by a partnership led by the Community Development Foundation. The programme targeted 150 small disadvantaged areas in England that have been overlooked for funding in the past. An area within the Kirkstall ward was targeted (Hawksworth Wood) and it was reported that the Council has been working very closely with the Big Local Trust in empowering community involvement and decision making. It was felt that such partnership working needed to be promoted more effectively to help demonstrate the added value to be gained in developing a more joined up approach with local authorities in delivering community programmes.

The need to avoid duplication and build up capacity within communities

37. The Scrutiny Board received a list of organisations in Leeds that had received Community First funding up to November 2012. In consideration of this, it was noted that a significant number of the funded organisations were already well established. The Scrutiny Board acknowledges that the Community First programme has allowed a number of existing groups to expand their work as many of these would have been utilising the Area Committee well-being funding. Whilst it was felt that this reduction

in need should free up funds to allow Area Committees to target monies to different schemes in the area, there were some concerns raised around the potential to duplicate funding given that the two funding streams are not joined up.

38. It was also noted that Area Committees have the opportunity to use well-being funding to lever in additional funding, either through matched funding or pooled budgets, to potentially increase capacity threefold. As a result of not formalising links between the Community First programme and local authorities, the Scrutiny Board felt that this was a further missed opportunity.

39. Reference was also made to the programme's aim to build up capacity within communities by starting more neighbourhood groups as well as revitalising existing groups. Whilst it was reported that the Community First programme has encouraged a number of new community groups to apply for funding, it was noted that the Council does not have enough information from the Community First Panels to make any assessment of additional community capacity developed through the programme. Linked to this, the Scrutiny Board questioned whether the CDF was best placed to encourage and also measure such growth in capacity.

Moving forward in developing a closer working relationship

40. Whilst the Community First funding has been a welcome additional source of funding for local communities, the above issues have led the Scrutiny Board to conclude that the programme would have been better overseen by a local organisation with local knowledge in terms of building up capacity within local communities and achieving greater transparency and accountability measures.

41. In moving forward, each eligible ward is now required to have their Community First Plan in place by the end of March 2013 in order to receive Neighbourhood Matched funding in years 3 and 4. It was reported that the CDF is keen to make this process as simple as possible and therefore advises that existing plans or consultations are a valid reference point for their own local plans. In view of this, Community First Panels are advised to consider whether a Community Plan or a Neighbourhood Plan already exists, or whether the local authority has a strategic plan in place which contains sections relevant to their ward.

42. The Scrutiny Board recognises that there are clear benefits in the Council developing a closer working relationship with the local Community First Panels, particularly in terms of strengthening links with Area Committees to maximise the use of local intelligence and better coordinate available funding streams. Linked to this, particular reference was also made to the role of Elected Members and their future relationship with the Panels, recognising that to maximise the benefit of minimal resources, Elected Members would also need to consider how they can support the Panels whilst ensuring the needs of their wards are reflected in the future priorities and plans.

43. In terms of Community First Panels also recognising the mutual benefits in working with the Council to provide strong local leadership, the Scrutiny Board was pleased to learn that the CDF and the government do encourage Community First Panels to seek a positive relationship with their local authority.

National evaluation of the Community First programme

44. The Scrutiny Board learned that a national evaluation of the Community First programme is to be undertaken, with fieldwork commencing in March 2013 and a final report expected in March 2015. The purpose of this evaluation is to observe the lessons learned from the approach adopted by the programme.

45. The Scrutiny Board is therefore keen to receive the outcome of this evaluation once available, particularly in relation to the programme's aim to build capacity within communities and how this has been measured and evaluated.

Conclusion

46. In conclusion, the Scrutiny Board would like to reiterate some of the key points that have been raised within this report, which are as follows:

- That the Community First funding has been a welcome additional source of funding for local communities and the programme's community led approach has brought together local people with a wide range of experience and expertise.

- That the success of the Community First programme is reliant upon the strength of communities and the goodwill of the third sector.

- That despite having no formal links with the Community First programme, local authorities have played a crucial role in helping to establish the Community First Panels and continue to invest free time and advice in trying to make this programme work successfully within its communities.

- That the quality of Community First Panel websites has been variable, yet are the main source of information in terms of keeping the public and Elected Members fully informed about how the funding is being administered.

- That the development of a more obvious connection/relationship between the Council and the Community First Panels would help to enable a better understanding of where monies are being spent and encourage closer dialogue in terms of sharing ideas around how this can be maximised and publicised effectively.

- That there needs to be a more robust governance framework in place for the programme. Centralised remote systems are often harder to administer successfully compared with more localised governance and delivery frameworks that can also enable stronger partnership collaboration for supporting community involvement and building up capacity.

- Linked to the Council's own locality working design principles, a 'one size fits all' approach in terms of delivering community funding initiatives is not considered appropriate.

- That positive examples of the Council working closely with partners to deliver community funding programmes, such as the Big Local, need to be promoted more effectively to help demonstrate the added value to be gained in developing a more joined up approach with local authorities in delivering such programmes.

47. Whilst acknowledging that a national evaluation of the Community First Programme is being undertaken, the Scrutiny Board will be requesting that the Office for Civil Society formally acknowledges the issues that have been raised within its report and provides an immediate response back to the Scrutiny Board.

This page is intentionally left blank