



## **RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

### **CABINET**

**23<sup>rd</sup> JANUARY 2023**

### **UK GOVERNMENT'S SHARED PROSPERITY FUND: RHONDDA CYNON TAF COMMUNITY GRANT**

**REPORT OF DIRECTOR - PUBLIC HEALTH, PROTECTION AND COMMUNITY SERVICES AND DIRECTOR - PROSPERITY AND DEVELOPMENT, IN DISCUSSIONS WITH COUNCILLOR BOB HARRIS, CABINET MEMBER FOR PUBLIC HEALTH AND COMMUNITIES AND COUNCILLOR MARK NORRIS, CABINET MEMBER FOR DEVELOPMENT AND PROSPERITY**

**Author: Caroline O'Neill, Head of Arts, Culture and Library Services**

#### **1. PURPOSE OF THE REPORT**

- 1.1 This report provides a proposal for the establishment and delivery of a Community Grant for Rhondda Cynon Taf, via allocation from the UK Government's Shared Prosperity Fund.

#### **2. RECOMMENDATIONS**

It is recommended that Cabinet:

- 2.1 Consider the content of the report.
- 2.2 Agree the establishment and delivery of the UK Government's Shared Prosperity Fund – Rhondda Cynon Taf Community Grant, as set out in this report.
- 2.3 Agree that ensuring the Community Grant operates within the terms and conditions of the UK Government's Shared Prosperity Fund be delegated to the designated Senior Responsible Officer, the Director of Prosperity and Development.

#### **3. REASON FOR RECOMMENDATIONS**

- 3.1 The UK Government's Shared Prosperity Fund has been made available to all Local Authorities to provide significant support to invest in community spaces.
- 3.2 With the intention to strengthen the social fabric of communities, support community engagement, and build a sense of local pride and belonging in local community places, the Council has allocated £4.3 million of the UK



Government's Shared Prosperity Fund to build capacity and infrastructure to restore community places, thus creating the foundations for social, environmental, economic & cultural development, building relationships at a local neighbourhood-level.

- 3.3 It is proposed that this funding is used to establish a Community Grant, inviting applications from organisations within the Third Sector and Community Groups, Community Interest Companies, and Companies Limited by Guarantee to apply, via a competitive process, that will ensure an open and transparent approach.

#### **4. BACKGROUND**

- 4.1 The total funding allocated to the creation of a Community Grant equates to £4.3 million from January 2023 to 31st March 2025.

#### **4.2 COMMUNITY GRANT PROFILE**

- 4.2.1 The Community Grant will have circa. £3.8 million in revenue funding to distribute by 31<sup>st</sup> March 2025, including staffing costs associated with the management and administration of the grant.

- 4.2.2 Staffing costs equate to approximately £65,000 up to 31<sup>st</sup> March 2025, contributing to the new Communities Programme Manager post within the Community Development Team and a Compliance and Monitoring Officer post, which will also support the RCT SPF Multiply programme.

- 4.2.3 The Community Grant funding will have circa. £435,000 in capital funding to distribute for projects deliverable between 1<sup>st</sup> April 2023 and 31<sup>st</sup> March 2025.

#### **4.3 COMMUNITY GRANT – ELIGIBILITY**

- 4.3.1 Eligibility criteria and the basis on which the grant support will be offered is defined by the interventions set out in the Community and Place Investment Priorities outlined within the Investment Plan submitted to UK Government.

- 4.3.2 The Community Grant will focus on the intervention to support community measures to reduce the cost of living, including through measures to improve energy efficiency, and combat fuel poverty and climate change.

- 4.3.3 Each project will need to demonstrate how they will achieve the outputs and outcomes identified for this intervention, collating the evidence and reporting this as outlined in their funding agreement, in line with that which the Council will be reporting to UK Government.



4.3.4 The table below outlines the outputs and outcomes associated with the Community Grant during 2022/23, 2023/24 and 2024/25:

<b>Outputs 2022/23</b>	<b>Outcomes 2022/23</b>
Number of organisations receiving grants	Improved engagement numbers
<b>Outputs 2023/24 and 2024/25</b>	<b>Outcomes 2023/24 and 2024/25</b>
Number of organisations receiving grants	<p>Improved engagement numbers</p> <p>Increased amount of low or zero carbon energy infrastructure installed</p> <p>Improved perceived/experienced accessibility</p> <p>Number of volunteering opportunities created as a result of support</p> <p>Improved perception of events</p>

#### 4.4 **COMMUNITY GRANT DISTRIBUTION**

4.4.1 There is a risk to the expenditure of the year one allocation of revenue by 31<sup>st</sup> March 2023 as a result of the delay in the funding award from UK Government not being received until December 2022. This delay has created a significant pressure on the expenditure of the year one allocation.

4.4.2 To mitigate this risk, it is proposed that a two-phased approach to the distribution of the Community Grant is adopted, as detailed below:

<b>Year</b>	<b>Capital Allocation</b>	<b>Revenue Allocation</b>
2022-23 Phase 1	Total – 2022/23 - £0	<p><b>Total - 2022/23 - £675,000</b></p> <p><b>Community Grant</b> Lower Level - Applications for between £1,000 and £14,999</p> <p><b>Community Asset Transfer Fund - £30,000</b></p>



2023-24 & 2024-25 Phase 2	<b>Total - 2023/24 - £162,500</b> <b>Total - 2024/25 - £350,049</b>	2023/24 - £1,125,000 2024/25 - £2,000,000 <b>Community Grant</b> Lower Level - Applications for between £1,000 and £14,999 Medium Level - Applications for between £15,000 and £49,999 Higher Level - Applications for between £50,000 and £200,000  <b>Neighbourhood Network Fund - £50,000</b> <b>Community Asset Transfer Fund - £50,000</b>
---------------------------------	--	---

4.4.3 The proposed application windows are:

- Phase 1 - Window 1: February 2023 – 28<sup>th</sup> February 2023, projects delivered by 31 March 2023.
- Phase 2 - Window 1: March 2023 for projects commencing 1<sup>st</sup> April 2023 and delivered by 31<sup>st</sup> March 2025.
- Phase 2 - Window 2: January to February 2024 for projects commencing 1<sup>st</sup> April 2024 and delivered by 31<sup>st</sup> March 2025.

4.4.4 Allocation of grant is required, as per UK Government guidance, to be a managed, competitive and transparent process, compliant with new Subsidy Control arrangements, and an appropriate fit with identified Shared Prosperity Fund interventions, their outputs and outcomes.

4.4.5 For year one, the proposal is to deliver the first phase: a managed, competitive application process for awards at the lower level, inviting applications for between £1,000 and £14,999 revenue-only to deliver projects that meet the identified intervention’s output and outcome, that adheres to guidance and with a quick turnaround.

4.4.6 This proposed approach for Phase 1 will have an impact on the continuation of projects funded via the Community Renewal Fund (CRF), a programme to provide “capacity funding to help places prepare for the introduction of the UK Shared Prosperity Fund” ([UK Community Renewal Fund: Prospectus](#)).

4.4.7 There have been seven CRF projects provided across Rhondda Cynon Taf:

- Improving Deaf Awareness and Supporting People with hearing loss in the Community (project delivery ended 31<sup>st</sup> August 2022).
- Connecting Teachers with Industry (project delivery ended 31<sup>st</sup> December 2022).
- Focus Enterprise RCT (project delivery ended 31<sup>st</sup> December 2022).



- Heal Your High Street (project delivery ended 31<sup>st</sup> December 2022).
- Ideas to Innovation (project delivery ended 31<sup>st</sup> December 2022).
- RCT 360 (project delivery ended 31<sup>st</sup> December 2022).
- Reconnect Youth (project delivery ended 31<sup>st</sup> December 2022).

- 4.4.8 Due to the delayed announcement from UK Government, the focused intervention, and the need to distribute funding via a managed, competitive and quick process, the opportunity for these projects to apply for funding above £14,999 will not be until Phase 2 (from April 2023 onwards).
- 4.4.9 Following project delivery end, the CRF projects will be focusing on evaluation which will support them to apply to the second phase of the SPF: Community Grant for which delivery will commence from 1<sup>st</sup> April 2023.
- 4.4.10 Phase 1 will also offset Community Asset Transfer costs from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023, circa. £30,000 to date, for projects that deliver the output and outcome of the identified intervention.
- 4.4.11 The Community Grant is predominantly revenue funding with a small allocation to support capital expenditure to support the sustainability of infrastructure to restore community places. Applications will be required to maximise financial resource through match funding from other sources beyond that of UK Government's Shared Prosperity Fund, be that from the private, public and/or third sectors to maximise the value for money and impact of the grant.
- 4.4.12 Each year, applications will be appraised and assessed by a multi-disciplinary team of Council officers producing a shortlist of prioritised projects.
- 4.4.13 Shortlisted projects will then be discussed and agreed with the Cabinet Member for Public Health and Communities.
- 4.4.14 Not for personal profit organisations within the Third Sector and Community Groups, Community Interest Companies and Companies Limited by Guarantee will be eligible to apply.
- 4.4.15 It is proposed that the below form the guiding principles for all applications and that applications demonstrate how projects will:
- Benefit the community as a whole: multiple individuals, organisations, businesses.
  - Maximise impact and deliverability through collaborative working.
  - Maximise financial resource through match funding from other sources beyond that of UK Government's Shared Prosperity Fund, be that from the private, public and third sectors to maximise the value for money and impact of the Shared Prosperity Fund: Community Grant.



- Demonstrate alignment with local and national strategic plans as well as local community need.
- Contribute to key objectives and outcomes of the Fund, including outcome/output indicators set out in Fund Eligibility Rules and Guidance.
- Consider equalities impacts.
- Deliver in accordance with branding requirements set out in Fund Eligibility Rules and Guidance.
- Meet the expectations for monitoring and evaluation, including appropriate costs to ensure that any project delivery, monitoring or evaluation obligations can be met from the approved project amount. As a minimum, successful applicants must develop an evaluation plan that is generally expected to be between 5-7% of their award to be dedicated to that evaluation with a minimum threshold of £2,000.
- Consider how they will deliver in line with subsidy control as per UK government guidance – as well as all other relevant legal obligations such as procurement. This will be tested as part of the appraisal process and monitored thereafter.
- Be financially completed (i.e. all delivery activity concluded) by 31 March 2025.
- Select a lead organisation to become the lead applicant (and grant recipient) if there is more than one organisation applying to deliver a project, with the remaining organisation(s) acting as delivery partner(s). In this situation the applicant would be responsible and liable for the delivery partner(s) and ensuring the project is operating as planned.

4.4.16 Examples of eligible expenditure is outlined as follows:

#### **Capital**

- Building and construction.
- Professional fees associated with building and construction.
- Plant and machinery.
- Any larger value item of equipment, assessed in accordance with the project deliverer's capitalisation policy. Items which do not meet this definition should be classed as revenue expenditure.

#### **Revenue**

- Salaries of staff directly engaged in an SPF: Community Grant funded project.
- Participant costs (such as allowances).



- Other costs that are solely attached to the delivery of the SPF: Community Grant funded project (other direct costs) e.g. room hire.

#### **4.5 PROCESS AND PROCEDURES**

4.5.1 Discussions have taken place with the Regional Shared Prosperity Fund Team, based within the Council's Prosperity and Development Service and the following documents have been developed and/or updated:

- Project Risk Log.
- GDPR - Privacy Notice.
- Data Protection Register.
- Retention and Disposal Schedule.
- Application Forms (Lower Level & Medium and Highest Level).
- Application Guidance.
- State Subsidy data capture and process.
- Process & standardised emails.
- Assessment Form.
- Grant Terms and Conditions.
- Offer Letters.
- Weighting assessment.
- End of Project Monitoring and Evaluation Form.

These documents are being reviewed now that UK Government requirements have been received.

#### **5. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO ECONOMIC DUTY**

5.1 This report provides a proposal for Cabinet to approve the establishment and delivery of a UK Government Shared Prosperity Fund – Rhondda Cynon Taf Community Grant. The proposal seeks to ensure that all grant distribution is conducted in an equitable, fair and transparent manner, with consideration of the needs of its residents met by the identified resource.

#### **6. WELSH LANGUAGE IMPLICATIONS**

6.1 There are no Welsh Language implications arising from the content of this report.

#### **7. CONSULTATION / INVOLVEMENT**

7.1 There are no consultation implications arising from this report.



## **8. FINANCIAL IMPLICATIONS**

- 8.1 The UK Government's Shared Prosperity Fund – Rhondda Cynon Taf Community Grant will be wholly funded by the allocated £4.3 million identified in the local authorities Investment Plan to the UK Government's Shared Prosperity Fund.
- 8.2 The Community Development Team, who will manage and administer this scheme will also be wholly funded by the UK Government's Shared Prosperity Fund from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2025, following their inclusion in the submitted local authority Investment Plan.

## **9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 9.1 The Regional Central Shared Prosperity Fund Team, residing within the Council's Prosperity and Development Service, alongside Finance and Legal Service colleagues are providing advice and guidance in relation to subsidy control and ensuring that the scheme is consistent with the Subsidy Control Act 2022.

## **10. LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT**

- 10.1 The proposal in this report is consistent with the key priorities in 'Making a Difference 2020-24':
- Ensuring People: are independent, healthy and successful.
  - Creating Places: where people are proud to live, work and play.
  - Enabling Prosperity: creating the opportunity for people and businesses to be innovative; be entrepreneurial; and fulfil their potential and prosper.
- 10.2 The proposal in this report will contribute to many Wellbeing Goals within the Wellbeing of Future Generations Act, particularly:
- A more resilient Wales.
  - A prosperous Wales.
  - A Wales of cohesive communities.
- 10.3 The UK Government's Shared Prosperity Fund – Rhondda Cynon Taf Community Grant will support prosperous and resilient communities by providing revenue and capital grants that increase engagement; improve accessibility; and increase the amount of low or zero carbon energy infrastructure installed across community facilities; whilst also encouraging community connection.





## **11. STRATEGIC OR RELEVANT ELECTORAL WARDS**

11.1 The UK Government's Shared Prosperity Fund – Rhondda Cynon Taf Community Grant proposal is for a county-wide scheme.

## **12. CONCLUSION**

12.1 This report outlines a proposal to:

- Mitigate the risk of not meeting expenditure requirements in year one by approving a phased approach, with Phase 1 adopting a managed, competitive and quick application process for the delivery of lower level revenue grants from £1000 up to £14,999 and adhering to funding guidance.
- For Phase 2, adopt a process that invites applications once per annum for year two and year three: March 2023 for projects to commence 1<sup>st</sup> April 2023; and January 2024 for projects to commence 1<sup>st</sup> April 2024; all deliverable by 31<sup>st</sup> March 2025, across three funding thresholds: lower, medium and higher.
- Establish a multi-disciplinary panel of Council Officers to assess and appraise applications, producing a shortlist of prioritised projects to be discussed and agreed with Cabinet Member for Public Health and Communities.
- Provide £50,000 per annum (year two and year three) to the existing Neighbourhood Network Fund for distribution to community organisations.
- Provide £100,000 across the two years to support Community Asset Transfers in Rhondda Cynon Taf.



**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**CABINET**

**23<sup>rd</sup> JANUARY 2023**

**UK GOVERNMENT'S SHARED PROSPERITY FUND: RHONDDA CYNON TAF  
COMMUNITY GRANT**

**REPORT OF DIRECTOR - PUBLIC HEALTH, PROTECTION AND COMMUNITY  
SERVICES AND DIRECTOR - PROSPERITY AND DEVELOPMENT, IN  
DISCUSSIONS WITH COUNCILLOR BOB HARRIS, CABINET MEMBER FOR  
PUBLIC HEALTH AND COMMUNITIES AND COUNCILLOR MARK NORRIS,  
CABINET MEMBER FOR DEVELOPMENT AND PROSPERITY**

**Background Papers:**

None

**Officer to contact:**

Caroline O'Neill, Head of Arts, Culture and Library Services

**Relevant Scrutiny Committee:**

Community Services Scrutiny Committee