FUNDING SOURCES - REGENERATION

1. Reason for Report
The purpose of this report is to provide Members with details of funding sources available to support regeneration activities.

2. Background
2.1 In recognition that external funding plays a significant role in delivering services, the Council has agreed to the corporate policy commitment that “we will pursue all sources of external funding including Private Finance Initiatives, European and Lottery programmes and partnership funding to meet the specific needs of our rural areas”.

2.2 The Council has previously undertaken to develop an external funding strategy to include EU funding by the end 2001. Although the original timescale has not been met, following Council management of change restructuring, it is being taken forward again as a high priority corporate initiative by the Director for Corporate Services linked to the review of the Corporate Plan.

2.3 To this end, the Corporate Management Team have agreed a report including a work programme and recommendations to go forward for consideration/approval at the next meeting of the Executive Committee on 15 April 2003.

2.4 The report identifies a need for a better co-ordinated approach to external funding across the Council and highlights “capacity building” as a priority issue to be addressed in the course of future external funding developments. One proposal being examined is to establish a cross-Council officer working group based on new Council structures and new officer responsibilities to formulate an external funding strategy and to ensure engagement as appropriate with the main Community Planning partners.

2.5 The report below highlights the main sources of possible external funding available to the Council and community groups and will therefore be a valuable input to the corporate overview. However, it should be noted that external funding is dynamic with funding streams and funding priorities continually changing resulting in the need for organisations to be proactive in sourcing information and funding.

2.6 The new Directorate for Planning and Environment Services will have economic regeneration and sustainable development as its strategic aims. Economic regeneration is a key Corporate Plan strategic theme and is defined as “the process through which the economic, social, environmental and cultural resources of our communities are organised and supported in order to achieve and sustain the long-term viability if these communities”.

2.7 At the meeting of Dumfries and Lower Nithsdale Area Committee held on 22 January 2003 it was agreed that a report to a future meeting on regeneration funding would be provided.
3. Sources of Funding

3.1 Introduction

There are many different sources of funding available to voluntary and community organisations depending on the type of project and activity seeking financial support. Similarly, the term “regeneration” covers a broad range of activities and can apply to many different projects. This report details some of the local and national funding sources available for projects linked to regeneration.

3.2 Dumfries and Galloway Council

3.2.1 Through the Council Grants Scheme, applications from voluntary and community organisations are invited on an annual basis through public notices in all local newspapers. Applications for funding to support project or core costs are provided to the appropriate Service or Area Committee for consideration. Although not all for specific regeneration activities, there is a wide range of potential sources of financial assistance available from the Council and these include:

- Area Committee discretionary budget
- Community Capital Fund
- Grant scheme for capital works to village/community halls owned and managed by a community
- Grant scheme for the administrative expenses of Community Councils
- Sports Councils have received a budget from the Department for Community Resources to enable them to make grants of up to £1,000 to local sports groups
- Civic Affairs Sub-Committee provides support for civic hospitality
- Youth Strategy funding
- A variety of Trusts and Bequests
- Core grant funding currently awarded by Community Resources Committee to a range of local projects and initiatives (generally involving funding over £5,000)
- Agenda 21 funding
- Funding currently awarded by External Affairs Sub-Committee to social welfare projects including local resources such as Day Centres
- Common Good funds where appropriate

A report on Local Discretionary and Decentralised Budgets – 2003-04 was provided at the March meeting of the Committee and provided additional information in relation to Council funding.

Further information on the Council Grants Scheme including the application form is available at www.dumgal.gov.uk.

3.2.2 A key part of the Council's Local Housing Strategy will be the development of a housing led Regeneration Strategy for the region. This work and associated potential funding is directly linked to the transfer of the Council's housing stock to Dumfries and Galloway Housing Partnership. A Regeneration Position Statement has previously been agreed by the Council and submitted to the Scottish Executive for their consideration. Further discussions with the Executive have been positive and indicate that a substantial amount of funding will be made available to develop detailed plans for implementation. There is an expectation that Community Planning structures will be used to progress the development of housing led regeneration proposals and that clear and demonstrable links are made with other regeneration activity in the region.
3.3 **Dumfries and Galloway Community Regeneration Fund**

The Fund was established as part of the wider Post FMD Economic Recovery Plan developed by Community Planning partners in Dumfries and Galloway. The Fund is a £1.8 million three-year partnership project operating since 2001 and scheduled for completion during 2004. The Fund is coordinated and administered by Dumfries and Galloway Council on behalf of the funding partners - Scottish Enterprise Dumfries and Galloway, the Scottish Executive and European Regional Development Fund through the South of Scotland Objective 2 Programme. Approximately, half of the total funding available to support projects is matched by European money and this can only be used to support projects in the Objective 2 targeted areas of North West Dumfries, Upper Nithsdale and Wigtown Local Plan Area. Projects in all other areas of Dumfries and Galloway are supported through the other part of the Fund. The project is being delivered at a regional level – the division of monies is not apparent to groups applying to the Fund.

The aim of the Dumfries and Galloway Community Regeneration Fund is to provide grants for the development and implementation of community based projects which will bring demonstrable economic benefits to the community; including safeguarding or creating jobs, increasing visitor numbers and/or visitor spend, people participating in structured learning or creation of community businesses. The Fund is intended as a source of support to encourage sustainable development and help strengthen the local economy in the longer term.

The Fund is being implemented using Community Planning mechanisms. A Joint Officers Group with representatives from the Council, the Enterprise Company, Tourist Board, NHS, Federation of Councils for Voluntary Service and representatives of the four Local Rural Partnerships for Annandale & Eskdale, Nithsdale, Stewartry and Wigtownshire assess applications.

Both new and established community groups, organisations and businesses/trade associations in Dumfries and Galloway who can demonstrate community economic need and widespread support within the area are eligible to apply. To date, there have been five application rounds for funding (July 2001, October 2001, April 2002, July 2002 and October 2002) with 85 projects supported and almost £1.6 million of grant committed throughout Dumfries and Galloway. Within the Dumfries and Lower Nithsdale area 10 projects have been supported by the Fund and over £172,000 of grant funding allocated. These include projects such as Dumfries and Galloway Aviation Museum, Oasis Youth Centre, DTCP/DSA, Maxwelltown Umbrella Group, DiG History and Dumfries and Galloway Arts Association. However, it should be noted that a number of region-wide projects have also been supported.

There is approximately £200,000 of funding still to be committed. However, this is only available for projects operating within the targeted areas of North West Dumfries, Upper Nithsdale or the Wigtown Local Plan Area. Representatives of the Fund have undertaken to raise awareness of this funding through targeted actions including attending the Nith and Wigtownshire Local Rural Partnership meetings in February and briefings for Council, SEDG and CVS local staff.

Regular progress reports on the Community Regeneration Fund are provided to Community Resources Committee. Further information on the Fund is available at www.dumgal.gov.uk/communityregenerationfund.
3.4 **Scottish Executive Funding**

3.4.1 The Scottish Rural Partnership Fund (SRPF) was established in 1996 to support the development of rural communities throughout Scotland. The objective of the Fund is to empower rural communities to make their own decisions and to take forward projects that meet local needs. There are three separate funding elements under the SRPF:

**Rural Challenge Fund**
The Rural Challenge Fund (RCF) supports community-based projects, which propose innovative ways of tackling particular rural problems or creating a wider range of opportunities in rural areas. The project revenue/capital will be match funded for up to 50% of total costs, and not exceeding £50,000, available for a maximum of 3 years.

**Local Capital Grants Scheme**
The Local Capital Grants Scheme (LCGS) supports local voluntary, youth and community organisations to provide new or upgrade existing community premises. The capital grant will provide up to 50% of the total costs, and not exceeding £100,000 when available. Applicants should apply through their local authority.

**Rural Strategic Support Fund**
The Rural Strategic Support Fund (RSSF) provides for community capacity building, including the establishment of Local Rural Partnerships. Funding is available on a sliding scale for a maximum of 3 years. Up to one half of eligible costs will be payable in year one, up to one third in year two, and up to one sixth in year three. If there is more than one application from an area, the Partnerships should decide whether there are any resources they could share. Local agencies that are members of the Partnership should consider whether they could offer any 'in-kind' assistance, such as premises or IT equipment, in addition to financial assistance.

Applications to the Scottish Rural Partnership Fund (SRPF) are invited on an annual basis.

3.4.2 **Rural Community Transport Initiative**
Provides assistance to community and voluntary groups for community transport measures which are of particular help in the more remote areas of Scotland, particularly where there are no scheduled bus services or where services are very limited. Projects include community mini-buses, transport co-ordination, dial-a-bus and car schemes.

Information on other sources of Scottish Executive funding for the voluntary sector can be found in the Executive's information leaflet, A Guide for the Voluntary Sector to Scottish Executive Grants. Further information is available at [www.scotland.gov.uk](http://www.scotland.gov.uk).

3.5 **National Lottery Funding**
There are five main organisations in Scotland, which distribute funds from the National Lottery. Each has its own programmes and funding priorities. There is also a special programme for small community groups looking for small sums of money.

3.5.1 **Heritage Lottery Fund**
Provides grants for projects designed to preserve and enhance Scotland's heritage of buildings, objects and the environment. In addition to conserving these assets, support for projects, which improve public access to them, help people to appreciate, understand and enjoy their heritage can also be supported. Further information is available at [www.hlf.org.uk](http://www.hlf.org.uk).
3.5.2 New Opportunities Fund
Provides support for education, health and environment projects that improve the quality of life, especially for society's most disadvantaged individuals and communities. Applications are welcomed from the voluntary, community, public and private sectors. Further information is available at www.nof.org.uk.

3.5.3 Scottish Arts Council
Provides grants starting from £2,000 for arts projects and £5,000 for buildings and equipment. The arts include architecture, art centres and festivals, craft, dance, drama, literature, music, photography, video, design and visual arts. Further information is available at www.sac.org.uk.

3.5.4 sportscotland
Supports the promotion of sporting opportunities for Scots at all levels including widening opportunities, developing potential and achieving excellence. All aspects of Scottish sport are supported including top athletes, sports facilities, major events and youth sport. Further information is available at www.sportscotland.org.uk.

3.5.5 Community Fund
Awards exclusively to voluntary and community organizations and supports project which aim to help disadvantaged people and improve their quality of life in the community. Further information is available at www.c-f.org.uk.

3.5.6 Awards for All
This is an easy to access special lottery grants programme for small community groups looking for small sums of money. It is supported by the Heritage Lottery Fund, the Scottish Arts Council, sportscotland, the New Opportunities Fund and the Community Fund. The main aim is to fund projects, which involve people in their community, bringing them together in a wide range of different activities including arts, sports, heritage and other community activities. It offers a one-door approach for small organisations with annual income of less than £20,000. Grants from £500 to £5,000 are available and you can apply at any time, the application form is simple and you receive a decision within three months. Further information is available at www.awardsforall.org.uk.

3.6 Direct Grants
Funding of up to £10,000 is available for new activities undertaken by voluntary and community organizations active in Southern Scotland. A wide range of revenue based activities can be supported including: community co-ops, credit unions, community events, community audits, local networking, information technology, neighbourhood recycling, skills audits, training needs, technical studies, feasibility studies, etc. For further information and application packs contact Nithsdale Council for Voluntary Service on 01387 269161.

3.7 European Funding
3.7.1 Objective 2 (ERDF) and Objective 3 (ESF)
The whole of Dumfries and Galloway is eligible for Objective 2 and Objective 3 European funding with additional targeting of resources to North West Dumfries, Upper Nithsdale and Wigtownshire Local Plan Area linked to Area Regeneration Strategies. The Council coordinates an inter-agency officers group which discuss and develop project ideas. Regular reports on European funding are provided to the External Affairs Committee. Further information on the South of Scotland Objective 2 Programme is available at

3.7.2 Leader+
Leader+ is a European funded Community Initiative assisting new and experimental approaches to local rural development. The aim is make the best use of natural and cultural resources and improve the quality of life in Dumfries and Galloway. It supports and encourages rural communities to develop the potential of environmental and cultural resources, local know-how, heritage and entrepreneurial spirit in the promotion of sustainable economic development.

There are two types of project Local, innovative pilot projects and Inter-regional or Trans-national projects. Community groups, voluntary and public sector organisations can all apply to the Leader+ programme. The maximum individual project grant is 50% of eligible project costs for both community projects and schemes.

Further information about the programme can be obtained from the Leader+ office at the Community Centre, Cotton Street, Castle Douglas, DG7 1AJ. Tel: 01556 504906. www.durngal.gov.uk/leaderplus

5. Advice and Support
5.1 Voluntary organisations and groups can seek support with funding applications through the Council's Community Services Group. Local community development staff can provide support with identifying sources of funding and completing application forms. The Council also has grant finder software, which can be used to search for different types of funding. Support is also available through the Nithsdale Council for Voluntary Services. The Council and CVS hold regular funding roadshows for community and voluntary groups.

6. Policy Implications
6.1 As mentioned above the strategic development of an external funding strategy will assist with ensuring better co-ordination of information, advice and support which will enable community groups and organisations as well as the Council to benefit more from the various sources of external funding available.

6.2 The securing of external funding enables projects to be supported which contribute to the Corporate Plan themes of Economic Regeneration, Quality of Life, Lifelong Learning and Social Inclusion.

7. Consultation
The Group Manager for Economic Regeneration, Group Manager for Community Services, Director of NCVS, Programme Director of South of Scotland European Partnership and Leader+ Programme Manager have been consulted on the terms of this report.

8. Recommendations
Members are invited to note:
the ongoing developments of an external funding strategy, which will be lead by the Executive Committee;
the range of local and national funding sources available for projects linked to regeneration.
Sharon Glendinning  
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