

UK Community Renewal Fund

1.0 HEADLINES

- 1.1 The purpose of this report is to provide the members of the Policy and Resources Committee with an update on progress with developing and launching the Argyll and Bute Council UK Community Renewal Fund (UKCRF), and for guidance on determining how to appraise and monitor bids.

2.0 RECOMMENDATIONS

- 2.1 Members of Policy and Resources Committee are asked to:
- a) Note that the Council has launched the UK Community Renewal Fund on 26 April 2021 and applications to the Council are due by 21 May 2021 to allow the projects to be appraised and prioritised before final submission to UK Government by 18th June 2021.
 - b) Agree the draft process and agree to delegate the finalisation of the process and prioritisation as well as the final submission of bids to the Executive Director with responsibility for Development and Economic Growth in consultation with the Leader, Depute Leader and Leader of the largest opposition group.

3.0 DETAIL

- 3.1 The UK Community Renewal Fund (UKCRF) was announced on 3rd March 2021 as part of the UK Budget process, and the UK Government Levelling Up agenda. It was one of three new UK wide funds launched using the powers conferred to the UK Government through Sections 50 and 51 of the UK Internal Market Act 2020. The UKCRF will provide a total of £220 million of funding for 2021/22 across the whole of the UK.
- 3.2 The Fund will target areas most in need across the UK, focusing on domestic priorities. One hundred areas have been identified as priority areas for this fund, with Argyll and Bute Council being one of these and identified as a lead authority.
- 3.3 As a lead authority, Argyll and Bute Council will be eligible to draw down a flat rate of £20,000 to fund capacity to co-ordinate and assess bids, on the condition that an application is submitted to the UK Government.
- 3.4 Nationally, the Fund is being run as a competitive process with no set

eligibility. Locally, lead partners have been asked to run an open bidding process whereby the programme will be publicised openly, bids assessed and a shortlist of prioritised projects produced. Following this process, a bid will be submitted to the UK Government up to a maximum value of £3 million by 18th June 2021.

- 3.5 Argyll and Bute Council is planning to submit a bid to the UK Government and a call for projects was launched on the Council's website on Monday 26th April 2021 [UK Government's Community Renewal Fund 2021-22 \(argyll-bute.gov.uk\)](https://www.uk.gov.uk/government/news/uk-government-launches-call-for-projects). It has also been publicised on social media. The fund is 90% revenue based, and individual bids of £500,000+ are being encouraged to maximise impact and deliverability.
- 3.6 Officers anticipate that this level of funding for revenue based projects with a maximum eight months of delivery could be challenging for Argyll and Bute delivery partners, and the UK Government has confirmed that smaller bids will be accepted. The SMT meeting which took place on 19th April 2021 agreed to set a minimum threshold of £100,000 for Argyll and Bute Council applications.
- 3.7 The investment priorities for the fund are:
- Investment in skills;
 - Investment for local business;
 - Investment in communities and place; and
 - Supporting people into employment.

There will be no ring-fencing applied across these themes and lead authorities can choose to focus on selected priorities.

- 3.8 SMT have agreed Kirsty Flanagan, Executive Director of Development and Infrastructure Services take the role of Senior Responsible Officer for the Argyll and Bute Council bid to the UK Government.

Project Selection and Prioritisation

- 3.9 Selection of projects will be carried out by the UK Government in line with its set selection criteria. The UK Government will announce the successful bids from late July onwards and approved projects must be financially complete by 31st March 2022. A full timeline is in Appendix 1.
- 3.10 The guidance states that as lead partner, Argyll and Bute Council has the role of appraising and prioritising the projects which will comprise the Argyll and Bute Council bid. Officers are currently giving consideration as to the process that is required and are looking for a delegation to the Executive Director with responsibility for Development and Economic Growth in consultation with the Leader, Depute Leader and Leader of the Opposition to agree the process and how the projects, if there is interest over and above the £3 million application limit, are prioritised.
- 3.11 The draft process and prioritisation is noted below:
- The assessment template example provided by the UK government

will be used for assessing projects (see Appendix 2). The initial part of this form (first eight questions) are gateway questions – with the options for answering Yes, No and Partial. This part of the assessment will be completed by officers before sending onto the assessment panel. Projects which do not meet the gateway criteria will not be assessed further.

- An assessment panel will be appointed and this is still to be finalised and will include external partners. The members of the assessment panel cannot have any involvement in submission of an application or advice to applicants.
- The assessment panel answers the questions in Section 2 of the form individually. These focus on deliverability, effectiveness and efficiency. The questions require a written response. A measurable response should also be given eg. 3 = high, 2 = medium, 1 = low and 0 = no evidence, as this will enable a ranking of projects to take place similar to the way in which procurement scoring takes place.
- Section 3 equalities impact; section 4 assessors recommendation; – filled out by the assessment panel individually for each project; section 5 – filled out collectively at panel meeting.
- Following scoring by each individual assessment panel member, the assessment panel will meet to discuss responses and to agree on an overall scoring for each section for each project, again similar to the way in which procurement scoring takes place. This will allow Section 5 to be completed.
- If the projects applying exceed £3 million, the projects will then be prioritised according to the scores given.
- The prioritised list of projects will then be submitted to the Leader, Depute Leader and Leader of the Opposition to agree the final submission to the UK Government.

4.0 CONCLUSION

- 4.1 This report provides the members of the Policy and Resources Committee with an update on the launch of the UK Community Renewal Fund, and a proposal for appraising and prioritising projects for inclusion in the Argyll and Bute Council bid submission to the UK Government.

5.0 IMPLICATIONS

- | | |
|---------------|--|
| 5.1 Policy | Aligns with the council's new Economic Strategy. |
| 5.2 Financial | Competitive opportunity for Argyll and Bute to lever in funding from the UK Government. There is no guarantee of funding however the submission of a bid to the UK Government will enable £20,000 in capacity funding to be claimed. There is a risk of this funding not being claimed if the open bidding process does not result in any projects coming forward, and the resources allocated to developing the bid will be sunk costs. |

5.3 Legal	All appropriate legal implications will be taken into consideration including adherence to the new UK Subsidy Control regime.
5.4 HR	None at present.
5.5 Fairer Scotland Duty	The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in April 2018. The duty places a legal responsibility on particular public bodies in Scotland, such as Argyll and Bute Council, to pay due regard to (actively consider) how they can reduce inequalities of outcome, caused by socio-economic disadvantage, when making strategic decisions and how this has been implemented.
5.6 Equalities	All activities will comply with all Equal Opportunities/Fairer Scotland Duty policies and obligations.
5.7 Socio-economic Duty	Focus will be given to removing socio-economic disadvantage for vulnerable residents across Argyll and Bute.
5.8 Islands	The bid will be for the whole of Argyll and Bute including the island communities.
5.9 Risk	If a bid is not submitted, Argyll and Bute will lose out on potential funding under the UK Community Renewal Fund and to draw down the £20,000 allocated to Lead Authorities for submitted bids. Although it should be noted that this is a competitive process and funding is not guaranteed.
5.10 Customer Service	None.

**Kirsty Flanagan, Executive Director responsible UK Funding Opportunities
27 April 2021**

Robin Currie, Policy Lead for the Economy and Rural Growth

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Appendix 1 – UK Community Renewal Fund Timeline

Appendix 2 – Assessment Template

Appendix 1 - UK Community Renewal Fund – Argyll and Bute Council appraisal, prioritisation and decision timeline

- | | |
|---|----------------|
| ➤ Argyll and Bute Council call for projects launched | 26/04/21 |
| ➤ Appraisal panel briefed (process and form) | 17/05/21 |
| ➤ Deadline for project proposal submissions | 21/05/21 |
| ➤ Officer process applications and prepare appraisal sheets | 24-27/05/21 |
| ➤ Appraisal panel – individual project appraisals | 28/05–04/06/21 |
| ➤ Appraisal panel – discussion and prioritisation meeting | 10/06/21 |
| ➤ Member Approval (via Delegation) | tbd |
| ➤ Submission of Argyll and Bute Council bid | noon: 18/06/21 |

Appendix 2 - Assessment Template - Example

This template is an example of how Lead Authorities can appraise bids. It is intended as a tool that Lead Authorities can use, but is not mandatory.

Project	
Place:	
Project Name:	
Gateway Criteria	
1. Is the application from an organisation eligible to receive UK Community Renewal Fund support?	Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Will the project be complete by 31 st March 2022?	Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Does the project address a need identified in the Prospectus?	Yes <input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/>
4. Does the project address a need identified in the local invite to submit bids?	Yes <input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/>
5. Is the proposed activity permissible within subsidy rules or State Aid where relevant?	Yes <input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/>
6. Would the project duplicate other national or local provision?	Yes <input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/>
7. Would the project conflict with national policy?	Yes <input type="checkbox"/> No <input type="checkbox"/> Partial <input type="checkbox"/>
8. Will the project be delivered in accordance with branding requirements?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If the answer to 3-7 is partial, if ineligible activity is removed is there still a viable project?	Yes <input type="checkbox"/> No <input type="checkbox"/>
<ul style="list-style-type: none"> • If no, project does not meet the eligibility criteria. go straight to Part 4. • If yes, proceed with the assessment and clarify the elements that should be removed from the project. 	
Does the project meet the gateway criteria?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Selection Criteria

<p>Section 1 - Strategic fit</p> <p>1. <i>Please consider the proposal's overall contribution to the strategic objectives of the UK Community Renewal Fund?</i></p> <ul style="list-style-type: none"> • What is the level of contribution to an articulated investment priority identified in the Prospectus? • To what extent can the project inform UKSPF through transferable learning or opportunity to scale up for local partners and UK Government? • What is the extent to which the project demonstrates innovation in service delivery?
<p>Comment:</p>
<p>2. <i>How well does the proposal contribute to local needs set out in relevant local plans. What evidence is there of local support?</i></p>

Comment:

Section 2 - Deliverability, effectiveness and efficiency

Deliverability
Please consider the overall deliverability of the proposal including project risks, and financial due diligence where required.

- Does the applicant (and delivery partner(s) where relevant) have relevant experience in delivering projects of this type?
- Does the applicant have in place the resources necessary to deliver the project, including any match funding?
- Are the milestones realistic and is the project deliverable within the stated timescale?

a) What is the risk that the project will not proceed in line with the stated timescales?

b) What is the risk that the project will not proceed in line with the stated budget?

c) What is the risk that the project will not achieve the stated outputs and results?

Has Due Diligence been undertaken?
Yes No

If Yes, is the applicant able to manage the project as described?

Yes Yes, subject to conditions No

Comment:

Effectiveness
Please consider the overall effectiveness of the proposal including monitoring and evaluation plans, the project budget and proposed outputs.

- Has an effective monitoring and evaluation strategy been identified?
- Does the project budget reflect the stated activities? Is the budget reasonable in the light of the activities?
- Do the stated outputs reflect the project activities and are they achievable?

Comment:

Efficiency
Please consider the overall efficiency of the proposal, including Value for Money.

- Does the project represent an efficient mode of delivery, taking account of the level of innovation proposed?
- Will it operate at an appropriate scale, providing good value for money taking account of project costs, match funding (excluding employment interventions), proposed outputs delivered and potential impact?
- Is it clear that the project would not proceed, or could only be delivered on a smaller scale without UK Community Renewal Fund support?

Comment:

**Section 3 Equalities Impacts
(For UKG information – does not form part of assessment criteria)**

What equalities impacts have been considered? Who are the relevant affected groups based on protected characteristics, and what if any are the measures identified in response to these impacts?

Section 4 - Assessor's Recommendation:

Comment:

- Progress
 Progress with conditions
 Reject

Completed by:		Date:	
Reviewed by		Date:	

Proposed Conditions

1

2

3

Section 5 - Lead Authority assessment decision

- Submit to UK Government
 Submit with conditions
 Reject

Comment:

Conditions, if different to section 3.

1			
2			
3			
Name		Date:	