

The Fairer Scotland Fund

What is it?

As part of the concordat agreed last November, the Scottish Government has removed ring fencing from many funds and combined others into 'super funds'. The Fairer Scotland Fund is an example of an amalgamated fund. The funds that have been combined are:

- Community Regeneration Fund
- Working for Families
- Changing Children's Services Fund (social inclusion element)
- Community Voices Fund
- Financial Inclusion Fund
- Workforce Plus
- More Choices, More Chances

The Fund is distributed using a formula based on the SIMD, with a change from previous practice by using the SIMD income domain to take account of dispersed deprivation.

The allocation for Argyll and Bute over the next three years is:

2008/9	2009/10	2010/11
£826,000	£965,000	£1,104,000

The first year is equivalent to the amount allocated to the constituent funds for 2007/8 and the figure in 2010/11 represents the full fair allocation using the new formula. In the third year the ring fence will be removed.

Argyll and Bute had a carry forward into 2007/8 of the Better Neighbourhood Services Fund, which means that in the first year there will actually be a contraction in the amount of activity (worth approx £300,000).

The Fund is focused on:

- investment to address causes of poverty
- a strong emphasis on early interventions
- promotion of joint working
- improving employability as a means to tackle poverty
- empowering communities and individuals to influence CPPs

The notification of the allocated funds was communicated to the chair of the CPP in a letter dated 21 December 2007 from the Scottish Government.

This was followed by a briefing session at COSLA on 16 January about the Fairer Scotland Fund and its relationship to the emerging Single Outcome Agreement.

A meeting of representatives from CPP partners discussed this at a meeting on 17 January.

Key points from briefing at COSLA

Fairer Scotland Fund

The following are the key points from the presentation by Alisdair McIntosh, Head of Regeneration Policy, for the Scottish Government.

The Fairer Scotland Fund is about streamlining processes and reducing bureaucracy. They're making changes and it's still not clear how they will approach some aspects.

The Fund is expected to act as a catalyst and they expect to see a different approach from us in 2008/9 compared to what has gone before. This is NOT business as usual. However, they do recognise that there is a history of action in each area and that the normal planning processes cannot be changed at short notice – so there will be a pragmatic approach to the transition period. There is an expectation of change within the next year – 2008/9 as a transition year is not acceptable. (Discussions at the meeting on 17th suggest that it might be reasonable if we aim for clear signs of change by the end of the first six months – earlier if possible.)

Any action funded by the Fairer Scotland Fund must link to the national outcomes – the Fund is part of the Single Outcome Agreement. There will be a national menu of local outcomes and indicators, but we don't have to stick to these rigidly – if local priorities indicate that different local outcomes are more appropriate they will be prepared to accommodate these.

The Fund will be monitored as part of the Single Outcome Agreement. They want to move away from the micro-management approach so that they step back a bit and so that monitoring is more proportionate. The impression we got was that the process is likely to be more hands on than we expect/desire.

The process for agreeing the Fairer Scotland Fund is not yet clear. We will have a key contact, but it's not clear how this will link with the negotiation for the overall Single Outcome Agreement.

Single Outcome Agreement

This part of the briefing was presented by Russell Bain. As expected the detail on this is limited, but the main points were that:

- there needs to be a strong governance structure
- the focus is on local authorities first with an expectation of including wider community planning partnerships fairly soon after, probably drawing on existing performance management frameworks (like HEAT for the NHS, PPAF for the police etc)
- the illustrative example resembles a strategy map (we are familiar with this technique)
- they want to see a process of continuous dialogue with communities
- the timeframe is tight with proposed SOAs due by the end of March with agreement in April
- the process is being managed by the joint group (COSLA, SOLACE, Scottish Government and Improvement Service) with a desire to manage everything via this group and for all areas to progress 'evenly'. At present the group is focused on the draft template for the Single Outcome Agreement, the national menu of local outcomes and related indicators.

Local discussions

The local meeting on 17 January involved representatives of organisations delivering actions funded by the current funding streams and key CPP personnel:

- Raymond Park, Strathclyde Police and chair of Management Committee (chair of meeting)
- Andrew Campbell, SNH and chair of CPP Funding Hub
- Malcolm MacFadyen, Community Regeneration, Argyll and Bute Council
- Moira MacDonald, Community Regeneration, Argyll and Bute Council
- Jim McCrossan, Community Regeneration, Argyll and Bute Council
- Margaret Fyfe, Community Regeneration, Argyll and Bute Council
- Ann Campbell, Argyll and Bute CHP (for Elaine Garman, NHS and Management Committee vice chair)
- Brian Barker, Policy and Strategy, Argyll and Bute Council
- Arlene Cullum, Policy and Strategy, Argyll and Bute Council
- Susan Dawson, Policy and Strategy, Argyll and Bute Council
- Eileen Wilson, Community Planning Manager
- Jane Fowler, European Unit, Argyll and Bute Council
- Shona Strachan, European Unit, Argyll and Bute Council

Representatives from Education, Social Work and HIE Argyll & Islands were also invited to attend the meeting, but were unable to do so because of the short notice. The voluntary sector perspective was represented by Margaret Fyfe as part of her role – representatives of voluntary sector organisations were not directly involved because they have not yet agreed their protocol for involvement with the CPP.

The discussion centred on the notification letter and feedback from the briefing session at COSLA on the 16th. Key questions/comments arising from this discussion focused on:

- the strong direction for the funds especially with respect to focusing on the causes of poverty rather than the symptoms and the opportunity to make clear links with health inequalities
- the explicit links via the Single Outcome Agreement to the objective of sustainable economic growth and opportunities to make more explicit links between work on regeneration and employability
- the opportunities to use Fairer Scotland Fund money as matched funding for bids to release European funding
- the need to identify and present data about rural deprivation/need to help the process of targeting actions (given the limitations of the SIMD when mapping dispersed deprivation in rural areas)
- the need to use the fund as a catalyst and to be clear from early on what needs to change so that services can be redirected/developed
- the need to shift from action directed at small geographic areas to a thematic approach that deals with wider populations (which is consistent with the argument made for many years that deprivation in rural areas is more dispersed and needs a different approach to that advocated by the Community Regeneration Fund (CRF))
- the need to improve community involvement, but also the sensitivities around the Area Development Groups (ADGs) who may have concerns that funding is moving to other areas and that their influence is reduced
- the urban deprived areas will still be key areas for attention

- whether community involvement should build/extend on the ADGs or whether the ADGs act as the voice of the urban deprived areas in the developing local community planning process
- the need to identify gaps that were not picked up by the targeting of the CRF – e.g. Port Ellen on Islay
- to encourage the social enterprise model for community organisations. MICT was highlighted as an example where the limited grant funding encouraged a more ‘business-like’ approach where income generation was identified early on as a key factor for long term sustainability
- the links with the business gateway as a source of advice for community organisations as they grow and pass the point where they need to develop into social enterprises
- the weaknesses in support and advice for community and voluntary organisations, which leaves fragile communities in a vulnerable position and limits the development of community organisations that could have the potential to grow into social enterprises
- the need for Community Learning and Regeneration to contract its activities because of the carry forward for Better Neighbourhood Services Funds (approx £300k pa) and the process already set in train by Malcolm and his team to manage this transition
- the range of existing projects and staff that need to be managed in the transition process – radical change is not possible, but existing staff might be directed to work with a different mix of organisations or to manage other projects to a conclusion if they do not fit with specified outcomes
- that there need to be clear signs of change within approx 6 months. The pace of change cannot be slower, partly because the Scottish Government are expecting change within the year, but also because we’ve always said there was an unmet need and rebalanced activity will show that the CPP is responding to a real unmet need. The management of any transition will be important because projects that need to end must do so in an orderly fashion and those that are sustained are redirected as appropriate
- that there should be greater integration between the different funding streams focused on deprivation, inequality and action to address these. The discussion focused on the Fairer Scotland Fund, European funding and the Health Improvement Fund. Bringing the different funding streams alongside each other could remove the need to have a separate JHIP as outcomes focused on health inequalities could be linked with wider action direct at inequalities via the Fairer Scotland Fund or across the board via the Single Outcome Agreement. This could help to develop more coordinated mainstream action focused on preventative action.
- that the Management Committee should agree clear, simple objectives to communicate the clear expectation for the direction of change and that service planning and delivery is focused on the outcomes highlighted by the CPP

There was no detailed discussion on how governance arrangements will work in future, but clearly this will need to be addressed.

Next steps

The Management Committee consider the points below as a recommendation for the transition to the Fairer Scotland Fund.

Within the context of the overall objectives for the Fairer Scotland Fund the CPP wishes to see that:

- planning for the transition period for current action funded by the CRF and future action clearly take account of:
 - national outcomes as specified in the concordat agreed on 14 November 2007
 - CPP priorities as expressed in the community plan
 - the need to demonstrate a rebalancing of services so that actions reflect actual need rather than previous funding rules – i.e. so that action is not limited to the previous regeneration areas
- an assessment is made of actions funded by the constituent funding streams that comprise the total fund of £826k to retain those that best match the objective above – the Fairer Scotland Fund is to be managed as a single fund rather than as inherited funds/activities
- the requirement for the fund to be a catalyst for long term sustainable change be a high priority
- capacity to create and provide support to community and voluntary organisations be addressed as a core concern
- opportunities to bring together actions and funding focused on reducing inequalities be pursued – e.g. integration of the JHIP and Health Improvement Fund with these processes – together with opportunities to release European funding
- further information to complement the SIMD is identified and used to target activities
- actions to promote more effective community engagement with the CPP be clearly identified and supported

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