

REVISED DISTRIBUTION POLICY AND CRITERIA

1. SUMMARY

At the meeting held on 11 November 2012 Members of the Trust were generally satisfied with the proposed amendments to the Distribution Policy and Criteria for the Common Good Fund as suggested by the Head of Governance and Law. At this time they requested that the documents be amended in accordance with the suggestions and presented at a future meeting for noting. In accordance with this request the amended documents are appended hereto.

2. RECOMMENDATIONS

2.1 That the Trust Members reaffirm their decision reached on 11 November 2013 to approve the revised Distribution Policy and Criteria as amended and attached hereto.

3. DETAIL

3.1 Members of the Trust had considered and agreed suggestions from the Head of Governance and Law as to proposed changes to the Distribution Policy and Criteria to reflect their desire to encourage smaller scale applications and to ensure that any committed revenue funding is balanced out during the course of the term of office for Councillors.

4. CONCLUSION

4.1 Following discussion and agreement at the November meeting of the Oban Common Good Fund, the Distribution Policy and Criteria have been updated in accordance with the instruction of Trust Members and are submitted hereto for adoption.

5. IMPLICATIONS

Policy - Although changes to the Distribution Policy are suggested, these are not considered material and therefore the OCGF can proceed to adopt these in respect of future applications.

Financial – None - The proposed changes seek to encourage more applications of a smaller scale nature (i.e. <£500) but also ensure that expenditure from the reserves can be balanced throughout the term of office of Trustees.

Legal -	None
HR -	None
Equalities -	None
Risk -	None
Customer Service -	None

**Executive Director of Customer Services
22 January 2013**

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OBAN COMMON GOOD FUND – DISTRIBUTION POLICY

Management of the Fund

1. Members will agree an annual budget to quantify the likely level of financial assistance available for distribution in each financial year.
2. The Fund should aim to distribute all of its expected income in each financial year, subject to the receipt of sufficient appropriate grant applications. The trustees in recognition of the substantial income generated from the revenue reserve fund shall ensure that in any period of office i.e the life of a Council term, any contribution from reserves agreed unanimously by all trustees during their period of office shall be balanced by equivalent deposits from annual income over that same period.
3. The Capital Fund is to be held in perpetuity and no distribution is permitted therefrom without the prior consent of Argyll and Bute Council as parent body.
4. Members will consider making a transfer of funds from the Revenue to Capital Account at such time as it is felt that the value of the Capital Funds has, or is likely to, diminish in real term value due to the economic climate. Advice will be sought from the Funds Investment Managers at that time.
5. Transfers to the Capital Account are not permitted at any other time.
6. A single grant approval should not distribute more than a material amount (£5,000 +) at any one time unless extenuating circumstances prevail. In such instances, all Members appointed to deal with applications to the Fund are required to favour the grant application and a detailed minute of the approval shall be kept.
7. Where an application is approved, and is above the material amount, the applicant will be notified that further applications during the subsequent two years would not be considered unless extenuating circumstances prevail at that future time.

Applications to the Fund

1. Members will meet quarterly to review applications for financial assistance.
2. A limit of one application from any single body will be considered in each financial year.

3. Members shall not approve any retrospective applications (i.e. where an item of equipment has already been purchased, a member of staff employed, or a project either capital or revenue in nature commenced) where it can be shown that the applicant was aware of a funding deficit at the time of commencement.
4. Grants awarded will be valid for a period of 9 months, after which the offer of grant will lapse and will be considered to be withdrawn. An applicant not drawing down an approved grant before the above period may re-apply.
5. Applications are reviewed against the Oban Common Good Fund Distribution Criteria as follows:-
 - (i) In accordance with the terms of the Local Government (Scotland) Act 1973 (Section 222, paragraph 2), the Council shall, in administering the Fund, have regard to the interests of the inhabitants of (the former burgh of) Oban.
 - (ii) Applications for contributions towards recurrent revenue costs will not normally be considered. Applications may be considered, however, for funding to support start-up revenue costs, with the purpose of supporting an applicant prior to the applicant securing recurrent funds. In any case, revenue funding will not be considered for a period exceeding 6 months.
 - (iii) Where significant (large scale) applications are considered, it is expected that other funding sources are detailed at the time of application. In such cases, grants may be approved on the basis that sufficient funds from other bodies will be secured prior to the release of any grant from the Oban Common Good Fund. Should the nature of the project change due to an overall funding shortfall, the applicant should re-apply to the Oban Common Good Fund stating the nature of the change.
6. Where an applicant is seeking funding to offset, either in whole or in part, the cost of hiring an Argyll & Bute Council facility, the Members will consider the application on the basis of the above criteria. Should the applicant wish to hire an Argyll & Bute Council facility for the purpose of fund-raising, the purpose of the fund-raising activity will be considered as the applicants aims, and tested using the aforementioned criteria.
7. Where a grant is approved to support an applicant's capital expenditure, an accountant's certificate shall be provided to ensure the correct treatment of the grant in the applicant's accounts.
8. A grant will be released upon receipt of written confirmation and copy invoices from the applicant. This documentation should be sought as follows:-
 - (i) For goods or services, a copy of receipted invoice(s) provided.

- (ii) Capital project, completed copy of receipted invoice(s) provided or written evidence of progress from Quantity Surveyor.
 - (iii) For goods or services, a copy of invoice(s) provided (where applicants cash flow doesn't allow for invoice settlement in advance of claim)
 - (iv) Where a material sum is approved for a revenue project, half of the grant should be paid at the mid-point, with the remainder paid at the end of the period for which the support was approved.
9. For each grant approved, confirmation should be required from the applicant to verify that the funds have been made available for the purpose for which they were awarded. Should this not be the case, the committee will make every attempt to recover the funds.
10. Notwithstanding the general provisions herein there shall be a presumption that where a funding request is for a sum no more than £500 the general rule that the common good fund is a fund of last resort shall not apply.

OBAN COMMON GOOD FUND

The Fund meets on four occasions per year (February, May, August and November) and the deadline for receipt of applications will be 15th January, April, July and October respectively.

CRITERIA

The following criteria apply to all applications for financial assistance from the Oban Common Good Fund:-

1. The Common Good Fund requires to be administered having regard to the interests of the inhabitants of the town of Oban. Accordingly, applications must clearly demonstrate that the purpose of the grant is to provide a service or facility that will meet a local need or directly benefit the residents of Oban. The Members of the Fund must be satisfied that any and all disbursements from the Fund meet this requirement, and their decisions in this regard are full and final.
2. The Common Good Fund is not an alternative to mainstream Council Grants Schemes and applications to the Fund will only be considered once other sources of funding (where applicable) have been applied for and determined. Notwithstanding the general provisions herein there shall be a presumption that where a funding request is for a sum no more than £500 the general rule that the common good fund is a fund of last resort shall not apply.
3. Subject to 1 and 2 above, applications will be considered from individuals and properly constituted voluntary or charitable organisations for funding towards 'one-off' projects. Applications for routine operational costs / core funding will not normally be considered. Regular applications from organisations will only be considered where such applications form part of a defined development plan or growing project.
4. Applications will only be considered if they include a copy of the organisation's most recent audited or approved accounts. Accounts can only be approved by someone independent of the applicant organisation. This person's name and address must be supplied.
5. Applications will not normally be accepted in respect of projects on which work has already started, or in aid of expenditure towards which applicants have already made a commitment or paid.
6. Applications relating to a wider area than that covered by the Fund will not normally be considered unless the applicant can specify, to the

satisfaction of the Fund Members, how any grant will meet a local need or directly benefit residents of Oban.

7. Applicants must enclose, along with the completed application form, the following information (where applicable):

- A copy of the most recent audited or approved accounts
- Contractor's estimates
- A copy of the organisation's constitution
- Any planning or other consents (which must have been already obtained)