

**REPORT TO: POLICY AND RESOURCES COMMITTEE ON TUESDAY 17
NOVEMBER 2009**

SUBJECT: FAIRER SCOTLAND FUND

BY: CHIEF EXECUTIVE

1. REASON FOR REPORT

1.1 The Committee is invited to note the progress of the Fairer Scotland Fund towards the agreed performance indicators and its overall performance in meeting the fund priorities.

1.2 This report is submitted to Committee in terms of Section A (2) of the Council's Administrative Scheme relating to the regulation and management of the finances of the Council in accordance with the policies determined by the Council and to prepare and review from time to time such rules as may be necessary for the proper administration of the Council's financial affairs.

2. RECOMMENDATION

2.1 **The Committee notes the progress of the Fairer Scotland Fund in meeting the agreed performance indicators and overall performance of the fund in meeting the fund priorities.**

3. BACKGROUND

3.1 The Scottish Government announced as part of the Concordat between it and Local Government that a new fund would be created aimed at tackling poverty and deprivation across Scotland. Nationally the fund will total £435 million over three years and is part of the local government settlement. An allocation has been made to Moray over the next three years to enable the Community Planning Partnership to work to tackle poverty and disadvantage.

3.2 At the Community Planning Board meeting on 29 May 2008, a proposal outlining the key objectives for the use of this fund for Moray to tackle poverty was presented for approval and thereafter submitted and approved by the Scottish Government. The three key areas identified for Moray on which the focus of the fund will be targeted are:

- Regenerating the most disadvantaged areas
- Improving life chances for individuals and groups experiencing poverty and disadvantage
- Improving employability

3.3 Management arrangements for the fund were agreed at the Council's Policy and Resources Committee on 13 January 2009 (*para 5 of the minute refers*), and at the Community Planning Board meeting on the 10 June 2009, where it was agreed that all matters related to Social Inclusion and inequalities including the Fairer Scotland Fund would in future report directly through the Community Planning Board.

3.4. Performance indicators and performance management processes were agreed at Audit and Performance Committee on 3 June 2009 (*para 5 of the*

minute refers). All proposals approved for funding are subject to a robust monitoring and evaluation process and progress towards the agreed outcomes are monitored through the Social Inclusion Implementation group and reported to the Community Planning Board and Policy and Resources Committee on a quarterly basis. The Community Planning Board has final approval of all applications recommended for funding.

3.5 The following performance indicators were agreed as Fairer Scotland Fund Team Performance Indicators:

- (i) The Fairer Scotland team will have allocated 75% of the Fund by March 2010 and they will have allocated 100% of the Fund by August 2010.
- (ii) Following completion of the research and production of the Strategic Assessment for the Fairer Scotland Fund, accurate poverty indicators for Moray will be established by September 2009.

3.6 In the first year (2008/09) funding was allocated as a transitional arrangement to projects which were previously funded through the constituent funds that made up the Fairer Scotland Funds (FSF) and this arrangement was continued through the first quarter of 2009 – 2010. ***(Appendix 1 refers Appendices can be found in members library and on the members portal)***

3.7 Following the recruitment of the Fairer Scotland Fund team a number of initiatives and processes were developed and agreed which would contribute towards developing the use of the fund and meeting the fund priorities including:

- A rolling programme of investment ideas.
- The development of an employability service.
- The creation of a Moray Assisted Recruitment scheme which is aimed at vulnerable young people aged 16 – 24.
- The development of a Financial Inclusion Strategy and Action Plan.
- Support to other partnership groups

(Appendix 2 refers)

3.8 The Scottish Government have recently commissioned work on identifying accurate rural poverty indicators following detailed discussion with the Government representative it has been agreed that Moray's work in this area will operate in conjunction with the national agenda.

3.9 78% of the fund has now been committed.

3.10 In Year three of the project the work of the Fairer Scotland Fund team will be influenced by the assessment of poverty in Moray but that the team will:

- Monitor and evaluate all FSF investment
- Develop the fund in tackling the causes of poverty in Moray
- Develop the Employability Action group
- Support the Social Inclusion Implementation Group

- Measure impact of the Fairer Scotland Investment
- Continue to support Community Engagement structures to engage with the most disadvantaged groups

4. SUMMARY OF IMPLICATIONS

(a) Single Outcome Agreement/Service Improvement Plan

The Fairer Scotland Fund is closely aligned to the Single outcome Agreement and any investment in the fund will contribute towards the actions and outcomes contained in the SOA, particularly national Outcome 7

(b) Policy and Legal

The Moray Council has a statutory Duty under the Local Government in Scotland Bill 2003 part 2 section 16 (1) to initiate, maintain and facilitate the process of Community Planning. The introduction of a 'Duty of Community Planning' through the Local Government (Scotland) Act 2003 emphasises the importance of considering social inclusion in the Community Planning process. The Scottish Government announced as part of the Concordat between it and Local Government that the Fairer Scotland Fund would be established to assist in tackling poverty and deprivation across Scotland.

(c) Resources (Financial, Risks, Staffing and Property)

The allocation has been ring fenced in the first two years of the spending review period to ensure Community Planning Partnership engagement in driving "strategic investment of these resources".

The funding allocation for Moray from the Fairer Scotland Fund is:

2008/09	£343,000
2009/10	£422,000
2010/11	£500,000

The total amount spent from the Fairer Scotland Funding in 2008/9 was £197,216 (this includes staff and running costs). The unspent funds of £149,090 were approved by the Scottish Government to carry forward into 2009/10.

The total funding available for the two years 2009 to 2011 is £1,071,090, within which £230,000 relates to projected staff and running costs, which leaves the balance of £841,090 available for allocation.

Projects	Funding Committed	Balance of funding available
Funding available to allocate 2009-2011		£841,090
Transition funding agreed existing CRF projects (April – June 2009)		
Mobile Information Bus	£3,750	
Moray New Futures	£5,793	
Aberlour Childcare Trust	£11,250	£20,793
		£820,297
Projects agreed at May meeting of Community Planning Board		
Girfec Co-ordinator	£36,000	
Moray Domestic Abuse Forum	£30,000	£66,000
		£754,297
Employability Provision tender		£102,503
		£651,794
Funding approved from second round from Community Planning Board 27 August 2009		
Milton Drive Community Project	£10,000	
Elgin High School	£20,000	
Youth Justice/Antisocial Behaviour	£40,000	
NHS Mobile Information Bus	£12,000	
NHS Speech and Language Therapy	£30,630	£112,630
		£539,164
Moray Assisted Recruitment Scheme* (<i>approved allocation from Board meeting 27 August 2009 para 11 of the minute refers</i>).		£267,000
		£272,164

*European Social Fund Priority 2 (Lowlands and Uplands) funding has been sought for the Moray Assisted Recruitment Scheme using the FSF as a match funder. Second stage application has been submitted. Total funding package applied for £800,000.

(d) Consultations

Chairs of the theme groups have been consulted on the proposals received relevant to their theme groups' priorities.

The Social Inclusion Implementation Group assessed and made recommendations to the Board on the proposals received and were consulted and agreed to the use of the Fairer Scotland Fund as part of a larger funding package towards the development of the Moray Assisted Recruitment Scheme.

The Employability action group were consulted on the development of the Employability Service and the Moray Assisted Recruitment Scheme.

The Chief Finance Officer has been consulted in respect of the financial implications outlined.

Procurement and Moray Council contracts have been consulted in the development of the Service level agreements and the undertaking of the employability service procurement process.

All relevant community planning partners were consulted as part of the development of and on the draft Financial Inclusion Strategy.

5. CONCLUSION

5.1 Policy and Resources Committee note the progress of the Fairer Scotland Fund towards the agreed performance indicators and overall performance of the fund in meeting the fund priorities.

Author of Report: Jacqui Taylor – Fairer Scotland Fund Manager

Background Papers: Fairer Scotland Fund Submission

Funding proposals – Moray Assisted Recruitment Scheme

Moray Financial Inclusion Strategy

Moray Employability Service Specification

Ref: