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## NORTH AYRSHIRE COUNCIL

15<sup>th</sup> June 2021

### Cabinet

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<b>Title:</b>	<b>UK Government Community Renewal Fund Application Proposal</b>
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<b>Purpose:</b>	To seek approval for the submission of applications to the UK Government Community Renewal Fund.
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<b>Recommendation:</b>	That Cabinet;  Notes the application process and approves the Lead Authority Bid Submission summary included in appendix 3 for submission to UK Government by the 18 June deadline in respect of the Community Renewal Fund.
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### 1. Executive Summary

- 1.1 The Community Renewal Fund is a new UK Government fund that is part of a process of replacing EU structural funds. A total of 100 priority places have been identified based on an index of economic resilience. North Ayrshire has been identified as a priority area with North Ayrshire Council the nominated lead authority for the area. It will provide largely revenue support for initiatives that:
- Invest in skills
  - Invest for local business
  - Invest in communities and place
  - Support people into employment
- 1.2 The fund aims to support communities to pilot programmes and new approaches across the UK and to support people and communities in need across the UK. Each Council as lead authority can submit bids up to a total value of £3.000m
- 1.2 The total number of applications received was 13 with a total bid value of £8.133m. Following a scoring, evaluation and shortlisting process and in order to align to the £3.000m UK Government allocation, a total of 8 projects have been shortlisted for submission to the UK Government with a cumulative investment value of £3.028m.

## **2. Background**

- 2.1 The Community Renewal Fund is a new UK Government fund that is part of a process of replacing EU structural funds. A total of 100 priority places have been identified based on an index of economic resilience. North Ayrshire has been identified as a priority area with North Ayrshire Council the nominated lead authority for the area. It will provide largely revenue support for initiatives that:
- Invest in skills
  - Invest for local business
  - Invest in communities and place
  - Support people into employment
- 2.2 The fund will provide capacity funding to help places prepare for the introduction of the UK Shared Prosperity Fund. The aim is to support communities to pilot programmes and new approaches across the UK. In Scotland, each lead authority can submit bids up to a total value of £3.000m.
- 2.3 In terms of process and broad criteria, following an initial launch of the scheme, bids were invited from any legally constituted organisation delivering an appropriate service. This could include:
- 3<sup>rd</sup> sector organisations
  - Community associations
  - Local authorities
  - Colleges and universities
  - Private sector organisations and charities where they are providing a service to benefit other organisations or individuals
- 2.4 Bids required to be submitted to the lead authority (North Ayrshire Council) by 21st May, 2021. The overarching criteria included;
- 90% of the funding available is revenue funding, 10% capital
  - Funding is one-off – no guarantees of future rounds in this format
  - The UK Government wants to maximise impact and deliverability through larger projects (£500,000+)
  - Smaller projects will be considered, however with an emphasis on impact over the longer term.
- 2.5 Following receipt of the applications, a scoring and evaluation process requires to be undertaken. This is in two stages. All bids initially require to meet the Gateway Criteria set by the UK Government. This is included in appendix 1. Importantly,
- Successful projects must be financially completed (i.e. all delivery activity concluded, and expenditure incurred) by 31 March 2022
  - The bids respond to a need as identified in the prospectus and do not conflict with national policy, and
  - The bid has been submitted by the lead authority and not independently

- 2.6 Stage 2 of the evaluation process requires each bid to be measure the extent to which the application can demonstrate alignment to the objectives of the UK Government Community Renewal Fund objectives and how the project contributes to local strategic priorities. Included in appendix 2 is the framework used in assessing each of the applications and the undernoted table includes summary details of the weighting applied in scoring the bids;

<b>Gateway Criteria</b>	Pass / Fail
<b>Selection Criteria</b>	- Alignment to strategic objectives of the UK Government Community Renewal Fund (Score 0 – 10) 43.5% weighting
	- Strategic Fit with local strategic priorities (Score 0 – 10) 43.5% weighting
	- Evidence of local support / wider partnership (Score 0 – 3) 13% weighting

- 2.7 The total number of applications received was 13 with a total bid value of £8.133m. Following the scoring, evaluation and shortlisting process and in order to align to the £3.000m allocation, the recommended projects to be shortlisted for submission to the UK Government include;

<b>Organisation</b>	<b>Bid Value £m</b>
Millport Town Hall	£249,406
CEIS Ayrshire	£490,953
Beith Community Development Trust	£282,457
Impact Arts Project	£514,083
Radio City	£353,361
North Ayrshire Council – Place Frameworks	£196,000
University of Strathclyde – National Manufacturing Institute Scotland	£494,137
North Ayrshire Council – Islands Green Programme	£447,664
<b>Total Bid Value</b>	<b>£3,028,063</b>

- 2.8 Although the bid value exceeds £3.000m, removal of any of the recommended shortlisted bids would reduce the investment profile below the £3.000m threshold, therefore the recommended approach at this time, due to the uncertainty of success in the bidding process, is to submit the shortlisted applications and engage further with UK Government through the assessment process.
- 2.9 The UK Government also state that 2% of the investment sought for each project should include funding to cover management costs associated with programme. Again, due to time constraints associated with the application process and to try and maximise investment in the local area through this programme, management costs will be met by North Ayrshire Council as lead authority.
- 2.10 The Lead Authority Bid Submission summary is included in appendix 3 and Cabinet is asked to approve this for submission to UK Government by the 18 June deadline.

- 2.11 All applicants will be advised shortly as to the outcome of this stage of the process. This includes those applicants who did not meet the UK Government gateway criteria or scored lower in the assessment process i.e. 5 applicants with an aggregated bid value of £5.095m.
- 2.12 Cabinet should also note that following notification of any successful bids from UK Government, North Ayrshire Council as lead authority will require to put in place appropriate governance, monitoring and funding arrangements with successful applicants. It is recognised that this will have resource implications for the Council, the extent of which should become clearer in the coming months.

### **3. Proposals**

- 3.1 It is recommended that Cabinet;

Notes the application process and approves the Lead Authority Bid Submission summary included in appendix 3 for submission to UK Government by the 18 June deadline in respect of the Community Renewal Fund.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 The £3.000m allocation to North Ayrshire if fully funded by the UK Government, however, it is recognised that following notification of any successful bids there will likely be resourcing and financial implications to ensure the appropriate governance, monitoring and funding arrangements are in place with successful applicants. This will become clearer in the coming months.

#### **Human Resources**

- 4.2 It is likely additional human resources will be required to ensure the appropriate governance, monitoring and payment arrangements are in place with successful applicants and with the UK Government.

#### **Legal**

- 4.3 Should any application be successful, the Council as Lead authority would require to enter into a funding agreement with the UK Government and successful applicants.

#### **Equality/Socio-economic**

- 4.4 The projects identified will assist in meeting the socio-economic duty as set out in the Fairer Scotland Duty by reducing economic, social and physical decline and reducing socio-economic disadvantage in the identified areas. The projects will increase community cohesion and advance community empowerment in the identified areas.

#### **Environmental and Sustainability**

- 4.5 The proposals align with the proposed Environmental Sustainability and Climate Change Strategy and will deliver environmental and sustainability benefits.

## **Key Priorities**

- 4.6 The project proposals will contribute to achieving the Council Plan priority outcomes and will contribute to the ambitions for: active and strong communities; an inclusive, growing and enterprising economy; a vibrant, welcoming and attractive environment; and a sustainable environment.

## **Community Wealth Building**

- 4.7 The evaluation and scoring of the proposals have been considered against the Community Wealth Building Strategy. Proposals should contribute to supporting local people into employment through a range of supports and initiatives.

## **5. Consultation**

- 5.1 Due to the extremely short turnaround timescale for submission of bids by 18 June, consultancy support was obtained to provide specialist knowledge around the scheme and assist the supporting governance and administrative process. Applicants also received one to one support to advise and guide them through the eligibility criteria and bid process. This has been funded from the UK Government.

Mark Boyd  
**Head of Service (Finance)**

For further information please contact Mark Boyd, **Head of Service (Finance)**, on 01294-324560

## **Background Papers**

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## Appendix 1 – UK Government Gateway Criteria

Criteria	Assessment
1. Project proposal will be delivered (including all expenditure incurred) by 31 March 2022.	<p style="text-align: center;"><b>Pass/Fail</b></p> <p>Projects must pass all gateway criteria to be considered for selection.</p> <p>Failure to adequately demonstrate one or more of these criteria will result in project rejection.</p> <p><i>*Criteria 2-4 and 6 are assessed as <b>Pass/Fail/Partial</b>. Where the project could proceed with amendments, it will be considered to pass Gateway Criteria.</i></p>
2. Project proposal responds to a need identified in the prospectus.*	
3. Project proposal does not duplicate other national or local provision.*	
4. Project proposal does not conflict with national policy.*	
5. Project proposal will be delivered by a legally constituted organisation that can receive public funds.	
6. Project proposal will be delivered in line with subsidy control/State Aid requirements.*	
7. Project proposal will be delivered in accordance with branding requirements.	
8. Project proposal has been submitted by the lead authority. Bids submitted independently from the lead authority will not be accepted.	
9. The lead authority must also show they have led an open process by which organisations are invited to submit bids.	

## Appendix 2 – Assessment and Scoring Framework

Community Renewal Fund Themes					
	Cross-cutting	Investment in skills <i>Interested in proposals for innovative projects that address current and emerging local skills needs and are complementary to broader place-based investment</i>	Investment in Local Businesses <i>Interested in proposals for innovative pilots and projects that address local business and innovation needs</i>	Investment in Communities and Place <i>Interested in proposals for innovative pilots and projects that address community needs and support local places.</i>	Supporting People into employment <i>Investment here will help places provide local, tailored, wrap-around support to those furthest from the labour market – focusing on individuals who find it difficult to engage with mainstream provision or for whom mainstream provision is not an option.</i>
UK Government criteria	<b>Net zero objectives:</b> <i>projects demonstrate the extent of contribution to net zero objectives or wider environmental considerations</i>	Work-based training	Supporting entrepreneurs and helping businesses with potential to create more job opportunities for current employees or take on new employees	Exploring opportunity for promoting culture-led regeneration and community development	Supporting people to engage with local services which support them on their journey towards employment
	<b>Equality:</b> <i>projects should consider equalities impacts</i>	Retraining, upskilling or reskilling members of the workforce	Encouraging businesses to develop their innovation potential	Feasibility studies for delivering net-zero and local energy projects	Identifying and addressing any potential barriers these individuals may face in gaining employment or moving closer to the labour market
		Promoting the advancement of digital skills and inclusion	Supporting decarbonisation measures	Improving green spaces and preserving important local assets	Raising aspirations, supporting individuals to access Plan for Jobs employment support, jobs and find sustainable employment
				Promoting rural connectivity	Supporting people to gain the basic skills they need to develop their potential for sustainable work
North Ayrshire priorities	<ul style="list-style-type: none"> <li>Evidence of working in partnership</li> <li>Leveraged funding</li> <li>Innovation in service delivery</li> </ul>	We are looking for applications employing innovative approaches to skills development to maximise the retention of any investment in our communities.	We will support the creation and sustainability of a range of business models including SMEs, social enterprise, employee ownership, cooperatives, municipal activity and community enterprises	We will support the wider regeneration of our communities by maximising all of our land and assets including through alternative uses for community and business benefit.	We encourage applications that further the creation of fair and meaningful jobs with progression opportunities to unlock the potential of our residents.

**Appendix 3 – Lead Authority Bid Submission**



# UK Community Renewal Fund

## Annex 1 – Lead Authority Bid Submission



# Lead Authority Bid Submission Summary

Lead Authority	North Ayrshire Council
Place	North Ayrshire, Scotland

This submission must be provided along with the Application Forms for locally shortlisted bids.

Please provide key information for the bidding round undertaken for each place. Please insert extra rows where necessary.

**Please complete a separate submission for each place for which proposals are submitted.**

**Table 1 – Total bids received by Lead Authority**

No of bids received in total	Value of bids received in total (£)	Bid information by investment priority (lead priority where project delivers across priorities)							
		Skills		Business		Community and Place		Supporting Employment	
		No of projects	Value (£)	No of projects	Value (£)	No of projects	Value (£)	No of projects	Value (£)
13	£8,133,279	3	2,904,779	2	3,004,222	6	1,411,061	2	813,217

**Table 2 – Bids submitted by Lead Authority for UKG consideration**

<b>Proposal Name</b>	<b>Short description (50 words)</b>	<b>Investment Priority (Skills, Business, Community, Employment)</b>	<b>Delivers in more than one place? If so, specify places.</b>	<b>£ requested*</b>	<b>Start Date</b>	<b>End Date</b>
<b>The Electric Valley</b>	This key development phase is part of a local energy programme providing a future asset for community wealth building. This would potentially stimulate other similar, linked renewable energy projects across North Ayrshire. The project is a good local strategic fit and currently looking to secure a power purchasing agreement with energy purchasers.	Communities and place	No	£353,361.05	01/07/2021	31/03/2022
<b>Impact Arts – Creative Regeneration and Renewal Project</b>	The investment provides tailored support to people furthest from the labour market using art as a hook. A mature programme has been developed that delivers skills development, employability training and mentoring of new business start-ups. The pathway support and mentoring will raise aspirations and support their journey to employment.	Supporting People into Employment	No	£514,083	Aug-21	31-Mar-22

<b>The Geilsland Project</b>	This project addresses the needs of an area of high unemployment supporting disadvantaged people into employment and investing in skills. 'The Geilsland Project' will elevate the capacity, basic skills and work experience of economically inactive, unemployed and low-skilled individuals via 3 skills development routes.	Supporting people into employment	No	£282,457	01/08/2021	31/03/2022
<b>Ayrshire Routes</b>	CEIS will deliver paid 16-week transitional labour market programme focusing on Customer Service and Digital Skills for 40 unemployed or economically inactive residents ineligible to participate in the UK Government Kickstart programme. And they will provide entrepreneurial opportunities supporting 35 businesses/social enterprises (for 4 months) looking at start-up and growth.	Investment in Skills	No	£490,953.34	16/08/2021	31/03/2022
<b>Helping Cumbrae Thrive</b>	The primary aim of this project is to address the identified needs of the community which are both social and economic. With funding the project can engage on a professional level with individuals, groups and businesses to explore culture-led regeneration (emphasis on	Communities and Place	No	£249,406.08	01/09/2021	31/03/2022

	traditional music and dance) and community development.					
<b>Place Frameworks</b>	Well-positioned proposal which will have long-term impacts on communities across North Ayrshire. Important scalable project to capture community input to placemaking and strategic planning. Really good strategic fit to Investment in place. This could develop further as part of the UK Govt's Shared Prosperity Fund.	Communities and Place	No	£196,000	02/08/2021	25/02/2022
<b>NMIS in North Ayrshire</b>	Exciting programme that will bring real manufacturing technology and innovation to the area as part of the overall Ayrshire Growth Deal project. This funding will support phase 0 of the project which focuses on on-line services and training. It contributes to net zero objectives and addresses equality impacts. It is likely that the project will inform UKSPF.	Investment in Local Business	No	£494,137.56	02/08/2021	31/03/2022
<b>Islands Green Programme</b>	Integrated package targeting Islands of Arran and Cumbrae, to accelerate the path towards net zero and boost the economic recovery and renewal of coastal communities. The project will build an evidence base to identify potential decarbonisation solutions and	Communities and Place	No	£447,664.00	02/08/2021	31/03/2022

	ensuring the islands will be in an informed position to scale up.					
TOTAL (up to a maximum of £3m per place)				<b>£3,028,062.03</b>		

\*If proposals span more than one place, please allocate funding on a percentage basis (eg. £1m proposal is expected to deliver in three places, on a 40:30:30 basis – please allocate £400k to place 1, £300k to place 2 and £300k to place 3).

**Table 3 – Outcome indicators per submitted proposal**

<b>Proposal Name</b>	<b>Outcome Indicator 1</b>	<b>Outcome Indicator 2</b>	<b>Outcome Indicator 3</b>	<b>Outcome Indicator 4</b>	<b>Outcome Indicator 5</b>	<b>Outcome Indicator 6</b>
<b>The Electric Valley</b>	6 Employment increase in supported business	1 Building renovated as a result of support	1 Decarbonisation plan developed	£4m Investment attracted	3 New Business created	32 Organisations engaged with Knowledge Transfer
<b>Impact Arts – Creative Regeneration and Renewal Project</b>	20 People into education/training	45 People gaining a qualification	8 New business created	45 Engaged in Life Skills		
<b>The Geilsland Project</b>	50 People engaged in job searching	50 People gaining a qualification	60 People engaged in life skills support	2 New business created	800 Increase in footfall	600 Increase in visitor numbers
<b>Ayrshire Routes</b>	40 People gaining a qualification following support	20 People into employment	10 Employment increase in supported businesses	15 Number of new business created	£75,000 Investment attracted	1 Feasibility study
<b>Helping Cumbrae Thrive</b>	10 People engaged in job searching	40 People engaged in life skills	20 Organisations engaged in Knowledge transfer	1 Decarbonisation plan developed	500 Increased visitor numbers	1 Building renovated as a result (1062 sq m)
<b>Place Frameworks</b>	2 Innovation Plans developed across two localities	£40,000 investment attracted as a result of support				

<b>NMIS in North Ayrshire</b>	5 Innovation Plans developed	15 Organisations engaged in knowledge transfer	1 Businesses producing new products to the firm	20 People gaining a qualification	20 People in education	1 Building built or renovated. (600 sq m)
<b>Islands Green Programme</b>	20 Organisations engaged in knowledge transfer	23 Decarbonisation plans developed	5 Employment increase in supported business	30 Jobs safeguarded in supporting business	£50,000 Investment attracted	7 Innovation plans developed

**Table 4 – Local strategic fit and deliverability considerations per submitted proposal**

Please provide short answers setting out the Lead Authority's assessment of these factors. UK Government will review Lead Authority considerations alongside the statements provided by the Project Applicant in the Application Form.

<b>Proposal Name</b>	<b>How well does the proposal contribute to local needs set out in relevant local growth plans. What evidence is there of local support?</b>	<b>How does the project align with other existing or planned activities in the area?</b>  <i>Is the project linked to other UK Community Renewal Fund bids?</i>  <i>Is the project important to taking forward other local activity?</i>	<b>Is the project deliverable within the stated timeframe?</b>  <i>Are there any local considerations that might affect the implementation of the project as described?</i>
<b>The Electric Valley</b>	This projects fits into the Council Plan objectives and the Community Wealth Building strategy. North Ayrshire Council has declared a climate emergency. A community-based programme that has evidence of local consultation and support.	It fits with the local strategic approach of broadening the ownership of renewable energy projects. The outcome will lead to Community Benefit funds being available to support future community wealth building activity. This will allow future interventions to be supported.	Yes
<b>Impact Arts – Creative Regeneration and Renewal Project</b>	The project will contribute to local measures against key local strategic outcomes, as per North Ayrshire Council Plan. It fits with Locality	This project offers opportunities for targeted young people that complements those available through other projects. It important for building	Yes

	Partnership priorities for key target communities.	the capacity of people to contribute to cultural events.	
<b>The Geilsland Project</b>	This is a project that aims to provide employability support and skills development for people disconnected from the labour market. It also aims to support people with business start-up. These are activities outlined in relevant local regeneration strategies and the Council Plan. It is a community-led response to need. It is linked and relevant to several policies, strategies and plans including Community Wealth Building.	The organisation has ties with community intermediaries and DWP to recruit participants. Trained participants will support the Geilsland project and build visitor numbers and potential for further development.	Yes
<b>Ayrshire Routes</b>	This project captures three of the UK Community Renewal Fund investment priorities (Investment in skills, Investment for local businesses and supporting people into employment) aligned to the wider North Ayrshire employability, skills and business support environment; and contributes to North Ayrshire Council's commitment to Community Wealth Building principles and the Council Plan.	This project supports people into employment through a local, tailored, wrap-around support to those furthest from the labour market and economically inactive creating vocational pathways (with qualifications), focused on key sector skills required to support the Impact Hub, overcoming barrier removal, and building key skills such as literacy and digital skills as well as career focused support	Yes
<b>Helping Cumbrae Thrive</b>	Using the Town Hall as a focus of regeneration aligns with Millport / Cumbrae's designation as a Strategic Investment area in the Local Development Plan.	The regional Ayrshire Growth Deal, Clyde Renaissance, Making Waves and Coig Routes Initiatives recognise the value of Marine Tourism and Cumbrae is well placed to take advantage of opportunities to increase marine	Yes



	Relationships strengthened through the pandemic and resilience response has resulted in a Council/Community Working Group to develop a ten-year economic and social plan and the project and organisation is a key partner in this. This fits with the Community Wealth Building Strategy. This project has already secured a range of financial support including funding from North Ayrshire Council's Community Investment Fund.	tourism. A renovated historical building, with its allied activities and events, will enhance the island's attractions	
<b>Place Frameworks</b>	This project directly takes forward the commitments and objectives of local strategic priorities identified for North Ayrshire Community Wealth Building Strategy (CWB): This will deliver activities across the pillars of CWB by building capacity and improving the local economy of Saltcoats and Largs.	This approach recognises that communities across the Council area need specific support to recover from the social and economic impact of Covid-19. This programme supports many of the key themes identified within the Green New Deal. It helps the Regeneration Delivery Plan and Locality Plans.	Yes
<b>NMIS in North Ayrshire</b>	This project aligns well with the LOIP's aims of reducing unemployment, improving education and skills, and best conditions for business. Furthermore, North Ayrshire has 6 Locality Planning Partnerships (LLPs). One of the priorities for the Irvine LPP is employment and the economy. Meets Community Wealth Building strategic objectives.	The use of the Deal to secure further public and private sector investment through partnership projects like the DPMC, is recognised as a key action to support the resilience and future proofing of the North Ayrshire economy, as it adapts to digital and low carbon.	Yes

<b>Islands Green Programme</b>	<p>This programme meets the key strategic objectives of five key local strategic priorities:</p> <ul style="list-style-type: none"> <li>• Community Wealth Building strategy</li> <li>• Local Economic Recovery and Renewal Approach (Green New Deal)</li> <li>• Regeneration Delivery Plan</li> <li>• Environmental Sustainability and Climate Change strategy</li> <li>• Island Recovery and Renewal:</li> </ul>	<p>This project can link with the Helping Cumbrae Thrive project. But these can contribute independently. It also supports wider business diversification support. It will bring forward the engagement of an Islands Engagement Officer who will work in partnership with Highlands and Islands Enterprise, and others.</p>	Yes
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**Table 5 - Lead Authority management costs**

Proposal Name	Management cost contribution (£)	% of anticipated spend (2% or 3%)	<b>Comment</b>  <i>If 3% required, please provide a justification as to why it is required, having regard for section 2.3 above.</i>
<b>The Electric Valley</b>	£7407.18	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.
<b>Impact Arts – Creative Regeneration and Renewal Project</b>	£10,498.04	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.
<b>The Geilsland Project</b>	£5,649.14	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.

<b>Ayrshire Routes</b>	£9819.06	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.
<b>Helping Cumbrae Thrive</b>	£4,988.12	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.
<b>Place Frameworks</b>	£3920	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.
<b>NMIS in North Ayrshire</b>	£9,882.75	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.
<b>Islands Green Programme</b>	£8,953.28	2%	To add further financial support towards the delivery of the project, the 2% management costs for each project can be met by North Ayrshire Council as lead authority and <b>not</b> in addition to the requested sum for each individual project.

## Lead Authority Role - Functional Statements

Lead Authorities should describe the proposed systems and processes they will use in carrying out their role. Where required, please provide links or attach relevant documents. Please limit each answer to 500 words or less.

<b>Identification of a Senior Responsible Officer</b>
<p><a href="#">Mark Boyd</a>, Head of Finance, North Ayrshire Council is the SRO for the North Ayrshire bids.</p> <p><b>Mark Boyd</b> <b>Head of Finance</b></p> <p>Finance and Corporate Support North Ayrshire Council Cunninghame House Friar's Croft Irvine KA12 8EE</p> <p>Phone number: (01294) 324560 E-mail: <a href="mailto:markboyd@north-ayrshire.gov.uk">markboyd@north-ayrshire.gov.uk</a></p>
<b>Operation of an open process by which organisations are invited to submit bids</b>
<p>North Ayrshire Council used an open bidding process to attract applications for the CRF. The call for applications was widely publicised nationally, including through SCVO as well as through the Council's communications team <a href="https://www.north-ayrshire.gov.uk/news/Council-invites-bids-for-UK-Community-Renewal-Fund.aspx">https://www.north-ayrshire.gov.uk/news/Council-invites-bids-for-UK-Community-Renewal-Fund.aspx</a>. This was picked up and reposted by local community networks e.g. <a href="https://www.inyourarea.co.uk/news/council-in-ayrshire-seeks-bids-for-covid-build-back-fund/">https://www.inyourarea.co.uk/news/council-in-ayrshire-seeks-bids-for-covid-build-back-fund/</a> and augmented with direct approaches to the Third Sector Interface and other intermediaries that could pass on the information quickly to potential applicants. This approach was successful in reaching the target groups and yielded 14 expressions of interest.</p>

The Council built a bespoke CRF portal on its website <https://www.north-ayrshire.gov.uk/your-community/uk-community-renewal-fund.aspx> which detailed the fund, which applicants and projects would be eligible, and the application process. Detailed guidance was produced to augment the UK Government documentation and applicants were asked to register their interest in applying – which most did. The EOI process enabled the Council to gauge the level of interest and to offer support to applicants. Most, but not all, applicants registered their interest in advance and many took up the offer of individual support.

Support was delivered by senior Council staff, supported by specialist consultants, and consisted of:

- A guide to how to apply, distilling the longer technical guidance into an easy-to-follow guide, tailored to local needs.
- An introductory webinar and Q&A session to explain the application process and run through the fund's eligibility criteria, key dates, application and assessment processes and tips for completing the application.
- Further one-to-one support was offered to projects to answer questions and help refine applications during the bid writing period.
- Any detailed questions arising from this process were passed on to UKG representatives during regular web Q&A sessions.

#### **Objective and transparent assessment and prioritisation of proposals**

The Council set out the 2-stage process by which proposals would be assessed and prioritised at local level by the Council then at UK level by the MHCLG. The Council's guidance directed applicants to the gateway criteria and the model form supplied by UK Government to assist in the process and which was used in a modified form by the Council. The Council's main role has been to prioritise projects that are fundable, align best with local and national priorities, and meet the £3 million target allocation for the place.

All applicants had access to specialist help in completing their applications and were given a detailed timetable for submission, assessment and a decision to progress each application. This is on the website and associated guidance. The timetable is governed by the Council's internal governance and the need for the final list to be approved by Cabinet prior to submission on 18 June.

The assessment process was undertaken in several stages. To avoid conflicts of interest, the applications were assessed in detail against the assessment form by independent consultants. The external panel considered each application and scored against the gateway criteria. If the application passed this stage it was scored against strategic fit at national and local level. In this case the Council's priorities linked to its economy, centred on wellbeing and inclusion called Community Wealth Building (CWB) were used as the benchmark. Partnership with other organisations and community involvement were also prioritised. The team then assessed each application for deliverability, effectiveness and efficiency.

These assessments were moderated then passed to the SRO for scrutiny and final amendment before the final list of projects was selected for submission to Cabinet. The final selection for submission to UKG was therefore approved by Cabinet.

#### **Due diligence**

The Council's Finance Department carried out a due diligence exercise on lead applicants and key partners prior to submission. This was in two stages: identifying lead applicants (other than Council-controlled applications) that are already suppliers to the Council and have previously passed financial due diligence. Secondly identifying those applicants without an existing financial relationship with the Council and undertaking due diligence on their financial situation as well as compliance with relevant legal and regulatory thresholds. The Council has satisfied itself the potential recipients have the capacity to deliver, relevant levels of insurance, financial stability and health and safety policies as a minimum.

## Procurement

Whilst it is recognised that each applicant will directly undertake their own procurement activity as part of project delivery, North Ayrshire Council as lead authority, and through contract monitoring arrangements, will look to ensure that all procurement activity is carried out in a transparent, consistent and accountable manner and in accordance with procurement legislation and the Council's internal governance arrangements. In particular, to ensure all projects promote the payment of the real living wage and fair work practices and promote community wealth building through opportunities for local citizens and businesses.

The Council has an in-house procurement service (externally assessed) that will help oversee and monitor contracts required through the funding process. Its strategy for procurement is tied to the Council's core strategies for economic growth: <https://www.north-ayrshire.gov.uk/Documents/CorporateServices/Finance/corporate-procurement-strategy.pdf>

North Ayrshire Council procures goods, works and services. Its Corporate Procurement Unit (CPU) works to ensure that purchases are economically advantageous, legal, fair, safe and that the procurement process is open and transparent. The unit's vision is to be 'recognised by all North Ayrshire stakeholders as a focussed, passionate and inspirational Procurement team that works collaboratively, both internally and externally, to support North Ayrshire communities, SMEs, third sector organisations, social enterprises, supported businesses and micro-enterprises whilst delivering value for money for North Ayrshire residents'.

All requirements over:

£50,000 for supplies and services

£100,000 for works

are advertised on the national Public Contracts Scotland (PCS) portal. It is free to register and to receive email alerts for public sector contract opportunities.

North Ayrshire Council uses contracts to secure best value. It ensures that:

- items are fit for purpose

- prices are reasonable
- suppliers/contractors/service providers have relevant levels of insurance, financial stability and health and safety policies.

This protects the interests of the residents of North Ayrshire as well as North Ayrshire Council and the UK Government.

### **Funding agreements with project deliverers**

The Council will set out the terms of funding with each lead applicant in a formal funding agreement prior to releasing funding. This will be a standard agreement setting out the terms and conditions imposed by the funder (UK Government) as well as local conditions in North Ayrshire – in particular the need to align with local strategies and policies and the need to work cooperatively with other local agencies and organisations. The Council already uses funding agreements to disburse funds through its existing community funds. The CRF agreements will use a similar process to ensure the Council's and UKG's interests are protected so it can move ahead quickly to agree the terms. The Council will also ensure funded projects are able to meet their obligations to share data for evaluation and monitoring purposes, and that branding guidelines are adhered to.

The aim of the funding agreement is to ensure the funding is used for the intended purposes, and that funding is released to the applicant in line with project progress and agreed milestones. It will cover regular financial monitoring and audit requirements, as appropriate, reporting schedules, evaluation requirements and detailed outcomes for each project. The lead applicant will assume financial responsibility for project partnership and sub-contract arrangements needed to deliver the project.

### **Payments and monitoring**

The Council's aim is to ensure payments are made to projects in a timely manner so as not to cause unnecessary financial stress for project deliverers. It has an established relationship with most of the applicants but the terms of each funding agreement will cover payment schedules. The Council is setting up a project monitoring function to ensure claims are checked and verified before payment and will incorporate this project activity into the Audit Plan of North Ayrshire Council's Internal Audit team.

The Accounts Payable section has responsibility for providing a system for proper recording and payment of sums due by the Council. The section deals with the processing of invoices, queries regarding the status of invoices, the maintenance of creditor records, and the Construction Industry Tax Scheme.

### **North Ayrshire Council Terms**

Unless specific contract terms have been agreed, the standard North Ayrshire Council payment terms are 30 days from receipt of a **valid** claim for payment. Claims will be checked in detail before payment and any issues resolved before being approved for payment.

Invoices without the required valid details (e.g. contact details, PO Number), will not be processed or paid until all valid information is provided by the supplier. Payment may therefore be delayed.

**Good Invoicing Practice Guide for Suppliers**

Our [Good Invoicing Practice \(PDF, 36kb\)](#) aims to reduce delays in payments to suppliers.

Failure to provide invoices with the correct information will result in your invoice being returned unpaid. Payment terms will take effect from date of receipt of the amended invoice.

**Evaluation**

Each applicant has submitted an outline evaluation plan as part of its application covering fund indicators as well as local indicators. As part of the funding agreement, we will ask projects to crystallise their plans and commission evaluators to enable the impact to be independently assessed, and learning captured and disseminated. Delivery of evaluation reports will be a condition of funding and the evaluation approach will need to be robust and proportionate. We will ensure compliance through our project monitoring team.

Details of national evaluation and process evaluation have not been set out yet but we expect to participate in process evaluation as well as activity monitoring for UKG, along with liaison with the national evaluation.

**Branding and publicity**

All projects have been made aware of, and have agreed to, the CRF branding requirements. Our project monitoring team will be responsible for ensuring compliance and reported back to UKG as required.

The Council's communications team will prepare a publicity plan to ensure local and wider media (including social media) coverage of projects and the role of UKG funding and coverage will be included as needed in monitoring reports to UKG.