

REPORT TO INFRASTRUCTURE SERVICES COMMITTEE – 29 NOVEMBER 2018

RURAL PARTNERSHIP FUNDS REVIEW

1 Recommendations

The Committee is recommended to:

- 1.1 Note and support the continuing development of the six Area Rural Partnerships who collectively form the Aberdeenshire Rural Partnership Federation;**
- 1.2 Note the progress made to consolidate the Rural Partnership funds in Economic Development and the Area Committee funds;**
- 1.3 Agree the distribution of the rural partnership fund equally across the six Area Rural Partnerships in accordance with the Recommended Distribution of Rural Partnership Funds 2019-2020 at Appendix 1 and thereby cease funding to the Royal Deeside Partnership; and**
- 1.4 Note that annual reports and action plans will be reported to Infrastructure Services Committee and additionally action plans and partnership's annual reports will be loaded onto Ward Pages.**

2 Background / Discussion

- 2.1** Rural Partnerships in Aberdeenshire were set up in the 1990s as independent organisations, created and managed by community representatives. They have evolved to reflect the needs of the communities and have developed extensive knowledge and expertise to fulfil their core purpose of helping to build stronger, more sustainable communities. The Council has a service level agreement with each of the Rural Partnerships. To show the benefits of their work, two years ago the Rural Partnerships also started to complete Action Plans for the Council which state targets for the following year which are then measured and monitored. The six Rural Partnerships work together as the Aberdeenshire Rural Partnerships Federation to share good practice and work jointly on projects.
- 2.2** On 25 January 2018 the Infrastructure Services Committee (Item 16) requested that the Director investigate the wider issues of rural partnership funding and report to Committee in autumn 2018. Officers have discussed with Area Managers, Rural Partnership chairs and staff, Aberdeenshire Voluntary Action, Cairngorms National Park Authority and community stakeholders in carrying out this review of rural partnership funding.
- 2.3** On 2 February 2017 the Infrastructure Services Committee (Item 13) agreed a Rural Partnership budget of £206,000 for 2017 – 2018 and delegated to the Head of Economic Development to conclude the Service Level Agreements

with Rural Partnerships for 2018 - 2020 following approval of the budget at Full Council on 13 February 2017.

- 2.4 On 13 February 2017 Aberdeenshire Council approved a reducing Rural Partnership budget as £206,000 2017 - 2018, £195,700 2018 - 2019 and £185,400 2019 - 2020.
- 2.5 Rural Partnerships and Aberdeenshire Council concluded discussions and signed a Service Level Agreement (SLA) for 2018 – 2020. This agreement ends on the 31 March 2020. Marr Area Partnership and Royal Deeside Partnership have a one year agreement ending 31 March 2019
- 2.6 Updates on the proposed distribution of funding for 2018 – 2020 were presented to Area Committees. Banff & Buchan, Buchan, Formartine, Garioch and Kincardine & Mearns Area Committees endorsed the approach with the Service Level Agreements and Action Plans. In each case the Rural Partnership Funding goes to a single Area Rural Partnership.
- 2.7 On 10 May 2018 Infrastructure Services Committee were provided with a Bulletin Report on the Rural Partnerships Service Level Agreements 2018 – 2020 and Action Plans 2018 – 2019.
- 2.8 On 5 December 2017 Marr Area Committee (Item 8) made comment that the Area Committee would wish to continue to support more than one organisation with Rural Partnership funding.
- 2.9 Royal Deeside Partnership has benefited from a proportion of the Marr Rural Partnership Fund for several years.
- 2.10 Royal Deeside Partnership covers Braemar, Ballater and Aboyne areas through Braemar Community Limited, Ballater (RD) Ltd and Mid-Deeside Limited. As Development Trusts they have been successful at delivering projects in their area but do not act as a rural partnership. The SLA funds are split prorata across the three organisations. From meetings between the chairs of the three development trusts and officers there is no expectation of continuation of these core funds as the organisations do not operate as a rural partnership.
- 2.11 Marr Area Partnership covers the whole of the Marr area which is approximately 42% of the Aberdeenshire Council area and is seen as the most rural aspect of Aberdeenshire. Travel costs are a significant part of this rural partnership's operating costs. Against this, the partnership is seen as innovative with the development of Ward Forums which provide a consistency across the Marr area.
- 2.12 Marr Area Partnership have historically received less than Banff and Buchan, Buchan, Formartine, Garioch and Kincardine & Mearns rural partnerships. Last year this equated to £4,000 less in core funding.
- 2.13 The Marr Area Partnership accounts in the last year run at a deficit of £7,500. The partnership board and staff have addressed this matter through reducing core staff hours. However, with staff costs and travel amounting for 80% of the partnership's costs this will have the potential to further reduce the capacity of the partnership.

- 2.14 It is therefore proposed that the Royal Deeside Partnership is no longer included in the distribution of the Rural Partnership Funds going forward. This will allow the Marr Area Partnership to receive an equal share of funding from the Funds to align it with the other five Area Partnerships.
- 2.15 The Aberdeenshire Council and Rural Partnership approach is viewed nationally and locally as a highly innovative and unique solution to building local community economic development capacity and delivery. One of the earliest examples of true community empowerment. Rural Partnerships are consequently seen as necessary, contributing partners, not just by the Council but also with other Community Planning Partners, communities and community groups they serve. This has been demonstrated by the work they have done on behalf of the Health and Social Care Partnership, their support and participation in the two LEADER Local Action Groups in Aberdeenshire and the facilitation of a number of Local Democracy Conversations.
- 2.16 The trend for the impact of the Rural Partnership Fund Economic Development budget for the past 10 years is shown by the following allocation to Banffshire Partnership. 2009 – 2010 £28,500, 2010 – 2011 £28,500, 2011 – 2012 £23,000, 2012 – 2013 £24,000, 2013 – 2014 £34,333, 2014 – 2015 £34,333, 2015 – 2016 £34,333, 2016 – 2017 £34,333, 2017 – 2018 £34,333, 2018 -2019 £32,616, 2019 – 2020 £30,900.
- 2.17 2018 – 2019 was the first year of the budget reduction in rural partnership funds. This has given rise to some challenges in Area expectations, community aspirations, rationing of priorities and capacity by the rural partnerships to meet the ever-increasing demand on their services.
- 2.18 Officers are in no doubt that the costs to resource Community Economic Development internally would require significantly more resources than currently expended through the SLA. Funding 6 CED officers would not necessarily translate to the same level of penetration in communities that the Rural Partnership Federation affords Aberdeenshire Council.
- 2.19 Aberdeenshire Voluntary Action (AVA) the Third Sector Interface (TSI) in Aberdeenshire works alongside the Rural Partnerships collectively to ensure maximising resources and support for the community. They come together with Aberdeenshire Council through the 3rd Sector Strategy Group.
- 2.20 AVA have gone through some structural changes themselves and their development officers have been reduced from 12 to 6. These posts are mainly part-time.
- 2.21 AVA view the support they and the rural partnerships provide as complementary. However, AVA has confirmed it does not have the capacity to pick up work if the rural partnerships were to withdraw from support to Aberdeenshire communities without additional resources.
- 2.22 There are areas for closer collaborating between Rural Partnerships and AVA. In particular, Formartine, Garioch and Marr would be suggested as an initial focus.
- 2.23 Part of Marr sits within the Cairngorms National Park Authority (CPNA).

- 2.24 CPNA provide three SLA's to support community capacity building within the park area. Marr Area Partnership benefits from a small aspect from CPNA to provide specific support within the park area.
- 2.25 CPNA would not have the capacity to support this activity internally and would not be able to fully fund the rural partnership. The CPNA SLA on its own would be insufficient to sustain a competent and professional level of staffing of the Marr Area Partnership.
- 2.26 Officers will continue to support the Aberdeenshire Rural Partnership Federation in promoting the value of Rural Partnerships and seeking opportunities for external funding and commissioned services.
- 2.27 The agreed distribution of funding for 2018 - 2019 is shown in **Appendix 1, Table 1.**
- 2.28 In addition to the budget in paragraph 2.4, Area Committees have an additional £3,000 to distribute to Area Rural Partnerships. This has formed part of the SLA and it is proposed to combine this with the Economic Development budget as per **Appendix 1 Table 2.**
- 2.29 Community Council Forum commented that the Rural Partnerships were an integral part of rural community life. Their accessibility, shoulder to lean on, project support and advice were critical to the confidence and leadership development in communities.
- 2.30 Rural Partnerships were asked by officers to provide two examples of activity that the Council would have to provide, two examples of achievements and two activities that would cease without sustainable core funding. The information provided is given in **Appendix 2.**
- 2.31 Rural Partnerships will continue to submit an annual report to the Economic Development Service, which officers will report to Infrastructure Services Committee and Area Committees on the performance, outcome and impacts of the work of the Rural Partnerships.
- 2.32 Details of the main points of the Service Level Agreement between Aberdeenshire Council and the Rural Partnerships are given in **Appendix 3.**
- 2.33 The Service Level Agreement in **Appendix 3**, was updated at point 8 to include the requirement that the rural partnerships will provide an annual action plan that will be agreed with officers in advance of the commencement of the Service Level Agreement. This will ensure that there is opportunity to measure the outcomes, which will be reported to Committee as part of the annual monitoring as detailed in paragraph 2.29.
- 2.34 The Head of Finance and Monitoring Officer within Business Services have been consulted and their comments incorporated into the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3 Scheme of Governance

- 3.1 The Committee can consider and take a decision on this item in terms of Section F.1.1 of the List of Committee Powers in Part 2A of the Scheme of

Governance as it relates to the approval of resources to support Economic Development.

4 Implications and Risk

- 4.1 An [Equality Impact Assessment](#) has been carried out as part of the original proposals and this exercise remains relevant. No detrimental impact was identified at that time.
- 4.2 The management of this budget is undertaken within existing staff resources.
- 4.3 The £195,700 of Rural Partnership funding for year 2018 - 2019 and £185,400 of Rural Partnership funding for year 2019 - 2020 will be met from the Economic Development budget 2018 - 2020 Page 60, Line 17 "Support to Rural Partnerships".
- 4.4 A Town Centre impact assessment is not required as the work of rural partnerships does not directly impact on town centres. Projects which come out of the support work will be assessed separately for impact on town centres.
- 4.5 The following risks have been identified as relevant to this matter on a Corporate Level: Budget Pressures; Working with other organisations (e.g. supply chains, outsourcing and partnership working). [Link to Corporate Risk Register](#). No risks have been identified as relevant to this matter on a Strategic Level.
- 4.6 As part of the Councils Medium Term Financial Strategy, the service has identified a budget for the Rural Partnerships in the years 2018/19 and 2019/20, which is £195,700 and £185,400 respectively.

Stephen Archer

Director of Infrastructure Services

Report prepared by Reid Hutchison, Community Economic Development Co-ordinator
Date 11 October 2018

ACTUAL DISTRIBUTION OF RURAL PARTNERSHIP FUNDS 2018-19

Table 1

| | £ per annum Econ Dev | £ per annum Area Comm | £ per annum Area Comm additional award | £ per annum Total |
|---|-----------------------------|------------------------------|---|--------------------------|
| Banffshire Partnership | 32,616 | 3,000 | | 35,616 |
| Buchan Development Partnership | 32,616 | 3,000 | | 35,616 |
| Formartine Partnership | 32,616 | 3,000 | | 35,616 |
| Garioch Partnership | 32,616 | 3,000 | | 35,616 |
| Kincardineshire Development Partnership | 32,616 | 3,000 | | 35,616 |
| Marr Area Partnership | 28,816 | 3,000 | | 31,816 |
| Royal Deeside Partnership | 3,800 | | 3,700 | 7,500 |
| TOTAL | £195,700 | £18,000 | £3,700 | £217,400 |

RECOMMENDED DISTRIBUTION OF RURAL PARTNERSHIP FUNDS 2019-20

Table 2

| | £ per annum Econ Dev | £ per annum Area Comm | £ per annum Total Econ Dev |
|---|-----------------------------|------------------------------|-----------------------------------|
| Banffshire Partnership | 30,900 | 3,000 | 33,900 |
| Buchan Development Partnership | 30,900 | 3,000 | 33,900 |
| Formartine Partnership | 30,900 | 3,000 | 33,900 |
| Garioch Partnership | 30,900 | 3,000 | 33,900 |
| Kincardineshire Development Partnership | 30,900 | 3,000 | 33,900 |
| Marr Area Partnership | 30,900 | 3,000 | 33,900 |
| TOTAL | £185,400 | £18,000 | £203,400 |

The Rural Partnerships were asked to provide two examples of activity that the council would have to do in the absence or reduction in rural partnership activity

Buchan Development Partnership

- 1) The council would have to administer the area initiative funds.
- 2) Maintain membership forums which provide excellent opportunities for groups in Buchan to share ideas on successful projects, good practice, networking and forums for council to engage directly with communities.

Banffshire Partnership

- 1) Instigate, manage and support the community action plan (CAP) process.
- 2) Act as a conduit between agencies (including the council) and communities

Kincardineshire Development Partnership

- 1) The partnership has become an established point for sign posting, production of a weekly newsletter and enquiries from community groups.
- 2) Provide project support which is impartial, flexible and easily accessible advice to community organisations as well as fostering links and cohesion between the myriad of groups in a community.

Garioch Partnership

- 1) Community Action Planning, including the in-depth community based plans along with supporting the process and developing community capacity.
- 2) Supporting community groups in difficult stages in their development. For example the financial challenges facing Bennachie Leisure Centre and the support through a Crowd Funding campaign.

Marr Area Partnership

- 1) Community Action Planning which consult widely with communities on the development of these plans.
- 2) One to one support for embryonic organisational structures such as development trusts and community bodies talking specific challenges and opportunities to build sustainable communities.

Formartine Partnership

- 1) Support for engagement and planning for real/community action plans/place standards processes.
- 2) Distribution and administration of Council Town and Village Enhancement grants and Formartine Beginning to Blossom grants.

Two examples of the work of the partnership

Buchan Development Partnership

- 1) The realisation of the Buchanhaven Boatshed. This was a project that was supported through the Your Voice Your Choice participatory budget process in 2016. The organisation did not at that time have charitable status and just had a simple constitution.
The group were supported to make an application to European Fisheries Fund.
This was followed by successes in Area Initiative Funds and a Capacity Grant in 2017.
In total the project has raised over £100,000.
- 2) Another project being supported is Shape Up Peterhead who were unsuccessful in Your Voice Your Choice. Support to this group has been around community cohesiveness and small scale funding applications for equipment through Health Improvement funds and Shell Small Grant scheme.
The founder of the group participated in Social Impact training and this will go some way towards focusing the group on their ambitious plans to develop as a social enterprise. They were successfully supported to register as a Scottish Charitable Incorporated Organisation (SCIO)

Banffshire Partnership

- 1) Sustainable, economic development projects such as Boyndie Trust and Portsoy Community Enterprise (originally the Boat Festival). These community ventures have been Banffshire Partnership supported throughout their life. From the initial getting together to formulate a plan, setting up the constitution, revisiting the constitution and morphing into appropriate incorporated structures as the scale and demands necessitated.
- 2) Aberchirder Community Association and Alvah & Forglen Community Council relied on the partnership to chair public consultation meetings in order to form a windfarm community benefit fund. With the capacity of the group built they now run the scheme with most projects in the area attracting at least 50% matched funding. This legacy will now be cascaded to others in the community.

Kincardineshire Development Partnership

- 1) Providing community capacity building in a sustained and continuous process to build local leadership to ensure the development and sustainability of local solutions.
- 2) Community Action Plans provide a framework for making positive change through activities that the community decide for themselves. The completed Community Action Plans are used by Planning Staff to influence the allocation of Developer obligation funds and Wind farm developments use CAPs to direct the type of support that Community Benefit Funds will facilitate.

Garioch Partnership

- 1) Engaging with and supporting communities with wider Scottish Government policy and consultations such as the Local Democracy Bill Conversations. 5

locally based and 2 community of interest conversations have been initiated in Garioch.

- 2) Supporting Fly Cup Catering through all stages of their significant LEADER application to allow the successful redevelopment of the upstairs area of the building.

Marr Area Partnership

- 1) Provide access to shared learning and knowledge through the wider rural partnership network and direct experience of working with individual organisations.
- 2) The partnership manages ward meetings and selects topics based on feedback from communities, the staff and board of the partnership and working with partners.

Formartine Partnership

- 1) Methlick Beaton Hall who were supported in their upgrading project which levered in £200,000. Significant support was provided to the group to turn around an application to Climate Challenge Funding in a very short application window of six weeks.
- 2) The partnership works with communities face to face to support the establishment and strengthen governance and confidence within communities.

Two areas that the partnership would cease without core funding support

Buchan Development Partnership

- 1) Community Action Plans are valuable and helpful to distributors of windfarm community benefit moneys, input into Local Development Plans and Community Planning Partnership.
- 2) Events and support to the community on such things as Community Empowerment.

Banffshire Partnership

- 1) Support and participation in community planning would no longer be possible.
- 2) Community Actions Plans would not be continued nor communities supported to take on responsibility for their delivery and engagement with public sector and wider community.

Kincardineshire Development Partnership

- 1) Less able to support and participate in partner meetings.
- 2) Support to projects which has enabled funding to be brought into the area to maximise the return and value within Aberdeenshire.

Garioch Partnership

- 1) Provision of the low cost service to provide independent examinations of community organisations annual finance statements.
- 2) Support to projects and communities through initial enquiries, dealing with OSCR, sourcing funding and developing sustainable futures.

Marr Area Partnership

- 1) Community Action Plans and the in-depth support through the development planning process.
- 2) The weekly information bulletin which provides signposting and funding advice to communities and partners.

Formartine Partnership

- 1) Grass roots community engagement through Planning for Real, Community Action Plans and Place Standards processes.
- 2) Formartine in Bloom project throughout the Formartine area.

Service Level Agreement between Aberdeenshire Council and the Individual Rural Partnership

The actions that the Council is agreeing through the Service Level Agreement are to:

- 1) Promote Community Economic Development by supporting groups throughout their area with information, implementation and community engagement, to build inclusive and sustainable projects.
- 2) Provide a local advice service to groups seeking to develop community assets and facilities. This includes options for organisational structures, governance, funding, along with other areas required to help realise opportunities in their communities.
- 3) Provide enterprise and administration advice to social/community enterprises seeking to develop economic opportunities.
- 4) Develop and support Community Action Plans and other appropriate processes for engagement of communities.
- 5) Identify and implement ways to help communities understand issues around community planning and budget allocation. Together with partner staff, they will seek innovative funding and management solutions to overcome challenges.
- 6) Ensure and facilitate a two way flow of information relating to the needs and priorities of voluntary sector partners, wider community contacts, Aberdeenshire Council, Community Planning Partners, Aberdeenshire Voluntary Action and the Local Community Planning Group.
- 7) Positively promote equality of opportunity for the whole population of the area. Where the opportunity arises work within groups with protected characteristics to help them achieve positive impacts. Provide evidence of the work undertaken and the positive impacts achieved in the annual report and monitoring arrangements.
- 8) Provide an agreed annual action/work plan for the year ahead indicating the outcomes and key milestones that the partnerships will support and facilitate with communities and community/social enterprises.