



St Edmundsbury
BOROUGH COUNCIL

B257

Cabinet 20 October 2010

Recommendations from Rural Area Working Party: 30 September 2010 (Nov/03)

Cabinet Member: John Griffiths

*Chairman of the Working Party:
Cllr Jim Thorndyke*

1. Review of Rural Area Funding: Final Report (Report B235)

RECOMMENDED:- That:-

- (1) subject to the clarification outlined in paragraphs 3.2 (vii) and (viii) of Report B235 ie. funding for In Bloom and Christmas lights being included in the Rural Area Community Initiatives Fund (RACIF) all current rural funding streams be retained;**
- (2) the Rural Action Plan and the Rural Area Community Initiatives Fund funding streams due to end in 2011 continue;**
- (3) no new rural funding streams should be introduced;**
- (4) funding for the Brecks Partnership and Dedham Vale and Stour Valley Project should be examined in more detail as part of the budget setting process for 2011/2012; and**
- (5) the level of subsidy for Parish and Town Council elections be reviewed by Cabinet as part of budget-setting for 2011/2012 and a decision be notified to parishes in time for precepting.**

At its meeting on 21 January 2010, the Working Party discussed and agreed the membership of a sub-group to look at the Council's funding arrangements for rural areas. The aim of the sub-group was to provide Cabinet with recommendations for a sustainable funding strategy for the rural areas with a view to advising on a new strategy in time for 2011/2012 budget setting.

Councillors Sarah Broughton, David Chappell, Derek Redhead, and Jim Thorndyke were Members of the sub-group.

The report detailed the findings and recommendations of the sub-group.

It is worth noting that this review was commissioned and will be substantively completed prior to the Government's Comprehensive Spending Review in October 2010 when large cuts are expected. The deliverability of any proposals to Cabinet relating to grants and funding streams, rural or otherwise, must therefore be seen in this wider context.

The sub-group looked in particular at:-

- (i) the range of grant support for rural organisations and projects; and
- (ii) revenue and capital spending targeted specifically at rural areas.

The sub-group did not examine the delivery of services in rural areas and considered how the Council provides targeted financial support to rural communities alongside the services it provides itself.

The sub-group discussed the aims and objectives of each of the funding streams detailed in Appendix A to the report in order to identify the benefit of such funding to the Council and its communities.

The sub-group made the following recommendations:-

- (i) **Grants to Parish Councils** (*£157,500 for 2010/2011*): This grant was reviewed in 2009/2010 and as a result is already subject to a reduction and a cap in 2010/2011 and 2011/2012. The sub-group does not therefore believe that a further reduction is necessary.
- (ii) **Village Halls, Play and Recreation Areas** (*£62,457.58 for 2010/2011*): The sub-group consider that this is a worthwhile funding stream which supports a range of projects. Funding should therefore be retained.
- (iii) **Rural Area Community Initiatives Fund (RACIF)** (*£43,340 to end of 2011*): The sub-group believe that this is a useful fund as it provides a mechanism for groups to apply for smaller sums of money. Furthermore, the match-funding requirements and quick decision making process make it an attractive fund for communities. The sub-group wished to see this funding stream retained after 2011.
- (iv) **Rural Action Plan Fund** (*£100,000 for 2008-2011*): The sub-group believe that this provides a useful funding scheme for revenue and capital projects and would like this retained after 2011.
- (v) **Suffolk Rural Economy Scheme** (*£5,000 for 2010/2011*): This scheme draws in a lot of additional match funding to the area. As such, the sub-group considered that the scheme provides value for money and the Council's support should be retained.
- (vi) **Rural Rate Relief Scheme**: The sub-group believes that this scheme provides a range of support to businesses in the rural areas and should therefore be retained.
- (vii) **In Bloom funding** (*£4,000 for 2010/2011*): The sub-group believe that this stream should be removed with the funding being added to the RACIF scheme.

- (viii) **Christmas Lights (£3,000 in 2009/2010):** The sub-group agreed that this money should no longer be provided as a separate fund and that the money should be transferred to the RACIF fund with communities bidding as part of this scheme.
- (ix) **Brecks Partnership and Dedham Vale and Stour Valley Projects (a total of £26,910 for both in 2010/2011):** It was noted that funding has been agreed for the Brecks Partnership over three years, and Dedham Vale Project over two years. The sub-group questioned the value of supporting both these projects and felt that it is not clear what the benefit is to St Edmundsbury. It was noted that the Council is required to give 12 months notice of its intention to withdraw from either agreement. The sub-group recommends that Cabinet review both funding streams.

The sub-group also considered the following alternative funding streams:-

- (i) **Rural Locality Budgets:** Using the current funding streams available, as outlined in Appendix A to the report, the sub-group modelled the likely level of funding which might be available via 'locality budgets'. The sub-group looked at the current funding streams provided on an annual basis and divided the total by the 18 rural wards. Based on the assumption that, at best, there would be no increase in the amount of money available, the sub-group agreed that a rural locality budget would not be suitable as the level of funding which could potentially be provided was too small, particularly to support capital projects. It was agreed that the current system should be retained, whereby Councillors supported communities to access funding.
- (ii) **European Union (EU) funding:** The sub-group considered the EU funding streams that are applicable in the rural areas. It was noted that Rural Development Programme for England (RDPE) is available for non-public sector organisations in the Brecks area and several businesses have accessed this funding. It was felt that sufficient opportunities are available to access EU funding. Further information on EU funding opportunities was contained in Appendix B.
- (iii) **Support for Parish Council Elections in 2011:** The Council has previously offered a subsidy for contested election costs, detailed in Appendix C, and a decision is needed by the Autumn. Parishes are aware of the potential withdrawal of the funding, although this is not likely to be a widespread issue in the rural area; the main decision is in fact whether to meet the costs of the two town councils, as these elections are usually all contested and the most expensive to run due to the numbers of electors involved. The sub-group therefore feels that, as a Borough-wide issue which impacts mainly on towns, this is outside of its main remit and is a matter for Cabinet to determine as part of budget-setting for 2011/2012.