

Report

Report to:	Community and Enterprise Resources Committee
Date of Meeting:	16 February 2021
Report by:	Executive Director (Community and Enterprise)

Subject:	Renewable Energy Fund (REF) – Micro Grant Funds
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update for Members on the delivery of the REF micro grant funds
- ◆ seek approval to continue the micro grant funds

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that following the initial 2-year trial, the REF micro grants are approved on an ongoing annual award programme within the REF subject to review by officers.

3. Background

3.1. Since 2004, the Council has collected and administered Community Benefit Funding through Planning and Economic Development Services. The Service is responsible for securing the contributions from developers, advising potential applicants, assessing applications and monitoring projects to ensure that the community benefits associated with each project are delivered. Processes are continuously reviewed to ensure the best practices in grant provision and monitoring are undertaken and the necessary support is delivered to eligible communities.

3.2. At the Community and Enterprise Resources Committee of 30 October 2018, a number of changes to the Renewable Energy Fund were approved. One of these was the introduction of micro grants funds to Community Councils or other suitable local community organisations on a trial basis for two years. Community Councils or organisations within an eligible 10km area of a contributing windfarm development could apply to REF for a maximum £5,000 micro grant fund on an annual basis. Each organisation would then promote, administer and award micro grants of up to £500 within that Community Council area.

3.3. The introduction of the micro grant fund within REF eligible areas followed the successful introduction of a micro grant fund in Clyde wind farm area for 6 Community Councils (Biggar, Symington, Leadhills, Duneaton, Crawford and Quothquan and Thankerton) in 2015, which continues.

4. Update

4.1. The micro grant fund was launched in February 2019 and briefing sessions were held in each of the 4 geographic areas during that month. All 34 active Community Councils were invited to attend and to apply to administer local micro grant funds. The annual application process for Community Councils was designed to be straightforward,

including a list of the previous year's awards, proof of expenditure through the bank account and a declaration of any conflicts of interest. The micro grant application form for groups applying to the Community Councils administer the fund was also deliberately kept simple. These approaches recognised the scale of the funding and, therefore, the associated fund administration should be proportionate to that. The micro grants were promoted through the South Lanarkshire Council website and social media platforms. Individual Community Councils promoted the funds in their own area through social media and directly with local groups.

- 4.2. In the first year (2019/2020), 31 organisations successfully applied to run the micro grants, 28 Community Councils and 3 other eligible community groups, with £155,000 being awarded, as listed in Appendix 1.
- 4.3. In year 2 (2020/2021), the total number of successful applications to date has been 21, from 19 Community Councils and 2 other community organisations, with a total value of £83,583 awarded. As part of the grant conditions, any un-used micro grant fund from the previous year is taken off the subsequent year's £5,000 award. The maximum any organisation can hold is a micro grant fund of £5,000. As a result, some of the 2020/2021 awards are less than £5,000 as listed in Appendix 1.
- 4.4. The fall in the number of organisations running the micro grants and the value awarded has been due to:-
 - ◆ difficulties in Community Councils meeting to make award decisions
 - ◆ the reduced activity of local sports groups and social clubs due to COVID-19
- 4.5. There have been no unsuccessful applications to run the micro grant funds from Community Councils or local community organisations. It is considered that the number and volume of micro grant funds awarded to Community Councils will increase as we move towards recovery from the COVID-19 pandemic and that the grants will assist in this recovery.
- 4.6. In November 2020, all Community Councils and organisations which deliver the micro grants were consulted as to:-
 - ◆ the need for the fund
 - ◆ impact of the fund
 - ◆ any changes required

Eleven responses were received (31%). All replies were positive in respect of the need for the fund and complimented the administration process and guidance provided. All responders wanted the fund to continue and many considered it had strengthened Community Councils and local decision making. Two Community Councils requested the flexibility to give larger grants of up to £1,000.

- 4.7. The consultation also asked what types of groups had been supported with micro grants and the following list was provided:-
 - ◆ Community Councils
 - ◆ Sports Clubs
 - ◆ Elderly Groups
 - ◆ Environmental Projects
 - ◆ Poverty Relief
 - ◆ Community Events
 - ◆ Toddler Group

- ◆ Playgroup
- ◆ Community Orchard
- ◆ Youth Theatre
- ◆ Music Group
- ◆ Scout/Guide Movement
- ◆ Healing Fellowship
- ◆ Dementia Group

4.8. It is worth noting that Community Councils themselves could apply for one micro grant each year to assist with the administration of the fund or to undertake other eligible activity in their community.

5. Conclusion

5.1. The feedback from Community Councils and groups has been very positive in that micro grants allow local groups to make local decisions, support local communities' initiatives, enable access to funds. It also promotes the REF which will, in turn, hopefully stimulate larger projects and increase access to the fund. The micro grant fund supports the values and ambitions of the Council and no issues have been raised over the first 2 years of the trial.

5.2. The grant to Community Councils is an annual award made between April and June and is subject to the organisation returning evidence of previous year's awards. This has proven to be a proportionate administration of the fund and this level of 'light touch' scrutiny would continue.

5.3. The current level of funding requested in year 1 and 2 and the coverage to all Community Council areas can be met within the income currently being received from wind farm operators and within the REF.

5.4. Following the initial 2-year trial, and taking into account all of the above, it is recommended that:-

- ◆ that the micro grant funds continue
- ◆ that approval is now given for the micro grants to become an annual fund within the REF thereby removing the need to seek Committee approval on an annual basis. However, this would be subject to continual review of the operations and impact by officers
- ◆ no changes are made to the scale, or criteria of the fund. While it is recognised there were two requests for the option to increase grants to £1,000, larger applications can be accepted by the main REF and so no change to the micro grant fund is required.

6. Employee Implications

6.1. There are no employee implications arising from this report.

7. Financial Implications

7.1. The awards of micro grants to Community Councils and other eligible groups will be dependent on there being sufficient funds within the eligible wind farm accounts. The funds required for the micro grant funds of up to £155,000 would be ring fenced at the start of each financial year to ensure the funds are available within that financial year. The current income will allow for continuation of the existing expenditure in all areas and this is not anticipated to impact on the availability of REF grant availability.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. The micro grant fund supports the principles of sustainability through local decision making and from 2021 the Fund will be able to be used for local environmental projects.

9. Other Implications

- 9.1. The micro grants support local community decision making and community wealth building.

10 Equality Impact Assessment and Consultation Arrangements

- 10.1. This report does not introduce a new policy, function, or strategy and, therefore, no impact assessment is required.

- 10.2. All necessary consultation arrangements have taken place.

Michael McGlynn

Executive Director (Community and Enterprise Resources)

25 January 2021

Link(s) to Council Values/Ambitions/Objectives

- ◆ Accountable, effective, efficient and transparent
- ◆ Focuses on people and their needs.
- ◆ Encouraging participation in physical and cultural activities
- ◆ Working with communities to promote high quality thriving sustainable communities.
- ◆ Improve the road network, influence improvements in public transport and encourage active travel

Previous References

- ◆ Community and Enterprise Committee 30 October 2018
- ◆ Enterprise Resources Committee 23 November 2011
- ◆ Enterprise Resources Committee 8 August 2007

List of Background Papers

- ◆ Grant applications

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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Appendix 1

Renewable Energy Fund, micro grants 2019/2020, 2020/2021

Organisation Name	Type of Group	Project Location	Grant in £ 2019/2020	Grant in £ 2020/2021
Auldhouse & Chapelton Community Council	Community Council	Auldhouse & Chapelton	5000	
Black Mount Community Council	Community Council	Black Mount, Elrsickle	5000	
Blackwood, Kirkmuirhill & Boghead Community Council	Community Council	Blackwood, Kirkmuirhill & Boghead	5000	4650
Blantyre Community Council	Community Council	Blantyre	5000	4485
Bothwell Community Council	Community Council	Bothwell	5000	5000
Burnside Community Council	Community Council	Burnside	5000	3500
Cambuslang Community Council	Community Council	Cambuslang	5000	5000
Carluke Community Council	Community Council	Carluke	5000	5000
Carnwath Community Council	Community Council	Carnwath	5000	
Carstairs Community Council	Community Council	Carstairs	5000	4000
Coalburn Community Council	Community Council	Coalburn	5000	3280
Douglas Community Council	Community Council	Douglas	5000	5000
East Mains Community Council	Community Council	East Mains, East Kilbride	5000	1000
Halfway Community Council	Community Council	Halfway	5000	
Hillhouse Community Council	Community Council	Hillhouse, Hamilton	5000	
Jackton & Thortonhall Community Council	Community Council	Jackton & Thortonhall	5000	1419
Larkhall Community Council	Community Council	Larkhall	5000	5000
Lesmahagow Community Council	Community Council	Lesmahagow	5000	5000
Pettinain Community Council	Community Council	Pettinain	5000	2000
Rigside & Douglas Water (Residents Assoc)	Residents Association	Rigside & Douglas Water	5000	4330
Rutherglen Community Council	Community Council	Rutherglen	5000	
Sandford & Upper Avondale Community Council	Community Council	Sandford & Upper Avondale	5000	5000
St. Leonards Community Council	Community Council	St. Leonards, East Kilbride	5000	
Stonehouse Community Council	Community Council	Stonehouse	5000	5000

Organisation	Type of Group	Project Location	Grant in £ 2019/2020	Grant in £ 2020/2021
Strathaven & Glassford Community Council	Community Council	Strathaven & Glassford	5000	5000
Tarbrax Community Council	Community Council	Tarbrax	5000	
The Royal Burgh of Lanark Community Council	Community Council	Lanark	5000	5000
Uddingston Community Council	Community Council	Uddingston	5000	
Westwood Community Council	Community Council	Westwood, East Kilbride	5000	
Low Waters & Meikle Earnock	Community Org	Low Waters & Meikle Earnock	5000	
Forth Development Trust	Trust	Forth	5000	5000