Communities First Futures - Summary of Ministerial Decisions

This document sets out decisions taken by the Minister for Local Government and Communities, Carl Sargeant AM in November 2011, regarding the future of the Communities First Programme in Wales. It forms the basis on which future funding applications and decisions will be based. Application forms and additional guidance on some of the issues covered in the summary are already available, as indicated below. Full Programme Guidance for the new programme arrangements will be published early in 2012.

A. Basic

1. From April 1st 2012 Communities First will be a Community-Focussed Tackling Poverty Programme. It will be a new programme in many respects but will build on the achievements of Communities First and in particular continue much good work in local communities.

2. The programme will continue to have a geographic focus, concentrating on the 10% most deprived communities in Wales, as defined by WIMD 2011, but there will be increased emphasis on ensuring that the most vulnerable individuals, families and groups in those communities are supported in these areas.

3. Partnership working between communities and key service providers including the voluntary and private sectors will be supported and encouraged.

4. Grant Funding will be allocated in future to Communities First Clusters, which will be larger than the majority of existing CF areas.

5. There will be a designated Lead Delivery Body (LDB) for each Cluster. Any prospective LDB will need to undergo Due Diligence before being confirmed in this role.

6. **Good Governance**, strong **Community Involvement** and effective **Delivery of Outcomes** through partnership working will be essential requirements for each Cluster.

7. All applications for funding will need to demonstrate how all of these will be ensured from the outset and maintained throughout the life of the programme before any funding is awarded. Subsequent failure in respect of any of these fundamental requirements may lead to withdrawal of funding.

8. All aspects of the programme must conform to and promote principles of good financial and organisational governance – as defined by the **Nolan Principles** - to safeguard public funding and protect the reputation of the programme and all involved with it.

B. Community Involvement

9. “Community Involvement” is intended to include a wide range of levels and forms of engagement by local people in the Programme, including information-sharing, active participation, development work and empowerment of local people. Sustained and increased Community...
Involvement will be assured through a Community Involvement Plan for each Cluster. This plan will need to be bespoke for each Cluster, to reflect local circumstances, but it should build on existing structures and aim to increase levels of involvement above present levels, especially of people most affected by poverty.

10. The Community Involvement Plan should also ensure that the work of the Cluster is regularly shared with a wide range of local people. There must be frequent, appropriate opportunities for the Lead Delivery Body and the Delivery Team to engage directly with key stakeholders and the local communities so that the Programme is driven and sustained by their contributions and views.

11. Further guidance on Community Involvement Plans is included in the supplementary guidance which forms part of the application pack for Communities First funding. It reinforces the key message that local people must retain a strong stake and ownership in the Communities First programme and that no individuals, cliques or organisations should predominate. Including people of all ages and vulnerable people in particular is very important.

C. Delivery Plans

12. Effective delivery of Outcomes will be assured through a Delivery Plan for each Cluster based on a new Outcomes Framework for Communities First. This will have three main strands - Health and Wellbeing; Education and Skills; Economy and Employment - and will be based on the Results Based Accountability Model.

13. Supporting work with Children and Young People will remain a priority for the whole Programme.

14. A wide variety of work will still be supported by the programme including activity relating to Community Safety, Environment (themes under the current Communities First Vision Framework) as well as, for example, Sustainable Development, Sport and Arts. However, the work undertaken will need to relate to one of more of the three main strands of the new Outcomes Framework and be able to demonstrate the contribution to tackling poverty.

15. The Delivery Plan must be based on principles of Partnership Working – sharing resources and responsibility for decisions - to ensure good engagement with communities, key service providers and the voluntary and private sectors. A range of delivery agents should be identified and resources shared appropriately with them.

16. Principles of Social Justice, Equality, Diversity and Inclusion should underpin all aspects of the Programme, especially Delivery Plans and Community Involvement Plans. These principles are considered essential elements of the Welsh Government’s approach to tackling poverty.

17. Further guidance of the preparation of a Cluster Delivery Plan is now available.
D. Eligibility for Inclusion

18. Each new CF Cluster should be focussed around areas which are among the 10% most deprived in Wales. The Welsh Index of Multiple Deprivation 2011 (WIMD) will be the principal source of evidence in this regard.

19. It is recognised that few Clusters are likely to be composed entirely of LSOAs in the most deprived 10%. As a general guide, at least 50% of LSOAs in a Cluster should fall within that category, with most or all other LSOAs proposed for inclusion falling within the most deprived 20%.

20. LSOAs which are outside the most deprived 20% may only be included in Clusters where they fulfil at very least one or preferably more of the following criteria:

   a. Adjacent to a more deprived area and demonstrably part of the same local community or settlement (e.g. village or small estate);

   b. Within a recognised boundary for a key partner services for the Cluster Delivery Plan e.g. school catchment area;

   c. Experiencing significant levels of some aspects of poverty evidenced by detailed analysis of WIMD 2011, especially the Employment, Income, Education and Health Domains (LSOAs should be in the most deprived 20% of more than one of these domains); and

   d. Inclusion would demonstrably facilitate engagement with particular vulnerable groups of people affected by poverty (e.g. BME communities, people with disabilities).

21. Inclusion of LSOAs outside the most deprived 30% of WIMD 2011 will be rare and exceptional. Any such proposals would need to apply the criteria set out above, but the standard for inclusion would be significantly more stringent.

22. The target population size for each Cluster is around 10,000-15,000 (7-10 LSOAs). However, we recognise there may need to be some flexibility around this in either direction, for example to ensure we do not have artificial communities or dilute the focus of the programme.

23. The great majority of Clusters are expected to fall entirely within Local Authority boundaries, but there may be exceptions to take account of isolated, deprived communities where cross-boundary working will facilitate the formation of effective Clusters.

24. To establish transparent and equitable criteria for the inclusion of other LSOAs within Clusters, further detailed guidance will be set out in early 2012 based on the Programme’s aim of tackling poverty in areas of multiple deprivation, which will take account of geographic and other “people-focussed” factors. Prior to this, proposals should be based on the criteria set out above.

25. Existing Communities First areas which are not approved for inclusion in a Cluster will be eligible to be considered for Exit Strategy Funding until the end of March 2013. Further details of this will be provided in due course.

E. Lead Delivery Bodies
26. Grant Funding will pass directly from the Welsh Government to the Lead Delivery Body (LDB) for each Cluster (rather than through a Regional Body).

27. Any prospective LDB will need to demonstrate that it can work with key partners including existing CF partnerships to deliver all the essential requirements of the programme, in particular: good Governance; strong Community Involvement; and effective delivery of Outcomes in line with the Communities First Outcomes Framework.

28. Prospective LDBs will be subject to Due Diligence before funding is awarded which will test the following (the following list is indicative and not exhaustive):
   a. Knowledge and understanding of CF, and how this fits into the overall business plan of the organisation.
   b. Financial sustainability of the organisation.
   c. Track record of managing a significant level of public and other sources of funding.
   d. Track record of employing and managing staff teams.
   e. Capacity and ability to manage third-party funding and third party staffing arrangements where necessary.
   f. Sufficient and appropriate governance arrangements and structures in accordance with relevant statutes and guidance issued by any relevant regulatory bodies.

29. Any potential Lead Delivery Bodies for Communities First Clusters will need to demonstrate their ability to fulfil the requirements set out above and show that they are committed to working in partnership with communities and other organisations and are able fulfil the stringent requirements of the programme in respect of governance, community involvement and delivery of Outcomes.

30. The effectiveness of each Lead Delivery Body in all these aspects will continue to be tested throughout the life of the programme. Continued funding will be subject to the Welsh Government being satisfied as to the ongoing effectiveness of Lead Delivery Body arrangements.

F. Funding for Clusters – Main Purposes and Staffing

31. Funding will be allocated to each Cluster for a number of staff to enable the Delivery Plan and Community Involvement Plan to be delivered.

32. Each Cluster will have a Local Delivery Team, normally employed by the Lead Delivery Body and led by a Cluster Manager.

33. Development roles will focus on ensuring that there is strong community involvement and the delivery of agreed tackling poverty outcomes. The work in each Cluster should also focus primarily on the key aims of the programme, i.e. improving Health and Wellbeing, Education & Skills and Economic Outcomes.

34. This work may be led by the Local Delivery Body or by other organisations best placed to deliver agreed outcomes. Each Cluster should seek to
balance the requirement for a coordinated Delivery Plan with the requirement to involve and support a range of delivery agents.

35. All applications for funding must be submitted by prospective Lead Delivery Bodies. Lead Delivery Bodies will be responsible for ensuring that funding for Third Party organisations is properly managed and accounted for with appropriate Terms and Conditions in place from the outset and throughout the funding period. The Welsh Government must be informed of all such arrangements in advance. Detailed guidance on this will be provided in the near future.

36. The extent of funding awarded for each Cluster, including the number of staff posts supported, will depend on the quality of applications in respect of the following criteria:

   a. The target population to be served by the activity. This will NOT necessarily be the total population of the Cluster area; applications will be stronger where specific beneficiaries can be identified for each element of the Delivery Plan;
   
   b. Evidence of need, based on detailed analysis of WIMD or other robust evidence including information provide by appropriate agencies.
   
   c. Demonstrable ability to achieve outcomes in line with programme aims (the Communities First Outcomes Framework);
   
   d. Level of proposed community involvement and fit with the Cluster’s Community Engagement Plan;
   
   e. Level of engagement and support, including financial support, from key service providers and other partners; and
   
   f. Fit with other Welsh Government programmes (e.g. Families First; Flying Start; Regeneration Areas etc).

G. Other Funding for Clusters

37. Each Cluster will be allocated a budget to support their Community Involvement Plan which can include training for community members, modest support for community events and to cover the costs of partnership and community meetings.

38. Premises costs will also be eligible for funding. These costs, especially office costs, should be kept as low as possible. It is recognised that in some cases it will be desirable to retain a presence within distinct communities within the Cluster area.

39. Funding will also be available to cover reasonable management costs of the Lead Delivery Body, including funding of posts to ensure good financial management and effective monitoring of outcomes. Posts funded for these purposes may be full-time or part-time depending on local circumstances and consideration will be given to sharing resources between Clusters in some circumstances (see further below).

40. Communities First Clusters, once approved, will be eligible to benefit from Programme Bending initiatives led by the Welsh Government. These will
seek to provide additional resources, including funding and staff, to deliver key priorities from across Government Departments and Government Sponsored Bodies. Clusters will be invited to participate in such initiatives, to ensure that they have a community focus and to strengthen the Communities First Local Delivery Teams.

41. Further detailed guidance on eligible costs is now available.

H. Community Hubs

42. In some Clusters, existing local organisations with a strong track record of commitment to the area and effective delivery of services, projects or effective action, may be designated as “Community Hubs”, with a recognised role in helping to deliver the Communities First Programme in the whole or part of the Cluster area. Further guidance will be issued in the near future on the definition and role of Community Hubs.

43. A Community Hub organisation may be the Lead Delivery Body for the Clusters but more often will work closely with the LDB and receive funding via the LDB. All such arrangements must be based on clearly established terms and conditions to safeguard funding and ensure good governance.

44. Identification of Community Hubs is not a requirement for all Clusters and it is not an objective of Communities First to force their development contrary to the wishes of local communities or to require community organisations to develop in ways that conflict with their existing remit or intentions.

45. It is, however, recognised that in some areas such organisations have an important role to play in delivering the aims of the Programme. They also offer a sustainable model of community-focused delivery which is in line with the principles of Communities First. In some cases such organisations have played a vital role in Communities First up to now and their contribution should be safeguarded for the future. Careful consideration should therefore be given in all prospective Clusters as to whether there is a role for one or more Community Hubs.

I. Training, Learning and Workforce Development

46. The provision of training and learning to maintain and build the skills base of communities and the Communities First workforce will continue to be a key activity in the new phase of the programme.

47. The new support arrangements will include a programme of mandatory and developmental training in line with local programme area priorities and taking into account the work being undertaken on the Community Development Workforce Action Plan.

48. Further guidance on training and learning will be provided in the near future.

49. Where more than one Cluster has the same Lead Delivery Body, consideration will be given to whether best Value for Money can be achieved by allocating some resources to the Lead Delivery Body to be shared across Clusters. This must not, however, be to the detriment of Community Involvement in any individual Cluster or the overall community-focussed nature of the programme.

50. Similarly, where the sharing of resources between Clusters with different Lead Delivery Bodies can promote the aims of CF, this will also be considered, with the same caveats. The main focus of this sharing of resources should be to ensure maximum engagement with key service providers to deliver effective Programme Bending.

51. A further focus for resource-sharing between Clusters will be to ensure consistent monitoring across the Programme, under the new CF Outcomes Framework based on Results Based Accountability.

52. There will also be scope for Communities First to support projects, activities and organisations working across more than one Cluster. Any proposals for such cross-Cluster working will need to demonstrate support from all the Clusters involved and close integration with their Delivery Plans.

53. This sharing of resources and cross-Cluster working may be within a Local Authority area or between them.

K. Regional Structures and Coordination

54. In line with the agenda for streamlined public service delivery, Regional Communities First Programme Boards will be established across Wales which will provide a framework for oversight of the programme and exchange of information and good practice between Clusters and how the links are being made with other plans and strategies. Full participation in the work of the Regional Programme Board, including regular attendance at meetings, will be a requirement for each Cluster.

55. Detailed terms of reference for the Regional Programme Boards will be developed in the near future but their roles will include:

   a. Promoting the Communities First Programme within the Region, especially through strategic engagement with key service providers and other national and regional agencies.

   b. Acting as an interface between the Welsh Government’s national Tackling Poverty Programme Board and Communities First Clusters.

   c. Identifying and disseminating good practice between Clusters in the region and more widely.

   d. Providing a Scrutiny function for the Clusters in the Region, to ensure that the aims of the programme are being effectively delivered and Lead Delivery Bodies are fulfilling their roles appropriately.
56. These Regional structures will align with the newly established geographic boundaries for Public Service Delivery in Wales, based on existing LHB boundaries.

57. Each Cluster in the region will be directly represented on the Regional Programme Board for their region, together with other key stakeholders. The representatives for each Cluster should **not** be members or officers of the Cluster’s Lead Delivery Body. Lead Delivery Bodies will be represented separately.

58. Chairs of the Regional Programme Boards will be appointed by the Welsh Government and there will also be provision for a small secretariat for each Regional Programme Board.

L. National Support Arrangements

59. A single national support contract will be procured during 2012. Elements of the support currently being provided nationally will be included in the new contract, the details of which will be confirmed in the near future. There will be a big emphasis on supporting the development and implementation of outcomes under the RBA model.

M. Communities First Trust Fund

60. The Communities First Trust Fund will continue and will provide small grants to community organisations in geographic areas covered by the new Communities First Clusters, with a particular focus on tackling poverty in line with the main Programme.

61. Local stakeholders in each Cluster will have a greater role than at present in helping to determine the allocation of grants from the Trust Fund in their area and ensure that the aims of the Fund are being achieved in all the local communities.

62. Each Cluster will be expected to develop local processes to promote take-up of the Fund and ensure that a wide range of people and organisations benefit from it. Support from the Cluster will normally be a requirement for any application.

63. The Trust Fund will continue to be managed nationally to ensure consistency and good financial management in all areas.