

Defra's Rural Social and Community Programme

Conclusions from consultation and the way forward

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PART ONE: INTRODUCTION

Background

1.1 On 21 July 2005 Defra launched a consultation exercise on the proposed new Rural Social and Community Programme for England. The proposals sought to take forward previous Countryside Agency and Defra programmes in support of rural communities, in the context of Defra's wider Modernising Rural Delivery agenda and Rural Strategy.

1.2 The proposals were based chiefly on the development of a new funding stream that would, if agreed, rationalise a number of separately managed funding arrangements, the aims of which were:

- To enhance the community capacity building capability of rural communities so that those communities can work together to shape their own future.
- To help socially excluded individuals in rural communities improve their life chances.
- To develop the capacity of the voluntary and community sector, and of the town and parish council sector, to reinforce the delivery of the first two aims.

Approach to the consultation

1.3 The key element of the consultation exercise was the publication of a consultation document. More than 3,500 hard copies of the document were distributed to a very wide range of interested organisations. It was also made available for downloading from Defra's website - a fact that was broadcast to a wider audience by means of a Defra News Release - and entries in a number of journals and newsletters published by organisations in the public, private, voluntary and community sectors.

1.4 In addition to the written consultation, responses have been collected by way of a number of workshops, meetings and other events held across the country. Many were organised by the Government Offices for the Regions but there were also some privately organised events attended by Defra and Government Office staff.

Consultation responses

1.5 By the deadline of 13 October 2005, more than 200 written responses had been received by Defra. Most respondents agreed to allow their contribution to be made publicly available via the Defra Information Resource Centre at Lower Ground Floor, Ergon House, 17 Smith Square, London SW1P 3JR. The Information Resource Centre is able to supply copies of consultation responses to personal callers or in response to telephone or e-mail requests (Tel: 020 7238 6575, e-mail: defra.library@defra.gsi.gov.uk), ideally with at least 24 hours' notice of their requirements having been given first. An administrative charge is made to cover photocopying and postage costs.

PART TWO: FROM PROPOSALS TO IMPLEMENTATION

The way forward

2.1 The consultation exercise has informed the Government's decisions on how to take forward the proposed Rural Social and Community Programme. Based on the structure of, and questions in, the consultation document, these decisions are recorded here.

Programme responsibilities

We said:

2.2 Defra would be responsible for funding the programme and setting its overall aims and structure and Government Offices for the Regions (GOs) would administer the delivery of the funding. GOs would also ensure performance management, support to sub-regional deliverers and oversight at regional level. The programme would operate under Compact principles and fund activities on a full cost recovery basis.

We now say:

2.3 The programme will be administered as set out in the consultation document.

Overall programme budget

We said:

2.4 The indicative budget for the programme would be £13.5m per annum and that this would be limited to revenue funding only.

2.5 The largest part (over £8m) would be to fund sub-regional activities, designed and delivered in partnership with organisations involved in supporting rural communities, including voluntary and community sector organisations.

2.6 Around £3.5m per annum was committed for three years, beginning on 1 April 2005, for services provided under Defra's agreement with the network of Rural Community Councils.

2.7 The remainder of the funding would support the delivery of the programme at a regional and national level.

We now say:

2.8 The consultation has reinforced the importance of on-the-ground local activities in support of socially excluded people and rural communities generally. For that reason, we have decided to increase the sub-regional element of the overall funding to £9 million for each of the two years and to reduce the regional and national element to £1 million a year.

2.9 The sub-regional funding will include the costs of a number of Rural Housing Enabler posts for which we have a contractual commitment beyond March 2006. The sub-regional funding will also be the pot from which any renewed funding for Rural Housing Enabler and community development worker posts will be met, should the collective local decision be to keep those posts going. The regional and national element will include the costs of supporting the Quality Parish and Town Council Scheme, funding to assist voluntary organisations to work with us at the regional and/or national levels, important survey work (such as on rural housing needs) and the necessary evaluation of our programme.

2.10 On Rural Community Council funding, we will, as proposed in the consultation document, continue to fund each of the 38 Rural Community Councils on the basis of the current Service Level Agreements.

Programme duration

We said:

2.11 The funding for the new programme would start in April 2006 and end in March 2008. We also said that, in the meantime, we would make resources available for preparatory work, including through our funding of RCCs, to allow local partnerships to prepare for the new programme.

We now say:

2.12 Many consultees expressed disappointment that the funding period for the programme would be limited to two years. A two-year programme is consistent with the multi-annual public spending settlements introduced for central government departments following the 1998 spending review – an arrangement that will soon be extended to local government settlements. While we understand the value of longer-term funding arrangements, the two-year programme will signal a transition away from multiple, short-term, ring-fenced funding to more flexible arrangements. The success of such a change will need to be fully considered in the context of the planned Comprehensive Spending Review in 2007, which will help Government to determine the types and scale of interventions that might be necessary in future.

PART THREE: FUNDING FOR SUB-REGIONAL ACTIVITIES

Background

3.1 We said in the consultation document that the programme is intended to give communities and their service providers support and advice in identifying need, in terms of community capacity building and tackling social exclusion, and kick-starting efforts to deliver them. Rather than specify particular activities to be funded, the programme will provide VCS organisations and the communities they serve with the means to respond to local priorities and to mesh the resources with other activities and funding sources.

3.2 Though the use of the funding will be limited to revenue costs, there will be no other restrictions on its use. The only requirement will be the need to demonstrate that the activities are expected to increase community capacity and/or address the causes of social exclusion in rural areas. We do not expect rigid application of the new rural definition for this purpose.

Allocating the sub-regional funding across England's regions

We said:

3.3 Our preferred option for allocating funding to each English Government Office region was to base the calculation on three elements:

- a flat rate for each region;
- a proportion to reflect the region's rural population;
- a proportion to reflect sparsity of rural population.

3.4 But we also included a second option to include a flat rate proportion plus an amount based on a formula that takes account of:

- the index of multiple deprivation;
- number of principal local authorities covered;
- sparsity of population;
- affordable housing statistics.

We asked the question:

Consultation question 1: Do you agree that the first, simpler formula for allocating resources would be appropriate?

3.5 Of the 214 consultation responses, 65% of respondents agreed with our preferred approach, with just 15% disagreeing. There was a strong message on the need for transparency and simplicity. Though it was generally acknowledged that a distribution based on statistical measures such as the Index of Multiple Deprivation would, arguably, be more needs based, a number of consultees pointed out that the rural cuts of the data we would need to use would be neither robust nor recent.

We now say:

3.6 Though a distribution based on factors such as IMD would, arguably, be more needs based, much of the data we would need to use are neither robust nor recent. In consultation responses, our preferred approach gained majority support with strong messages on the need for transparency and simplicity.

3.7 We will allocate funding to each of the Government Office regions on the basis of its share of national rural population and the sparsity of its population. A weighting of 75% will be used for population and 25% for sparsity. Given the increase in the total budget for this element of the programme (from £8 million to £9 million for each of the two years – see above) each region's allocation will not be underpinned by a flat rate, as initially proposed.

3.8 The amount to be made available for the sub-regional activities in each region is as set out in the following table. The total allocation includes amounts for Rural Housing Enablers where we have an ongoing contractual commitment.

Government Office region	Rural Housing Enabler (RHE) legacy commitment for 2006/07 (£k)	Total allocation, including RHE commitment (£k)
South East	67	1281
South West	0	1819
East	9	1501
East Midlands	0	1016
West Midlands	9	785
North East	5	589
North West	20	973
Yorkshire and Humberside	5	1036
	Total £115k	Total: £9.0 million

Allocating the sub-regional funding within England's regions

We said:

3.9 It would be for the Government Offices for the Regions to allocate the funding to sub-regional partnerships/consortia. We would expect Government Offices for the Regions to base their allocations to individual sub-regional partnerships on a similar basis (i.e. to the one used to allocate funding at the regional level – see above), but with flexibility to take account of local differences.

We now say:

3.10 We will proceed as set out in the consultation document. It will be for GOs to decide on the sub-regional funding for their region.

Ensuring value for money

We said:

3.11 Voluntary and community sector organisations are often best placed to reach out to the socially excluded in rural areas and that with Rural Community Councils, parish councils and others they are also well placed to deliver effective community capacity building activities. Because we want to encourage collaboration and partnership, funding would not be subject to competitive bidding. Government Offices for the Regions would have a challenge function and would release the full funding only after collectively agreed business cases or Local Area Agreements have been judged fit for purpose.

We asked:

Consultation question 2: Would this way of distributing funding provide the right balance between (a) the need to quality assure business cases; and (b) the importance of VCS partnerships/consortia having some confidence on the likely scale of funding before they put together their business cases?

3.12 A diverse set of responses to this question was received but the general message was that collective planning by voluntary and community sector organisations and the statutory sectors was the right approach. Of the 214 respondents, 136 (63%) indicated agreement with our proposed way forward, with only 29 (14%) disagreeing.

We now say:

3.13 Many consultation responses included evidence of the importance of specific organisations' contributions to rural community capacity building and efforts to tackle social exclusion in rural areas. Collectively, they reinforce the points made in the consultation document about the need to benefit from the experience and expertise of a diverse range of organisations. That is why we want voluntary and community sector organisations to come forward, in partnership with parish councils and others, with sub-regional business cases for community action and capacity building that fit with local needs.

Delivery mechanisms: Local Area Agreements

We said:

3.14 The ways in which each sub-regional partnership would engage with other organisations (including local authorities) and the Government Offices for the Regions would differ, depending on whether the sub-region is covered, in full or in part, by a Local Area Agreement (LAA).

3.15 We proposed that the funding for sub-regional business cases should be included in the funding streams that could be pooled for an LAA, rather than managed separately. We also said that Government Offices for the Regions would have the job of ensuring that the LAA process ensures proper involvement and representation of voluntary and community sector organisations that operate in rural areas and that it takes proper account of the need to deliver the aims of this programme.

We asked:

Consultation question 3: Do you agree that, where all or part of a sub-region is covered by a Local Area Agreement, the relevant part of the funding for this programme should be included in the overall funding for the LAA?

3.16 Many of the respondents to the consultation exercise expressed views on this important question and it was a major topic of discussion at many consultation events. Of the 215 written responses to the consultation, 47% agreed to our proposal, 32% disagreed, 17% expressed no opinion and 4% were undecided. There was clear opposition from a number of organisations, including some national bodies representing voluntary and community sector organisations. Looking more closely at the figures, key points to note are:

- of the 53 district/borough/metropolitan councils to respond, 11 (all second tier authorities) disagreed with the proposal to include funding in Local Area Agreements;

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- 17 responses from, or representative of, voluntary or community sector organisations agreed with the proposal to include funding in Local Area Agreements, while 18 disagreed, 2 were undecided and 7 expressed no opinion;
- of the 18 individual rural community councils that expressed a view, 8 agreed with the proposal to include funding in Local Area Agreements, 9 disagreed and 1 was undecided;
- 22 individual parish and town councils responded to the consultation; of these 6 agreed with the proposal to include funding in Local Area Agreements and 4 disagreed.

3.17 Overall, the responses reinforce the message that there are both pros and cons to this approach, as we acknowledged in the consultation document. On the one hand, we were told that there are risks that the pooling of what would form a very small part of the overall funding for an LAA would not be used in ways that address the objectives of the Rural Social and Community Programme. On the other hand, some respondents hoped that pooling the funding in this way would reinforce the importance of voluntary and community sector organisations' involvement in the development of Local Area Agreements and avoid further proliferation of the sorts of partnerships that such organisations would need to contribute to. Such involvement should extend beyond work on the delivery of Rural Social and Community Programme objectives, providing opportunities to influence other local spending plans.

We now say:

3.18 We will, as proposed, include the Rural Social and Community Programme in the list of funding streams that may be pooled through a Local Area Agreement. But, because we appreciate the risks flagged up by consultees, we will seek to manage them in two ways.

3.19 Firstly, there will be liaison within Government Offices – many Government Office colleagues engaged on this programme are also involved in the negotiation of Local Area Agreements. We will ensure that the aims of the Rural Social and Community Programme are taken forward by Government Offices in their negotiation of Local Area Agreements.

3.20 The second point is that the inclusion of the Programme in Local Area Agreement funding streams does not invalidate or reduce the value of sub-regional planning specific to the objectives of the Rural Social and Community Programme. Though there will be no ring fencing of Programme funding, the collective views of local voluntary and community sector organisations, parish councils and others provide valuable evidence that should inform the development of a Local Area Agreement. We will facilitate that process through GO-managed funding for coordination activities, in the same way as for sub-regions for which there will be no Local Area Agreement in place until 2007.

3.21. More generally, we will keep a watch on the situation once Local Area Agreements are in place and invite feedback so that we can identify both strengths and weaknesses in terms of local application and consider how these can be shared and addressed in the future.

Delivery mechanisms: delivery outside a Local Area Agreement

We said:

3.22 In sub-regions that are not covered by a LAA, there are established mechanisms that might be used to develop sub-regional business plans for the purpose of this programme, such as voluntary and community sector consortia that are delivering the current ChangeUp and rural voluntary sector infrastructure programmes. And there is the option of using the Rural Community Councils as lead organisations for the development of business plans on behalf of the wider partnership/consortium.

3.23 We do not intend to prescribe the mechanism to be used. We will not fix hard and fast rules (we won't, for example, rule out funding in areas which fall outside the rural definition). It should instead be a bottom-up, VCS-led process, with Government Offices for the Regions having the final say on whether the mechanisms – and the business plans that would flow from them - are fit for purpose.

We asked:

Consultation question 4: Do you agree that, for sub-regions not covered by a LAA, decisions on the mechanisms for production of business plans and delivery of this programme should be taken on a case-by-case basis?

Consultation question 5: Which, if any, existing partnership mechanism would be the most appropriate for delivering the programme?

3.24 Of the 214 written responses to our consultation exercise, 127 (59%) agreed that, for sub-regions not covered by an LAA, decisions on the mechanisms for production of business plans and delivery of this programme should be taken on a case-by-case basis. Just 5 (2%) disagreed. In response to question 5, a number of existing partnership models were suggested – mostly those referred to in our consultation document¹.

We now say:

3.25 Many of the consultation events held around the country were successful in bringing together organisations that we expect to have a say in the construction of business plans. And locally agreed processes for pulling the plans together have already been put in place. We have facilitated that process, through funding coordination activities. It is already clear that the process will not be uniform across England. That is not a problem provided that the contents of business plans are fit for purpose and based on local priorities and consensus.

Scope of sub-regional partnership funding

We said:

3.26 The programme is not intended to provide ongoing funding for delivery of services. Rather, it is intended to give communities and their service providers support and advice in identifying need, in terms of community capacity building and tackling social exclusion, and kick-starting efforts to deliver them. Rather than specify particular activities to be funded, the programme would provide VCS organisations and the communities they serve with the means to respond to local priorities and to mesh the resources with other activities and funding sources. The funding is limited to revenue funding.

We asked:

Consultation question 8: We have set out a very broad scope for the proposed programme. Is there anything that should be specifically included or excluded?

3.27 At consultation events, and in some of the written responses, a number of organisations argued that additional capital funding (for village hall renewal for example) would be the most effective way of addressing our objectives. Of the 214 written responses, 141 (66%) agreed our proposed broad scope.

¹ Rural Social and Community Programme: A Consultation Document, pages 14-16.

We now say:

3.28 The programme has been designed to benefit rural areas across the country. That would be difficult to achieve if funding was to be made available for capital works or items and, for that reason, the use of the funding will be limited to revenue costs. But there will be no other restrictions on its use. The only requirement will be the need to demonstrate that the activities are expected to increase community capacity and/or address the causes of social exclusion in rural areas. We do not expect rigid application of the new rural definition for this purpose.

3.29 There are other funding streams that are more appropriate to the funding of capital works, such as village hall renewal. A good example is the newly announced Big Lottery Fund programme, which will provide £50 million over three years for community building related projects across England. For purposes of clarification, it is important to bear in mind that the programme may be used to fund the purchase of computer or office equipment (which we would not normally regard as capital items) should the case for doing so be made.

The requirement for a sub-regional business case

We said:

3.30 The programme would require each sub-regional partnership to develop a business case setting out evidence of need and how they propose to meet that need. A business case should be short and clear, build on existing plans (e.g. for VCS infrastructure investment) and be a good fit with the new regional rural delivery frameworks. Each business case should clearly demonstrate the level of partnership commitment. A business case should also reflect expected funding from other sources, for activities such as work on neighbourhood engagement and on developing rural services.

We now say:

3.31 Government Offices are already advising on what needs to be done in terms of business planning in a way that is appropriate to the situation in their region. In some cases this has included a template business plan.

3.32 Though there is no hard and fast rule, we will encourage the development of two-year business plans wherever possible. Since by April 2007 we expect all parts of England to be covered by a Local Area Agreement, there could be no guarantee that year two of the two year plan would be actioned. But we would expect the plans to feed into the LAA negotiation.

Rewarding good practice

We said:

3.33 We will consider ways in which sub-regional partnerships that are able to demonstrate a high level of joining up with local authorities and/or Regional Development Agencies can be rewarded for valuable, replicable good practices.

We asked:

Consultation question 6: Should the programme reward good practice relating to the joining up of activities with other regional and sub-regional activities and organisations? If so, should this be in the form of higher funding?

3.34 Though 116 respondents (54%) generally supported the proposal to reward good practice, a number were concerned that this would be top-sliced, rather than additional, funding. There

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were worries that in areas where joined-up working remained a challenge, partnerships attempting to address this would be penalised and allocated fewer resources.

We now say:

3.35 The consultation process has reassured us that, thanks to preliminary work led by Government Offices, engagement of key organisations and the quality of the delivery is likely to be of an acceptable standard across the country. For that reason, it would be wrong to reduce the funding of any sub-region in order to reward good practice. We will, nevertheless, take opportunities to share the good practices that we observe in the course of the Programme's delivery.

PART FOUR: SUPPORT FOR RURAL COMMUNITY COUNCILS AND NATIONAL AND REGIONAL PROJECTS

Rural Community Council funding

We said:

4.1 We see Rural Community Councils as key support organisations for the rural Voluntary and Community sector - though we recognise that other organisations, such as rural Councils for Voluntary Service, also have an important role to play. The programme would provide support for Rural Community Councils. Around £3.5m per annum would be committed for three years, beginning 1 April 2005, for services provided under Defra's agreement with the network of Rural Community Councils.

We asked:

Consultation question 7: Are there particular issues that you think should be reflected in the quality standards for Rural Community Councils?

We now say:

4.2 The consultation exercise has reinforced the importance of Rural Community Councils' role in the delivery of Government programmes and in the coordination of local activities in support of rural communities. We will provide funding as set out in the consultation document, based on our Service Level Agreements with each of the 38 Rural Community Councils. Before April 2008 we will review that relationship, including the issue of whether it is sensible to retain individual relationships with Rural Community Councils at the national level.

Support for national and regional projects

We said:

4.3 A number of national bodies have a strong track record and specialist skills in developing community capacity building and in helping communities plan for and achieve their local goals. Defra and Government Offices for the Regions would help local leaders identify and develop projects with national organisations that can help them with specialist expertise, for example by involving people with disabilities or developing models of sustainable funding.

We now say:

4.4 Of the £13.5 million a year for 2006/07 and 2007/08, we will retain £1 million for national and regional projects on the lines we proposed. This is less than initially envisaged but would provide appropriate financial support for activities and schemes such as Defra's Quality Parish and Town Council Scheme, funding to assist sub-regional organisations to work with us at the regional and/or national levels, important survey work (such as on rural housing needs) and the necessary evaluation of our programme. We will work with stakeholders to develop our plans, including through the work we plan to do on information sharing and raising awareness of, and access to, existing sources of experience and expertise – see paragraph 6.5 below.

PART FIVE: MEASURING SUCCESS

Indicators and evaluation

We said:

5.1 Because of its comparatively small size and its relationship with mainstream funding of public services, it is unlikely that we will be able to identify the specific impacts of this programme on issues such as community capacity building and social exclusion. That said, we would like to develop a basket of indicators and service standards

5.2 Our initial thoughts were a community capacity building outcome measure that, by 2008, every rural community should have access to good quality advice and support for community planning, development of social capital and tackling social exclusion. For social exclusion, we hope to develop a basket of measures, which can be used as the basis for local targets. These could centre on the priorities the Government has identified for tackling social exclusion:

- Poor educational attainment.
- Economic inactivity and pockets of worklessness.
- Inequalities in health behaviours and outcomes.
- Homelessness (in particular, families living in temporary accommodation).
- Concentrations of crime and poor living environments.

5.3 For voluntary sector and parish council capacity building, we proposed that all Rural Community Councils should reach a defined benchmark by 2008.

We asked:

Consultation question 9: Are these the right outcome measures for the programme or are there better measures?

5.4 A very diverse range of views was expressed. The numbers of respondents that expressed a view on our specific proposals divide fairly equally between those who agreed (39%) and those who disagreed (36%).

We now say:

5.5 The Rural Social and Community Programme is just one part of set of interventions by Government (not just Defra) to address rural disadvantage, deprivation, social exclusion and community capacity. Factors such as fear of crime, low educational attainment, health inequalities, housing affordability and lack of employment can cause social exclusion anywhere and they all matter to all rural communities. So we will develop and maintain a set of indicators for the purposes of guiding those interventions, rather than specifically for the purposes of the Rural Social and Community Programme.

5.6 We will, however, commission an evaluation of the programme to help us review progress against the Programme's objectives at the mid-term (April 2007) and end (April 2008) points and to inform future policy development.

PART SIX: TIMETABLE

Implementation timetable

We said:

6.1 We envisage first drafts of sub-regional business cases to be submitted to Government Offices for the Regions by the end of November 2005 and final business cases to be agreed by January 2006

6.2 We intend to host a networking and planning event in September or October 2005 and another networking event in March 2006.

We now say:

6.3 We appreciate that completion and agreement of the complete business case for sub-regional activities according to this timetable will be a considerable challenge. It is important, therefore, that early thought is given to proposals for funding existing services such as Rural Housing Enabler and/or Community Development Worker posts. If there is that possibility, agreement on such proposals needs to be completed by 31 December 2005 so that the risk of prejudicing the continuation of the work is minimised. We will continue to work with Government Office colleagues to make that process as simple and swift as possible.

6.4 Where other elements of a proposed business case cannot be agreed by that date the full allocation process could be completed subsequently since it is not essential for all of the available the funding to be earmarked by April 2006. Where there are continuing difficulties in reaching decisions, an option might be to include the balance of the funding under the heading of a small grants scheme, ideally administered by a single accountable organisation. The rules of such a scheme could be developed subsequently – ideally in time for the funding to be available from April 2006.

6.5 Given the high level of engagement at the regional and sub-regional levels, we see no significant value in a national event for the purpose of facilitating delivery planning. But we will consider how we can work with national stakeholder organisations and others so that there is good awareness of, and access to, the sorts of experience and expertise that can help those working with rural communities to successfully deliver the objectives of this programme. That might include future events or other more innovative approaches to information sharing.