

**Community Associations**

**Ward(s)** All

**Portfolios:** Cllr G Perry – Leisure, Culture and Communities

**Executive Summary:**

Community Associations play a leading role in their communities. The Council invests a significant sum in the organisations and needs to be assured that those investments are wise. The Council provides support for CA's, encourages mutual support and has a robust monitoring process for its Community Support and Building Management grants. The Council utilises the Councils Financial Appraisal Guide and ratio workbook to support its payment decisions. Appendix (a) includes a current risk analysis of the Community Associations in receipt of Community Support and Building Management Grants.

**Reason for Scrutiny:**

Scrutiny Overview Committee members have requested an update on the Councils relationship with Community Associations. Who are they, how does the Council work with them, what support does the Council offer to each one, and what does the Council get in return? Scrutiny Overview Committee members want to know what steps are being taken to ensure early warning of any problems within a Community Association and in particular an understanding of the Council's exposure to risk should a further Community Association go into liquidation.

**Recommendation:**

**That, subject to any comments Members may wish to make, the report be noted.**

**Background papers:**

Community Association risk assessment. (Appendix a).  
WMBC Financial Appraisal Guide. (Appendix b).  
Report and Financial Accounts for Community Associations. (Appendix c).  
Financial Appraisal for Community Associations. (Appendix d)

**Resource and legal considerations:**

The Council grants Community Associations two main types of funding, Building Management (applicable to only eight organisations) and Community Support.

**Council Corporate Plan Priorities:**

The impact of Community Associations across the borough, with their different focus supports the Councils priorities across Economic Growth, People, Children and Communities. In relation to our Internal Focus, Community Associations will play a role in the Resilient Communities model now being developed.

Economic Growth – Rycroft has a business start-up and retraining focus. The re-training focus is shared amongst other CA's and includes supporting ESOL where appropriate.

People and Communities – Community Associations focus on people and communities providing a range of support and activities.

Children – Children and Youth activities are a key part of the Community Associations offering including youth theatre groups, sporting activities and holiday activities and youth clubs.

**Citizen impact:**

The Community Associations have recorded 350,000 contacts in the 2018/19 year. There are a range of services delivered within the Community Association network covering positive outcomes for Children, Adults and businesses. Some detail is included in the appendix

**Environmental impact:**

N/A

**Performance management:**

N/A

**Reducing inequalities:**

Community Associations support the delivery of Marmot Objective 5. Creating and developing sustainable places and communities. Community Associations are very much part of their communities, often physically at the heart of their communities providing a location, activities and support which helps to build sustainable places and communities.

**Consultation:**

N/A

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## 1. Report

- 1.1** The Council currently provides infrastructure funding to fourteen Community Associations (2019/20). These are:

Manor Farm Community Association  
Brownhills Community Association  
Streetly Sports and Community Association  
The Collingwood Centre  
Bloxwich Community Partnership  
Old Hall Peoples Partnership  
Aldridge Community Association  
Pelsall Community Association  
Moxley Peoples Centre  
Sneyd Community Association  
Ryecroft Community Hub  
Willenhall Chart  
Frank F Harrison Community Association  
Park Hall Community Association

- 1.2** Community Associations play a vital role in supporting communities within Walsall. Since that time officers within Communities and Partnerships have successfully worked to improve the relationship between the Council and the Community Associations and to maximise the Social Return on the Investment. This has proved generally successful although it should be noted that Palfrey Community Association went into administration in 2019.
- 1.3** Each Community Association is different in its design and customer base. The uniqueness of the Community Association creates a close fit with the communities they serve.
- 1.4** They all have charitable status and work for their communities. Their design fits into the new Resilient Communities Model, as key delivery agents, approved by Cabinet on the 23<sup>rd</sup> October 2019 and they will play a major part in this work stream.
- 1.5** The Community Associations operate as a network which meets on a regular basis to discuss common issues, concerns and opportunities. In addition the Community Associations, through this meeting, provide mutual support and advice. The mutual support approach has proved effective with Community Associations benefitting from a wider knowledge and expertise base. There has also been joint training on key operational and strategic skills.
- 1.6** The funding provided to our community associations for 2019/20 is detailed in the table below. Funding for Aldridge Community Association and Pelsall Community Centre is committed but not yet claimed.

<b>Name of organisation</b>	<b>Total value of contract, grant, service level agreement</b>	<b>Community Support</b>	<b>Building Management</b>
Streetly Sports and Community Association	£21,000.00	£11,000.00	£10,000.00
Bloxwich Community Partnership	£21,000.00	£11,000.00	£10,000.00
Sneyd Community Association	£11,000.00	£11,000.00	
Brownhills Community Association	£21,000.00	£11,000.00	£10,000.00
Old Hall Peoples Partnership	£21,000.00	£11,000.00	£10,000.00
Aldridge Community Centre	£3,000.00	£3,000.00	
Pelsall Community Centre	£5,000.00	£5,000.00	
Manor Farm Community Association	£11,000.00	£11,000.00	
Moxley Peoples Centre	£21,000.00	£11,000.00	£10,000.00
Park Hall Community Association	£11,000.00	£11,000.00	
Collingwood Centre	£21,000.00	£11,000.00	£10,000.00
Frank F Harrison Community Association	£21,000.00	£11,000.00	£10,000.00
Ryecroft Community Hub	£6,000.00	£6,000.00	
Willenhall CHART	£21,000.00	£11,000.00	£10,000.00
<b>Total</b>	<b>£215,000.00</b>	<b>£135,000.00</b>	<b>£80,000.00</b>

- 1.7** Payments to Community Associations is based on historic funding arrangements. During the process of making payments to a Community Association the Council utilises the Financial Appraisal Guide Appendix (b) and supporting Ratio Analysis. We use Community Associations published financial accounts for this purpose. It is understood that this is only a position at a point in time and our monitoring ensures we remain up to date on the current stability of an organisation.

- 1.8** 2019 saw the loss of Palfrey Community Association which went into administration in March. However, there has been a strengthening of all the other Community Associations which receive financial support through our Community Support and Building Management grants. For example there has been a remarkable turnaround in relation to Streetly Sports and Community Association which through a new management structure has provided stability and control for the organisation. Overall the position is positive but these organisations are often financially finely balanced so small amounts of money can make a big positive and negative difference.
- 1.9** The improved relationships between the CA's and the Council means that there is greater transparency and openness which means early identification of problems is likely. The risks identified are managed where it is possible to do so although some issues are more complex. Sneyd Community Association for instance are in a school site which will shortly require major investment. The Council's role has been to support and enable the Community Associations to develop.
- 1.10** Appendix (a) includes more detail of the current position relating to the infrastructure supported Community Associations.