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Appendix 1

Generating the geography of grant giving by NOF in Scotland

This section details the process used to establish the distribution of NOF funding across Scotland that formed the basis of the analysis in the main report.

The project team were supplied with address and funding (commitments) data for almost 1,700 individual NOF-funded projects, covering 21 programmes, over the period from the first initiatives in 1999 to 2004. The raw data included up to eight fields of information including a unique project reference number, project name, applicant name and address details, award value and description.

For this research, the most important field was the postcode associated with the location of 'delivery'. For the sake of clarity these were labelled 'project locations' as these are the best indicator of the area within Scotland where the impact will be felt. Of course, in any analysis using postcode-based information, this refers to a small area rather than a single point and there can be no guarantee that the 'impact area' of the grant matches that of the postcode area. In effect, it was assumed that the location of this point was at the centre of the area of impact. The total number of project locations was 5,181.

For open grants programmes, projects had a single location and for the purposes of this research, the address (postcode) of the grant holder has been used to define the *project location*. However, for the majority of the programmes, commitments have been made to projects that in turn cover a range of locations.

The latter presented two situations: (a) In some cases grants with a number of delivery points had full information on the breakdown of funding between points of delivery. These were easy to allocate to urban and rural zones; (b) In the remaining cases a single 'global' award was shared between anything up to 180 different delivery points. In the latter case distribution of delivery locations, and distribution of funding between rural and urban zones was achieved by apportioning the grant between delivery locations on a simple equal share basis.

Thus the total NOF commitment within Scotland covered by the database (£267m) was in fact "committed" to the 5,181 locations. Each of these locations was mapped using Mapinfo software and the General Register Office Scotland's Postcode Index (2004 version 2). This "geo-referencing" has allowed comparative analysis of the NOF data with various levels of detail within the Scottish Executive urban-rural classification (SERU 6 and 8) and the domains of need and deprivation contained in the SIMD.

Appendix 2

Indicators of Need – measures used in the Scottish Index of Multiple Deprivation

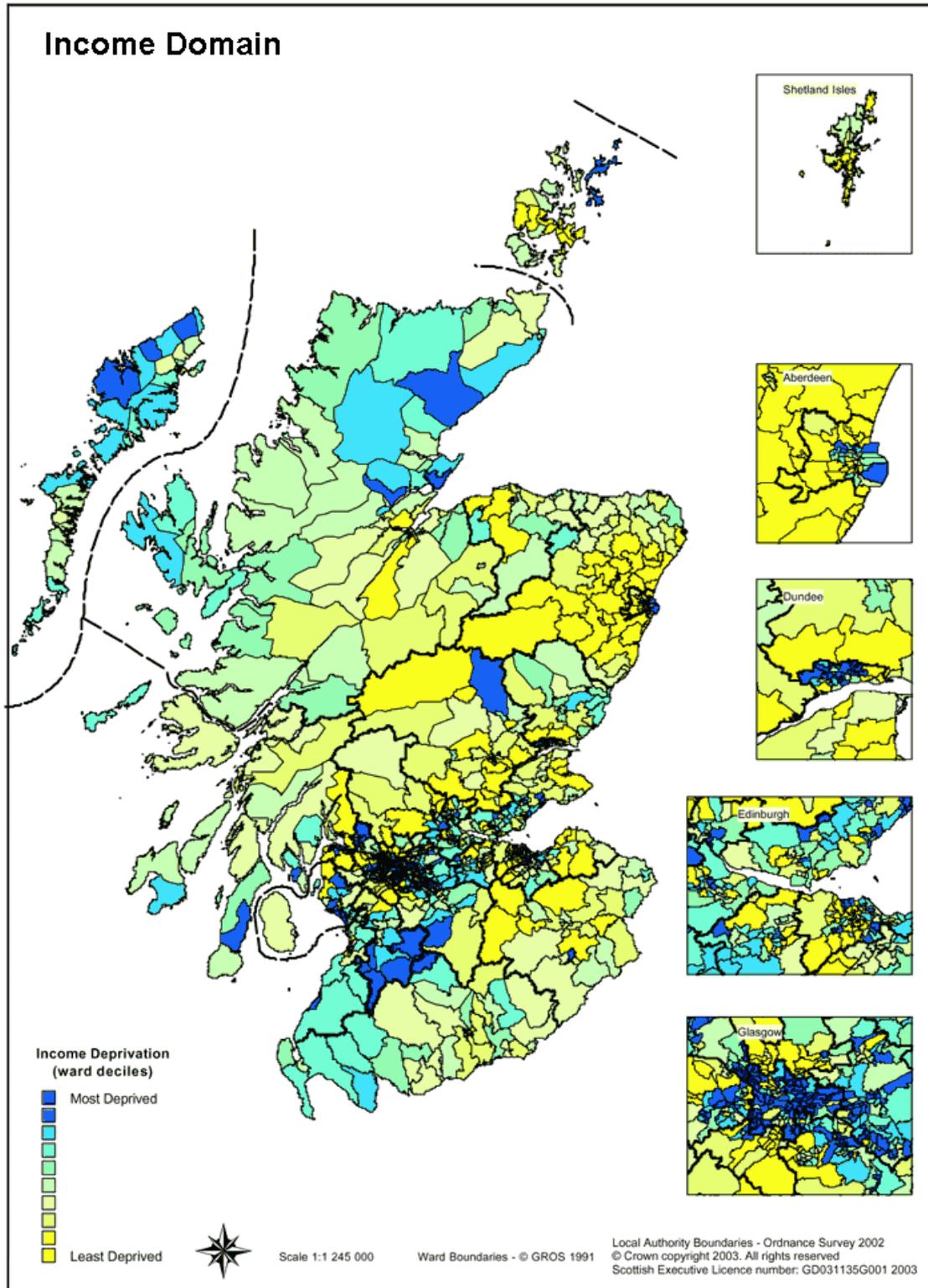
Together 30 indicators have been combined to form the Scottish Index of Multiple Deprivation (SIMD) used in this research. The table below indicates the relative weight attached to each separate indicator. Further details of the sources for all these data can be found at www.scotland.gov.uk/library5/social/siod-00.asp

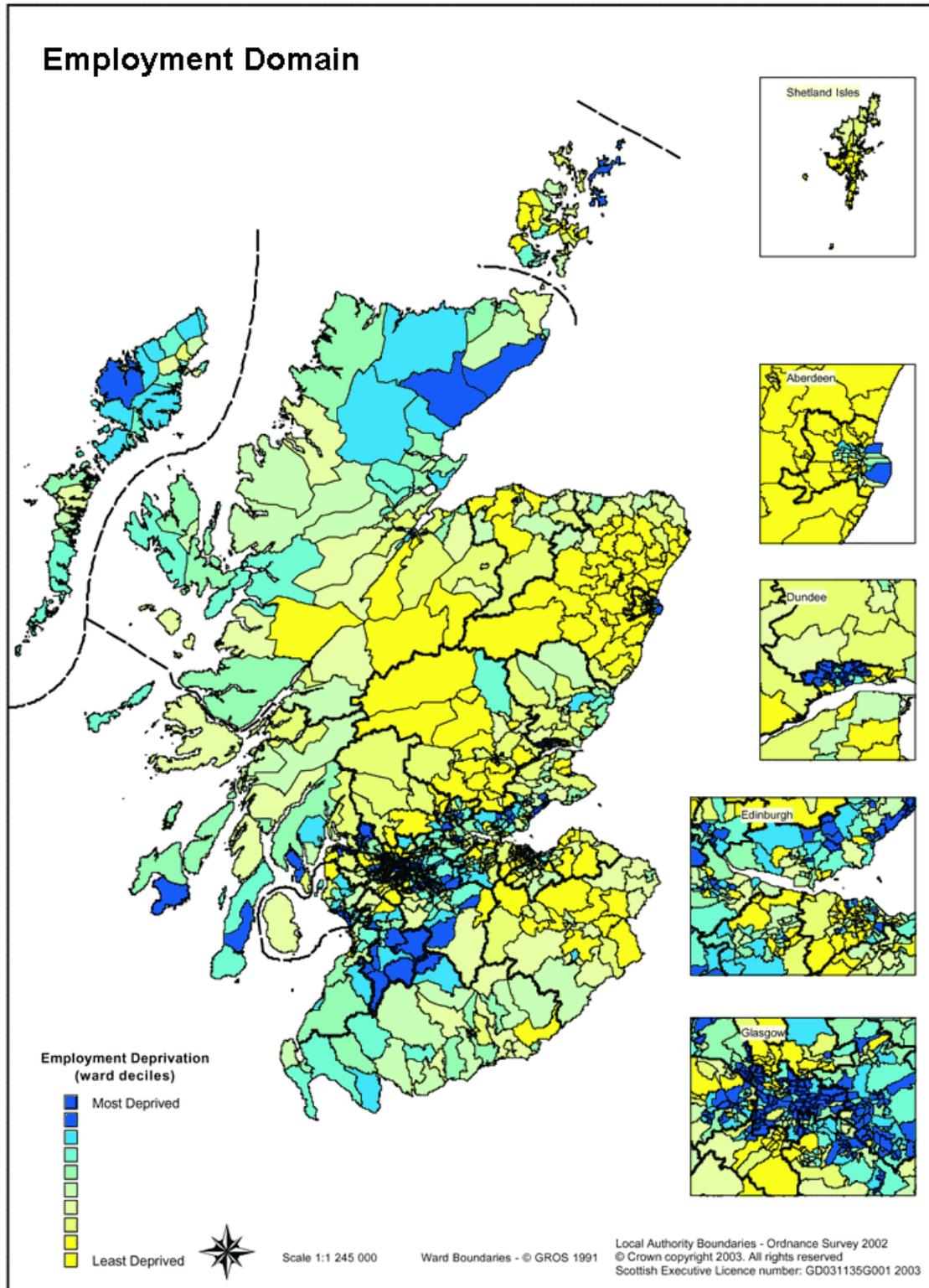
Table : Measures and weights for assessing Deprivation in the SIMD

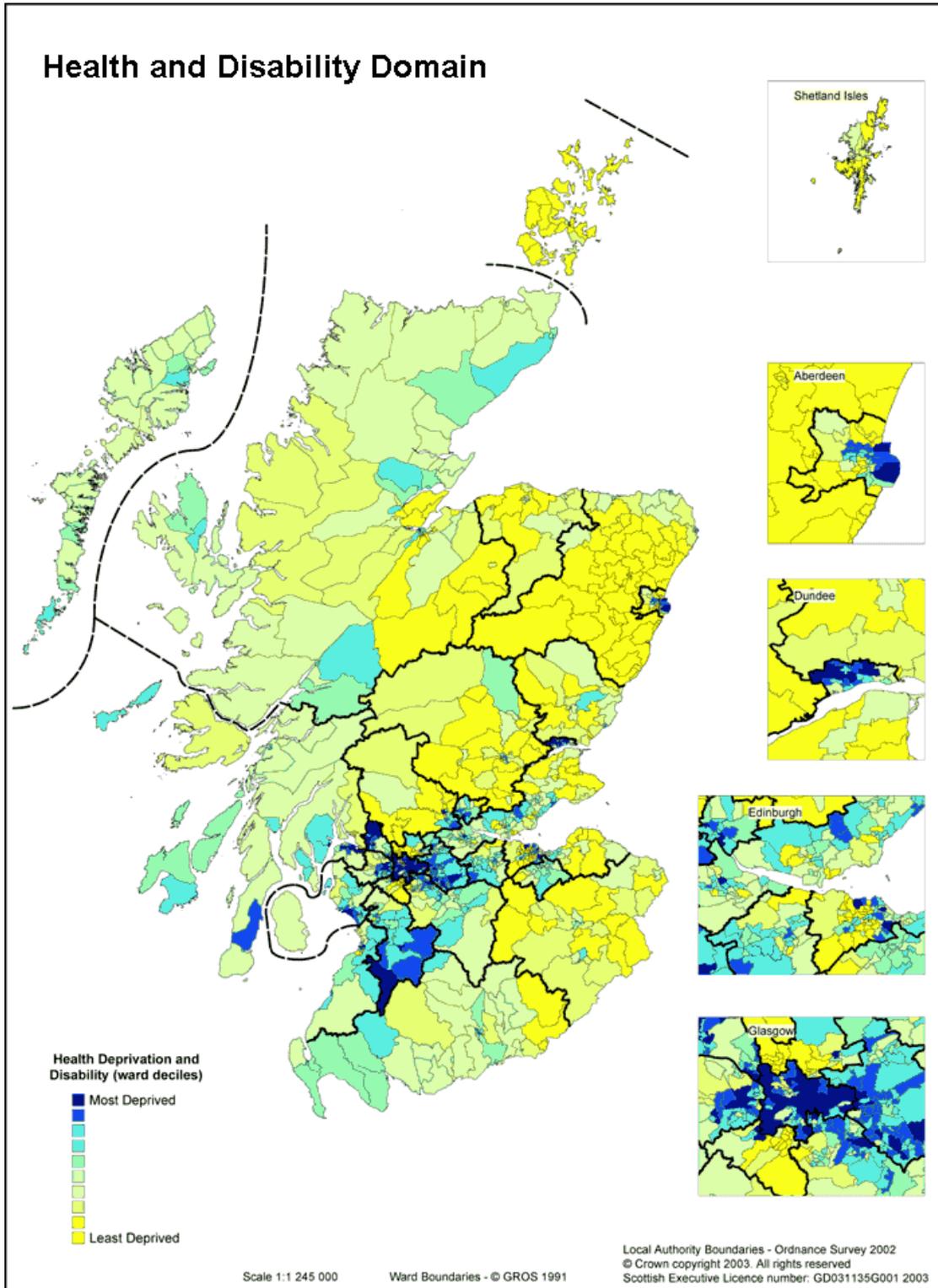
Income Deprivation: Indicators		Weight within domain
	Adults in Income Support households	0.125
	Children in Income Support households	0.125
	Adults in Income Based Job Seekers Allowance households	0.125
	Children in Income Based Job Seekers Allowance households	0.125
	Adults in Working Families Tax Credit households below a low income threshold	0.125
	Children in Working Families Tax Credit households below a low income threshold	0.125
	Adults in Disability Tax Credit households below a low income threshold	0.125
	Children in Disability Tax Credit households below a low income threshold	0.125
Employment Deprivation: Indicators		
	Unemployment claimant count of those aged under 60	0.25
	Incapacity Benefit recipients aged under 60	0.25
	Severe Disablement Allowance recipients aged under 60	0.25
	Compulsory New Deal participants - New Deal for the under 25s and New Deal for 25 + not included in the unemployment claimant count	0.25
Health Deprivation and Disability: Indicators		
	Comparative Mortality Factor (CMFs) for under 75s	0.13
	Hospital episodes related to alcohol use	0.12
	Hospital episodes related to drug use	0.11
	Comparative Illness Factor	0.39
	Emergency admissions to hospital	0.10
	Proportion of population being prescribed drugs for anxiety or depression or psychosis	0.08
	Proportion of live singleton births of low birth weight (<2,500g)	0.07
Education, Skills and Training Deprivation: Indicators		
	Working age adults with no qualifications	0.13
	Pupils aged 16+ who are not in full time education +	0.16

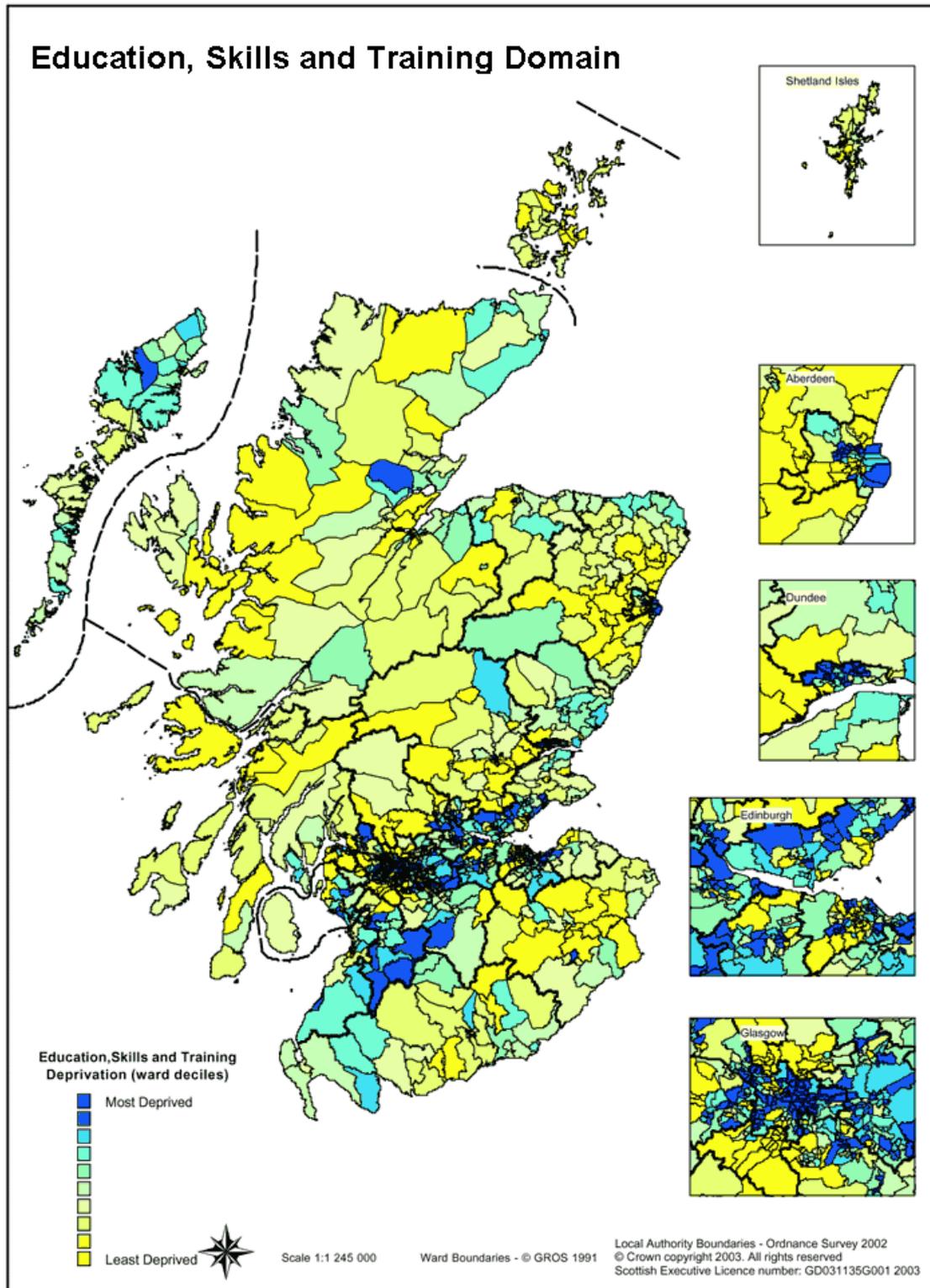
	Proportions of the 17+ population who have not successfully applied to Higher Education	
	Pupil performance on SQA at Stage 4	0.65
	Secondary level absences	0.06
Geographical Access to Services: Indicators		
	Road distance to a GP surgery or health centre	0.187
	Road distance to a general stores or supermarket	0.251
	Road distance to a primary school	0.122
	Road distance to a petrol station	0.110
	Road distance to a bank or building society	0.184
	Road distance to community internet facilities	0.145

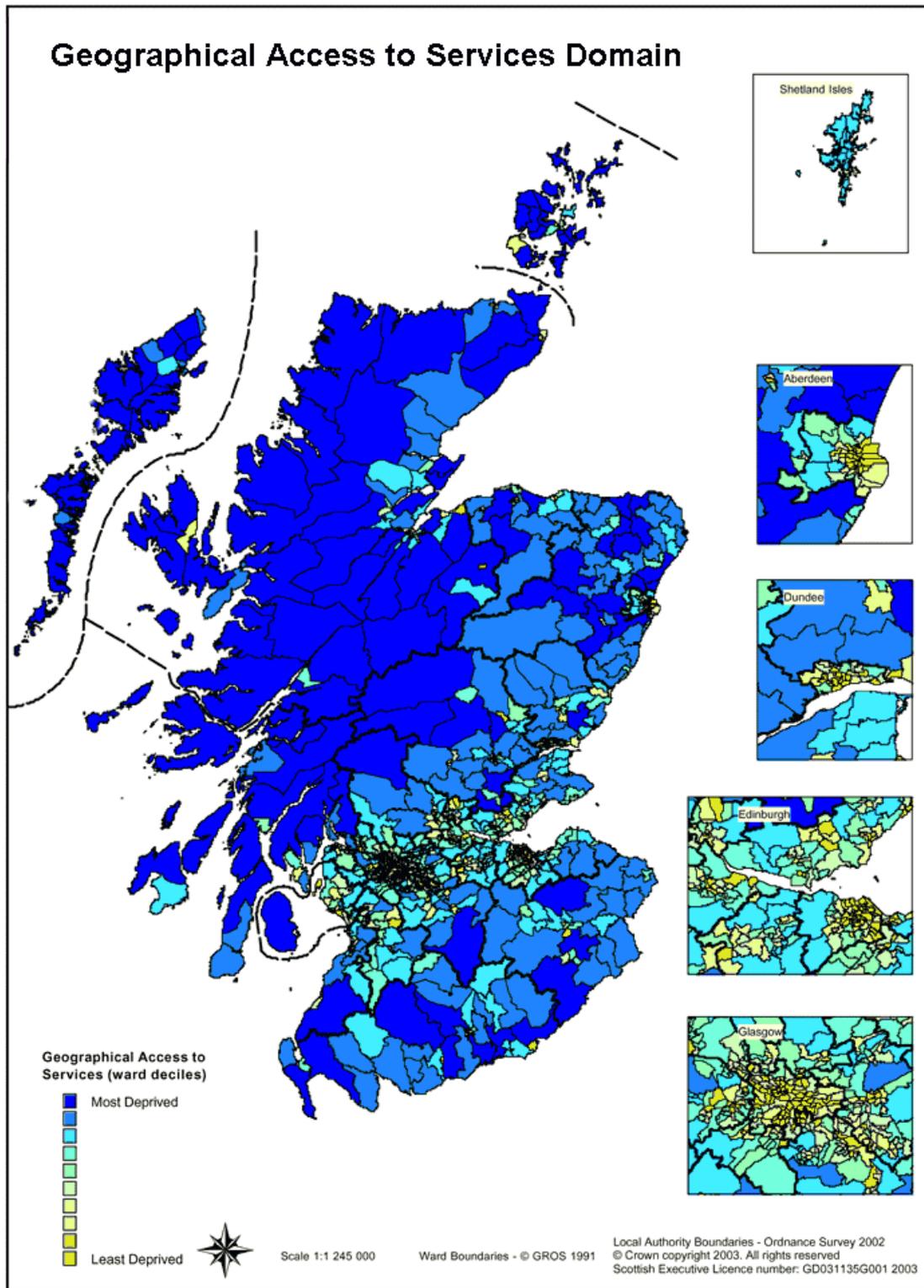
The following figures illustrate the pattern of need within the SIMD based on the five domains.











Appendix 3

Urban-Rural distribution by programme**NOF Grant Funding by Programme and by Urban-Rural Classification**

Programme	Funding £m		
	Urban	Rural/Small Towns	Total
CALL - ICT	7.5	3.3	10.8
CALL - Peoples Network	8.5	2.5	11.0
Digitisation	6.3	0.0	6.3
ICT Training - Public Librarians	1.7	0.5	2.2
ICT Training - Teachers and School Librarians	17.7	4.4	22.1
Out of School Hours Childcare	17.8	9.7	27.5
Out of School Hours Learning	15.9	6.0	21.9
Out of School Hours School Sports Co-ordinators	2.1	0.7	2.8
Quality Childcare	1.7	0.6	2.3
Funding Facilitators	1.1	0.0	1.1
New Opportunities for PE and Sports (Activities)	28.2	6.6	34.8
New Opportunities for PE and Sports (Facilities)	12.1	5.3	17.4
Total Education	120.6	39.6	160.2
Green Spaces and Sustainable Communities	2.6	0.8	3.4
Scottish Land Fund	0.0	9.4	9.4
Transforming Waste	2.5	0.8	3.3
Transform Your Space	1.8	1.2	3.0
Total Environment	6.9	12.2	19.1
Palliative Care	3.4	1.6	5.0
Cancer Prevention, Detection, Treatment and Care	12.5	4.3	16.8
Better Off	7.9	1.5	9.4
Healthy Living Centres	25.4	6.8	32.3
Coronary Heart Disease, Stroke and Cancer	19.1	5.2	24.3
Total Health	68.3	19.4	87.7
Overall NOF Total	195.8	71.2	267.0

NOF Projects by Programme and by Urban-Rural Classification

Programme	Projects		
	Urban	Rural/Small Towns	Total
CALL - ICT	58	26	84
CALL - Peoples Network	23	10	33
Digitisation	9	0	9
ICT Training - Public Librarians	23	10	33
ICT Training - Teachers and School Librarians	30	10	40
Out of School Hours Childcare	328	182	510
Out of School Hours Learning	86	42	128
Out of School Hours School Sports Co-ordinators	24	9	33
Quality Childcare	27	13	40
Funding Facilitators	1	0	1
New Opportunities for PE and Sports (Activities)	23	9	32
New Opportunities for PE and Sports (Facilities)	30	42	72
Total Education	662	353	1,015
Green Spaces and Sustainable Communities	43	35	78
Scottish Land Fund	2	129	131
Transforming Waste	17	7	24
Transform Your Space	23	24	47
Total Environment	85	195	280
Palliative Care	43	30	73
Cancer Prevention, Detection Treatment and Care	12	4	16
Better Off	46	14	60
Healthy Living Centres	33	13	46
Coronary Heart Disease, Stroke and Cancer	146	63	209
Total Health	280	124	404
Overall NOF Total	1,027	672	1,699

NOF Project Locations by Programme and by Urban-Rural classification

Programme	Project Locations		
	Urban	Rural/Small Towns	Total
CALL - ICT	212	141	353
CALL - Peoples Network	23	10	33
Digitisation	9	0	9
ICT Training - Public Librarians	23	10	33
ICT Training - Teachers and School Librarians	30	10	40
Out of School Hours Childcare	593	386	979
Out of School Hours Learning	1,334	874	2,208
Out of School Hours School Sports Co-ordinators	24	9	33
Quality Childcare	27	13	40
Funding Facilitators	1	0	1
New Opportunities for PE and Sports (Activities)	189	108	297
New Opportunities for PE and Sports (Facilities)	70	53	123
Total Education	2,535	1,614	4,149
Green Spaces and Sustainable Communities	43	35	78
Scottish Land Fund	2	131	133
Transforming Waste	17	7	24
Transform Your Space	23	24	47
Total Environment	85	197	282
Palliative Care	74	50	124
Cancer Prevention, Detection Treatment and Care	50	19	69
Better Off	60	14	74
Healthy Living Centres	33	13	46
Coronary Heart Disease, Stroke and Cancer	216	221	437
Total Health	433	317	750
Overall NOF Total	3,053	2,128	5,181

Appendix 4

Plotting awards against need by programme

The following web diagrams portray the individual analysis of awards by NOF to the six rural categories of Scotland for each of the 21 programmes. Each web diagram indicates the extent to which one or more of the six rural zones is favoured in the distribution of grants by the extent to which the shading extends along the axis against the appropriate measure of need from the SIMD.

Thus for the Call ICT programme (ED1) the distribution of funds has favoured strongly the accessible small towns (AST) and very remote small towns (RST) and to a lesser extent very remote rural areas (VRR). In contrast, the other three categories of rural space do not demonstrate higher than expected location quotients.

Note that different measures of need have been used - with the overall SIMD score being used for environment programmes (due to the lack of a specific domain for environment), the education domain for those involving education and the healthy domain for these programmes.

The table below details the codes allocated to each programme.

Programme	Code
CALL -ICT	ED1
CALL - Peoples Network	ED2
Digitisation	ED3
ICT Training - Public Librarians	ED4
ICT Training - Teachers and School Librarians	ED5
Out of School Hours Childcare	ED6
Out of School Hours Learning	ED7
Out of School Hours School Sports Co-ordinators	ED8
Quality Childcare	ED9
Funding Facilitators	ED10
New Opportunities for PE and Sports (Activities)	ED11
New Opportunities for PE and Sports (Facilities)	ED12
Green Spaces and Sustainable Communities	EN
Scottish Land Fund	EN2
Transforming Waste	EN3
Transform Your Space	EN5
Palliative Care	H1
Cancer Prevention, Detection Treatment and Care	H2
Better Off	H3
Healthy Living Centres	H4
Coronary Heart Disease, Stroke and Cancer	H5

The findings

1. Plotting the distribution of awards by rural/small town zones for each programme within the education theme (Figure A4.1) reveals some recurrent patterns:

- Seven of the 12 programmes exhibit higher LQs for small towns.
- In the case of CALL ICT (ED1), ICT Training – Teachers and Librarians (ED5), Out of School Hours Learning (ED6), Out of School Hours Sports Coordinators (ED8), and Quality Childcare (ED9) a disproportionately large share of commitments are allocated to accessible and very remote small towns (remote small towns receiving a relatively smaller amount).
- In the case of CALL People’s Network (ED2) and ICT Public librarians (ED4) the accessible small towns and remote small towns receive a larger share than would be expected, given their share of educationally deprived population.
- Out of School Hours learning (ED7) and NOPES Activities (ED11) have a distribution roughly proportionate to their share of the educationally deprived population.
- Digitisation (ED3) and Funding Facilitators (ED10) do not have any funding specifically allocated to rural and small town Scotland.

2. Under the environment theme the four programmes show a rather heterogeneous pattern (Figure A4.2). In EN1 (Green Spaces and Sustainable Communities) the very remote zone (both small towns and rural) dominates. In the Scottish Land Fund (EN2) rural areas (remote and very remote) absorb a relatively large share of awards. This is understandable, but the pattern for EN3 (Transforming Waste) is perhaps only to be accounted for in terms of the relatively small number of projects (24), since no consistent orientation towards rural/small towns or accessibility zones is distinguishable. Finally, Transforming your Space (EN4) focuses disproportionately on the very remote zones and remote rural.

3. In the Health theme (Figure A4.3) the accessible rural zone has been allocated more NOF awards than might be expected on the basis of its share of SIMD (Health) deprived population within all five programmes. In programmes H4 (Healthy Living Centres) and H5 (Coronary Heart Disease, Stroke and Cancer) the very remote small towns have also fared relatively well. The remote rural area has received more than its equitable share within H1 (Palliative Care).

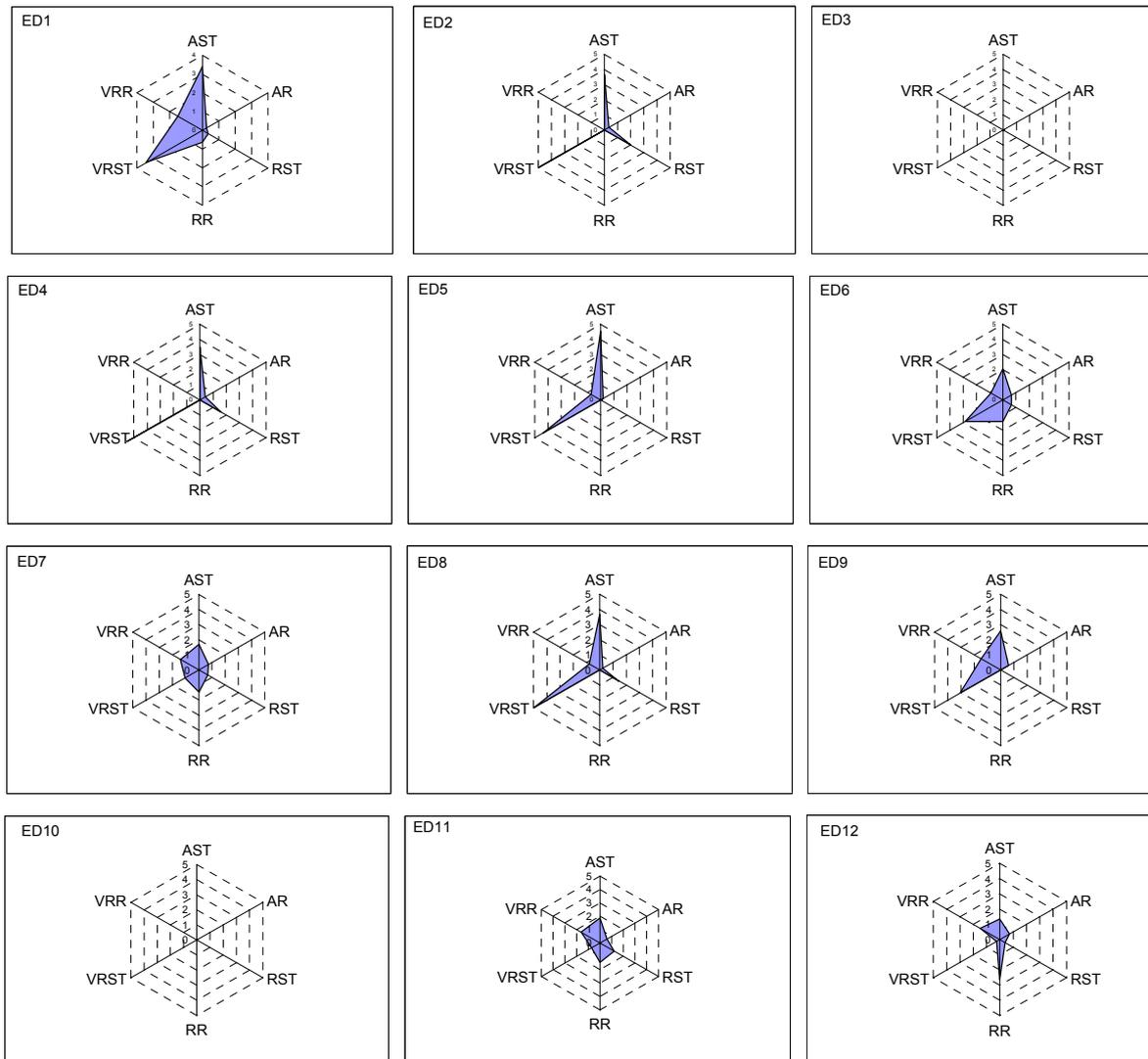


Figure A4.1: NOF Education award distribution by programme

Notes:

Axes calibrated in LQ based on SIMD (Education)

AST = Accessible small towns

AR = Accessible rural

RST = Remote small towns

RR = Remote rural

VRST = Very remote small towns

VRR = Very remote rural

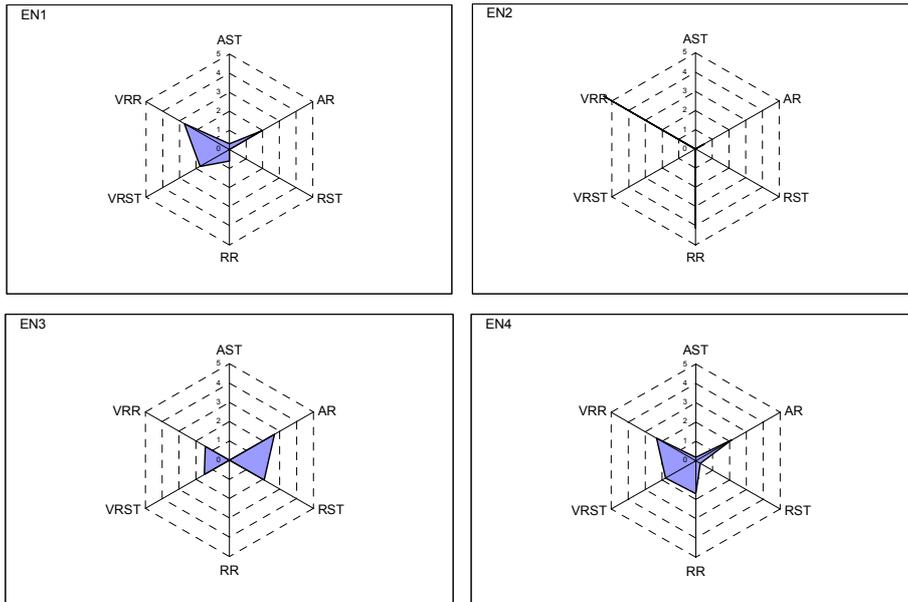


Figure A4.2: NOF Environment award distribution by programme

Note: Axes calibrated in LQ based on SIMD (Overall)

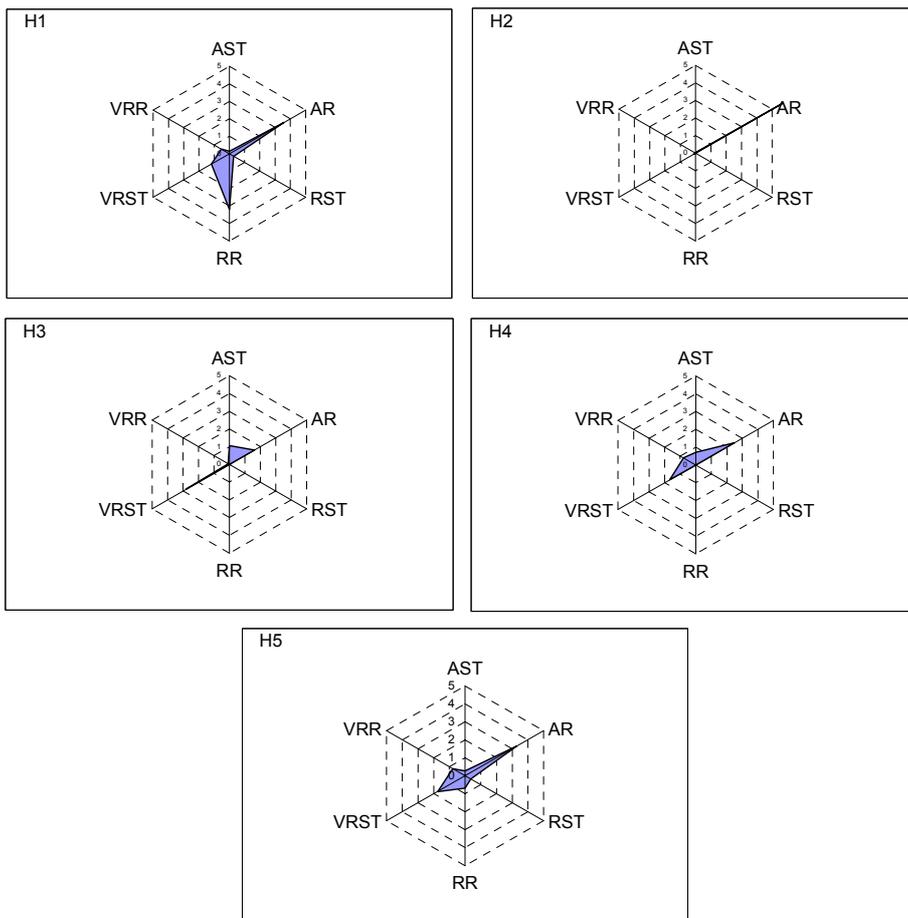


Figure A4.3: NOF Health award distribution by programme

Note: Axes calibrated in LQ based on SIMD (Health)

Appendix 5

Programme summaries

This appendix portrays the key distributional dimensions of each of the 21 NOF programmes impacting in Scotland. For each, we have analysed the funding database to identify the key characteristics in terms of:

- Funding commitments
- Number and geography of the projects
- The Project locations.

In particular we emphasis the rural/urban split, and explore the allocation of funds in relation the measures of need used in the research.

Appendix 6

Case Study Programme Reviews

This section details the issues raised for the four case study programmes – Better Off, Healthy Living Centres, New Opportunities for Quality Childcare, and Transforming Your Space – which formed a core element of the research.

Issues raised by interviewees are outlined for each programme. Where appropriate, and with the permission of those involved, we have quoted specific comments to give a flavour of the discussions. We also illustrate for each programme, the overall dimensions in terms of funds, application and distribution process, and assessment criteria.

These four reviews are further supported by the analyses of the awards made and rural/urban split (in funding and projects) which are shown in Appendices 3-5 for all the 21 programmes.

1. Better Off Programme

Purpose

The Better Off programme launched in 2002 aims to get more people who misuse or have misused drugs into community-based rehabilitation services.

The programme is part of the Transforming Communities initiative and policy directions indicate that the Fund will support *‘projects which explore new kinds of community rehabilitation of people who misuse or have misused drugs.’* Further explanatory notes demand that projects *‘would link people to education, training, employment and accommodation opportunities and would complement drug treatment services run by statutory bodies or funded by them, and be designed to meet the needs of particularly deprived and hard to reach groups. Projects should be within the broad scope of the Scottish drugs strategy and the Fund should work with the local Drug Action Teams (DATs) and, where relevant, Social Inclusion Partnerships (SIPs) to deliver this initiative.’*

Funds Available

£10m was available for the programme, of which £9.4m was to support projects, while £0.6m was allocated to administration. Grants could be made for periods between 1 and 4 years, with all funds to be spent by March 2008.

Applicants could apply for up to 75% of total project costs, with capital elements restricted to 10% of the grant.

Allocation

Indicative allocations were made to Scotland’s 22 Drug Action Team areas based 50% on population and 50% by prevalence of drug misuse (established by University of Glasgow 2001 study).

Drugs Action Team Area	Allocation over 4 years
Aberdeen City	£507,170
Aberdeenshire	£325,920
Angus	£154,759
Argyll & Clyde	£832,421
Ayrshire & Arran	£585,076
Borders	£139,074
Dumfries & Galloway	£219,679
Dundee City	£351,340
East Lothian	£146,408
Edinburgh City	£936,548
Fife	£556,122
Forth Valley	£439,180
Greater Glasgow	£2,188,534
Highland	£268,740
Lanarkshire	£947,112
Midlothian	£137,707
Moray	£108,205
Orkney	£40,000
Perth & Kinross	£190,505
Shetland	£40,000
West Lothian	£245,498
Western Isles	£40,000
Total	£9,400,000

Eligibility

Community/voluntary organisations, local authorities, NHS Boards, local healthcare co-operatives, public agencies, and other statutory authorities were all eligible to apply for the programme, provided they addressed at least one of the target groups given overleaf and could demonstrate ability to deliver the following outcomes:

- Increase the number of people using community drug rehabilitation;
- Promote community and service-user involvement in the planning and delivery of services
- Link people to opportunities in education, training, employment and accommodation;
- Engage with people who experience difficulty in using rehabilitation services.

Targeting

Discussion with the Executive led to relaxation of the requirement for community rehabilitation to demonstrate innovation and the interpretation of 'hard to reach groups' as being people who:

- Are homeless
- Have dependent children
- Have offended
- Are unemployed
- Who live in disadvantaged communities (SIP areas)
- With mental health conditions.

Application Process

The Drug Action Teams were charged with promoting the Better Off programme to potential applications and supporting project development. Application forms and guidance notes were made available through Drug Action Teams from July 2002, with closing dates in September 2002 and July 2003.

The application was a single stage process, with bids submitted to the Fund within a portfolio compiled by the Drug Action Team. The Drug Action Team were initially asked to endorse applications, and latterly, for the second round of funding, to prioritise applications.

Assessment

Drug Action Teams compiled a short report on each application. Drug Action Teams were expected to endorse, and in Round 2, prioritise bids to the Fund.

Grants staff assessed all applications and decisions were made public in February 2003 and 2004 (3-4 month assessment period).

Assessment Criteria were published as part of the Guidelines:

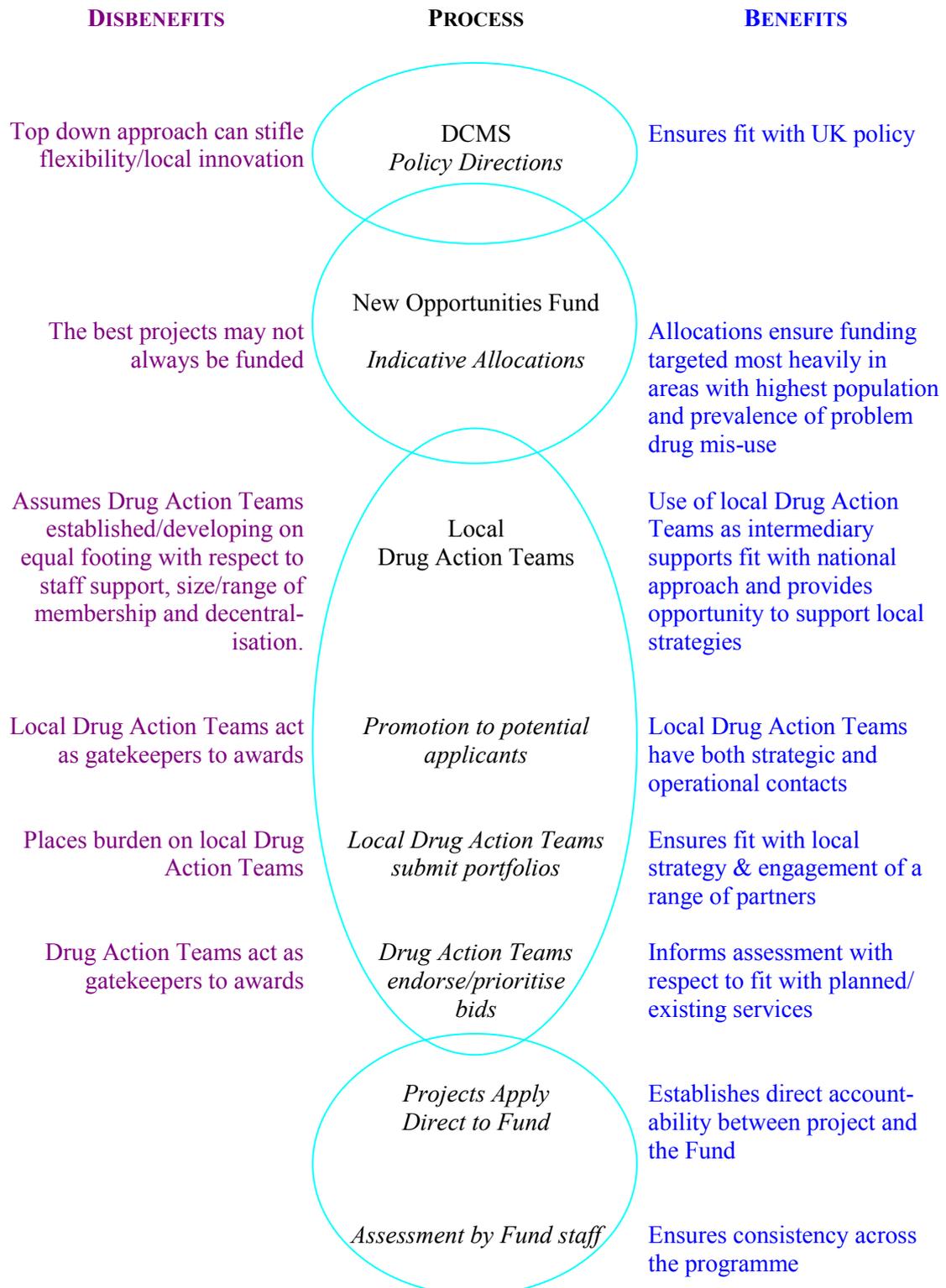
- Criterion 1 the scheme demonstrates that it meets the Fund's priorities for the programme
- Criterion 2 the application can demonstrate evidence of need
- Criterion 3 the applicant can demonstrate that they have a plan to reach beneficiaries and to encourage participation
- Criterion 4 the applicant can demonstrate that the quality of the scheme relies upon the contribution of users and beneficiaries
- Criterion 5 the grant scheme is being used to develop communities (geographical or interest)
- Criterion 6 the lead organisation is 'fit for purpose'
- Criterion 7 where the application is for a partnership project structures for managing the partnership to the benefit of the grant scheme are well thought through allowing partners to participate on an equal basis
- Criterion 8 the grant scheme has been properly planned and is likely to be well organised and managed
- Criterion 9 the grant scheme budget is accurate and realistic and takes into account costs likely to be incurred
- Criterion 10 the grant scheme has the potential to be sustainable for the life of the grant scheme and beyond.

Distribution of Better Off Grants

63 out of 101 applications were funded. Round 2 success rates were reported as higher than Round 1, due to the availability of development support from grants staff.

In addition, the take up and strategic application of funds is influenced by DAT set up in terms of staff support, size and range of membership and level of centralisation.

Programme Analysis



Issues Arising from the Interviews

Indicative Allocations

Indicative allocations were generally welcomed and encouraged applications by Local Drug Action Teams.

Experience in Dumfries & Galloway

The indicative allocation to Dumfries & Galloway of £220,000 over 4 years was less than generally anticipated (£33,000 per £1m), but did not prove cause for complaint.

‘At least with allocation it doesn’t all end up in Glasgow and rural authorities can get something’.

Experience in Highland

The indicative allocation made the DAT officer feel ‘responsible for attracting that funding’.

Strategic Implementation

Local Drug Action Teams responded to the opportunity to engage with the Better Off programme quite positively, with some having already commenced a strategic approach prior to the availability of Better Off funding..

Illustrations from the Interviews

Experience in Highland

Highland DAT is supported by 8 drug and alcohol forums covering areas within Highland.

A number of ‘hotspots’ across Highland were identified from a local study into drugs dependence, plus identified caseloads and areas of concentrated population. In 2001, the DAT undertook a mapping exercise of services in hotspots for drugs misuse. DAT agreed to build on employability as key strategic input.

Highland DAT distributed application forms and guidelines widely, and Substance Misuse Development Officers went specifically to local forums in hotspot areas and followed up with support in hotspot areas. A lot of work was required by DAT staff to submit applications. In 2003 the DAT appointed its first strategy and implementation manager (previously only employed drugs and alcohol development officers). This appointment enabled the DAT to engage more effectively with applicants and the Fund so may be related to improved success in obtaining awards from the Better Off Programme.

Relevance of the Better Off Programme to Rural Situation

The Better Off programme began very strictly focused on increasing the number of people who misuse or have misused drugs. It did not extend to those who abused alcohol. This presented difficulties for those areas with very low levels of drug misuse, many of which are rural.

Illustrations from the Interviews

Orkney

Orkney’s indicative allocation of £10,000 a year was minimal, however Orkney has the lowest level of reported drugs misuse in Scotland, with alcohol problems far more prevalent. Nonetheless Orkney Islands DASAT (Drug, Alcohol & Smoking Action Team) having

conducted a Needs Assessment, felt strongly that with even a small number of clients presenting, there needs to be a level of awareness among professionals and a capacity to offer services where needed. The greatest challenge in Orkney is to provide options for the treatment of clients.

Realistically workers in Orkney cannot deliver services exclusively to drugs users and still provide value for money. The problem is further complicated as clients often present initially with alcohol problems and later admit issues with other drugs.

Orkney NHS Health Promotion team welcomed the opportunity to develop/invest in services for drug users. This contrasts with their frustration with only £4000 p.a. from the Scottish Executive to help combat smoking which is far more prevalent in the area. With the initial focus of the Better Off programme limited to drugs work, Orkney Islands DASAT may not have bid at all without the incentive of a fixed allocation for the area.

Orkney Islands Property Development Limited

This housing body is established as a private limited company and operates on a not for profit basis with 2 employees. The company establishes new social housing and support for tenants with particular needs.

Staff found that they spent a lot of time helping tenants with debt issues, mostly brought about by alcohol related issues. The company identified derelict and dangerous buildings in the heart of Kirkwall they wished to convert into 3 units of supported accommodation.

Special Needs Capital Grant from Communities Scotland enabled the building renovation, and the Better Off grant will enable the employment of a home support worker for 11 hours/week. Tenants may spend a limited time in the new flat. The role of the support worker is to help tenants with benefits and budgeting and, where appropriate, getting to work. The project is deliberately kept low key – the company does not anticipate any difficulty in keeping the flats occupied and is keen to limit potential for stigmatisation of tenants.

The first tenants moved in to the flats in April 2004, one of whom has already moved on. The position of support worker has been slower to start. The post has been advertised as a part-time position at a salary of £16-18,000 p.a. pro rata. A number of people with social care experience had expressed an interest in the position and the company was optimistic that they would be able to appoint first time round. Delays to recruitment were primarily attributed to lack of understanding about the processes involved.

The positive outcomes anticipated for the project include:
 Police & health services – reduce call on their services
 Orkney Islands Property Development Limited – reduce rent arrears/default
 Families – respite

The level of allocation to Orkney Islands limited the application by restricting the number of hours of support worker time. However, this has been alleviated to some degree by close partnership working generating a commitment from Orkney Islands Council that additional home support time can be made available through Council staff if required.

Dumfries & Galloway, Pilot Arrest Referral Scheme

Dumfries & Galloway Constabulary, the local Alcohol and Drugs Action Team and the Holywood Trust were awarded a grant from Better Off to pilot an Arrest Referral Scheme,

delivered by Apex Scotland. A Team Leader and an Arrest Referral worker are employed in Dumfries and a further Arrest Referral Worker is based in Stranraer.

The aim of the service is to use the point of arrest as an opportunity to engage the individual in dialogue with appropriate services. When individuals arrested on minor drug or alcohol offences (or known to have related problems) are charged at the police station they are asked if they would like to be referred to the Arrest Referral Service and an interview is arranged as quickly as possible. Clients can self-refer at any time and are given information to enable them to do so, although the Scheme is not widely publicised to avoid stigmatising workers or clients.

Involvement in the Arrest Referral Scheme does not provide an escape from prosecution, but can contribute to positive reports to later hearings if an individual maintains contact and works with relevant services.

The Scheme started March 2004 and started taking referrals from April 2004. In the first six months of operation the scheme had a referral rate of about 36% (that is the number of people taking up the referral opportunity as a percentage of those offered the service). By the end of October the referral rate had increased to 40%. The Scheme is already regarded as exceeding expectations and referral is part of the standard custody booking process for those with substance misuse issues.

Although the Scheme is not limited to offenders charged at the main police stations of Dumfries or Stranraer, the majority of offenders in the six-month period for which the project had been operating were in Dumfries. More than twice as many individuals were arrested in Dumfries (61) than in any other part of the (eastern) region. There were no more than 5 individuals taken into custody at any one of the ten satellite stations in surrounding villages. In Galloway most offenders (48) were taken into custody in Stranraer, but there was only one alternative satellite in the area.

The issues faced by those interviewed by Arrest Referral Workers were varied and the project works with a wide range of agencies including medical and rehabilitation facilities, advice, support and counselling services. Issues reported in the first six months included:

Issues	Dumfries	Stranraer
Drug issues	17	
Alcohol issues	12	18
Drug & alcohol issues		3
Anger Management	5	1
Required residential rehabilitation	2	0
Housing issues	2	5
Prescription issues	2	0
Rape/domestic issues		1

The above table illustrates the dominance of alcohol issues on the local agenda.

Difficulties in implementing projects

There were some problems identified by interviewees in putting their projects into practice and particularly relating to the recruitment of staff with skills/experience in relevant fields. Rural areas lack the concentration of work and resulting career progression that staff can find in urban areas. Consequently, projects are torn between two key options in recruiting staff

each of which have their own challenges. Staff may be recruited from neighbouring urban areas (but are unlikely to be tempted by part-time or short-term contracts). Unqualified staff may be recruited locally and provided with training/support.

In addition, travel time and costs in rural areas may constitute a significant part of overall project costs.

Illustrations from the Interviews

Highland DAT

The indicative allocation (£268,740) was as expected, but DAT staff reported that it does not allow a realistic level of travel time and costs for staff or clients. In practice, staff may spend many hours travelling in one day to see clients, suggesting that if allocations persist based on population, the more sparsely populated areas will never get the quality of services they need. Lack of public transport disadvantages clients, but it is more costly taking services to them. Having STRADA in Highland and access to training has increased the attraction of working in Highland for drug/alcohol workers. People may be attracted to work in Highland for lifestyle reasons but often do not allow for the high level of travel required in their jobs.

Highland, Lochaber Project

Lochaber experiences real problems recruiting social workers, nurses and community psychiatric nurses, so the project staff grade has been carefully selected to attract competent people without formal social work qualifications. Currently in the process of recruitment, early indications are that this approach has attracted a healthy number of applicants and a real level of choice in appointment. The project is also looking at local and national training to support applicants.

Dumfries & Galloway

Rural areas face greater costs and other challenges arising from the limited licensing of methadone dispensing clinics. For example, more commitment (in terms of travel cost, time, planning) is required from addicts to maintain their regime. Alternatively, projects can take on some of the costs through special dispensation such as that granted to Turning Point to operate 2 clinics each week in Stranraer.

Orkney

Combined with difficulties recruiting to short term contracts and even further difficulties recruiting to part-time posts (that cannot attract people from outwith the Islands), the need for workers to work across a range of substance misuse is key. Success in attracting required skills and experience is variable.

Travel is always a significant cost in working in the Orkney Islands and there is an ever-present dilemma about physical access to services – whether it is appropriate to deliver services to clients or must clients travel to services.

Partnership Advantages

Partnership appears very much to be a way of life in rural Scotland with none of the interviewees expressing any concerns about requirements to act in partnership, and often recognising this as an advantage.

Lochaber Project

‘anywhere outwith Inverness the culture of people talking and working together is stronger’

Application Process & Involvement of DATs

Interviewees were generally in favour of the Better Off process. They invested time and effort in support of applications that fit with local and national strategy. There was a general preference for DATs to make recommendations that contributed to assessment, rather than to undertake decision-making on behalf of the Fund.

Orkney Islands Property Development Company

The application forms were ‘quite tricky’ and in parts repetitive. The form was ‘cumbersome but not unreasonable’ although comparisons were made with forms required for Communities Scotland that released hundreds of thousands of pounds. Better Off forms were regarded as more project oriented, rather than the Communities Scotland forms which were more finance oriented.

Highland

25% match funding was ‘about as much as realistically available’ locally. It was felt that Highland had access to fewer match funders than more urban areas. Problems with matching closing dates and boundaries were also alluded to.

Small Numbers**Highland, Lochaber Project**

The Lochaber project is an attempt to find a new way to deliver decentralised services supporting people towards employment, voluntary work, education or training. The project anticipates working with about 50 clients between start up (2004) and completion (2008). This should allow project co-ordinator to work more effectively with a relatively small number of clients who will need varying degrees of support.

2. Healthy Living Centres Programme

The UK Healthy Living Centres initiative was launched in 1999 and although projects were still in operation across the country, no new awards had been made since 2002. A number of challenges were faced by the researchers with respect to this programme, most notably the identification of interviewees who had relevant experience of the grant application process while avoiding compounding the evaluation burdens on projects that had been selected for specific programme evaluation.

Programme Design

Purpose

Healthy Living Centres were envisaged as ways of promoting the physical and mental well being of people of all ages by *'promoting good health in its broadest sense; targeting areas and groups that represent the most disadvantaged sectors of the population and reducing differences in the quality of health between individuals and improve the health of the worst off in society'*.

Policy Directions set out *'the need to ensure, in funding Healthy Living Centres, that:*

- *Users and local communities are involved in both design and delivery;*
- *Centres are accessible to people of all ages but with a particular focus upon people who experience disadvantage, or who have difficulty accessing existing health facilities and services;*
- *Projects cover a wide range of facilities, activities and services, including, for example, food co-operatives, cultural and sporting activities, outreach facilities or drop-in centres;*
- *Projects reflect a broad interpretation of health as the quality of life which goes beyond the prevention of disease or the promotion of healthy lifestyles and recognises the wider social and economic influences on health.*
- *Participants in applications are of proper standing to be involved in promoting healthy living.'*

Policy Directions also established that *'the Fund shall, by September 2002, commit funds to projects that, between them should establish or develop healthy living centres accessible to at least 20% of the population of the UK.'*

The Healthy Living Centre Initiative was promoted as a 'one-off opportunity' and closed for applications in 2002.

Funds Available

£34.5m was available for projects in Scotland, from an initial allocation of £300m across the UK. The allocation of 11.5% was based on *'population weighted to reflect the level of deprivation in each country'* (Healthy Living Centres, NOF, 1999).

Funds were available to establish new provision or to expand/enhance existing initiatives and could include both revenue and capital expenditure. There was no maximum or minimum grant size although the guidance stated that *'we are.. unlikely to make many awards over £1million'*. Awards required match funding *'over the lifetime of the project'*. There was no initial requirement to demonstrate confirmed match funding to a particular value, although it was clear that *'during the life of the grant, you will be expected to raise funds from other sources and develop a broad, continuous funding base.'* Additional funding sources anticipated included private business, statutory agencies, European Union, charges for activities and/or contributions in kind such as volunteer activities; low rents or specialist advice.

Allocation & Targeting

This was an open, competitive grants programme however, informally, indicative allocations were calculated and loosely applied to ensure a full geographic spread across Scotland.

Targeting was left largely to applicants and assessment. Guidance suggested that, *'This initiative is specifically intended to support projects that counter health inequalities and reach people experiencing social exclusion and poor health.'* This was reinforced by assessment criteria in respect of the target population.

The Application Process

Projects were required to *'promote the public good'* and were expected primarily from partnerships from the public or private sectors and voluntary or community groups.

There was a two stage application process:

1st Stage

Applicants outline their proposal. This was assessed against advertised criteria and considered by the relevant healthy living centre advisory panel and the NOF Board. Short listed applicants invited to submit a more detailed application. First stage assessment took an average of 3 months.

2nd Stage

Applications with business plan were invited within six months. Development funding was available on application for payment for specialist advice and services. Discussions were held with all shortlisted applicants to advise on how to improve applications. Applications were re-assessed against the initial criteria plus expert assessment.

Initially, the healthy living centre Scotland advisory panel considered applications and the NOF Board, who issue grant offers, considered their recommendations.

Assessment & Decision-Making

Applications were assessed by Fund staff or, in some cases, by external assessors.

Assessment Criteria included requirements that projects should demonstrate:

- *'a broad definition of health and wellbeing;*
- *provide effective and holistic ways of tackling poor health and reducing health inequalities;*
- *serve people who are most disadvantaged in society;*
- *target people who are at risk of poor health and who, in some cases, may be unlikely to use mainstream health facilities;*
- *demonstrate links with national health strategies, local health improvement programmes, and other local health strategies and groups;*
- *make links with broader local strategic planning and programmes;*
- *be additional to and complement mainstream health provision;*
- *be supported by a broadly based partnership which includes the statutory, voluntary, community and private sectors*
- *NOF will particularly welcome applications for projects that show innovative approaches to tackling poor health'.*

Other requirements were that the project be well planned, managed and organised. Assessment criteria were published including demonstrating the need for the project; other relevant examples and consultation; appropriate management structure and plans; community involvement and capacity building

An advisory panel was appointed to consider the applications comprising a cross section of representatives from the health, voluntary, local government and private sectors. Over time the panel acquired delegated decision-making powers for stage one projects (1999) and Stage 2 projects (2001), becoming known as the Healthy Living Centre Committee. The Committee Chairman was given authority to act for the Committee in certain circumstances. There was provision for contentious or sensitive applications to be referred to the NOF Board at the Chairman's request.

Key Outcomes and Priorities for the Programme

The programme has been subject of an evaluation by the Bridge Consortium on a UK wide basis that reports that 'many HLC's are located in areas of deprivation' and that 'preliminary analysis...indicates that HLC's are successfully targeting disadvantaged sectors of society.' (Second Annual Report of the Bridge Consortium, 2003). This suggests that the programme as a whole, across the UK, is addressing its purpose of '*promoting good health in its broadest sense; targeting areas and groups that represent the most disadvantaged sectors of the population and reducing differences in the quality of health between individuals and improve the health of the worst off in society*'. The evaluation has continued through 2004 and the final report is due in 2005.

Distribution of Healthy Living Centre Awards

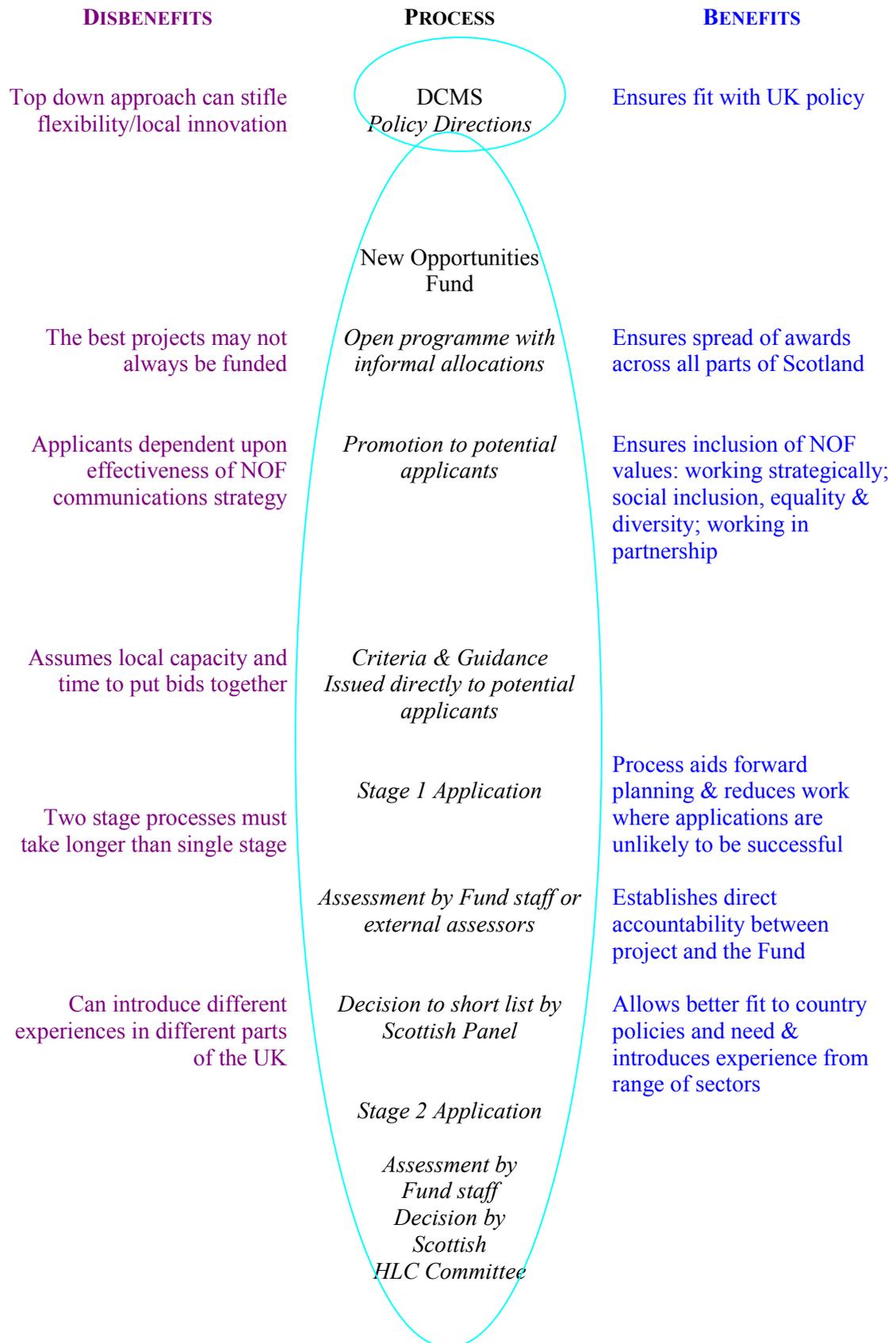
46 grants, with a total value of £32.3m were made to Healthy Living Centres across Scotland. Grants for this initiative were substantial, ranging from £63,296 to £1.04m, with an average grant size of £701,393. Approximately 1/3 of applicants were voluntary sector.

Geographically awards were spread across most of Scotland, from Dumfries & Galloway to Shetland. Orkney was the only local authority area not represented. No awards were made to remote rural areas or to remote small towns, although grants were awarded to both very remote rural areas and very remote small towns.

Of six awards of £1m+, all were made to cities or urban areas. However, both the largest and smallest grants were awarded to HLCs in urban areas.

The rural/urban distribution of Healthy Living Centre projects was in line with the distribution of population across Scotland, although the value of awards to rural projects was less (21% of total).

Programme Analysis



Experience of Healthy Living Centres

Projects, Location and Rurality

While all the Healthy Living Centres supported by the Fund are reported as operating from a single location that is mapped in the 'fiche' above, some of the locations/projects highlight some of the challenges of this type of research. In visiting the projects in West Fife, for example, it became apparent that the addresses from which they operate are different from the contact address by which they are mapped, which represent the contact address for liaison and monitoring. This introduces potential anomalies into the data, but simply reflects the reality of using contact data that is collected/used for other purposes.

Communities within Communities

Communities comprise a range of individuals with differing characteristics, backgrounds and circumstances and each of those individuals operates within a range of communities that may or may not align with the communities identified by the project. Some projects may be very successful overall and yet fail to meet the needs of specific groups within their target community.

Illustration from the Interviews

West Fife

The Local Health CC in West Fife manages two Healthy Living Centre Projects through the Inverkeithing Medical Group. The West Fife LHCC covers a donut shaped area around Dunfermline and Rosyth, comprising a number of small towns and villages from Kelty, Lochgelly and Inverkeithing, to Limekilns, and Oakley with a population of about 75,000. The area is dominated by former coal mining communities and has a relatively high level of unemployment and poor health.

The New Ways Project, West Fife

This project provides co-ordination of health and voluntary services within the area to enable people to rapidly find and receive the most appropriate services for mental health, alcohol abuse and diet issues. The project covers three neighbourhoods in West Fife near Dunfermline. The area is classed as 'accessible rural'.

The project employs a mental health worker, counsellors, dietician and administration staff and is overseen by the manager of the West Fife LHCC and the Inverkeithing Medical Centre Integrated Care Manager. Staff are employed and receive regular supervision and support from the relevant services involved in the project:

- NHS Fife
- Fife Alcohol Advisory Service
- Abuse Not
- Home-start Dunfermline
- Volunteering Fife (West)

The project also works with a number of volunteers, engaged in activities ranging from sale of fresh fruit and vegetables to counselling.

The project's activities include:

- Alcohol/Mental Health Counselling (average 920 counselling sessions/yr)
- Mental Health Nurse Practitioner (average 465 sessions/yr)
- Volunteering (average of 51 volunteer posts created/yr)

- Diet (average just under 100 customers/week for fresh fruit/veg at Oakley Health Centre; plus individual and group work)
- Sexual Abuse Counselling (average 20 referrals /yr; training of 5 volunteer counsellors)
- Home-start (average 12 referrals/yr, with average participation of 18 months)

A recent interim (3 year) evaluation of the project conducted by Reid Howie Associates (July 2004) suggests that the project has already delivered high levels of satisfaction to over 3,500 beneficiaries and professionals. The evaluation reports that the project has resulted in reduced waiting times and higher likelihood of referral for service users as well as progress with dual diagnosis and a more holistic approach that is regarded as *'more effective than anything available before.'* The project is perceived as delivering services in a way that makes lasting change more likely. The evaluators conclude that *'there is a continuing need for the New Ways project and the services offered'.*

Recommendations for future development include investigating ways of reaching out to ethnic minority clients as these have been under-represented among beneficiaries of the project to date.

Application and Monitoring Processes

Very few of the managers involved in current delivery of Healthy Living Centres in the sample were also involved in the application process and none recalled exact details of the process that might provide insights for this research.

Some of the challenges of the application process identified in discussion, particularly in Orkney from where no application was received, included insufficient time from launch of programme to closing date to meet the needs of the New Opportunities Fund, particularly in terms of community involvement, development of concept and obtaining commitment to match funding.

In contrast, all interviewees commented on the demanding monitoring processes in place, and several were uncertain about the purposes served by it.

Illustrations from the Interviews

Broxburn Healthy Café Initiative

Broxburn is a small town in West Lothian with a population of about 8,500. The project is based in the Broxburn Family and Community Development Centre, which is a converted supermarket site, in a disadvantaged area within West Lothian.

The Broxburn Centre is run by a voluntary organisation that was already providing a range of services for children and families. A limited café style service was staffed by volunteers but limited to the provision of pre-packed food and serving tea/coffee, but the project management sought to achieve more. Research into the eating habits of children attending the centre led to a successful initiative to provide a free piece of fruit for every child attending the centre. In turn, this led to the Healthy Living Centre bid to provide a café serving a range of healthier products, supported by tasting sessions, cookery demonstrations and other healthy eating education opportunities.

The project is currently in Year 3 of a 5 year funding package and both current and former project managers regard it as very successful in terms of raising awareness of healthy eating, improving the diet of café users and those attending food preparation classes as well as encouraging volunteering and meeting social needs for café users. Café users reported health

improvements resulting from the project, in response to questions prompted by the grant monitoring process – although it is very early days to regard such changes as meaningful or sustainable.

The applicant organisation became aware of the Healthy Living Centre programme through NOF publicity and in dialogue with the local authority. The first stage application was described as ‘really good’, although it entailed more work than expected. The second stage, however, was repetitious and required unnecessary re-presenting of budgets (unnecessary as it was simply asking to present the same information required at stage 1 in a different format – that at grant management stage then reverted back to the original format).

Grant management and monitoring is described as ‘difficult’, ‘demanding’ and ‘cumbersome’. The organisation has only found ESF monitoring more challenging, despite having a wide range of funding from a range of sources including other lottery funds.

Inverkeithing Community Partnership Project

Inverkeithing is a small town in Fife with a population of 5,400. The project is based on 4 streets with the highest local concentration of poverty and deprivation. The partnership comprises NHS Fife, Fife Council, Home-start Dunfermline and WRVS. The project delivers a range of opportunities from a base in a community flat in one of the 4 streets. Activities include drop-in for young families and young people; parent & toddler sessions; Open Door Fife; youth work and adult basic education/IT training. Early efforts concentrated on running one-off events rather than building a strategic approach. However, the project staff and management are clearly frustrated with the lack of progress in engaging local people in the project and their response has been to introduce a training and teambuilding opportunity for ‘Champions of Change’ to engage local families in identifying and delivering local activities.

It is difficult to identify the reasons why this project has consistently underperformed and underspent to the extent that the award has been suspended. However, gaining a clear understanding of the factors contributing to these difficulties would not only aid the establishment of an appropriate exit strategy for the project, but would inform local partners and the Fund. Factors are likely to include both the project design/structure and the degree of marginalisation of local residents. Project factors might include the ‘opportunistic nature of the funding’; shifts in engagement by project partners as the project moved from concept to reality and changes in staffing with the project partners, and within the project as well as a lack of strategic planning. Factors affecting local residents might include the artificiality of neighbourhood boundaries, a highly transient population (or at least those whose main objective is to move out as soon as possible), and possible competition with another local action group.

3. New Opportunities for Quality Childcare Programme

The Quality Childcare programme in Scotland was launched in September 2002 and was ongoing at the time of the research. This review has three parts:

- programme design & influence on geography of grant giving
- programme analysis
- experience of applicants

Programme Design

Purpose

Guidance notes for the programme state that the grant scheme purpose is *‘the development of a vibrant, sustainable and good quality childcare sector by funding quality developments in new and existing childcare projects.’*

Round 3 Policy Directions indicate,

‘The Fund shall, by 2006, commit funds to Childcare projects that:

- i) support capital projects that would benefit predominantly pre-school children, particularly in deprived areas;*
- ii) support the creation, development and long term sustainability of out of school hours childcare provision particularly in deprived areas.*

In Scotland, projects.... may also be for pre-school childcare provision. The Fund may also support projects meeting the needs of parents who are in work, studying or training and those which promote workforce development to help increase the overall skill level of those working in the childcare sector. The Fund may also support projects which combine childcare and out of school learning.’

Round 3 Policy Directions also required that, *‘projects should take into account the childcare strategy for Scotland and the Fund should work closely with the local Childcare Partnerships to deliver this initiative’.*

Funds could be used to support capital projects including building, refurbishment, play areas and toy libraries. The Policy Directions also acknowledged that *‘childcare provision in deprived areas may often need longer term support, up to three years, to ensure it is sustainable long-term.’*

Funds Available

The Round 3 Policy Directions allocated *‘£21.5m is for projects in Scotland’* – of which £14.5m was allocated by the Fund to the Quality Childcare programme; £5.9m to Out of School Hours Childcare and £1.1m to the Funding Facilitators Programme. Administration costs are covered under the Out of School Hours Childcare allocation.

Allocation

Local Childcare Partnerships were invited to submit a portfolio of projects to the value of their allocation (see table below), plus a reserve project up to 10% of the total value that might be funded should any shortfall occur in take-up from priority bids in the area.

Indicative Allocations to Local Childcare Partnerships (based within each local authority area) were determined on the basis of the Scottish Executive formula for distribution of Childcare Strategy funding.

Table 1: Allocation over 3 years

Aberdeen City	£403,000	Highland	£660,000
Aberdeenshire	£682,000	Inverclyde	£175,000
Angus	£270,000	Midlothian	£169,000
Argyll & Bute	£243,000	Moray	£214,000
Clackmannanshire	£107,000	North Ayrshire	£329,000
Dumfries & Galloway	£428,000	North Lanarkshire	£934,000
Dundee City	£319,000	Orkney Islands	£89,000
East Ayrshire	£276,000	Perth & Kinross	£333,000
East Dunbartonshire	£184,000	Renfrewshire	£399,000
East Lothian	£197,000	Scottish Borders	£279,000
East Renfrewshire	£162,000	Shetland Islands Council	£106,000
Edinburgh, City of	£1131,000	South Ayrshire	£236,000
Eilean Siar	£117,000	South Lanarkshire	£816,000
Falkirk	£298,000	Stirling	£197,000
Fife	£960,000	West Dunbartonshire	£212,000
Glasgow City	£3215,000	West Lothian	£360,000

(Source: SOSCN; New Opportunities for Quality Childcare; Funding Facilitators Programme; Factsheet No. 2 Edition 2)

The formula represented:

(30%) a flat rate & 0-14 population pro-rata element;

(20%) 0-14 population based element;

(38%) deprivation weighted element based on 0-14 population;

(12%) rural weighting based on proportion of population outwith settlements of 1000.

Application Process

The programme presented indicative allocations to Local Childcare Partnerships, who were invited to present a portfolio of applications by February 2003 to the New Opportunities Fund. Following review and agreement of portfolios by June 2003, the individual projects were invited to submit detailed project applications to the Fund between June 2003 and June 2005.

Portfolios required submission of 10+ pages of information for each project to be included and the detailed project applications submitted by individual applicants (if accepted as part of the portfolio bid) required a further, more detailed, application form to be completed.

Development Grants

Development grants of up to 10% of the project costs were available to applicants to assist the preparatory stages of capital applications. Development applications required the endorsement of the local childcare partnership, and comprised part of the overall allocation to each childcare partnership.

Development Assistance

A team of Funding Facilitators and support staff are employed by the Scottish Out of School Care Network on behalf of the Fund to support applicants through the process of obtaining funding through the programme and on issues relating to sustainability of childcare provision such as business management.

Targeting

The majority of projects were expected to address disadvantage, either by using 'existing postcode areas' (identified under the Out of School Hours Childcare programme¹) to indicate disadvantage or to offer services across communities of need. Other projects endorsed by Local Childcare Partnerships could also be funded provided that portfolios focused 'predominantly' in areas of disadvantage.

Assessment and Decision-Making

Assessment was contracted to the Community Fund's North East office in Newcastle.

Criteria for Stage 1 included:

- Meets programme priorities
- Evidence of need
- Plan to reach beneficiaries & encourage participation
- Quality of the scheme relies upon the contribution of users and beneficiaries
- Develops communities (geog/interest)
- Lead organisation is fit for purpose
- Management structures allow all partners to participate on equal basis
- Properly planned and likely to be well organised & managed
- Budget is accurate and realistic
- The scheme has the potential to be sustainable for the life the scheme and beyond.

A Scotland-based Expert Advisory Panel was convened to review and agree Stage 1 portfolios submitted by the Local Childcare Partnerships. The Panel included representatives of a range of bodies including Care Commission; Independent Nursery Association; Scottish Parenting Forum; Council for Ethnic Minority Organisations; Scottish Out of School Care Network; Scottish Childminding Association; Capability Scotland; and the University of Strathclyde Quality in Education unit.

Officers in Newcastle assessed stage 2 applications and made recommendations to Case Conferences. Decisions were authorised by either the Director of Operations (awards under £0.5m) or Chairman (awards over £0.5m).

Key Outcomes and Priorities for the Programme

The Planning Guide for Childcare Partnerships set out the key outcomes and priorities for the programme:

Table: Outcomes & Priorities for the Quality Childcare Programme

Outcomes	Priorities
Improve the quality of new and existing childcare provision	<ul style="list-style-type: none"> - capital support to childcare projects (particularly pre-school children) - outdoor play - workforce development

¹ Derived from an original list of 25% of postcode areas provided by the Scottish Executive plus postcodes nominated by Local Childcare Partnerships and agreed by NOF.

Increase access to childcare for disadvantaged groups	<ul style="list-style-type: none"> - childcare projects which support children with special needs - childcare projects which provide support to families
Demonstrate a holistic approach by combining different activities in after school care	<ul style="list-style-type: none"> - projects which combine care and learning.

Distribution of Quality Childcare Awards

This programme remains open for applications until June 2005. At the time of the research, 40 awards totalling £2.34m were committed. Individual awards ranged from £1,200 to £460,000 and from Jedburgh to Wick. Funds had been committed to the cities of Glasgow, Edinburgh, Dundee, Inverness, Aberdeen, Stirling and Perth. No funds had yet been committed to the islands but portfolio bids had been received for Orkney, Shetland and the Western Isles.

All applications go through a two stage application process that seeks to reduce the number of unsuccessful bids. This has ensured that 100% of the applications recommended to the Committee for funding have received an award, and that overall applicants have received 96.4% of the amount applied for.

Distinctive features of the Quality Childcare programme to date are:

- wide range in size of awards committed
- no award commitments as yet in 'remote small towns' or 'remote rural areas'

The distribution of Quality Childcare projects across rural/urban areas of Scotland compared with the rural/urban population is slightly higher than expected in rural areas in terms of number of projects and slightly lower than might be expected in terms of the size of award.

The total number of awards (13) within rural Scotland was quite small at the data cut off point, consequently, it would be wrong to place too much emphasis on the apparent concentration of projects and level of commitment to 'accessible rural areas' and 'accessible small towns'. However, it provides a pointer to suggest that the pattern of distribution should be watched closely as it develops, particularly given the findings below that suggest a particular gap in childcare provision in remote rural areas.

Discussion: Rural-Urban Differences in Childcare

Pre-school and childcare statistics 2004 show the following pattern of children attending pre-school education or childcare in 2003.

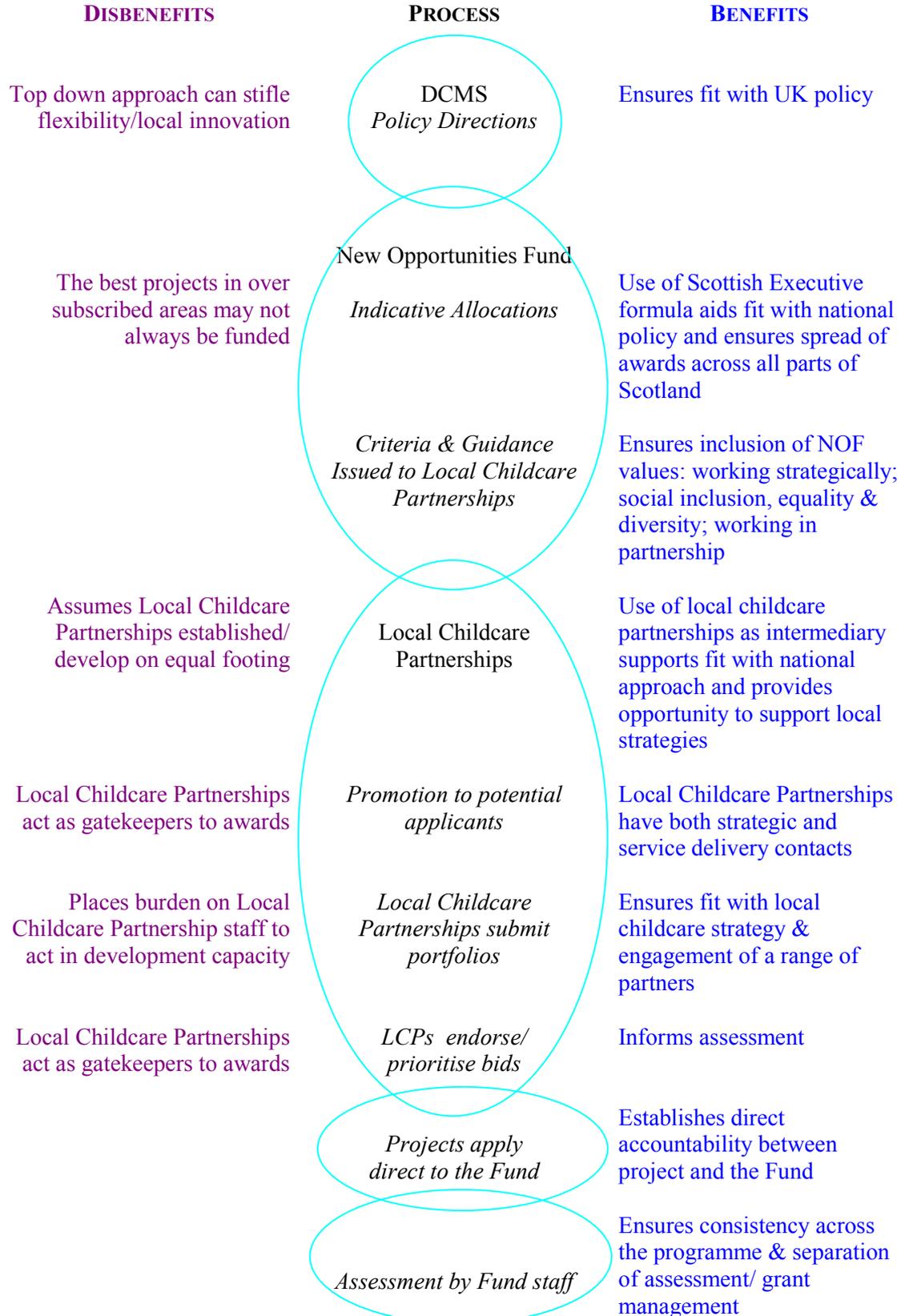
Proportion of children attending pre-school education or childcare (all providers) by geographic location, 2003

	Accessible Rural %	Remote Rural %	Rest of Scotland %
<i>Age 0-4</i>			
Nursery	40	33	48
Playgroup	13	15	6
Creche	1	1	7
Family Centre	2	5	5
<i>Age 0-9</i>			
Out of School Care Club	4	2	6
<i>Age 5-14</i>			
Holiday Playscheme	0	0	1
Childminders	7	5	4
Age 0-14			
All Services	24	20	28

(Source: Rural Scotland Key Facts 2004, Scottish Executive
% figures based on the proportion of children in the relevant age group)

The above table shows that fewer parents in rural areas use formal childcare than in the rest of Scotland. Research conducted in 2003 by NFO Social Research & DTZ Pidea for the Scottish Executive suggested that a lack of childcare providers, or the right type of providers was a major issue for particular groups of parents including those living in rural areas, those with children who have special needs, those with older children as well as single parents (Henthorne, K. & Harkins, J. Parents' Demand for and Access to Childcare in Scotland, Scottish Executive Education Department, 2004).

Programme Analysis



Experience of Applicants

Interviews were conducted with two intermediaries and 4 applicants to the programme, in addition to a group discussion with Funding Facilitators. The following key issues were identified through analysis of interview notes and contributors' experience is presented in blue in the boxes below. Contributors have given their consent to this representation of their views.

Indicative Allocation

Indicative allocations were intended to encourage Local Childcare Partnership to act strategically and realistically to prioritise project applications from their locality. Most interviewees viewed indicative allocations positively in terms of encouraging applications from rural areas. One interviewee expressed support as childcare partnerships in rural areas were able to 'compete for funding with confidence based on external assessment of their needs/disadvantage'.

The indicative allocation for Quality Childcare attracted little adverse comment – the combination of elements proportional to the relevant population (0-14s); to dispersal of population; to deprivation and a flat rate seem to be working very well in that context. Nonetheless, the outcomes arising from the awards are likely to be variable in terms of their strategic contribution to childcare development for a number of reasons:

- *the relatively short period (5 months) given to local childcare partnerships to assimilate the rules and intentions of the programme; find an appropriate fit with their strategy; identify partners and develop fairly detailed proposals*
- *local childcare partnerships were at different ages and stages in 2002/3 when the programme was launched, hence some have used the money more strategically than others;*
- *the indicative sums allocated (<£100K to Orkney to >£3m to Glasgow) in part shape the aspirations of Local Childcare Partnerships*
- *Scheme depended on LCP allocating time and resources to application process. Many partnerships were unaware at the outset of the Stage 2 requirements and commitment required by staff to support applicants at Stage 2; some resented additional work; some lacked experience of grant funding. Also made scheme vulnerable to fluctuations in local staff and voluntary sector committees (e.g. comment from NOF staff about lack of sickness cover)*

Experiences in Highland

The Quality Childcare programme was launched in mid-September 2002, with portfolio bids required by end February, 2003. HPS felt that this was a very tight timescale for strategic Partnerships to determine an appropriate approach, promote the opportunity, gather the necessary detail and submit portfolios – particularly in Highland where the seven Local Childcare Partnerships act under the umbrella of the Highland Family Resource Alliance and at a time of year when Christmas dominates the agenda.

Highland is the largest landmass covered by a single authority in Scotland. Its population of 209,000 is dispersed across the region. Highland was given an indicative allocation of £660,000. A formula was devised by the Highland Family Resource Alliance to allocate two-thirds of this sum across the 7 local childcare partnerships each of whom built up their own portfolios. The remaining one third was retained centrally to address strategic bids across the whole area.

Funding Facilitators regarded the Highland structure as the best to support this programme, i.e. dispersed support throughout the area, with bids received from almost all parts of Highland

Experiences in Orkney

Orkney Islands were allocated £89,000 over 3 years under the Quality Childcare Programme and advertised in the local press for potential applicants to come forward with proposals. Eight proposals emerged, all of which were incorporated into the Orkney Childcare Partnership portfolio bid to the Fund. None of the applications has yet completed the second stage, but as one applicant has withdrawn the reserve bid is expected to progress through the process.

A number of key considerations influenced the Orkney Childcare partnership's approach:

1. Overall allocation of £89,000 is less than the cost of employing two childcare workers for 3 years or undertaking moderate alterations to a building to ensure suitability for childcare provision – it would therefore be unrealistic to expect this funding to generate entirely new provision.
2. The process of advertising is open and transparent, encouraging community engagement

Partnership

A significant number of awards have been made to organisations represented directly on Local Childcare Partnerships, suggesting:

- There is an advantage to local groups in working closely with the LCP
- Some groups may be disadvantaged if they are not directly represented on the LCP

Most of the interviewees were represented directly on Local Childcare Partnerships and other strategic groupings. All recognised the advantages of working closely with local partners.

Experience in Highland

The Local Childcare Partnerships in Highland have a very strong relationship with local groups and both voluntary and statutory sectors are used to working in partnership. This experience and confidence in partnership working contributed to their ability to submit a wide ranging portfolio reaching all parts of Highland. The partnerships recognise the potential to unintentionally exclude new groups/people.

Sustainability & Small Numbers

Small numbers and sustainability remain issues for applicants and intermediaries – interviewees were concerned that 3 year funding continues to raise hopes and expectations that cannot be sustained without continued external funding. The requirement to demonstrate that child-care can be self-sustaining after three years remains unrealistic for some rural areas, where even childminding (often regarded as a more appropriate form of childcare provision) may not be a sustainable business option.

Experiences from Orkney

Orkney is a collection of 17 inhabited islands, x miles from the mainland of Scotland. The total population is about 19,000 of whom 3,500-4,000 are children under the age of 15. Approximately 3,000 children live on mainland Orkney, but the local authority provides 22 Primary Schools serving less than 1,700 children. The smallest schools have less than 10 pupils, but are maintained because of otherwise excessive travel for young children or because of the level of risk of weather disruption to travel/ education.

Small numbers are the predominant feature of the Orkney Islands. The Childcare Partnership conducted a survey of childcare needs in November 2003 that illustrates the difficulties in responding to identified childcare need in the area. For example, a survey (with a 20% response rate) identified the following level of demand for out of school care:

The demand for childcare in Orkney is dominated by small numbers scattered across discrete and dispersed geography, subject to significant impact by the decisions of individual families;

On average 220 children each year are starting at one of the 22 primary schools in Orkney.

The low numbers generate a series of consequences:

- There is only one private day care nursery in Orkney;
- Two out of school clubs have been started in Kirkwall, plus 1 each in Stromness and Dounby;
- Transport considerations have to include time spent travelling, inter-island transport and weather;
- It is unlikely that independent childcare provision can be sustained on a business footing anywhere other than mainland Orkney;
- Demand for childcare is subject to significant fluctuations resulting from the decisions of very few families;
- Childminding offers the most appropriate level of childcare for the islands;
- Even childminding is difficult to sustain on a business footing, jeopardising investment in registration/training;
- Low numbers of registered care providers limits access by families to childcare tax credits, further limiting the demand for childcare and threatening its sustainability.

Experience from Highland

In contrast to view of Scottish Executive that rural/special needs could be 'turned round' by business advice, there remains conviction that most failures in rural areas are not business failures but result from inadequate numbers. The Local Childcare Partnership strategy includes addressing funding shortfalls caused by low numbers/fluctuations. Recent work suggests that a minimum of 10 children, paying maximum fees (assuming almost best case such as rent free premises), are required for viability, and that to achieve that level of occupancy, requires 20 children on service register, creating difficulties in generating sustainability in certain areas.

Capacity of Applicants

This issue was not raised in these terms by interviewees, however a number of relevant stories were uncovered and points were made.

Experience from Orkney

Orkney Women's Aid provided an initial brief to the Local Childcare Partnership regarding their need for children's play equipment in late 2002. The information was included in the portfolio bid that was submitted by the Partnership by the deadline in February 2003. The initial brief was not strongly developed and the Group struggled to complete the application form. In November 2003 they applied to Children in Need for a children's worker and equipment. When, by April 2004 they received confirmation of extended funding from the Scottish Executive for the children's worker, they simply informed Children In Need and the salary costs were deducted from the application and an award made by Children in Need for

the play equipment. As a consequence Orkney Women's Aid withdrew their request for funding from the Quality Childcare programme.

In contrast, the Group applied in September 2002 to the Community Fund for £60,000 for office premises and a women's aid worker, was successful and began delivery of the project in January 2003. The Quality Childcare bid is the only application from which Orkney Women's Aid has withdrawn. Their view was that the amount of work involved and the timescale made this programme wholly inappropriate for their needs.

(anonymous)

Interviewees found Funding Facilitators very helpful, but it was suggested that making the application process more accessible might have been a cheaper or more appropriate alternative

Small Projects and Cumbersome Application Processes

The application process was felt to be inappropriate in terms of stages, time and detail for very small projects. Suggestions for minimum grant under this programme ranged from £1,000 to £20,000). A number of smaller applications have not progressed

The submission of second stage applications over a 2 year period provides considerable flexibility for applicant and funder. It is also inevitable that things change over this period. Changes may be positive or negative.

Experience from Highland

Difficulties were reported on behalf of groups making applications for small amounts. A particular example was a playgroup now on its third committee since the original bid to their local childcare partnership. The committee no longer have direct experience or engagement in the bid – individuals on the committee no longer understand why the bid was made or what for. Several groups withdrew from the process and found funding elsewhere.

HPS - Highland Pre-School Services

The two-stage application process meant that plans could (and did) change during the application process. Changes might relate to costs, or to more significant changes. For example, Play Direct was conceived in winter 2002/3 as a bid to purchase a van/equipment and provide a development worker to operate as a mobile crèche – by the time the award was made in May 2004, it was apparent that there was sufficient interest and demand for the project for it to develop into an independent company along with a staff bank that had developed in 2003.

Highland PreSchool Services have been successful with four bids to the Quality Childcare programme through the Local Childcare Partnerships And Core Alliance: Play Direct; Seaboard Toddlers; Family First Nairn and Keeping Children Safe. Two further bids have yet to be submitted. 1 on behalf of four local Inverness Groups, this is proving problematic to bring together the four separate elements, each with different amounts and level of complexity.

Experience from Orkney

NHS view of the application and grant management process was that it was slow and cumbersome for small amounts of funding but this was assumed to be required to provide accountability. Specific criticisms were made that Local Authorities were explicitly exempt from certain sections, while the NHS was initially expected to provide additional information.

Some frustration was experienced with the lack of shared understanding of terminology and lack of continuity of staff contact with the Fund.

Assessment

Applicants valued understanding of the Scottish childcare system and of the rural areas in which they were operating.

One applicant had particular problems with the submission of supporting documentation and had to invest significant time in replicating information.

Experience from Highland

HPS made 2nd stage applications for the four projects at the same time and submitted a single set of supporting papers. However, once the applications were received in Newcastle they were assigned to different grants officers for assessment, resulting in significant confusion and additional work responding to requests for additional copies of supporting documentation.

As monitoring demands on projects increase, so must the costs and skills demands on project appointments, e.g. from basic administration to skilled/experienced administrator.

Key Issues from Programme Review

The Quality Childcare programme exhibits a number of key design features that likely impact on the rural/urban distribution of awards:

- The use of Local Childcare Partnerships as intermediaries;
- The use of indicative allocations, in particular the use of a formula that includes a flat rate; % of population of relevant age group and rural weighting.

Key views from applicants and intermediaries were that:

- Small numbers remains a challenge for sustainability of childcare in rural areas;
- The programme was inappropriate for small applications from small organisations

4. Transforming Your Space Programme

The Transforming Your Space programme was established in 2003. It is administered by the Fresh Futures partnership between Scottish Natural Heritage and Forward Scotland, under contract to the Fund.

Programme Design

Purpose

The programme aims to support a wide range of community based projects that *‘enhance the quality of life of local communities – by supporting projects that improve the quality of the local environment and are consistent with local and national initiatives’* (TYS Guidelines for Applicants).

Policy Directions were issued under Round 3, under the overall banner of ‘Transforming Communities’ and included *‘the promotion of healthier lifestyles by improving the appearance and amenities of specific local environments in urban and rural areas’*.

Policy Directions clearly envisaged a wide range of potential projects from tree planting to improving run down community and public buildings. Funds could also be used to improve elements of local heritage value, and may be used to complement the work of the Heritage Lottery Fund. Equally projects might tackle biodiversity, air quality and sustainable ways of living. However, the Policy Directions also state that *‘the Fund should give priority to communities in disadvantaged areas’* and that *‘Projects should demonstrate significant and meaningful engagement from the local community’*.

Funds Available

Initially £4.3m (£5.25m gross) was allocated for Transforming Your Space projects in Scotland. This was subsequently increased to £4.5m.

The size of grant per project was set between £20,000 and £300,000 in total over a maximum three-year period. The Guidance suggested that grants in excess of £100,000 were likely to be awarded only for projects with major benefits and a high public profile.

Eligibility

Eligibility and Assessment criteria are set out in the programme guidelines that require applicants to demonstrate that their project would:

- Serve an identified need
- Not happen without lottery funding
- Fit with local, regional and national strategies
- Provide public benefit, not private gain
- Engage the local community
- Use good practice
- Be well managed
- Have clear plans as to how it will be sustained after lottery funding ceases
- Comply with relevant statutory obligations
- Provide equal opportunities

Targeting

Policy Directions demand that priority be given to ‘communities in disadvantaged areas’ and the Guidelines state that *‘around 75 per cent of the funding’* will go to *‘areas where*

information shows that there is social, economic or environmental disadvantage, such as social inclusion partnership or urban regeneration or renewal areas’.

Targeting is achieved through the assessment process. Applicants are invited to say how the community they serve is disadvantaged and to propose projects seeking to address that disadvantage. Fresh Futures have devised a system for calculating the SIMD score per £ of grant offered that aids the grants panel in identifying proposals from more disadvantaged areas. Nonetheless, the programme makes a commitment to ensure a ‘good geographical spread of projects’ and aim to ensure this by putting specific development effort into areas that are under-represented.

Priorities for the Programme

Guidelines set out priority themes for the programme and ‘*expect around 60 per cent of available funds to be directed to schemes within the first two themes’*:

- Improving local environments
- Public green and open spaces
- Local access
- Community gardens
- Making community assets more sustainable.

Application & Assessment

Application forms were made available electronically via the Fresh Futures web site, or in hard copy from Fresh Futures/Forward Scotland. Application forms are returned directly to Fresh Futures/Forward Scotland and are assessed by Grant Officers employed by Forward Scotland, supported by feedback from SNH area offices on biodiversity issues..

Applications are assessed against the following factors and rated ‘Fail/Low/Med/High’ against:

- Fit with scope
- Need
- Tackling Disadvantage
- Community Engagement
- Value for Grant
- Robust Proposal
- Good Practice

The area of disadvantage is recorded and the level of financial leverage is calculated.

Decision-Making

An assessment report, containing a summary of the above, an assessment of the level of risk involved in the proposed project, and a recommendation from Grants Officers is considered by an independent panel that makes decisions on awards. Panel meetings are observed by staff from the Fund.

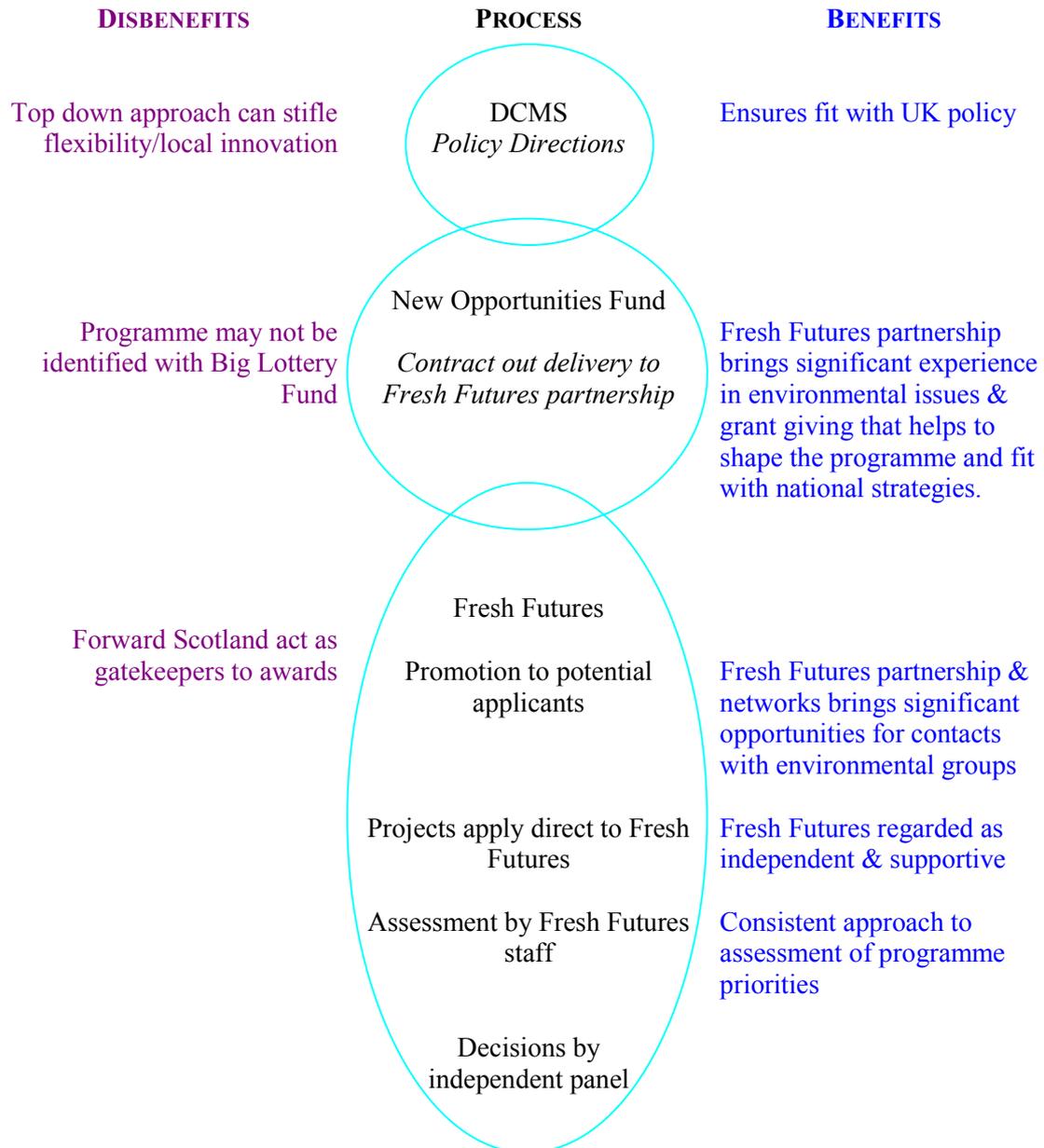
Distribution of Transforming Your Space Awards

This programme is ongoing. 46 awards were offered in the first four funding rounds, ranging from £20,000 to £150,000. Two thirds of awards have been made to urban areas. No grants have been awarded in Angus, Inverclyde, Midlothian, Perth & Kinross, Orkney, Shetland, or West Lothian. This appears to be a result of few eligible and relevant applications coming forward in these areas. Glasgow City and Highland have the highest success rates. Staff handling applications for the Fresh Futures partnership believe that community groups from Argyll & Highland have greatest experience in attracting grants generally, and that Highland infrastructure particularly supports and builds capacity among these groups. Staff appear

keen to attain a geographical balance and undertake promotional work in areas where they have received no applications at all.

This is a very popular programme, with less than 30% of applicants being successful due to constraints on the budget. The awards should therefore be a good reflection of the programme’s priorities.

Programme Analysis



Experience of Applicants

Interviews were conducted with staff at Forward Scotland, and four applicants to the programme with experience of strategic issues, large and medium grants. The following key issues were identified through analysis of interview notes and contributors’ experience is presented in blue in the boxes below. Named contributors have given their permission to be included in the report, others are referred to as ‘another applicant’.

Identity/Promotion

There was a general awareness among interviewees of both lottery funding and Forward Scotland, but all applicants praised Forward Scotland's understanding of environment and sustainability issues and were aware of Forward Scotland's role as a funder (beyond TYS). The scope of the research was too limited to determine with any confidence whether there were rural/urban differences with respect to awareness of funding opportunities. Interviewees regarded Forward Scotland's engagement in the distribution of lottery funds through the Fresh Futures partnership as positive. However, by channelling all contacts through a third party, potential applicants may be less aware of other funding opportunities open to them through the Big Lottery Fund. One applicant commented that a single entry point to lottery funding might be helpful in this respect, particularly in respect of groups seeking funding for the first time.

Illustrations from the Interviews

The BTCV perception of the New Opportunities Fund was that it was more closely aligned to specific activities such as sport, whereas the sustainable environment was better understood by Forward Scotland. The Community Fund was regarded as particularly good at covering community development, involving people and recognising the contribution of conservation work to developing people. It was perceived as having a much wider agenda and a greater willingness to take risks than the New Opportunities Fund.

Another applicant was generally aware that there might be lottery funds that would support their project and were aware of Forward Scotland. However, a process whereby project outlines could be submitted centrally, then directed to the most appropriate lottery funder could be beneficial.

Responding to Funding Need

All the interviewees reported being attracted to TYS because of the appropriateness of its criteria to their project, suggesting that TYS is following the funding needs of the sector in terms of the type of activities supported, rather than distorting or leading them in new directions. However, one interviewee commented on the predominance of capital funding through the programme when it was felt that revenue funding was more difficult to get and just as necessary.

Illustrations from the Interviews

The Fife Council Access Officer was the applicant for the project and was made aware of Transforming Your Space through Paths for All Partnership fundraising training at the time of the launch of the TYS programme. Forward Scotland was already known as a funder of environmental projects. When the project arose, TYS seemed the obvious funding fit.

The Application Process

The 20-page application form does not appear to be a barrier to applications, however interviewees were generally from larger organisations and had significant experience of funding applications.

Illustrations from the Interviews

The Fife Council applicant felt that there was 'such a lot of paper' required, but that the application form was well presented and well organised. The applicant reported 'fantastic support from Fresh Futures' and was confident in their knowledge and understanding of access issues in Scotland. The applicant would have been concerned had the grants officers been based in England as the legislation and background with respect to access issues is so very different.

Forward Scotland were regarded as a 'safe pair of hands' and another applicant, who also work with a local community group and small scale projects, identified benefits in continuity of grants and advice and in particular the potential for developing better quality applications through a two-way dialogue between distributor and applicant. The distributor's appreciation of environmental and sustainability issues can contribute to this.

Community capacity, interest and the challenges of getting a number of communities to work together were perceived as barriers to application to TYS by local groups.

Sustainability of funding was also identified as an issue for this project and others.

Success Rates

The success of the programme in attracting applications generates some difficult funding decisions and a number of applicants have been awarded sums much less than they applied for.

Illustrations from the Interviews

BTCV applied to Transforming Your Space for £300,000 to establish 25 green gyms in Scotland. TYS awarded a grant of £100,000, resulting in a reduction in the programme from 3 to 2 years and in a smaller number of green gyms than originally envisaged.

Targeting

The programme targets disadvantaged people, by assessing applications in the context of the Scottish Index of Multiple Deprivation, deriving a location from a project postcode identified at application. Given the explicit consideration of disadvantage in the assessment process, and the concentration of disadvantage in urban areas, one might expect a greater concentration of grants in urban areas, especially as postcodes relate only to buildings.

Illustrations from the Interviews

Fife Council – Leven/Kennoway Cycle Link project was identified for improvement as a result of community consultation in Levenmouth. The communities of West Leven and Kennoway are among the 200 most deprived wards in Scotland. The path follows an old railway line for 1.7km linking two communities without using a road. It is believed that Kennoway folk are most likely to use the path to access services in Leven, while Leven residents are more likely to use the path recreationally. Leven is one of the target areas for a Paths to Health project.

Fife Council Access Officer felt that it was difficult to identify the project site by postcode and there was some discussion about whether the most relevant postcode for such a project would be the location of the community using the path or the path itself (in any case this would simply be the postcode of the nearest building).

Participants in BTCV's Green Gym programme are generally from urban areas taking part in conservation work on rural sites, often working with local authority Rangers. However, the point was made that the project is focused on volunteering and that urban areas are 'where the people are'.

Another applicant expressed some reservations about the appropriateness of targeting through SIMD/SIPs, given that areas on either side of a ward or SIP boundary experience largely similar issues and that much of TYS is actually targeted at greenspace.