

# Ayrshire Rural and Islands Ambition (ARIA) Fund



## Communities into Action Fund Applicant Guidance

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V1 June 2023

V2 July 2023

V3 July 2023

## 1. Introduction

Welcome to the Ayrshire Rural and Islands Ambition (ARIA) Fund. The fund replaces previous EU rural development fund LEADER and forms part of the Scottish Government's Community Led Local Development (CLLD) programme. It involves similar bottom-up decision making to Ayrshire LEADER, delivered by representatives from the local area: the Local Action Group (LAG).

### Fund Structure

Body	Role
ARIA Fund LAG	Fund leads, decide on all aspects of fund including grant allocation.
South Ayrshire Council	Lead Partner, administers funds/manages staff on behalf of LAG.

This document provides applicant guidance for the main ARIA fund process and **should be read carefully before applying.**

## 2. Communities Into Action Fund

The Communities into Action Fund aims to allow community groups to:

- Implement actions in community action plans/similar<sup>1</sup>.
- Refresh community actions plans.
- Develop community action plans from scratch.

This could be through:

- Building capacity through eg: employment of a development officer to develop project ideas, secure funding and provide training for the community group.
- Bringing in external resource with community action plan expertise.

The fund is open to community groups and third sector organisations, including those who are less formalised with the option of applying through a parent organisation.

## 3. Pre-Application Engagement

Applicants **must engage with the ARIA Fund staff before applying.** Applications from applicants who have not committed to this step **will not be accepted.**

Applicants can do this via the ARIA expression of interest form. The **eligibility criteria** should be read prior to committing to this step. The expression of interest form is available at [www.south-ayrshire.gov.uk/ariafund](http://www.south-ayrshire.gov.uk/ariafund)

Further information will be given in information sessions or, where applicable, 1:1 slots.

Applicants are **strongly advised** to submit a **draft application** to the staff team **before the closing date** for review. **Reviews may not be available after the closing date.**

## 4. Key Dates

- **WC 19-6-23**, launch of fund.
- **18-8-23, midnight**, closing date.
- **Mid-late Sept** - applications assessed.
- **End Sept** – grant award letters issued.

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<sup>1</sup> Actions from any research community plan, including technical or feasibility studies.

NB: Project spend should not be incurred before this. **Please therefore do not plan for project spend before start Oct 23.**

- **28-2-24** – final date for project/claims completion.

## 5. Grant Specifications

1. Grant size - **£5k to £50k**.
2. Grant requests of **up to 90% of total eligible project costs** will be accepted (at least 10% match funding is required).
3. **Match funding** should:
  - Account for at least 10% of total eligible project costs.
  - Be in 'cash', not 'in-kind'.
  - Be in place at time of application.
4. **Grant Payments**

The Communities into Action Fund grant will be paid as a 50% upfront payment, with two payments of approximately 25% in arrears. The final 25% will be paid when all valid cost evidence is provided.

Payment of the final 25% is further dependent fulfilment of all reporting requirements and a successful monitoring visit by a LAG representative where physical items have been procured.

## 6. Assessment

Applications will be assessed by the ARIA Fund staff in a technical check, which covers eligibility, costs alignment, submission of supporting documents etc. Those with best fit will be forwarded to the LAG for assessment.

## 7. Eligibility

### Eligible Area

The eligible area is rural and islands (Arran and Cumbrae) Ayrshire defined by the eligible area map available at <https://tinyurl.com/LAGArea23>

Please use the finder tool at the top right of the map to check that your **project falls within the eligible area**.

Please note, the organisation **does not have to be registered within the Ayrshire eligible area if delivering a project within it** to be eligible.

### Fund Priorities

ARIA projects are asked to demonstrate fit with at least one of the **ARIA Fund priorities**, and at least one of the **overarching Scottish Government goal/priorities for 23/24**. Applicants to the Communities into Action Fund are asked to consider these relating to the priorities in their community action plans. If an action plan is to be developed as part of the fund, the applicant should use their local knowledge to make the selection.

Please note: applicants must select **only the two most applicable from each category** (ARIA/SG) on the application form. **Anymore and the application may be penalised.**

ARIA Priority	Objective
<b>Community Wealth Building (CWB)</b> Please refer to ARIA Community Wealth Building Guidance at <a href="http://www.south-ayrshire.gov.uk/ariafund">www.south-ayrshire.gov.uk/ariafund</a>	To support communities, organisations and enterprises to apply/engage with CWB.*

<b>Quality of Life</b>		To support communities to maintain a good quality of life for all age groups/capabilities.
<b>Enterprise</b>	Rural Enterprise including Community Enterprise	To support rural/community enterprises, especially in key sectors** to develop and grow.
	Rural Jobs	To support local people to access jobs closer to home with a higher wage bracket, created/safeguarded by rural/community enterprises.
<b>Net Zero</b>  Please refer to Net Zero for Communities guidance at <a href="http://www.south-ayrshire.gov.uk/ariafund">www.south-ayrshire.gov.uk/ariafund</a>	Climate Change Mitigation	To support projects that contribute to/escalate progress towards net zero ambitions through lowering of carbon emissions.
	Just Transition	To support job transition to the green economy, with rural/community enterprise.
	Climate Change Adaptation	To develop the region's natural assets which would enhance carbon sequestration/flood attenuation/ biodiversity/local supply chain development***

\* Community Wealth Building is about retaining wealth, jobs and enterprises in the local area to create more sustainable and resilient rural and island economies. ARIA aims to support communities, organisations and enterprises to apply Community Wealth Building approaches to their activities.

\*\*Eg: tourism, food & drink, accommodation, social care.

\*\*\*ARIA will support principal funders eg: NatureScot, Peatland Action on carbon sequestration activities where applicable.

<b>Overarching Scottish Government Goal</b>
Advancing inclusion, equality and diversity.

<b>Top Scottish Government Priorities 23/24</b>
Helping families and services through the cost-of-living crisis.
Eradicating child poverty.
Transforming the economy to deliver net zero.
Creating sustainable public services.

## Eligible Organisations

- Community groups/third sector organisations with a constitution/incorporation. Those without will be able to apply through a parent/sponsor organisation who are constituted/incorporated. Accounts/bank details etc should also be from this parent organisation.

## Eligible Activity

The ARIA fund is mainly (**approx. £450k**) a revenue only fund for 23/24, with capitalisation thresholds. Please see below for examples of eligible revenue project spend relating to the Communities into Action fund. The capitalisation thresholds are given in the table below. ARIA also has **£150k capital spend** to allocate. As this is less than the revenue spend, the **capitalisation thresholds should be used where 'capital' items fit the categories**. Where not, capital funding can be applied for. This may be for example, in implementation of actions from your action plans.

## Examples of Eligible Revenue Spend

- Staff costs – salaries/National Insurance (NI)/pension costs for staff employed on the project described in the application. This can be existing or new staff, though if existing it should be demonstrated what extra they will bring for the project over and above existing work.

Costs will go on gross salary + % of this for NI/pension as outlined below so **please use these figures for your calculations**:

	NI	Pension
<b>Staff on Hourly Rate</b>	4%	1.4%
<b>Salaried Staff</b>	9%	3%

### Please note:

- In line with Fair **Work First requirements**<sup>2</sup>, staff should be paid at least the Real Living Wage, and appropriate channels for an effective workers' voice, such as a trade union should be in place.  
NB: there was an increment in the real Living Wage in Sept 22/23 which organisations had 6 months to implement. A similar increase in Sept 23/24 would give organisations until May 24 to implement. The increase can therefore be factored into calculations if desired but is not essential.
- Preference will be given to staff paid a salary and those doing 100% of hours on the ARIA project.
- Where staff are paid an hourly rate, and more than one member of staff is being applied for, the hourly rate should be the same.
- Where staff are doing less than 100% of hours on the ARIA project, the proportion they do should be the same month on month.
- Where staff are doing less than 100% of hours on the ARIA project and more than one member of staff is being applied for, the proportion each employee spends on the ARIA project should be the same.
- Specialist support.
- Event costs eg: community engagement events.
- Training. Training should not form part of primary/secondary/tertiary education programmes.
- Costs associated with the implementation of actions.
- Running costs – where **specific** to the project described and are **over and above normal running costs**. The size of the project as a proportion of mainstay work should be used to determine the proportion of running costs applied for, and this should be detailed at application.

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<sup>2</sup> Required of public sector grants from 1<sup>st</sup> July 23, <https://www.gov.scot/policies/fair-and-inclusive-workplaces/public-sector-grants-and-funding/>

## Capitalisation Thresholds

Eligible project spend can comprise the following items which are deemed revenue.

The thresholds given are a limit on the **entire item cost plus VAT where applicable**, as opposed a portion being applied for through ARIA. There is no limit to the number of these items per application, provided:

- The ARIA £50k grant maximum is not exceeded.
- They are stand-alone, individual items.

Those most applicable to the Communities into Action Fund would be **ICT equipment**, or in some instances **furniture, fixtures and fittings**, but fit should be clearly demonstrated at application.

Item	Limit per Item in Entirety inc VAT
<b>Land and Buildings</b>	
Enhancements to land, building structures and car parks eg: energy efficiency improvements, small renewables (within the threshold) and Electric Vehicle charging points.	£10,000
Enhancement to fixed plant & machinery	£5,000
Replacement of an existing sub asset in its entirety, eg: replacement of faulty solar panel in solar panel array.	No limit*
<b>Furniture, Fixtures and Fittings</b>	No limit*
<b>Artwork</b>	£5,000
<b>Vehicles</b> eg: bikes/electric bikes/accessories.	£5,000
<b>ICT, Hardware &amp; Software and Telecommunications</b>	
ICT projects	£100,000*
Single purchase/transaction	£25,000

\*NB: ARIA's grant maximum is £50,000.

## Examples of Eligible Capital Spend

Capital items outwith capitalisation thresholds/categories. Categories of capital spend include:

- Improvement to/expansion of existing buildings/facilities including:
  - Purchase of equipment, fixtures and fittings linked to eligible project activity.
  - Improving land, eg: landscaping works, playgrounds etc.
  - Altering, refurbishing or extending a building already owned/leased.
- or
- Part of existing build project.

Capital spend will be permitted where **statutory regulatory requirements** eg: Planning/building warrant/listed buildings consent **are already in place** or are **demonstrated as not needed**.

## Statutory Regulatory Requirements

If any eligible project spend requires **statutory regulatory requirements** eg: events licence (or planning/building warrant/listed buildings consent), this should be **in place for the time of application**. If not required, evidence of this should be provided.

## Ineligible Activity

- Expenditure committed prior to the ARIA grant award letter (successful applicants) - expected end Sept 23.
- Statutory duties.
- Delivery of courses which form part of primary/secondary/tertiary (eg: colleges, university) education programmes.

- Staff not directly attributable to the ARIA project delivery.
- Staffing maternity/paternity/adoption pay/statutory sick pay.
- Payments for unfunded pensions.
- Bonus or commission payments.
- Gifts and hospitality.
- Primary production of food.
- Purchase of land/buildings.
- Retention on 'capitalisation' items – part-payment withheld for assurance of quality/performance until after the project end date.
- VAT reclaimable by the applicant.
- Financial charges– bank/credit card/loan charges/foreign exchange commission/loses etc.
- Costs involved in winding up a company/organisation.

## 8. Supporting Documents

The following applicable supporting documentation should be supplied with your application.

<b>Document</b>
<b>Constitution/governing document**.</b>
<b>Incorporation document**.</b>
<p><b>Accounts**:</b></p> <p><b>Community/third sector organisations:</b> latest year of accounts (audited/examined if thresholds reached).</p> <p><b>Businesses:</b></p> <ul style="list-style-type: none"> <li>• Latest year of accounts (audited/examined according to regulator thresholds).</li> <li>• Management accounts to bridge gap between date of above/present.</li> </ul> <p>Business plan in certain circumstances.</p>
<p><b>3 months' bank statements**.</b></p> <ul style="list-style-type: none"> <li>• For the account the grant would be paid into.</li> <li>• As close to the date of application as possible.</li> </ul>
<b>Evidence that match funding is in place**.</b>
<b>VAT certificate</b> where applicable, evidence not needed where not**.
1 piece of cost evidence for costs £500 - £1,000
3 quotes for eligible costs >£1000
<b>Salaries</b>
<p>1. <b>Existing jobs:</b> payslips. Where Real Living Wage requirement would alter salary, this shown clearly on Value for Money form with anticipated increase if desired.</p>
2. <b>New Jobs:</b> benchmarking x 2 + proposed salary
3. Statement on provision of effective workers' voice eg: trade union for staff with evidence where applicable.
<b>Projects with Capital Elements</b>



1. Valid lease/title deeds, in place at least 5 years post project completion.
2. Where lease, landlord's permission to carry out works.
3. <b>Evidence Statutory Regulatory Requirements</b> eg: planning/building warrant/event licence <b>in place/not needed.</b>
<b>Need/demand</b> of project – maximum 2 documents.
<b>Local support</b> eg: letters of support.
<b>ARIA Equal Opportunities Form</b>

\*\*From parent/sponsor organisation where a smaller organisation applies through this route.