

**EXECUTIVE
COMMITTEE**

23rd October 2018

VOLUNTARY & COMMUNITY SECTOR GRANTS PROGRAMME 2019/20

Relevant Portfolio Holder	Councillor David Bush, Portfolio Holder for Economic Development, Town Centre and Commercialism
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis, Head of Community Services
Wards Affected	All
Ward Councillor Consulted	N/A
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 This report recommends a change to the way in which Council funding is awarded to the Voluntary and Community Sector (VCS) in Redditch. The report sets out a proposal to move away from awarding funding through a corporate competitive grant giving process to one where each Ward Councillor has a designated budget to propose spend on projects across Redditch and within their Ward. It is suggested that this process is piloted for the year 2019/20.

2. RECOMMENDATIONS

The Executive Committee is requested to RECOMMEND that

- 1) the VCS Grants Programme change from a corporate competitive grant giving process to one where funding proposals are made from Ward Councillors for qualifying organisations – a Councillor Community Grants Scheme;**
- 2) £5,000 is made available to each Ward Councillor to support VCS organisations, and /or VCS led projects and initiatives in their ward or the wider Borough;**
- 3) during 2019/20 a minimum of £350 be dedicated from each Councillor’s allocation to project(s) which promote cultural awareness and cultural cohesion;**
- 4) the new programme be piloted for a year;**
- 5) the Head of Community Services be given delegated authority to sign off funding proposals;**

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- 6) a refreshed VCS Grants Policy and Guidance Notes for the Councillor Community Grants Scheme be drafted and considered at a future meeting of the Executive Committee; and
- 7) funding received from the Institute of Cemetery and Crematorium Management (ICCM) Recycling of Metal Recovered from Cremation Scheme be allocated as part of an application process and decided by a panel of members.

3. **KEY ISSUES**

Financial Implications

- 3.1 The current voluntary and community sector grants budget is set at £240,000. This report recommends a reduction of this budget to £220,000 in 2019/20. This includes a sum of £75,000 Investing Grant currently paid to Citizens Advice under a 3 year contract for Financial and Problem Solving Services, which was awarded in March 2017

Background

- 3.2 Each year the Grants Team looks at how the Grants Programme can best serve the local VCS while aligning the programme to the Council's Strategic Purposes. In previous years, the Major Grants pot has had scope to fund £136,000 worth of projects.
- 3.3 The current Grants Programme also includes the Stronger Communities Grants which are smaller grants of up to £500 which enables small groups to deliver a wide variety of projects. Usually, there is £16,000 worth of funding available for this pot.
- 3.4 A full list of all funded organisations is published on the Council's website. Successfully funded projects funded through the Stronger Communities and the Major Grants Pot in the past has been decided by inviting VCS groups to apply using an application form. A cross party Grants Panel comprising 5 Councillors considers the applications and scores them using a scoring matrix to decide on the final outcome.

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Legal Implications

- 3.5 The Council needs to continue to ensure that it has a transparent and fair grants scheme, ensuring that we comply with the 2015 Local Government Transparency Code
- 3.6 Under Section 137 of the Local Government Act 1972, the Council has the power to incur expenditure which in its opinion is in the interest of and will bring direct benefit to its area or any part of it or all or some of its inhabitants. The direct benefit accruing must also be commensurate with the expenditure to be incurred.
- 3.7 There is a further power to make grants to voluntary organisations providing recreational facilities under Section 19 of the Local Government (Miscellaneous Provisions) Act 1976.
- 3.8 Local Authorities must comply with the 2015 Local Government Transparency Code and Best Value duties
- 3.9 The proposed scheme will enable the Council to incur this expenditure in compliance with these statutory requirements. Individual members do not have delegated authority to make payments but can propose a payment from the sum 'allocated' to them to support organisations and projects which meet the Council's VCS Grants Programme Policy, which will be signed off by the Head of Community Services who holds the corporate grants budget.

Service / Operational Implications

- 3.10 The themes and proposed split of funding for the 2019/20 Grants Programme was last reviewed in September 2017 and changes were made at that point to reflect the Council's Strategic Purposes, customer demand and the current health of the VCS in Redditch. From the £240,000 budget, £4,000 is currently retained for the delivery of training to the VCS and to facilitate external funding.
- 3.11 Officers have worked with the relevant Members to review the funding and thematic split of funding for 2019/20. Instead of awarding funding through the Grants Panel and initiating an application process for both the Major Grants and Stronger Grants rounds, the proposal is to make available £5,000 to each of the 29 Ward Councillors in Redditch. This funding can be used to fund groups, initiatives and projects benefiting communities across Redditch and within their local ward area and must be in accordance with the VCS Grants Policy. The basic principles of the fund include the following:

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- £5000 be made available to each Councillor in the 2019/20 financial year.
 - Any funding not spent within the 2019/20 financial year will be returned to balances.
 - The funding can be spent purely within the Councillors own ward boundary or on projects which benefit the whole of Redditch as well as community members in their ward.
 - Any group can be funded as long as they fit the criteria as set out in the Voluntary and Community (VCS) Grants Programme Policy.
 - If they wish, Councillors can pool their allocations together to increase the amount given to one project or group
 - It is suggested that an agreed cap for the pooling of funding allocations should be set at £20,000 and reflected in the VCS Grants Policy.
 - Each year, a proportion of the funding can be aligned to a particular funding theme or purpose of the Executive Committee's choosing. For 2019/20 it is proposed that a minimum of £350 be dedicated from each Councillor's Pot to project(s) which deliver on issues around cultural awareness and the promotion of cultural cohesion.
 - A short form will be required to be completed by VCS groups briefly describing the group and the project to be funded. This form should then be endorsed by the relevant Councillor who submits this to the VCS Grants Officer to test that it is in accordance with the VCS Grants Policy and for the Head of Service to release the funding.
 - Councillors will be expected to attend a training and information event about the process before any funding is released for their chosen organisations/projects/initiatives.
- 3.12 If this change is approved, the profile of the VCS Grants budget would be as follows:
- Citizens Advice Financial and Problem Solving Advice Contract -
£75,000
Ward Member Fund – 29 x £5,000 = £145,000
- This totals £220,000 which enables a saving of £20,000 to be made. This saving includes £4000 which has been paid in the last three years under a Service Level Agreement to Bromsgrove and Redditch Network (BARN) for training and capacity building which expires in March 2019.
- 3.13 Some of the feedback from the VCS to Officers and Councillors involved in the process over the years had been quite critical of the application process and considered it to favour groups that were particular good at writing funding application bids or could afford to pay professional bid writers. In addition, Councillors involved in the scoring

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process felt constrained by the scoring matrix and that it offered little flexibility to consider other issues which might affect their decision making about groups and their applications.

- 3.14 Advantages to awarding funding through a Councillor Community Grant Fund include:
- an increased ability for each Councillor to influence work undertaken by groups in their local area;
 - an opportunity for Councillors and local VCS groups to get to know each other better and for Councillors to better understand what VCS services are being provided in Redditch;
 - a reduction in the bureaucracy involved in giving out funding;
 - a new opportunity for VCS groups to pitch and discuss their bids rather than submitting requests in writing through a very structured application form;
 - an increased amount of flexibility for how funding is distributed; and
 - a wider spread of funding to groups that may not usually benefit from the Grants Programme.
- 3.15 The possible issues that may arise from the implementation of this change to the programme have also been considered. Some of the concerns include:
- Limitations to Redditch wide based groups not being able to secure funding and the potential burden of having to approach 29 Councillors to ask for funding.
 - Some VCS groups not potentially being able to access the same level of funding they have previously and the potential negative impact of this.
 - Councillors not allocating their funding until the last minute or spending it all at the very beginning of the financial year.
 - The confidence and ability of some VCS groups to approach local Councillors directly for funding.
- 3.16 While undertaking the writing of this report, some consultation and discussion took place with VCS representatives. Officers consulted with Bromsgrove and Redditch Network (BARN), an umbrella organisation representing the VCS locally and also attended a BARN Network meeting where the proposal was discussed. Members also discussed the proposal with some local VCS Groups. In response to early feedback from this consultation, changes were made to the original proposal of Councillors only being able to fund projects within their ward to being able to spend their allocated funding on projects which benefitted residents across the town as well as in their own wards.

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- 3.17 Appendix 1 sets out in more detail the feedback received on the proposal. It also provides a response to this feedback and ways to mitigate any possible negative impacts of the proposed scheme.
- 3.18 Part of this review of the grants process addresses the funding given to local bereavement charities on an annual basis as part of the Institute of Cemetery and Crematorium Management (ICCM) Recycling of Metal Recovered from Cremation Scheme. Local Authorities are able to send (with permission of the families) metal parts recovered after cremation for recycling. Money made from this is then gifted back to the Local Authority to be distributed to local bereavement charities. Currently Officers nominate charities to receive the funding. It is proposed in this report that in future, charitable organisations which deal with bereavement issues be asked to apply for this funding and for Councillors to make the decisions about which organisation(s) should receive the funding. The finer details of how this would work need to be worked up and included in the refreshed VCS Grants Policy but agreement in principal is being sought from the Executive Committee at this time.

Customer / Equalities and Diversity Implications

- 3.19 The 2018/19 Grants Programme has supported 21 projects under the main grant fund with 27 projects/events being funded in the first two rounds via the Stronger Communities fund.
- 3.20 The 2018/19 Grants Programme under the main grant fund received 46 applications from 31 organisations, with the Programme seeing several new organisations applying to the programme who had not applied to this fund previously. The total amount requested for the Major Grants Programme for 2018/19 was £316,003.
- 3.21 An Equalities Impact Assessment has been conducted for this proposed change to awarding grant funding which sets out any implications for Equality Groups from these proposals.

4. RISK MANAGEMENT

- 4.1 This report requests that an updated Grants Policy which clearly sets out how grants are awarded be written in light of the changes to the Grants Programme. This Policy will be implemented to alleviate a number of risks to the Council including funding being directed to inappropriate organisations or projects and risks from any organisations receiving funding which then subsequently close.

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- 4.2 The VCS Grants Coordinator is available to discuss this process both with VCS groups interested in applying and with Councillors who are looking to allocate the funding. They will be able to help both parties get the best out of this process which should assist in mitigating risks for the Council. It is the intention of the Grants Team to hold three events per year where Councillors and VCS Groups can come together and learn about potential projects and organisations working in Redditch which could be funded.

5. APPENDICES

Appendix 1 – Councillor Community Grants Scheme – Feedback on Proposal

6. BACKGROUND PAPERS

- Local Government Transparency Code 2014
- Voluntary Sector Task Group Report 2014
- Reference Executive Committee report 2010
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AUTHOR OF REPORT

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