

## Council Support to the Redditch Voluntary and Community Sector - Consultation Questionnaire

### Q1. If the Council has £100k available to fund the VCS in Redditch, thinking about what barriers you face what would you most like the funding for?

**Table 1** - The group felt that the ability to attain core funding was crucial – this could include overheads, wages, staffing, rent, administrative costs, insurance etc. They felt that it was important to have as little restrictions and funding conditions as possible so would welcome a very open flexible pot. If VCS groups were receiving a good level of funding from one funder it often helped them to bring in match funding from other funders. The Council pot was a good starting point to get core funding in which could act as a gateway to receiving other funding from elsewhere.

One aspect they felt strongly about was developing the sector. Some suggestions were made that the funding should be available for training for groups. Development of VCS groups was seen as being extremely important – some participants thought that the funding should be put into more infrastructure support and ways to help smaller, less developed groups become sustainable. Issues such as the bigger groups being able to pay bid writers and have the capacity to pull in larger amounts of money meant that smaller groups without this would struggle. The idea of more infrastructure support would go some way to address these issues.

Participants discussed the fact that demonstrating outcomes and impact of projects and an organisations work was difficult but becoming more crucial to do in order to show what difference is made by their work especially to funders. It was suggested that some of the funding could be utilised to help the sector demonstrate need for VCS organisations and projects.

#### Table 2 –

- Rent
- Core costs (Rent, salaries, overheads/running costs). It's easier to find funding for new projects and equipment.

The group initially felt that the consultation event was 'pointless' as the decisions had already been made e.g. Cllrs steer that the VCS pot would be £100k. They also felt that the questions were 'contrived'. The group only wanted to discuss concessionary rents as they felt this was more important than any other VCS grant funding.

#### Table 3 - Concessionary Rent Scheme (CRS):

- The group felt that continuing the CRS is more important than any other funding.
- If CRS is scrapped, 'Community House' would need to pass the rent increase on to groups, organisations. Some groups would fold which would impact on other organisations, public services and especially service users. Community House has approx. 2,500 using this place per week and this does not include outreach work delivered from there.
- 'Redditch Hale and Hearties Group' is a part of Community House and feel the group will fold if concessionary rents are removed. Huge impact on the NHS and Accident & Emergency services!

- Groups cannot get their rent covered from anywhere else. Grants can be sourced for projects etc. but not rents.
- Need CRS as this is the 'stable foundation' for many VCS groups
- The group felt they could argue this was just a 'balance sheet' issue as it's not a grant saving.
- Concessionary Rents should be considered building by building e.g.
  - 'real' commercial value
  - Cost of bringing them back in use – making the building fit for purpose so someone/businesses would be interested in renting it. VCS have all the 'dregs' buildings
  - Location
- If VCS group leave/fold and then units can't be rented out it will cost more – holding rates, loss of any rent, repairs, vandalism, particularly in the neighbourhood centres. Redditch Boxing Academy and REACH CIC did joint costings of impact to the Council - £23k in the 1st year; £47k in year two.
- 'Disadvantage' will escalate if groups go due to the CRS being removed.
- £100k to be used to employ staff to raise funds for groups e.g. bid writers/community development. Some group members disagreed – they want RBC to write bids and bring in funds to then distribute to groups. Bring in more funding, ring-fence for the VCS
- £100k to be used for rent concessions.
- Social Impact Assessment by RBC to see true worth of VCS and what they do.
- £100k to be used to facilitate the bringing together of VCS, sharing joint bid applications - 'grant funding consortiums'. Reinforce VCS infrastructure and strengthen groups — both £100k and the officer post.

#### **Other respondents –**

Core funding in order to assist in maintaining existing service to the children and families of the community remains the essential requirement – given that Touchstones needs around \$35k each and every year – and all service is free to everyone that asks for it – and so we are utterly dependent upon grants, and individual and local group fundraising and free-will donations/ fundraising

I think a ratio of 80% to core costs and 20 % to projects would be a balanced approach although either way will not meet every one's needs. A contribution to core costs is most appropriate as our main tasks are not project based.

We currently do not have premises to pay for so running costs too physically support the most vulnerable by means of practical assistance would be essential for us.

Ensuring the sustainability of core essential services and activities (and funding the core costs of these services) is a key priority for us. Although we do not currently receive any 'direct funding' for the core costs associated with key services, such as our Information & Advice service, the preferential business rates applied to our Redditch Retail Shops (which are our main source of income) and the reduced rental charges for the hire of community facilities (such as Community House) do have a positive impact on our operating costs. Removal of these 'concessions' would necessitate a re-evaluation of our support, services and activities for older people in Redditch and may result in the cessation of services due to rising core costs

As charity, a key barrier to piloting/ progressing new initiatives/ new ways of working is the fact that we do not have the available 'start-up-funds' to initiate new projects. We are currently benefiting from such funding being available to pilot initiatives such as its 'Pop Up I&A

Surgeries', which we hope will enable us to develop an approach which will help increase our support and reach across the district

**Q2. If it is felt there should be a mixture of uses what proportion of the funding should be allocated for each use (e.g. 80% for core costs, 20% project funding).**

**Table 1** - The group felt that the criteria should be so relaxed that the bids for funding should be open for anything with no parameters around how many bids could be made for projects and how many for core costs. Again it was felt that a proportion of the money should be ring-fenced for infrastructure support which could be given to BARN.

**Table 2 –**

- Case by case per organisation and their needs.

**Table 3 –** Nothing specific suggested.

**Other respondents -**

From our perspective and for the reasons explained above we would advocate for the largest possible proportion / allocation to core / ongoing operations funding

I agree the example figures quoted as being a reasonable split – with some discretion to the awarding panel, perhaps a 10% margin.

Personally, I think as each group has a specific reason for doing what they do it varies on an individual basis so perhaps a little flexibility.

We support the suggestion that a key proportion of the funding should be allocated for core costs, but that a percentage should also be available to support project funding.

**Q3. What should be the maximum and minimum level of funding available to apply for?**

**Table 1** - The group again were quite flexible about this. There should be no minimum or maximum amount but groups should be able to bid for what they needed. If there was a maximum amount stipulated then it should be made clear to groups that they did not have to always bid for the maximum. The group felt that perhaps to make it fair, there should be a cap for large core cost bids at £5k and then the spread would go further. This had been raised in previous consultation about the old Grants scheme by members of BARN and the group agreed this would be sensible.

**Table 2 -**

- £500 – ring-fenced e.g. New Road Parents on income of less than £25k. Have £10k - £15k in this pot. Minimal form, bank account and signatories.
- £25k plus organisations – locally delivered and funded organisations (see Awards4All Form). £500+ to £5,000. Produce final accounts and link to RBC strategic purposes.

**Table 3 –** Nothing specific suggested.

**Other respondents –**

We've previously relied on grants of £1000, per year but if the pot is being constrained to £100k, then I guess you will have to impose some logic for maximum allocations, based on likely number of applications and community impact.

We would say that there are many 'local' organisations that are large, and have well established fundraising capabilities, that can end up 'sucking' resources from all sorts of sources. We would argue that your funding should be for smaller, organisations, that are more critically dependant of just a few possible funding routes, and because like us they work with some of the most vulnerable and deprived parts of our community – can't and don't get any significant funding from service users / beneficiaries.

There will never be enough available; perhaps a cap of 5K per proposal, done in two rounds each year, with the 2nd round prioritising new applicants.

This should be determined on achievable impact to community and the amount of people benefitting.

Having key levels of 'available funding' is helpful (and to help ensure a parity in allocation of funding across the VCS in Redditch) however other key determining factors, such as 'need' and 'benefit', should be taken into consideration (hence if a service/ project exceeds a 'maximum' but has a significant long-term impact, it should still be considered)

#### **Q4. Any other thoughts about the £100k 'general pot' model?**

**Table 1** - It was obviously felt that the proposed level of funding was not enough and that consultation on the amount on offer would have been welcomed.

The amount of money being brought into the town by the VCS was not recognised by the Council. Not only did VCS bring in money from other funders into the town but also the money they did bring in was made to go much further from the added value VCS organisations could bring to delivery e.g. volunteers, more flexible ways of working etc. It was questioned how best to evidence this. In real terms the Council may fund the sector to the level of £100k but in reality this was actually worth more.

The group felt that joint working was important between the Council and the VCS and were positive about future arrangements where VCS could co-design projects and services and have a role to play in the implementation of this. However, this would need to be resourced – capacity is an issue for the VCS sector engaging in this type of work and would not be possible on top of their main delivery.

The group touched on the need for the sector to work together to help each other and to share models of sustainability.

There was a question about any future role which might be focussed on enabling and helping the VCS to undertake some of the long term aspirational work – should this person come from the VCS rather than a Council background?

The group discussed the need to have a steady income stream – not all groups were looking to the Council to provide this and they were very able to go elsewhere to find funding. However this cut was seen as deep and it was generally felt that some groups would fold as a result of this. There was concern about who would pick up the most needy and vulnerable if groups did fold.

#### **Table 2 -**

- Needs to be a 'proper' assessment of 'NEED' across the VCS Organisations and their service users. Assessment of 'social impact' especially when VCS cannot be sustained or fails.

**Table 3** – Nothing specific suggested.

**Other respondents –**

Given the limited amounts available the process needs to be simple to allocate and transparent in its outcomes.

Perhaps the council taking the decision annually on where to allocate its funds. It may be more practical and be divided up between all the groups and not just some. This would reduce paperwork and administration too.

It would be interesting to understand how the Council plans to evaluate and monitor the impact of a £100k 'General Pot'

**Q5. What process should be used to allocate the £100k? E.g. Application forms? The time of year? Different rounds throughout the year? Around the Councils Strategic Purposes?**

**Table 1** - Participants liked the form currently used for the CCGS, however they generally disliked the new way of approaching their councillors for funding. They felt it was time consuming and the timeframe of the process of negotiating with councillors to then receiving the money could take a long time. Conversations with Councillors could be difficult as there could be conflicts of interest.

It was felt that the money should be allocated in time for the beginning of the new financial year so that groups could plan properly for that year ahead. The question was raised about how the RBC pot of funding aligned with other funding from the stator sector e.g. public health funding. Was there a way of better utilising the RBC pot alongside other funding pots? The example of Positive Activities was used – could some of the RBC pot be used to match fund the WCC /PH pot? Would this be a better use of public funding and create a bigger pot to achieve more?

**Table 2 –**

Whatever process was put in place it needed to be fair and equitable with all groups enabled to bid into the pot.

- See points listed in response to question 3.
- Not online.
- First round decision by 31st March for £25k+ organisations. £500 pot throughout the year until spent.
- Not only online - applications need to be paper copies as well.

**Table 3** – Nothing specific suggested.

**Other respondents –**

Application form, centralised decision making, - aligned to strategic purposes and community need / inability to self-provide

Two rounds a year. Any links to the "Strategic Purposes" need to be explicit and broadly interpreted. An on-line application form with a paper edition available for community-based organisations if needed. Monitoring reports should be simple and not too onerous; both financial and descriptive information linked to the grant application objectives to be collected.

Annually ready for funds to be received for the new tax year, then groups would know what amount they had and not have to wait for decisions which is difficult to budget.

The council's strategic purposes should be the priority and grants perhaps decided by the council as opposed to groups applying themselves.

An initial application form is probably the most effective means of the VCS submitting their requests but perhaps for Applications Requests over a specified amount, VCS representatives have the opportunity to discuss their application with a 'review panel'

Restricting funding applications to once a year does present a 'barrier', however, if members of the VCS are seeking support for core costs then they will want to know whether or not funding has been secured ASAP at the beginning of the Financial Year. Perhaps a proportion of the 'Pot' (20%?) could be held for a second round of funding applications (in September?)

In terms of the Council's Strategic Purposes, then we would expect there to be a link between the 'Purposes' and this funding in order to support the return on investment.

#### **Q6. How can the Grants Officer (18 hour post) best support the VCS?**

**Table 1** - It was felt that the officer should not be duplicating any work which would be undertaken by BARN. The officer could help with how to access government funding. It was also felt that in the future they would have a role to play in any co-commissioning work.

One participant felt that the officer could be utilised to look at the impact of the roll out of social prescribing on the local VCS.

It was suggested that some of the £100k might be better spent in funding a full time post to support the VCS. Possibly could work with BARN more closely.

#### **Table 2 -**

- Help and guidance for non-successful applications
- Case by case basis.

#### **Table 3 -**

- More of a support role to guide, advise and help when applying for money.
- Bring organisations together and to look at joint funding bids. Co-ordinate though not just turning up to a meeting.
- Bring in large pots of funding / national level.
- Use other RBC officer hours e.g. accountants / solicitors / Grants officer etc. to support groups set up, run or develop.
- RBC to work in partnership with groups to lever in more funding e.g. Redditch Boxing Academy are looking at a piece of land and possibly £150k+ application to build a new community hub building. RBC officer to support/project manage.

#### **Other respondents -**

As now – advice, processing and monitoring grant applications / grants - understanding the detail conditions that under-pin . justify why funds should be directed to certain organisations above others.

The postholder perhaps can help smaller organisations to source other funding opportunities to bring the amount of support available from outside of the Borough eg Lottery, to add to and compliment the Borough Council’s financial contribution. Corporate objectives could be enhanced with a closer partnership working with the VCS.

Obviously listening to what’s important to keep them all functioning but knowing about all the existing groups and then the new groups incorporated each year to try and assist the new ones too.

Support with the funding application process (to ensure that proposals meet the criteria prior to submission, as very few of the VCS organisations supporting people in Redditch have dedicated Fundraisers/ Bid Writers)

Identification of any similar requests/ opportunities across the VCS to see if there might be opportunities for a joint funding request

Support with identify other sources of funding that might be available (e.g. County Funding)

#### **Q7. Any other comments not captured above?**

**Table 1** - It was noted that a lot of the groups felt that some of the language and statements made by politicians during the handling of the concessionary rent report was patronising and rude. They felt it belied the fact that many councillors did not know the VCS in Redditch well at all and what it did. They felt that they were not respected.

#### **Table 2** -

Issues:

- Rent and CAB
- Wouldn’t pay full rent for properties for the current state they are in.
- Members don’t seem to be clear about what they can fund and more importantly what the VCS do.
- Section 24 letter clearly states that member decisions about council tax and members allowance have an impact of approx. 0.5millions over the next 5 years.
- Charity Commission states that for every £1 in the VCS equates to £10 in social value.
- Cost to RBC of administration to the scheme.
- Redditch Partnership needs to be involved in all medium and long-term collaborative and co-design.

#### **Table 3** -

- Can we use section 106 monies? Working in partnership (groups and RBC to lead) to bring in new funding to build new (1-3) community hubs.
- Can it be introduced that all new developments/building projects need to contribute to the VCS and the VCS infrastructure?
- Councillors needed to be here – PURDAH excuse is nonsense.

- Regular consultation is needed. More dialogue between VCS and the Council, working together to achieve what we all want to achieve.
- Social Capital – BSG / Community house / Homestart etc. – If measured, Volunteers time etc. would show that VCS providing services for people in Redditch saves Council services and other statutory services.
- The group didn't feel the Council was interested in 'social capital just hard cash!
- Homestart have successfully used evidence / previous RBC funding as leverage to bring in large amount of other grant funding in the past. Helps groups to be 'credible', help with 'credibility'. This would struggle if VCS grants were to go or be reduced.
- Community , people joining together will be lost.
- The VCS deliver against RBC strategic purposes, Worcestershire's response to tackling loneliness, health and wellbeing agenda.
- VCS services are 'prevention' – will spiral out of control and spill over to public services
- Local Ward Councillors need to take a deeper interesting in what's happening
- Long-term value of the VCS is huge – this is short-term decision making which will impact longer term. Very costly and once VCS groups have gone you won't get them back.

### **Other respondents**

In our 8 years serving over 1000 bereaved children and young people in the local communities of Redditch we have been blown away by RBC's investment to organisations that work to transform the lives of people in the most needing parts of the local community. We have been and continue to be so, so grateful for the immense support we have received from RBC – support without which we couldn't and won't be able to come alongside and then transform the lives of some the town's most traumatised and vulnerable children, young people and their families – thank you, and in all the changes, long may it be able to continue.

I'm pleased that RBC is retaining its Grant Scheme and appreciates the 1+1=3 contribution to the Borough by the VCS.

As a new CIC it is like taking a gamble that your group is going to be able to sustain itself or get any funding at all. Perhaps a little more individual support at all levels would be good.

Whilst we understand the drivers for the recent changes to the 'Councillor Community Grants Scheme' it does impact organisations such as ourselves that are providing support and services across the District and who want to ensure a parity of support and services for residents throughout the Borough.

## Notes from Meeting with VCS Concessionary Rent Holders – 10<sup>th</sup> December 2019

### In attendance:

Officers – Judith Willis, Helen Broughton and Jeremy Williams

VCS Representatives – Lynn Hancock – Bromsgrove and District Citizens Advice, Sarah Lee – Redditch Boxing Club, Gary Roskell – Bromsgrove and Redditch Network, Robin Baker – Oasis Christian Centre, Liz Williams – REACH CIC, John Witherspoon – Batchley Support Group, Mark Baron - Batchley Support Group, Lee MacKenzie – Sandycroft Centre, Jordan Cooke – Your Ideas.

Judith opened the meeting by welcoming everyone. She started by explaining that the purpose of the meeting was to discuss with VCS organisations that currently were part of the VCS Concessionary Rents scheme their views about the possible removal of the scheme and also how any future funding may be utilised to support them. Judith confirmed that the level of funding available to cover any future concessionary rent scheme and wider VCS Grants pot was £175k. There would be £50k available for the Financial Advice and Problem Solving service.

Points raised by VCS representatives at the meeting included:

- the fact that the £82k quoted as the Council's budget for the remaining 70% rent they do not receive from the VCS tenants was not an actual loss for the Council, it was just income not collected;
- if the Council removed the concessionary rent scheme some organisations would not be able to pay for their rent and would therefore close. Groups explained that it was very difficult to find funders who would fund core costs like rent. Rent could be put into funding bids as part of full cost recovery but this would not be enough to help maintain paying the rent. One organisation representative said they were due to make a decision about the future of their units in the New Year with a view to closing by the new financial year if the Council were to stop the scheme;
- the Council were cutting from the VCS twice (both concessionary rent scheme and the main VCS Grants pot). Representatives felt that Councillors did not understand what they did and what the impact would be if VCS organisations had to close because of the proposed changes;
- the costs to the Council of dealing with empty units would be far greater than if the Council continued to subsidise the current groups renting them;
- the Council was at risk of being financially worse off if the VCS withdrew from the units and they were then to remain vacant. A report had been written by the tenants affected which pointed out that along with the loss of income from rent, there would be a large amount of money to pay in business rates on the units which would actually cost the Council more than subsidising the current tenants and keeping the scheme;
- in some units, the Council paid to rent space on a sessional basis for various health and leisure activities – the rise in costs for the VCS organisations would mean a rise in cost for the Council to rent space for these activities;

- the Council needed to be clear about the level of rent that could be charged for these units given that many of them were and still are in poor condition and were unlettable. They questioned whether there really was any commercial organisations wishing to let the units;
- the Council sets the value of the units at market rate but it was felt the commercial value of the units is likely to be less than that;
- it was questioned if the market value of units in Matchborough and Winyates could be made when they were potentially going to be knocked down as part of the District Centre redevelopment plans;
- groups had invested a lot of money in maintaining and improving the units, one organisation quoted that they had spent £18000 on refurbishment costs. It was questioned how groups who had spent money on refurbishment would get this back if they were forced to close or move;
- it was felt by the concessionary rent holders that each unit and VCS organisation should be considered individually taking into consideration all factors about the unit they rent and the services they provide and impact on the community. It was felt that if organisations did make a profit then they could be expected to pay more towards their rent; and
- it was suggested that the Council could continue the Concessionary Rents scheme but for those units which were lettable, put the VCS organisations which were inhabiting those units onto a meanwhile lease. If commercial organisations were then interested in letting these units, the VCS organisations in them would be given notice to leave.

Groups were asked if they thought that the funding available should be prioritised for the concessionary rent holders. There were mixed view on this, some groups were not as direct about confirming this but it was generally felt that available funding should be diverted to support the Concessionary Rents scheme with the remaining left for the general VCS grants pot.