

Cabinet

30 October 2019

Report of:

**Portfolio Holder Corporate
Governance, Access and
Engagement**

COMMUNITY GRANTS REVIEW

1.0	Corporate Priority	Decision Type:
1.1	PP1: Helping people fulfil their potential and achieve their ambitions.	Key Decision
1.2	PP2: Working with our partners to address vulnerability and tackle the root causes of social problems, building safe, happy and healthy communities.	
1.3	PP3: Focussing on our priority neighbourhoods, supporting people to overcome disadvantage and live well independently.	

2.0	Summary
2.1	This report outlines and asks for approval of a new Community Grants Policy to allocate grants. The new process has been created following extensive consultation with internal and external stakeholders including elected members and community groups.
2.2	The Policy ensures there is an underpinning strategy and steer upon which the grants can be awarded. It is a step change towards a longer term vision of a community commissioning approach that will enable the Council to get best value from the budget available for Community Grants.

3.0	Recommendations
3.1	That the Community Grants Policy attached at Appendix A be approved.
3.2	That the application window for applying for a Community Grant is opened with immediate effect with grant funding to be allocated in 2020/21.

4.0	Reason for Recommendation
4.1	The Council needs to ensure that Community Grants are allocated in such a way so as to receive maximum social value for the residents of Melton. The Community Grants Policy supports this requirement and ensures a transparent and consistent approach to allocating grant funding.

The Community Grants Policy ensures that the Council consider how the allocation of Community Grants will contribute to the Councils Corporate People Priorities. It also ensures that prior to grants being allocated, the Council is satisfied that the applicant has demonstrated value added self help activities, a breakdown of how the money will be spent, considerations for long term sustainability and how the performance of the organisation will support the long terms aspirations of Melton's People Board.

5.0 **Alternate Options Considered**

5.1 Maintain the Status Quo of Community Grants Allocations.

It is acknowledged that the current process of allocating Community Grants does not appear to offer value for money for the Council. There is no link to delivery of services against the Council's priorities and identification of needs-led demand.

There is no clear steer or clarity for organisations who wish to apply for funding on what the Council's eligibility criteria is or a clear process for applying.

There is also a lack of performance monitoring – however, it would be challenging to set performance indicators for existing organisations in receipt of funding if there are no criteria for allocation.

5.2 Retain the current arrangements for another year and commission evidence-based research on actual demand and gap analysis in Melton.

This is a position that the Council would wish to work towards in the long term. The proposed and recommended option is a step change towards a more commissioning-based approach. This first step will help us address any issues identified and use the learning to inform future changes.

As the consultations on the proposed changes have been so positive, delaying the implementation of this first stage may also have a negative reputational impact.

6.0 **Report Detail**

6.1 In March 2019, People Committee approved the concept of adopting a new policy for considering community grants in future years.

Previously, grants have been awarded on an ad hoc basis without an underpinning overall strategy. This left the Council exposed to challenge around transparency. And also a lack of clarity and steer for organisations seeking funding on what the Council are looking for.

Feedback from both People Committee and Scrutiny Committee in June 2019 agreed a review of how the Council allocates funding was long overdue and supported a more commission-based approach in line with the following principles:

1. A clear contribution to one or more of the Council's Corporate People Priorities. (see 6.5)

2. Demonstration of value added self help activities such as volunteer resources, match funding and active engagement with the Melton Community Lottery
3. A breakdown of how the money will be spent and considerations for long term sustainability.
4. Monitoring of performance against the long term aspirations of Melton's People Board (Outcomes Framework attached as Appendix B).

Public and Elected Member consultations shaped the framework of the Policy which would be based on a commissioning type approach and ensure the Council receives best value from the budget available for Community Grants.

6.2 Current recipients of Community Grant funding are:

- i. Citizen's Advice Leicestershire – delivery of a face to face, drop-in advice service across a range of issues such as welfare benefits, debt, employment, private sector housing and relationship & family issues. There is currently no performance monitoring of this service.
- ii. Melton Furniture Project – A local furniture re-use project providing Melton residents with access to low cost furniture and household items. The work is undertaken predominantly by volunteers and also provides work experience opportunities as a potential route back into work. There is currently no performance monitoring of this service.
- ii. Age UK, Gloucester House – A Melton based resource centre offering a range of activities, services, support and facilities which respond to the needs of local older people. There is currently no performance monitoring of this service.

6.3 There are no plans to change the existing budget allocation to Community Grants which is set at £43,620 for 2020/21. This amount is offset by a contribution from the Community Lottery sales. In 2018/19, this was £7,401. However, it should be acknowledged that the Council also provides other support to organisations, as appropriate, outside of the Community Grants process. This includes (but not limited to):

- Discretionary Business Rates Relief (in 2018/19, this was to the value of £88,043)
- Storage and/or use of office space at council owned properties
- Absorbing cost of utilities, resources etc.

6.4 The Axis Social Value Fund also provides added value and Axis work in partnership with the Council when reviewing how the funds are allocated each year. The spend for the last financial year was £2,272. The spend fluctuates as it is based on 1% of their annual contract turnover.

6.5 **The Criteria**

Applications received will be assessed and weighted against the demonstration of the following criteria:

- A clear contribution to one or more of the Council's Corporate People

Priorities

- Value added self help activities such as volunteer resources, match funding and active engagement with the Melton Community Lottery.
- A breakdown of how the money will be spent and considerations for long term sustainability.

Outcomes will be monitored against the long term aspirations of Melton's People Board (Outcomes Framework attached as Appendix B).

Prioritisation for the 2020/21 allocation of community grant funding is based on feedback from the consultation process. In future, this could be further supplemented by evidence-based research on demand in Melton.

The Council's current People Priorities are:

1. Helping people fulfil their potential and achieve their ambitions.
2. Working with our partners to address vulnerability and tackle the root causes of social problems, building safe, happy and healthy communities.
3. Focussing on our priority neighbourhoods, supporting people to overcome disadvantage and live well independently.

6.6 Whilst performance monitoring is essential, this will not be onerous or target-orientated, in order to stay true to the Council's ethos of moving away from silo-based and target driven behaviours and to ensure smaller community organisations are not disadvantaged.

6.7 **Application Process**

As the Council's funds and the resource that would be required to administer such a process are not substantial enough to run a rolling application period, it is proposed that there will only be 1 annual application window. However, the Council would retain some flexibility, where appropriate, to hold some funding back in the event of any smaller projects/pilots that may come through. It is also proposed that flexibility is retained to award grants over a longer period (up to 3 years), where this is identified as a factor for the success of a project. (Annual updates and ongoing performance monitoring would still be required)

Officers will also work with organisations throughout the year to identify alternative &/or other appropriate funding sources. Examples of other funding sources the Council signposts to include (but not are limited to) Axis Social Value fund, Big Lottery, Shire Grants etc).

6.8 **Decision Process**

The assessment panel will consist of:

1. Portfolio Holder for Corporate Governance, Access and Engagement
2. People Manager
3. Community Policy Officer

Panel members will be steered by the underpinning strategy and agreed principles of the policy during the assessment process. The Portfolio Holder will recommend allocation of grants to Cabinet who will decide whether to approve grant awards.

7.0	Consultation and Feedback (including Scrutiny Committee)
7.1	The Council has carried out public and internal stakeholder consultations throughout June to September which included the Portfolio Holder and Scrutiny Committee.
7.2	Results of the consultations demonstrated overwhelming support for the principles shaping the new process. Over-riding additional comments were around the need for flexibility within the process which were balanced against available Council resources.
7.3	<p>Consultation feedback with partner organisations, members and front-line support workers were broadly aligned in identifying the top five performance priorities from the Outcomes framework as follows:</p> <ol style="list-style-type: none"> <li data-bbox="284 640 1422 741">i. Good physical and Mental Health; (low levels of obesity, substance misuse, teenage pregnancy; reduced intergenerational dependence on state support; less involvement in criminal activity) <li data-bbox="284 752 692 781">ii. Financial Independence <li data-bbox="284 792 1422 893">iii. Effective parent/child relationships; (ready for parenthood; good parenting skills; aspirations for own children, able to deal with challenges in family & other relationships) <li data-bbox="284 904 1422 965">iv. Digitally and socially independent and responsible; (maintaining social relationships) <li data-bbox="284 976 1422 1039">v. Sound aspirations; (career planning; ability to get a home; getting on the property ladder)
7.4	<p>Additional feedback from Scrutiny committee which has been considered within the report includes:</p> <ul style="list-style-type: none"> <li data-bbox="300 1155 1422 1256">• Acknowledgement that the Council also provides significant support to organisations outside of the Community Grants process such as Discretionary Business Rates relief and utilities / resources support. <li data-bbox="300 1303 1410 1332">• Recipients of grants should be subject to agreed service level agreements. <li data-bbox="300 1379 1422 1451">• Consultation on which priority areas to address and how to administer the grant.

8.0	Next Steps
8.1	Inform stakeholders through appropriate communications of the Policy and application window.
8.2	Officers will consider how they use this as a step-change towards a longer term 'Community-Commissioning' approach. LGA and NLGN research strongly supports the concept of public services taking a braver shift towards commissioning-based approaches which seek to deliver improved outcomes for our residents through best use of our available resources.
8.3	A step towards sustainable, community-led commissioning will require additional research based evidence.

9.0	Financial Implications
9.1	There are no plans to change the existing budget allocation to Community Grants which is set at £43,620 for 2020/21. This amount is offset by a contribution from the Community Lottery sales. In 2018/19, this was £7,401.
9.2	If Citizen's Advice Leicestershire are unsuccessful in their application for funding through this process, the Council may see a reduction in rent to the value of circa £14k.
9.3	It is important that any community grant adds value to the supporting people agenda and grant awards provided stretch as far as they can. Therefore, where possible encouraging community groups to access lottery funding will assist the Council in potentially providing a greater number of awards to different groups if they are also accessing other funding rather than relying solely on council funds.

10.0	Legal and Governance Implications
10.1	The Council has the power to award grants to organisations using its general power of competence in section 1 of the Localism Act 2011. In exercising the power the Council must satisfy its public law duties. In essence this means that in making the decision the Council must have taken into account only relevant considerations, followed procedural requirements, acted for proper motives and not acted unreasonably. A grant policy is a clear statement of the criteria that the Council is applying and is essential if the Council is to defend any challenge to its decision making process.
10.2	An overarching Grants Policy provides a consistent basis upon which grants are awarded and reviewed.

11.0	Equality and Safeguarding Implications
11.1	An Equalities Impact Assessment (EIA) has been undertaken and signed off by our Internal Check and Challenge process for publication alongside the policy.
11.2	The EIA recognised the positive impact of the policy as it promotes inclusivity and is based on a fair and transparent process. A suggested action was to monitor the take up of services by protected characteristics.

12.0	Community Safety Implications
12.1	The policy is aligned with the Council's Corporate People Priorities and specifically PP2: Working with our partners to address vulnerability and tackle the root causes of social problems, building safe, happy and healthy communities.

13.0	Other Implications
13.1	None identified.

14.0 Risk & Mitigation

14.1 Existing recipients are unsuccessful in their bid for funding which may result in potential political and media reaction. The transparency of our grant allocation process should mitigate against this by providing clear justification for the decision.

14.2

L I K E L I H O O D	A	Very High				
	B	High				
	C	Significant		1, 2		
	D	Low				
	E	Very Low				
	F	Almost Impossible				
			Negligible 1	Marginal 2	Critical 3	Catastrophic 4
IMPACT						

Risk No	Risk Description
1	Political and Media reputational impact of existing recipients losing funding
2	Loss of Citizen’s advice rental income into Parkside offices


Background Papers:

List any background papers that have informed the report.

Appendices

Appendix A – Community Grants Policy
 Appendix B – Cross-Partnership Outcomes framework developed by the Melton People Board

	Report Timeline:	Date of sign-off: (to be completed by)
	Equalities Check & Challenge	16.10.19
	SLT Sign off	01.10.19
	Previously Considered by Cabinet	N/A
	Director Approval	16.10.19
	Legal Approval	14.10.19
	Finance Approval	02.10.19
	Chief Finance Officer Sign Off	02.10.19
	Deputy Monitoring Officer Sign Off	14.10.19

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