

BODY: Cabinet

DATE: 16 July 2014

SUBJECT: Review of Community Grants programme

REPORT OF: Senior Head of Community

Ward(s): All

Purpose: To consider the findings of a review of the Community Grants Programme policy and procedures and to agree revisions to the Community Grants Policy and priorities for Small Grants for the year 2015/16

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Recommendations: In accordance with the recommendations of the Grants Task Group Cabinet is recommended to:

- Note the findings of a recent review of the Community Grants Policy and Procedures
- Approve the amendments to the Community Grants Policy set out in paragraph 3
- Agree the priorities for the Small Grants Programme for the year 2015/16

1.0 Introduction

- 1.1 The current Community Grants Policy was agreed by Cabinet on 30 May 2012 and has been in operation for two years.
- 1.2 A review of the Community Grants Policy was carried out in 2013/14 to ensure the new policy and procedures were fulfilling the Council's objectives of ensuring a fair and transparent process awarding Grants on the basis of need and strategic priorities, quality, impact and value for money.

2.0 Feedback from consultation

- 2.1 In preparation for the review and in line with the Council's commitments under the Compact with the voluntary and community sector, officers sought feedback on the policy and procedures through
- a survey of 3VA members
 - a survey of people who attended the Funding Fair 2013

- a discussion with the Equality and Fairness Stakeholder Group
 - liaison with staff and Members involved in the grants process
 - discussions with an officer of 3VA who supports and advises groups on applications.
- 2.2 Overall comments were positive and the additional support provided by Council officers through training workshops and individual advice, and support from 3VA is highly valued.
- 2.3 Some groups find the form difficult to complete. Their perception is that some questions repeat others. However, most of those consulted agreed that the questions all ask for specific information to test the thinking behind applications and projects and that the forms provide a useful experience of applying for funding to external bodies and should not be changed. The questions are designed to encourage groups to explain how they have arrived at their proposals and ask them to identify the partners they can work with, show that they have consulted relevant agencies and the proposed beneficiaries about their proposals, and considered equality and inclusion. These are all important aspects of project development and groups which have undertaken these activities have no difficulty answering the questions. The questions are also essential to enable officers to make an assessment of the project quality and likely effectiveness.
- 2.4 One group commented that the practice of awarding less than the full amount of grant requested made it difficult to ensure that projects are viable. However, the Council's agreed policy is to spread funding as widely as possible and to encourage organisations not to rely on Council funding but to use it to pump prime their activities and lever in additional funding from other sources. There is also an understanding that organisations may not be able to deliver all their objectives if they are unsuccessful in securing additional funding. Small Grants are intended as one-off awards whereas the Major Grants programme offers three year funding for the authority's priorities where the Council wishes to support longer term development and sustainability.
- 2.5 There was a concern that a number of applications are submitted from organisations which are ineligible and for projects which are either ineligible – e.g. building improvements and large capital items – or do not meet any of the priorities set. Groups often spend a lot of time completing application forms for projects which cannot be funded.
- 2.6 The introduction of a moderating process has been useful as it clarifies issues and allows a more consistent approach to awarding grants.
- 2.7 The Equality and Fairness Stakeholder group supported a proposal that projects which promote the inclusion of groups protected under Equality legislation should be given some priority, but felt that there

should not be separate priorities covering specific protected groups.

3.0 Proposed amendments to policy and procedures

- 3.1 To ensure organisations do not spend time on ineligible applications, in future, a two-stage process is proposed with a short Expressions of Interest form similar to that used by the Big Lottery, which asks critical information to enable officers to identify quickly those applications which would not meet the Council's criteria or priorities. Only those which meet the eligibility criteria and address one of the agreed priorities will then be invited to apply in full.
- 3.2 The Grants Task Panel is recommending a number of amendments to the Community Grants Policy:
- a) to remove the list of priorities for Major Grants and Small Grants. The Grants Task Group recommends a greater level of flexibility allowing the Council to respond to emerging trends and needs. The Group will continue to recommend priorities (in line with the Corporate Plan priorities for that period) for the next year's programme to Cabinet each year in order to ensure groups are aware of these before applying.
 - b) to clarify that the grants are aimed at smaller voluntary and community groups with relatively modest income which make significant use of volunteers in the delivery of their services and activities
 - c) to confirm that no more than one grant can be awarded per organisation at any one time and that those in receipt of Major Grants will not be eligible to apply.
 - d) to clarify that the level of award made is likely to be less than the full amount requested but will depend on the quality of the application.
 - e) to confirm that priority will be given each year to projects which promote inclusion and the needs of those communities and groups protected under current Equality legislation (Equality Act 2010 and any subsequent amendments) with higher priority given to those projects which are specifically designed to involve protected groups in running and developing services.
 - f) To reflect the proposed two-stage procedure set out at 3.1 above.
- 3.3 The revised Policy is shown at Appendix 1 with notes identifying where the changes have been made.

4.0 Small Grants priorities for 2015/16

4.1 Cabinet is recommended to approve the following priorities for funding through the Small Grants Programme in 2015/16.

- 1) projects that help groups develop their volunteer base (Thriving Communities)
- 2) projects that support health and wellbeing (Thriving Communities)
- 3) environmental projects (Quality Environment)
- 4) projects which will deliver new activities for young people (Thriving Communities)
- 5)

5.0 Resource Implications

5.1 The recommendations set out above have no resource implications. The allocation of the budget for the Community Grants programme is agreed by Council in February each year.

6.0 Implications for Equality and Fairness

6.1 All applications must meet minimum eligibility criteria covering equality and fairness in compliance with the provisions of the Equality Act 2010. The assessment of applications also takes account of proposals to ensure activities and projects meet the needs of protected groups.

6.2 The policy amendment outlined at 3.2 e) above makes it clear that the Council gives additional priority to projects which promote inclusion and particularly to those which involve protected groups in running and developing services.

7.0 Other Implications

7.1 There are no Environmental, Staffing or other implications arising from this report.

8.0 Conclusion

8.1 In line with the deliberations of the Grants Task Group it is recommended that Cabinet:

- approve the amendments to the Community Grants Policy set out in paragraph 3
- agree the priorities for the Small Grants Programme for the year 2015/16

Ian Fitzpatrick
Senior Head of Community

Background Papers:

None.

Appendix 1 – Revised Community Grants Policy

Eastbourne Borough Council Community Grants Policy

Eastbourne Borough Council recognises the immense value of voluntary and community activity and its contribution to residents' well-being, the local economy and the sustainability of a wide range of services which benefit people living and working in the town and visitors.

Following a review of our policies and procedures for awarding grants the Council now has two programmes:

- Major grants – £180,000 available to be distributed as grants of more than £10,000
- Small grants – £60,000 available to be distributed as grants of up to £10,000

In addition to the Community Grants programme the Council awards small grants through the Devolved Ward budgets which currently total £90,000 bringing the total available from the Council for small grants to £150,000.

The decision to change the balance of funding towards smaller grants recognises the importance and effort of many small community organisations in the town which rely to a large extent or, in most cases, entirely on unpaid staff.

Priorities for grants (Major Grants and Small Grants) will be set during the year before funding becomes available. These priorities will be set in line with the Corporate Plan priorities at the time. (a)

Major grants – more than £10,000

The Council has allocated £180,000 to be awarded in the form of major grants for revenue spending only.

These will be awarded for three years at a time every three years 1st April 2016 to 31st March 2019 and will be subject to grant conditions and quarterly monitoring.

Given current constraints on all Council budgets, the Council will not make any allowance for inflation, but will instead set the grant level at the same amount for the three year period.

Projects and services awarded major grants for any period should not assume that they will be awarded grant in future years. Grants will be awarded on the basis of the priorities set at the time and the criteria and assessment process set out in this policy.

Small grants – up to £10,000

The Council has allocated £60,000 to be awarded in the form of small grants. These will be awarded for one year only and will be designed to support new activities and projects. These may be for small capital items such as new equipment or for revenue spending.

The Council is looking to support new initiatives and all applications will be considered on their own merits each year. Organisations which have received a grant in previous years must not assume or plan for a grant to be awarded in the next year.

Priority will be given to projects which are not eligible for funding from Devolved Ward budgets. Those which are eligible will be expected to show that they have applied for support from the Devolved Ward budget in their area.

Priority will be given each year to projects which promote inclusion and the needs of those communities and groups protected under current Equality legislation (Equality Act 2010 and any subsequent amendments.) Higher priority will be given to those projects which are specifically designed to involve protected groups in running and developing services. (e)

Other priorities for funding from the Small Grants programme will be changed from year to year to ensure a fair distribution of funding to different types of project and to ensure that emerging needs are reflected. The priorities for the year ahead will be confirmed during the Spring / Summer of each year for the next year's programme.

Eligibility criteria

Grants will only be awarded to organisations or partnerships which can demonstrate that they:

- Have a need for grant funding. We will not give grants to any organisation with significant uncommitted funds or which itself makes grants to other organisations
- Have sound governance arrangements
- Have sound financial management and plans
- Can demonstrate good value for money and demonstrate a significant use of volunteers in the delivery of their services (b)
- Have clear policies on equality and inclusion covering service users, volunteers and staff and encompassing all those groups protected under the Equalities Act 2010. They must demonstrate that they have designed activities and services which are easily accessed by everyone and address the needs of people on low incomes.

We actively encourage applications from consortia and partnerships subject to a lead organisation taking responsibility for delivery and providing evidence and supporting documents of their eligibility as set out below.

Applications are welcomed from organisations based outside Eastbourne where the service will be delivered in Eastbourne and for the direct benefit of Eastbourne and the beneficiaries will be Eastbourne residents.

Grants may be awarded to groups which are branches of regional or national organisations, subject to the provision of monitoring information in a form to be agreed with the Council that clearly demonstrates how the funding has been used in Eastbourne.

The Council will not fund:

- Major capital works or projects
- Any project that duplicates services already provided and funded elsewhere
- More than one project per organisation. Those in receipt of a Major Grant will not be eligible to apply for a Small Grant. (c)

Procedure for awarding grants

Not-for-profit organisations will be invited initially to submit expressions of interest. These will be checked by Officers and the Grants Task Panel to ensure they meet the eligibility criteria and address the priorities set for that particular year. Those which do will then be invited to submit a full application which must be supported by the following documents required as evidence:

- Constitution / Memoranda and Articles / Terms of Reference
- Statement of accounts / income and expenditure
- Bank statements / Building Society passbook
- Equality and diversity policies

(f)

Only eligible applications will be considered for funding.

Eligible applications will be assessed against the following criteria:

Has the applicant received funding within in the previous three years? If so, is the Grants Task Group satisfied that the organisation has delivered the project and / or services set out in its previous application and grant conditions?

Any application from an organisation which has not delivered against its previous grant to the satisfaction of the Grants Task Group without good reason will not be considered as a priority for further funding.

Eligible applications will be assessed against the following criteria:

- Identified need and strategic relevance – 40%
- Quality – 20%
- Impact – 20%
- Value for Money – 20%

Applications will be assessed and considered by the Grants Task Group against these criteria and the priorities agreed by Cabinet. The Group will then

recommend grant awards to Cabinet at its meeting in February each year, subject to final agreement of Council budgets.

The Grants Task Panel will endeavour to fund all those applications which meet a reasonable standard to spread the benefits of the grants budget as widely as possible. This means the Council is unlikely to award the full amount requested. The level of funding awarded will depend on the quality of applications and the demand for funding. Organisations are expected to use Council funding to lever in additional funds from other sources. (d)

A schedule of grants awarded will be published on the Council's website each year.

Feedback on individual grant applications may be given on request to the organisation concerned. Information on other applications beyond that contained in the schedule will not be shared.

Grant conditions

All grants must be fully spent within the year for which they are allocated and on the costs and activities set out in the grant application.

Very minor changes may be agreed from time to time subject to the funding being used in line with the original application. Any such changes must be applied for to the Council and agreed in writing.

The Council may nominate an elected member to sit on the Board of Trustees of any Major Grant recipient as an observer and an officer of the Council may also attend the Board of Trustees as an observer from time to time. The purpose of the Council's nominated observers is to ensure that the organisation is reporting information that can be used to ensure the Council is receiving best value for the funding input. The nominated observers may challenge the information provided to the Board of Trustees in order to ensure that this is accurate and relevant.

For audit purposes, records must be kept showing how the grant has been spent, along with any relevant receipts or invoices.

Spending on Major Grants must be accounted for separately and open to audit by the Council's auditors.

Monitoring and management information must be provided to the Council at the end of each year or quarter (by the end of the following month), depending on the size of the grant, to an agreed format, as evidence that the organisation is delivering the project or services for which grant has been provided and is on track to deliver the agreed outputs. This information is required as part of the Council's auditing process. Any organisation which does not comply with these conditions may be asked to repay the grant money.

Grant will only be paid when monitoring information has been provided in writing for the previous agreed period - annually for small grants and quarterly on invoice for major grants.

An officer of the Council may visit the grant recipient from time to time to audit the information sources. The Council may also request a review if it wishes to discuss the project or service development and delivery.

Any grant no longer needed (e.g. where a project is no longer viable or alternative funding has been secured which is adequate to deliver the project or service) must be offered back to the Council. The Grants Task Group will decide how any such funds are re-allocated.

Updated July 2014