



SCRUTINY COMMISSION – 26 MARCH 2014

PROVISION AND REFOCUSING OF GRANTS TO COMMUNITY GROUPS

REPORT OF THE CHIEF EXECUTIVE

Purpose of report

1. The purpose of the report is to seek comments from the Commission in relation to the implementation of a new SHIRE Community Grants programme in order to make the required savings in line with the Medium Term Financial Strategy (MTFS), in particular with regards to:
 - (a) The implementation of the SHIRE Community Solutions Grant;
 - (b) The options for implementation of the SHIRE Community Participatory Grant.

Policy framework and previous decisions

2. On 16th January 2013 the Cabinet approved the Communities in Charge programme which provides a policy context for the County Council's activity around Big Society and Localism, building upon the work of the Scrutiny Review Panel on the Big Society in 2010 and 2011. The programme sets out how the Council will work with communities to respond to the current challenging financial environment, including service changes and withdrawals, by building community capacity to contribute to tackling four identified priorities - Supporting Families, Ageing Population, Healthy Communities, and Economic Growth.
3. On 19th February 2014 the Council approved the MTFS including the 2014/15 revenue budget and capital programme. The MTFS includes a £430,000 service reduction in 2014/15 with regards to provision and refocusing of grants to individuals and community groups (S71). The Scrutiny Commission was consulted on this MTFS savings line on 29th January 2014.
4. The Cabinet on 5th March 2014 decided :
 - (a) That the SHIRE Community Environmental Improvements Grant, the SHIRE Community Buildings Grant, the Big Society Grant Fund, and the Community Forum Budgets are discontinued at the end of the current financial year subject to (b) to (d) below;

- (b) That a new SHIRE Community Grants programme be agreed as a replacement for the above grant funds;
- (c) That the SHIRE Community Solutions Grant scheme be implemented at the earliest opportunity;
- (d) That proposals for implementation of the proposed SHIRE Participatory Community Grant scheme be developed for consideration by the Cabinet at its meeting in July 2014.

Background

5. The following Community Grants schemes have been in operation during 2013-14:

Community Grants Programme Grants Scheme	2013-14 Annual Budget	
	Capital	Revenue
Big Society Grant Fund		£340,000
Community Forum Budgets		£320,000
SHIRE Community Building Grant Fund	£100,000	£24,300
SHIRE Community Environmental Improvements Grant Fund		£66,800
Total	£100,000	£751,100

6. Nearly 7,200 people responded to the County Council budget consultation survey in the summer of 2013. 62% of residents felt that grants to community groups could be reduced a great deal or to some extent, with only 13% of residents feeling they should not be reduced at all. This indicated that this service is considered a relative low priority by residents.
7. On the 19th February 2014 the Council approved the MTFs including the 2014/15 revenue budget and capital programme.
8. The MTFs includes a service reduction starting in 2014/15 with regards to provision and refocusing of grants to individuals and community groups. The Capital budget associated with the Community Building Grant fund was retained. The total amount of funding available for community grants schemes from 2014-15 onwards is as follows:

Community Grants programme	2014-15 Annual Budget	
	Capital	Revenue
Total	£100,000	£320,000

Transformation Programme

9. The MTFS sets out the new vision for the County Council to lead Leicestershire by working with communities and partners for the benefit of everyone. This vision is underpinned by strategic imperatives, including 'supporting and protecting the most vulnerable people and communities' and 'offering local communities the opportunities to be in charge.'
10. The MTFS puts forward a new target operating model (TOM) and related new ways of working, key features of which include: 'A focus on prevention and early intervention to reduce demand for services' and 'more community involvement in the delivery of appropriate services'.
11. A new Communities Strategy is being developed and is due to be considered by Cabinet at a future meeting. This Strategy will set out the Council's focus on the role of communities in terms of demand management, specifically building community resilience to enable people to help themselves and others and service devolution i.e. community involvement in the delivery of appropriate services.
12. The refocusing of the provision of grants to communities is in line with the new vision and new way of working set out in the MTFS and will fit in with the ethos of the emerging Communities Strategy.

Refocusing provision of grants to communities

13. The current suite of community grant schemes is part of the Communities in Charge programme's generic offer to 'help communities to help themselves' by providing access to grants funding, advice and training, support for community hubs and opportunities to influence policy and services. The suite is designed to contribute towards the Leicestershire Together outcomes framework generally, and the Stronger Communities outcomes in particular.
14. Community Grant schemes will need to be refocused in line with the ambitions of the MTFS to help deliver the County Council's strategic imperatives for transformation.
15. It has been agreed that the revised focus for the funding should be on:
 - (a) enhancing the capacity of individuals and communities to identify and deliver solutions that enable them to support both themselves and other vulnerable individuals and families, thus reducing demand on public services;
 - (b) supporting the ability and appetite of community groups, social enterprises and the voluntary sector to take over relevant services currently delivered by the County Council and/or or to work alongside the public sector to deliver services.

16. In line with this focus, the key aims and objectives for the provision of grants to communities are therefore:
- (a) Building the capacity of voluntary and community groups to provide sustainable services and activities to help vulnerable people and reduce demand for specialist services;
 - (b) Actively enabling communities to provide preventative and early intervention activities and services that help reduce the need for and dependency on high cost County Council services;
 - (c) Raising community expectations about the potential and ability of communities to help themselves;
 - (d) Gaining insight in what ways communities are able and willing to help themselves and how the Council can encourage, enable and facilitate communities to provide effective prevention and early intervention activity.
 - (e) Supporting communities to explore options and test feasibility of taking over council services.

New SHIRE Community Grants Programme

17. Analysis of projects supported by the current suite of grants schemes (see Appendix A) indicates that the existing grants schemes, in particular the Big Society Grant Fund and the Community Forum Budgets already provide a good foundation from which to develop a refocused community grants programme in line with the above.
18. The participatory Community Forum Budgets programme has been a popular community grant fund, which has worked well as a capacity building entry-level fund. The programme also scores well in relation to relevant outcomes around prevention and early intervention, although the scope is currently broader than the focus required. The reduced funding available however means that it is no longer efficient to use the 25 Community Forums as the basis for allocating funding on an annual basis.
19. The reduced levels of funding available also mean it would no longer be efficient to operate 3 different additional schemes. It is evident that, compared to the Big Society Grant Fund, both the SHIRE Community Environmental Improvements and the SHIRE Community Buildings grants are less clearly contributing directly to outcomes that relate to the revised focus required. The Big Society Fund's emphasis on supporting communities with the establishment of community managed services is clearly in line with the revised focus aims and objective, although the scope of the fund is currently too broad to ensure effective targeting of the reduced funding available.
20. It has therefore been agreed to develop a new, coherent and complementary SHIRE Community Grants Programme in line with the aims and objectives in paragraph 25. This will involve:

- (a) A SHIRE Community Solutions grants scheme for match funding contributions up to £10,000 to support new initiatives to provide and develop preventative and early intervention services that help reduce demand for high-cost services and to support communities wishing to develop alternative services to compensate for service reductions or wishing to take over services that the County Council is no longer able to provide.
- (b) Alongside this scheme there will be a SHIRE Participatory Grants Scheme for grants up to £2,500 to support smaller community projects and build capacity and raise aspirations in communities to deliver sustainable preventative and early intervention activity and services.

21. The financial allocation of funds for 2014/15 and the period covered by the MTFS is as follows:

Community Grants programme	Annual Budget	
	Capital	Revenue
SHIRE Community Solutions Grant Fund	£100,000	£160,000
SHIRE Community Participatory Grant Fund		£160,000
Total	£100,000	£320,000

SHIRE Community Solutions Grant

22. This Grant fund will provide a financial contribution (up to £10,000) to enable community and voluntary groups and not-for-profit organisations, including Parish Councils, to:
- (a) develop sustainable initiatives to provide preventative and early intervention services that help reduce demand for high-cost services;
- (b) develop alternative services to compensate for public service reductions or take over services that the County Council is no longer able to provide.
23. It is envisaged that the funding would be used by groups as match-funding to finance a wide range of related costs, including construction or renovation work required to enable a service to be provided, activities to establish the feasibility and viability of community service provision, start-up costs such as purchase of equipment, training and development of volunteers involved in managing the service.
24. The allocation of funding will be overseen by an independent panel of representatives of funding organisations and community and voluntary

sector organisations. The panel will be chaired by a Cabinet member and will be held several times throughout the year.

25. The application process will include an Expression of Interest stage which will be geared towards adding value to project proposals. As part of the process, relevant service departments will be engaged to ensure the potential benefits to the County Council of final project proposals are maximised.
26. As with all SHIRE Grants, project proposers will be asked to evidence the support of their local Councillor or the relevant Cabinet member in their bid.
27. Detailed guidance and criteria will be developed and agreed in due course in liaison with the portfolio holder to enable the Grant fund to be open for expressions of interest as soon as possible after April 1st 2014.

SHIRE Community Participatory Grant

28. This grant fund will provide a financial contribution (up to £2,500) to enable community groups and small local charities to provide community services and activities, in particular with regards to vulnerable people in the community.
29. The application process and allocation of funding will no longer be linked to the network of 25 Community Forums. It will however continue to be aimed at:
 - (a) Easy access for applicants - including through a straightforward application process and an opportunity for project proposers to present their project in person;
 - (b) Transparency – an open and transparent participatory decision making process;
 - (c) Building Capacity – embedding learning and access to information, advice and support for participating groups in the process.
30. An overview of options for the implementation of the grant has been attached for discussion as Appendix C.

Consultations

31. There will be further informal consultation with Members and key partners as appropriate to inform the proposals for implementation of the SHIRE Community Participatory Grant to Cabinet in July 2014.

Resource Implications

32. The proposals in this report are in line with the MTFS and 2014/15 Revenue and Capital Budgets. The Director of Corporate Resources has been consulted in the preparation of this report.

Timetable for Decisions

33. The Scrutiny Commission was consulted on the MTFS savings line S71 with regards to provision and refocusing of grants to individuals and community groups on 29th January 2014.
34. The Chief Executive, following consultation with the Cabinet Lead Member for Shire Grants will agree, at the earliest opportunity, the implementation of the SHIRE Community Solutions Grant, including detailed criteria, guidance for applicants and the approval process.
35. The comments from the Scrutiny Commission with regards to the implementation of the Community Solutions Grant on 26th March 2014 will be considered in the further implementation of this grant scheme.
36. Cabinet will decide on the implementation of the SHIRE Community Participatory Grant scheme in July 2014 with a view to enable implementation in the autumn of 2014.
37. The comments from the Scrutiny Commission with regards to the options for implementation of the SHIRE Community Participatory Grant scheme will inform further consultation with Members and partner organisations and included in the report to Cabinet in July 2014

Conclusions

38. The Commission is asked to consider:
 - (a) the reduction and refocus of community grants in line with the savings identified in the Medium Term Financial Strategy (MTFS) as set out in this report;
 - (b) The implementation of the SHIRE Community Solutions Grant;
 - (c) The options for implementation of the SHIRE Community Participatory Grant.

Background Papers

Medium Term Financial Strategy 2014/15 – 2017/18 approved by the County Council on 19 February 2014.

Circulation under the Local Issues Alert Procedure

39. None

Officers to Contact:

Derk van der Wardt, Team Leader Communities & Places

Tel: 0116 305 7581

Email: derk.vanderwardt@leics.gov.uk

Nicole Rickard, Interim Head of Policy & Communities

Tel: 0116 305 6977

Email: Nicole.rickard@leics.gov.uk

List of Appendices:

Appendix A – Analysis of current Community Grants Schemes and projects awarded funding in 2012/13 and 2013/14

Appendix B – Draft Equalities Impact Assessment report

Appendix C – Options for implementation of the SHIRE Community Participatory Grant

Equal Opportunities Implications

40. A draft Equalities Impact Assessment has been completed and will be considered by the County Council's Departmental Equalities Group on 25 March 2014. A copy of the draft report is attached as Appendix B.
41. Key findings are that reduced funding availability will inevitably lead to reduced access to grant funds for community and voluntary groups across the county. If implemented without mitigating changes to the aims, objectives, criteria and assessment processes of replacement schemes, this will disproportionately disadvantage groups representing young people, older people, vulnerable people as well as rural and disadvantaged communities in terms of access to funds to achieve benefits for these groups.
42. Mitigation of this potential differential impact will be considered carefully in the development and design of the aims, objectives, criteria and assessment processes for the new SHIRE grant schemes and in the design of the proposed Community Capacity Building service (see paper on Reduction in funding and support for agencies). There will be no retrospective reduction in grants provided to Groups which have already received such funding and the Equalities Impact Assessment does not therefore address the position of those Groups.

Risk Assessment

43. The reduction in the Community Grants budget will inevitably lead to less community groups being able to access funding to deliver their community projects. Whereas this does not present a direct risk to the County Council, it will mean there is less funding available to support community groups in developing activities and services that prevent

people from needing to access high cost public services, including those delivered and/or commissioned by the County Council. To minimise the risk of increased costs to the County Council, the new SHIRE Grants Schemes will prioritise projects that will help to reduce demand on County Council services.

44. The current SHIRE Community Environmental Improvements and SHIRE Community Buildings Grant schemes both also include an element of advice provision as part of the application and approval process. Feedback from applicants suggests this element is highly valued. Many of the beneficiaries of the Environmental grant have been schools. It is therefore proposed to provide a limited signposting and advice service for schools wishing to enhance the environment of the school grounds. Community Buildings will continue to be key venues from which preventative and early intervention activities and services can be provided. To enable new services to be provided, building works are often required. It is therefore proposed to retain a community buildings advice service linked to the new community grants programme.

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