

HAVANT BOROUGH COUNCIL

SCRUTINY BOARD

GRANTS SCRUTINY UPDATE REPORT

Report by the Service Manager (Community)

Economy and Community Cabinet Lead: Councillor Yvonne Weeks

Key Decision: N/A

1.0 Purpose of Report

1.1 To present an update to the Panel of progress made following the Grants Scrutiny review carried out in 2011 by the Economy and Communities Scrutiny Panel.

2.0 Recommendation

2.1 That the Board considers the report and notes progress to date in taking forward the recommendations arising from the Grants Scrutiny report.

3.0 Context

3.1 The purpose of the scrutiny of grants to voluntary and community organisations was to ensure that grants were being awarded to organisations that contributed towards the council's corporate priorities and achieved the objectives of the Localism Bill and Big Society agenda

3.2 The scrutiny focused on all grants paid under a Service Level Agreement and other grants not defined by a SLA such as the Community Board one-off grant, the Community Development budget and the events budget

3.3 The scrutiny did not include the following:

- Horizon Leisure Trust funding: this is not given as a grant but is wrapped into a maintenance agreement
- Disabled Facilities Grants: government allocated funding with little discretion to adjust for the council
- Apex Centre grant: new system in place for allocating funding
- Discretionary rate relief: review when government position is clearer
- Business start up grants: excluded as funded from LABGI

3.4 The key objectives of the scrutiny were:

1. Understand the value of organisations and what they are actually delivering for the council
2. Understand how organisations are future proofing themselves – how are they going to realise savings and how are they sourcing other funding

3. Recommendation on the allocation of grants and the level of savings that should be sought
 4. Identifying the hidden costs to the council of grant funding work
- 3.5 The panel commissioned officers to undertake background research into each organisation, which was then followed up by a series of visits from the Panel members, the reports from which informed the conclusions of the review.
- 3.6 The scrutiny recommended the following:
- I. the current grants paid for 2012/13 as per the attached schedule (Appendix A) be amended;
 - II. current grant recipients be formally advised that their grant level may change subject to agreement of Cabinet at their meeting scheduled for 8th February 2012 as per the Compact Agreement;
 - III. officer time is allocated to develop new Service Level Agreements for all grant recipients which reflect council objectives and to implement robust monitoring arrangements;
 - IV. three year Service Level Agreements for Large (above £60k per annum) and Medium (between £15-59k per annum) sized grants be introduced;
 - V. the frequency of grant payments to reduce internal administration and assist with cash flow for grant recipients be amended;
 - VI. officers continue to facilitate new partnership opportunities across the borough and to support and help build the capacity of the voluntary sector including assisting groups and organisations to locate the space they need to undertake their activities in the borough.
 - VII. an in-depth review during 2012/13 be carried out to consider new arrangements which allow other organisations to apply for funding from the council.

4.0 Progressing items

Level of grant awarded

- 4.1 Since the original scrutiny was undertaken in 2011, the country has been going through a period of austerity and this has had a significant impact on the Council's budget, and hence an impact on the grants awarded to voluntary and community sector organisations.
- 4.2 As a consequence, the number of organisations supported by grant funding has been reviewed. As part of the budget setting process for the 2013/14 financial year, Cabinet agreed to reduce the smaller grants to zero over a two year period which included Off the Record, Victim Support, Rape Crisis and Relate in addition to the two remaining grant

funded council owned community centres (Leigh Park Community Centre and The Acorn Centre). These grants are due to finish at the end of the 2014/15 financial year.

- 4.3 The Cabinet wished to retain grant support for organisations that deliver services across the borough which play a part in achieving the Council's corporate objectives. Those organisations have a Service Level Agreements with the Council and are Citizens Advice Bureau, Community First HEH, the Spring Arts & Heritage Centre and Making Space (Appendix A)
- 4.4 These organisations received no reduction in grant for 2014/15 but the level of their grant award will be revisited as part of the budget process for 2015/16.

Service Level Agreements

- 4.5 Given the financial challenges still facing the Council, Service Level agreements continue to be operated on an annual basis. The Community Team Leader meets on a regular basis with recipients of these grants to discuss performance.

Frequency of grant payments

- 4.6 The frequency of grant payments to Community First HEH and The Spring have been reduced in order to assist with cash flow and reduce the administrative work for the Council. Those grants are now paid on a 6 monthly basis, in June and December each year. Further work is underway with Making Space and CAB to move from quarterly to six monthly payments.

Facilitating new partnership opportunities

- 4.7 The Community team continues to work with voluntary organisations to support and help them to deliver their services in the borough. Some recent examples of this work are:
- Supporting community groups to secure premises in Bedhampton and Waterlooville to deliver "Men's Sheds" projects in both areas
 - Working with Big World Impact to secure premises in Leigh Park
 - Supporting Emsworth Community Centre in securing funding for the extension to their building which will enable them to offer facilities for learning disability groups
- 4.8 Officers within the Community Team work with Hampshire County Council to encourage greater collaboration between voluntary sector organisations.

In-depth review

- 4.9 Given the current financial challenges, and the reduction in the grants budget, it has not been possible to invest grant funding in new and different organisations.

5.0 Implications

5.1 Resources:

There are no financial implications arising from this update.

5.2 Legal:

None arising from this report

5.3 Strategy:

Ensuring the Council receives value for money in its awarding of revenue grants contributes towards the Council's objective of achieving financial sustainability.

5.4 Risks:

There are no risks associated with this update

5.5 Communications:

Ongoing communication takes place between the Council and grant funded organisations to ensure an effective and efficient service is delivered to the community

5.6 For the Community:

An efficient voluntary sector will provide an effective service to the community

5.7 The Integrated Impact Assessment (IIA) has been completed and concluded the following:

- This service has a positive impact on the health and wellbeing of all aspects of the community
- The service ensures that those at an economic disadvantage are given the opportunity to participate
- The volunteering aspect of the services contributes to the development of skills, training and employment of individuals

6.0 Consultation

6.1 The Economy & Communities Scrutiny Panel undertook extensive consultation with grant funded organisations and that has informed the work that has subsequently taken place with those organisations.

Appendices

Appendix A - HBC Grant funding 2014/15

Background Papers:

Economy & Communities Panel Grant Scrutiny Review Report to the Scrutiny Board November 2011

Agreed and signed off by:

Legal Services: 04/11/14

Executive Head of Governance & Logistics: 24/10/2014

Executive Head (Economy & Community): 29/10/14

Portfolio Holder Cllr Yvonne Weeks: 29/10/14

Contact Officer: Claire Hughes

Job Title: Service Manager (Community)

Telephone: 023 9244 6633

E-Mail: Claire.hughes@havant.gov.uk