

Crawley Borough Council

Report to Overview and Scrutiny Commission

1 February 2021

Cabinet

3 February 2021

Community Grants Future Options

Report of the Head of Community Services, HCS/24

1. Purpose

- 1.1 The purpose of this report is to agree the approach to funding the Voluntary and Community Sector for 2021/22. It sets out the principles for doing so and the outcomes the Council is seeking to achieve.

2. Recommendations

- 2.1 To the Overview and Scrutiny Commission:

That the Commission consider the report and decide what comments, if any, it wishes to submit to the Cabinet.

- 2.2 To the Cabinet agree:

- 1) the funding intentions and associated outcomes for the future programme as outlined in section 5.
- 2) the process for allocating funding as outlined in section 5.
- 3) the process for approving grant allocations and appeals process in 2021/22 and 2022/23 as outlined in section 5.

3. Reasons for the Recommendations

- 3.1 The recommendations support the Council to achieve a balanced budget position for 2021/22 onwards whilst retaining sufficient revenue funds to deliver a high quality outcome focused commissioning and small grants programme that can better respond to our community's needs.
- 3.2 They also take into account the needs of the organisations that we currently fund and allow us to support them through a transition period, as appropriate to their individual circumstance.

4. Background

- 4.1 The Council currently provides a community grants programme with a comparatively generous annual budget pot of £632,000. The programme funds twenty two

Voluntary and Community sector organisations to deliver a broad variety of services, activities and one off events. Grants range from £2,500 to £140,000.

- 4.2 As part of the budget setting process for 2021/22, the Council has stated its intention to reduce the overall community grants pot by £211,000 (one third) and retain a pot totalling £421,000. This contributes to the Council achieving a balanced budget position as part of its [Budget Strategy 2021/22 - 2025/26 FIN/508](#).
- 4.3 It has also been recognised that the Council's funding of the Voluntary and Community Sector required review. The approach has remained largely unchanged over the past decade or so. With Crawley facing unprecedented economic challenges in the wake of the Covid-19 pandemic, there will be social challenges facing the town that require new approaches and capacity. This will require the Council to develop a much more targeted approach in its funding of the sector to meet existing and emerging need.
- 4.4 The provision of a one-off 'Lower Tier Services' government grant allocation within the recent [Provisional local government finance settlement](#) as outlined elsewhere on this agenda in the Budget and Council tax report FIN 514 section 5.5.2 has afforded the Council the opportunity to make 2021/22 a transitional approach in allocating funding for the Voluntary and Community Sector. In doing so the Council aims to move fully to a new commissioning stance from 2022/23.
- 4.5 A transitional year allows the Council to work with all organisations and support them through the change. Different organisations will have differing levels of resilience to change, for instance the organisations funded currently have a combined unrestricted reserves pot of around £3.8 million, albeit the provision made within each organisation varies greatly. This approach also allows the Council to fulfil any contractual obligations, specifically to provide an allocation of £140,000 to Citizens Advice in 2021/22.
- 4.6 The process of engagement with all funded groups has begun. Officers have met with every funded organisation to facilitate a high level conversation around potential changes to the community grants programme and the impact of various funding reduction scenarios.

5. Proposals

It is proposed that the Council apply the following principles to achieve a successful transition from the current programme model and funding to the new arrangement;

- 5.1 Treat 2021/22 as a transitional year given the status of the Citizens Advice contract, availability of the one off government grant and the timeframe available for implementation.
- 5.2 Fully implement the new commissioning and small grants programme from 1 April 2022.
- 5.3 In 2021/22, prioritise those organisations that we currently fund, that deliver to the new outcomes framework.
- 5.4 Cease funding to organisations with sufficient unrestricted reserves that are not delivering to the new outcomes framework, after 31 March 2021.
- 5.5 Provide 50% funding (pro rata) up until 1 September 2021, to organisations without sufficient unrestricted reserves that are not delivering to the new outcomes framework, after which funding ceases.

- 5.6 A small grants fund will also be available to all organisations.
- 5.7 All organisations will be supported with a clear transition plan working towards 2022/23 when new arrangements are introduced in full.

Future Commissioning and Small Grants Funding Model

It is proposed that the Council;

- 5.8 Adopt a commissioning model linked to agreed outcomes, with an associated funding pot totalling £371,000.
- 5.9 Retain a small grants pot totalling £50,000, to be used as part of a 'crowd funding' approach. Officers are in discussion with West Sussex County Council regarding the potential to expand our use of the 'Spacehive' platform for this purpose. The Council already uses Spacehive to allocate Community Infrastructure Levy funding.

Who will our future funding programme focus on?

- 5.10 The current national landscape, shaped by the Covid-19 pandemic, is unpredictable and uncertain. This sits alongside the complex and historic issues already impacting some residents in the town. What we do know is that the needs of our residents and wider communities are evolving and the future funding programme will need to respond positively and robustly.
- 5.11 The commissioned services programme will focus on the following;
- **Known Vulnerable:** might include residents or communities already accessing a number of Council services such as Housing Benefit, Council Tax Reduction, Assisted Bins, Sheltered accommodation, Covid-19 Shielded Cohort. They may already access Council services and/or Council grant funded organisations.
 - **Emerging Vulnerable:** might be residents / communities less known or unknown from existing services, but is likely to include those newer groups and communities who are emotionally, socially, economically disadvantaged either previously or as a direct result of the direct or related impacts of Covid-19.
 - **Future Vulnerable:** this group are those residents/communities who are waiting in the wings if our early intervention and prevention model is passive or reactive. These are today's young and tomorrow's contributing adults.
 - **Voluntary & Community Sector:** this is the network of non-statutory, not for profit organisations and groups whose primary purpose is to deliver community impact.
- 5.12 Breaking the cycle is a critical element so that whilst we support those who are vulnerable now and in the medium term, we will also invest in third sector organisations that can help create more resilient, healthy and empowered individuals and communities.
- 5.13 Services will typically be commissioned for a 2 – 5 year period.
- 5.14 The outcomes we will use for the transitional year are as follows;

Known Vulnerable

- Reducing homelessness and the impact of homelessness
- Improving health and wellbeing outcomes for those with a dementia diagnosis and their carers

Emerging Vulnerable

- Bringing people closer to the job market and securing employment
- Reducing domestic abuse and violence
- Narrowing inequalities within our diverse community

Future Vulnerable

- supporting those who have experienced adverse childhood experiences to increase educational attainment and achievement and improve social mobility

5.15 All commissioned services will need to include elements that support the mental health and wellbeing of their target client group, using the principles of [Five Ways to Wellbeing](#).

5.16 The small grants programme will have a focus on;

- Fostering greater levels of community connectivity and cohesion

5.17 This fund will be used as a contribution to other fund raising endeavours, such as crowd funding or other grant providers.

Processes and Procedures

5.18 Officers will fully develop a new commissioning and small grants model, with the associated management system, operational procedures and scoring criteria, in readiness for implementation on 1 April 2022.

Grant Awards - Decision Making & Appeals process

5.19 The Council's Constitution makes provision for the Cabinet Member for Public Protection and Community Engagement to determine applications for main grants (i.e. currently above £5,000) by voluntary organisations in accordance with the criteria previously agreed by the Cabinet.

5.20 The Council's constitution also makes provision for the Grants Appeals Panel Functions (pages 25-26) which will be applied in 2021/22.

5.21 For 2022/23 onwards, we will be reviewing the entire process which will include the appeals process. Any proposed changes will be agreed through formal channels.

Voluntary and Community Sector

5.22 Recognising the scale of change these proposals will bring, each organisation will be offered support, appropriate to both need and proportionality, to:

- connecting VCS organisations with the people, partners and resources they need from all sectors to deliver social change
- ensuring the voice of the community and its lived experience is represented through the work of the voluntary and community sector

- supporting VCS organisations to be resilient and sustainable by developing and delivering an effective, high quality membership offer that provides infrastructure, training, research, consultancy and practical and strategic support to their members
- facilitating a town wide culture of “giving” through the management of an engaging and effective volunteering programme
- leveraging in funding from multiple sources to grow capacity across the sector

6 Implications

6.1 Financial

Report FIN/514 2021/2022 Budget and Council Tax, section 6.4 and Table 5 outlines the long term savings requirement of £212,000, however, as outlined in paragraph 4.4 above, the windfall ‘one off’ Lower Tier Services Grant allows a transition, with a savings requirement of £120,000 in 2021/22. This enables a transition period as outlined above.

6.2 Legal

The Council has entered into a three year contract with Citizens Advice that is due to expire at the end of 2021/22. The third year funding will need to be honoured to avoid any legal and reputational implications for the Council.

6.3 Equalities

An Equalities Impact Assessment will be completed as part of the 2021/22 funding allocation process and will be provided to the Cabinet Member Public Protection and Community Engagement to support the decision making process.

7 Background Papers

[Budget Strategy 2021/22 - 2025/26 FIN/508 Cabinet 25 November 2020](#)
[Provisional local government finance settlement England 2021 to 2022](#)

Report FIN/514 2021/2022 Budget and Council Tax (elsewhere on this Agenda)

Report author and contact officer:

Kate Wilson, Head of Community Services (01293) 438621

kate.wilson@ Crawley.gov.uk