Report Number: SWT 104/21

Somerset West and Taunton Council

Full Council – 7 December 2021

Review of Voluntary and Community Sector Grants

This matter is the responsibility of Executive Councillor Member Cllr Booth

Report Author: Scott Weetch, Community Resilience Manager

1. Executive Summary / Purpose of the Report

To report on the results of the Member's Working Group regarding the Annual Review for Voluntary and Community Sector (VCS) Grants and make future spending proposal.

2. Recommendations

2.1 To agree schedule of grants set out within the table 'Proposed Voluntary and Community Sector Grants 2022/23' in section 6.2 below

3. Risk Assessment (if appropriate)

3.1 There is a risk of misuse of awarded funds by a third-party organisation or intended initiatives proposed not being successful or hitting issues during delivery. This is mitigated by existing monitoring arrangements.

4. Background and Full details of the Report

4.1 A cross-party Members Working Group was established following a recommendation approved at Full Council on 23rd February 2021. The remit of the group was to work with officers to ensure that clear funding criteria are in place for future work with the Voluntary and Community Sector beyond March 2022. This report and the findings of the Working Group fulfil the obligation created at Full Council.

4.2 The Members' Working Group met from late July until mid-September 2021. Details of the Terms of Reference and the Working Group Scoping Document are in the Appendices to this report.

4.3 The members of the Working Group were Cllr Booth (chair); Cllr Lisgo; Cllr Stock-Williams; Cllr Sue Lees; Cllr Wakefield; Cllr Johnson; Cllr Whetlor; and Cllr Blaker

4.4 The agreed aims of the group are set out in the Scoping Document which is appended but reproduced here:

- Seek to review current funding arrangements (i.e. understand what is currently funded and why)
- Set out objectives in new funding arrangements (i.e. set parameters for how the budget of £213,542 is to be used e.g. money and debt advice; geographic split

- Consider parity across geographic areas, not just monetarily but for example equal provision.

4.5 The Working Group was taken through the existing funding and recipient organisations. These are set out under the second table at 6.2 titled 'Voluntary and Community Sector Grants awarded 2021/22'.

4.6 The Group felt it would be beneficial to further understand the work of the recipient organisations and a number were invited to present to the Group to outline their work and the resultant benefits to the Council and wider community.

4.7 In addition, the Grants Case Manager provided information and overview of the organisations in receipt of funds, purpose of the funding, which of the Corporate Priorities were met, the award amount and the geographic area covered.

4.8 Existing grant agreements were outlined to Members including agreed end dates.

4.9 The Working Group further sought to understand the effects of short-term provision on funded groups and the need for longevity on funding where possible. In particular, it was felt the move to a Unitary authority could have a detrimental effect on funding if agreements were not in place to secure the future.

4.10 The Group concluded that although radical change was possible, in general, those in receipt of funding and the agreed outcomes were in line with both budget and community need, in particular around debt and benefit advice (Citizen's Advice Bureaux), support for ensuring the continued use of volunteers (the work of Spark) and wider community support.

4.11 Changes to the current levels of funding for many of the organisations that rely upon this support could have long lasting detrimental effects for the groups and the communities that they support.

4.12 Therefore the following options were considered:

1: Discontinue small grants scheme: As there is already a small grants scheme available via Somerset West Lottery, the VCS small grants scheme could be discontinued saving £20,000.000.

2: Return Somerset West Lottery community fund to in-house management: the Somerset West Lottery community fund could be brought back to be managed in-house by the Grants Case Manager saving £2,000.00 (at 2021/22 figures).

3: Return Partnership grants fund to in-house management: This arrangement along with all the above were a three-year pilot from 2017 and are already out of contract so could be brought back in house to be managed by the Grants Case Manager saving £1,560.00.

For both options 2 and 3, the Grants Case Manager has expressed that there is a duplication of work in sending the work to Somerset Community Foundation and the same verification is being carried out on both sides of the coin. Often, it is the Council's prompt that is ensuring adequate action is taken and therefore this work will be more efficient if returned to the Council.

In summary the Council could opt to save either a total of **£20,000** by discontinuing the small grants scheme, save a total of **£22,000** by also managing the SWL community fund or save a total of **£23,560.00** by opting for all 1, 2 & 3 options in this summary.

4.13 In addition, it was noted that £2,700 of the funding given to the Community Council for Somerset was to cover work relating to the Community Infrastructure Levy. It was understood that this work was now returning to an officer of the Council and therefore, this amount could produce a saving.

4.14 The Working Group agreed and recommended that
- all three options outlined at 4.11 be agreed – total £23,560
- additional work paid to Community Council for CIL be ceased – total £2,700
- following governance checks with grant recipients, any irregularities be further investigated, and an opportunity given to regularise the position. If, following this, concerns remained, then funds would no longer be allocated to any non-compliant scheme and consideration given to allocation elsewhere.

4.15 The net effect of the agreed changes was to increase the budget from £213,542 to £217,102. This is because the £20,000 small grants fund and £2,700 to Community Council for Somerset were already allocated within the £213,542. The additional £3,560 was raised from returning some administrative function carried out by Somerset Community Foundation in house as described.

4.16 Funds that now needed to be reallocated amounted to £26,260.

Recommended action	Rationale	Net effect on budget
Removal of £20,000 small grants scheme	There is provision within the Somerset West Lottery scheme for players to allocate their ticket price to local community schemes. In 20/21, this totalled in excess of £20,000.	£20,000 to be reallocated
Removal of £2,700 from grant to Community Council for Somerset	This funding was to cover Community Infrastructure Levy work. This will be brought back in house	£2,700 to be reallocated
Return Somerset West Lottery community fund to in-house management	Work carried out by Somerset Community Foundation but often duplicated and can be managed within existing resources.	£2,000 to be reallocated
Return Partnership grants fund to in-house management	As above	£1,560 to be reallocated
Total		£26,260

4.17 Proposals for reallocation were considered by the group and agreed that:
- An additional £4,000 be allocated to Homestart to take their total to £5,000
- An additional £4,000 be allocated to CLOWNS to take their total to £5,000

- The remaining £18,260 be allocated equally to Citizens Advice Bureau Taunton and West Somerset

Recommended action	Rationale	Net effect on budget
Additional £4,000 to Homestart West Somerset	Honours previous commitment that had been unable to be met in previous spending rounds	£4,000 allocated
Additional £4,000 to CLOWNS	As above	£4,000 allocated
Additional £9,130 to Citizens Advice Taunton	Support ongoing work for those with most complex needs. Request from CAB for additional funds in line with last year's additional agreed amount (£22,500 each Bureau) was supported by Members if it could be agreed within budget. See 4.18 below.	£9,130 allocated
Additional £9,130 to Citizens Advice West Somerset	As above	£9,130 allocated
Total		£26,260

4.18 Members of the Working Group felt strongly that if any funds were freed as a result of continued due diligence work or if underspends were identified that could be allocated in this area, then they had a strong preference for allocating them to the two Advice Bureaus in the first instance.

5. Links to Corporate Strategy

5.1 Homes and Communities - Engage with the voluntary sector in their mission to help support our communities.

6. Finance / Resource Implications

6.1 Existing funding arrangements and agreements are in place until March 2023 unless varied by either party.

6.2 The table below describes the outcome of the Members' Working Group discussions and agreement as outlined in section 4. The budget will be subject to ongoing checks to ensure compliance within agreed parameters.

Proposed Voluntary and Community Sector Grants 2022/23

Project	Amount
Citizen's Advice Taunton	£84,562
West Somerset Advice Bureau	£39,730
Wiveliscombe Area Partnership	£28,710
Spark	£23,500

Village Agents	£20,000
CLOWNS	£5,000
Homestart	£5,000
Community Council for Somerset	£2,700
Compass Disability Services	£2,700
North Taunton Partnership	£2,000
Taunton East Development Trust	£2,000
Fuse	£1,200
Totals	**£217,102**

6.3 The Table below describes the funding agreed by Full Council on 23rd February 2021 for the 2021/22 financial year.

Voluntary and Community Sector Grants awarded 2021/22

Project	General Fund
Citizen's Advice Taunton	£75,432
CLOWNS (WS)	£1,000
Community Council for Somerset	£5,400
Compass Disability Services	£2,700
Spark (TD)	£22,500
Spark (WS)	£1,000
Fuse	£1,200
Homestart (WS)	£1,000
North Taunton Partnership	£2,000
Taunton East Development Trust	£2,000
West Somerset Advice Bureau	£30,600
Wiveliscombe Area Partnership	£28,710
Village Agents	£20,000
VCS Small Grants Fund (SCF)	£20,000
Citizen's Advice Taunton and West Somerset (one off funding, 50/50 split)	£45,000
Totals	**£258,542**

6.4 The Table below describes the administration charges paid to Somerset Community Foundation in 2021/22 financial year. It is proposed to return the first two lines of administration in house to save £3,560 and reallocate to organisations as described in section 4 and table at 6.2.

Administration and Monitoring Costs 2021/22

Project	Total Awarded
SCF administration of SLAs	£1,560
SCF administration of small grants	£2,000
Somerset West lottery admin fees*	£2,400
Licensing fees Gambling Commission	£350
Totals	**£6,310**

*Does not impact on Council budgets as taken from Lottery ticket sales

6.5 **Section 151 Officer Comments**

The outcome of this work delivers on the scope of the working group, which was not targeted with delivering financial savings. The group and officers have clearly given good consideration to value for money in delivering the grants scheme and made good recommendations in terms of options for cost efficiency.

The Executive has been reminded that whilst the recommendations of the Working Group is to consider options for reinvesting identified savings within the VCS grants scheme it is important that Members consider the Council's Financial Strategy and significant underlying budget gap as identified within the Medium Term Financial Plan for 2022/23 and beyond. The early draft budget estimates (see Financial Strategy report to Executive 21 July 2021) rely on planned use of one-off funds to balance the budget in 2022/23 (including £1m from General Reserves and £2.7m from Earmarked Reserves), which is not financially sustainable. There is also a risk the previously reported budget gap will grow for example with fees and charges income remaining below budget and therefore increasing financial pressures in 2022/23 and later years. The Executive may want to consider the opportunity through the budget process to use identified savings in this report as a sustainable contribution towards the significant budget gap next year.

7. Legal Implications (if any)

7.1 There are no legal implications if current funding is maintained. If funding levels are changed or removed, there are notice periods to be served on existing agreements. Notice will be served on those organisations who have a variation to their funding.

7.2 Existing funding agreements with individual parties are monitored and reported on a regular basis to ensure agreed standards are met.

8. Climate and Sustainability Implications (if any)

8.1 No anticipated impacts

9. Safeguarding and/or Community Safety Implications (if any)

9.1 None

10. Equality and Diversity Implications (if any)

10.1 A full EIA is not required because the recommendation is to maintain existing levels of service provision.

10.2 The support provided to the VCS by this funding helps to promote equality and diversity and increases social cohesion through the maintenance of social capital – i.e. it helps the community to grow together by connecting and improving existing links.

11. Social Value Implications (if any)

11.1 The Public Services (Social Value) Act came into force on 31 January 2013. It requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.

11.2 Clearly, the continued funding of the VCS Grants scheme will ensure that greater social value is gained through the nature, breadth and scope of the work that they are undertaking and the communities and individuals that they support.

12. Partnership Implications (if any)

12.1 None

13. Health and Wellbeing Implications (if any)

13.1 The VCS Grants scheme has far reaching consequences for health and wellbeing. This includes individual and families' ability to sustain tenancies; support for mental health; debt and benefit advice; employment and careers advice. The inability of an individual or family to secure and maintain work or a home with have impacts on their immediate health and wellbeing as well as the potential for a knock on into other areas of care and support such as GP surgeries, housing and homelessness if not addressed.

14. Asset Management Implications (if any)

14.1 None

15. Data Protection Implications (if any)

15.1 None

16. Consultation Implications (if any)

16.1 If the Council does not agree with the recommendations outlined, there will need to be a period of consultation and engagement with the beneficiaries of grants in line with contractual agreements, which states that a minimum of 3 months' notice of a termination of contract shall be given.

17. Scrutiny/Executive Comments / Recommendation(s) (if any)

17.1 Community Scrutiny met on 28th October 2021. The meeting were widely in agreement with the work and conclusions of the Members' Working Group. They particularly wished to highlight their concern for the future funding arrangements of these organisations as the authority move towards unitary status.

Democratic Path:

- **Scrutiny / Corporate Governance or Audit Committees – Yes**
- **Executive – Yes**
- **Full Council – Yes**

Reporting Frequency: Ad-hoc

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