

The Vale of Glamorgan Council

Cabinet Meeting: 3rd April 2017

Report of the Leader

Strong Communities Grant Fund

Purpose of the Report

1. To seek Cabinet approval for the establishment of a Strong Communities Grant Fund.

Recommendations

1. That Cabinet note the content of this report and the reference from the Voluntary Sector Joint Liaison Committee relating to this matter (8th February 2017).
2. That Cabinet approve the proposed approach to the development and operation of the Strong Communities Grant Fund as described in this report.
3. That Cabinet approve the commencement of the Strong Communities Grant Fund during the 2017/18 financial year.
4. That Cabinet receive an update on the operation of the Grant Fund at the end of the 2017/18 financial year.

Reasons for the Recommendations

1. To enable Cabinet to consider the way in which the Strong Communities Grant Fund would operate and to take into consideration the views of the Voluntary Sector Joint Liaison Committee in reaching a decision.
2. To enable the Strong Communities Grant Fund to be developed and operated as described in this report.
3. To enable the Strong Communities Grant Fund to begin operation in the 2017/18 financial year.
4. To provide Cabinet with an evaluation of how the Fund has operated in the first year and to consider any changes required.

Background

2. In October 2016, Cabinet approved a series of recommendations regarding grants to community and voluntary organisations.

3. These recommendations included, as a basis for consultation and further development, that the Small Community Grants and Voluntary Action Scheme Grants be replaced with a new Community Grants Scheme from 2017/18. To enable this to happen in a timely way, Cabinet approved proposals regarding the operation of these schemes for the remainder of 2016/17. Cabinet agreed that proposals should be developed with regard to ways of operating a Community Grants Scheme and that the Voluntary Sector Joint Liaison Committee should consider options ahead of a further report being brought to Cabinet for consideration in due course. This report provides Cabinet with a description of the work undertaken to date and sets out a proposal for the operation of a new Community Grants Scheme, the Strong Communities Grant Fund.

Relevant Issues and Options

Criteria for Review of the Grant System

4. The October 2016 Cabinet report set out a series of criteria by which to evaluate the operation of any future Community Grants Scheme, to enable it to be consistent with the Council's Reshaping Services programme and associated Effectiveness of Spend project. The criteria are:
 - To ensure any schemes funded from the Council's grant allocations contribute to the Council's priorities, as set out in the Corporate Plan including linkages with the Well-being of Future Generations (Wales) Act and the Council's transformational Reshaping Services change programme;
 - To ensure the maximum value is derived from this (and other sources of) funding and decisions are made in a consistent and informed way (i.e. the way the Council's grant funding is approved, administered and spent);
 - To ensure that grant funding can be coordinated with other sources of funding in order to make best use of available funding within the context of decreasing Council finances; and
 - To leverage alternative sources of supplementary funding, including how the third sector, other partners and Council departments can work together.
5. Proposals for the way in which the Strong Communities Grant Fund could operate were referred to the Voluntary Sector Joint Liaison Committee in February 2017 as a basis for discussion as to how the fund could operate. The criteria above were used to evaluate the proposals. The report to the Committee is referenced in the Background Papers of this report. The minutes from the Committee's meeting can be found in [Appendix A](#).
6. The discussion at the Committee was extremely useful in identifying a series of additional areas for consideration in developing proposals for the grant fund. The Committee's discussions related to the level of available funding, the proposed governance/decision making arrangements, the breadth of organisations that would have access to the fund and ensuring access to the fund is as efficient as possible for all parties concerned.
7. The views of the Committee have been considered and reflected in the proposals for the Strong Communities Grant Fund which is described below.

The Strong Communities Grant Fund

8. The purpose of the Strong Communities Fund is to enable community groups, the voluntary sector and town and community councils to apply for revenue and capital funding that promotes initiatives within the Vale of Glamorgan consistent with the Council’s vision of “Strong communities with a bright future”.
9. Eligible schemes would include those which are seeking funding to:
 - improve the resilience of organisations/groups or their activities by funding activities which add value to their current work and reduce their reliance on grant funding in the future;
 - provide seed corn funding towards initiatives that can demonstrate longer term sustainability;
 - undertake consultation, feasibility, design and other specialist work to develop proposals for future activity and funding bids;
 - meet the capital costs of schemes by purchasing plant, machinery, equipment or other assets or undertaking maintenance work that would enable viable services to be provided, for example, through increased income generation potential.
10. Applications solely for the funding of core costs of an organisation would not be eligible. Funding towards activities that generate funding to cover these costs would be considered.
11. Applications from Town & Community Councils for revenue funding will only be considered where these demonstrate that they are a joint bid with a voluntary/community group.
12. The eligibility criteria would be developed by the Evaluation Panel and publicised to prospective applicants.

Scope

13. The purpose of the Strong Communities Grant Fund is intended to streamline the way in which community grant funding is managed by the Council. The Council makes a series of direct grants (described as “corporate grants”) as detailed in the Financial Implications section of this report and no changes are proposed to these arrangements as a result of this report.
14. The Council also currently manages a series of other “community grants” which are the Voluntary Action, Small Community Grants, Community Action Self Help and Christmas Grants schemes. It is proposed that the scope of the Strong Communities Grant Fund would incorporate the following funding streams (shown with indicative individual funding levels for 2017/18):

Small Community Grants Scheme	£100,000	Revenue
Voluntary Action Scheme Grants		
Christmas Grants	£12,000	Revenue
Community Action Self Help (CASH) Scheme	£30,000	Capital
Total	£142,000	

15. In combining the current schemes, it is proposed that a more coordinated approach could be taken to funding in this area. It would also improve the linkages with local communities, via a range of community/voluntary groups and Town and Community Councils. In doing so it is considered that the ability to leverage other sources of funding would also be increased, as proposals would be more consistent and focused as to what they seek to achieve. The combining of the funds opens up the option of capital funding to the Voluntary Sector. In some communities where there are limited numbers of appropriate community groups, Town and Community Councils will have the opportunity to bid for revenue funding only where they can demonstrate that the application is a collaborative one, whereby that Council is working in partnership with a community/voluntary group. This reflects the concerns that were raised at the Voluntary Sector Joint Liaison Committee relating to enabling applications from Town and Community Councils for funding which is currently only available to the voluntary sector.
16. In addition to the above funding sources, it is proposed that Section 106 Community Facilities funding (and where applicable and relevant, other Section 106 funding, for example, community transport or public open space) would be added to the Grant Fund and process. The amount of this funding available varies each year as developments complete and the payments are made to the Council. The availability of this funding would be dependent upon both the area of the Vale of Glamorgan within which the development has taken place and the phase of the associated development and any planning requirements associated with it.
17. More information relating to the current arrangements for the operation of these grant funds can be found in the October 2016 report to Cabinet which is referenced in the background papers of this report.
18. It is proposed that bids would be sought against a total Council fund of £142,000 plus Section 106 Communities Facilities funding (and where applicable and relevant other Section 106 funding as available and agreed by the Council) and any other sources of external funding. This would comprise:
 - £112,000 revenue
 - £30,000 capital
 - Section 106 Community Facilities funding and Public Open Space funding
 - Any other external funding secured from a third party
19. Bids against the main fund of £142,000 would be invited up to the maximum funding available. Included within this amount, bids of a specifically innovative nature would be invited up to a maximum of £1,000 per application. These could, for example, relate to time limited pieces of work on consultation or development work that is required to inform a project or to provide starter funding for potential larger future schemes. This approach would enable the Fund to provide funding to a range of projects in terms of scale throughout the year and the Evaluation Panel will remain cognisant of the need to fund as wide a range of schemes as possible. Proposals which demonstrate they are leveraging other sources of funding (actual or “in-kind”) will be encouraged.
20. It is proposed that the Council would commit to the £142,000 funding per annum for a three year period from 2017/18 in order that any bids approved spanning more than one financial year (or approved mid-way in a year) could continue.
21. It is also proposed that should there be any underspend on the grant fund in a financial year it would be “rolled-forward” so as to increase the funding available for

the next financial year. This would also be applied to the 2016/17 underspend of £124,645 which would result in the fund for 2017/18 being established with an opening value of £266,645.

Eligibility Criteria for Applicants

22. Bids would be sought from the following categories of organisation:
- Community led organisations
 - Third Sector Organisations
 - Town & Community Councils
 - Consortia of the above, including those which have established formal governance arrangements such as social enterprises.
23. It is proposed that a standard definition of each category of applicant would be developed and minimum requirements of those organisations (in terms of status, governance) etc. would be developed, informed by the recent Wales Audit Office review of Third Sector Funding.
24. Cabinet will note that a threshold is currently applied to the Community Action Self Help scheme for Town and Community Councils relating to their level of precept which restricts the availability of funding to larger Town and Community Councils. It is proposed that no threshold on the level of Town and Community Council precept will be applied to the Strong Communities Grant Fund. However, all applications received will be considered in terms of the level of resources the bidding organisation has access to, as well as the need to ensure equitable distribution across all appropriate applications from Town and Community Councils.

Proposed High Level Evaluation Criteria Themes

25. The evaluation of bids to the fund would be undertaken in line with a series of weighted criteria. The themes upon which these criteria would be developed would include:
- Linkages being made with the Council's **Corporate Plan**. This includes the Council's vision for the Vale of Glamorgan area of "Strong Communities with a bright future". Applications would need to be consistent with the Council's values which are open, ambitious, together and proud. Importantly, the proposals would also need to demonstrate their contribution to the Council's Well-being Outcomes and Objectives, which in turn contribute to the national Well-being Goals for Wales.
 - The way in which schemes are consistent with the Council's transformational change programme, **Reshaping Services**. This programme seeks to reshape the Council to enable it to meet the future needs of citizens of the Vale of Glamorgan within the context of unprecedented financial challenges. The associated strategy has three objectives being: To identify alternative ways of delivering services which provide better outcomes for citizens and/or more efficient means of delivery, to meet future financial challenges while mitigating the impact of cuts on service users and to develop the Council and its partners to ensure they are able to meet future challenges.

- Showing how the proposals are consistent with the **Well-being of Future Generations (Wales) Act**. In addition to contributing to the Well-being Goals for Wales, proposals will also need to show how schemes are aligned with the Sustainable Development Principle (Doing something “in accordance with the sustainable development principle” means acting in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs). In doing so, proposals will need to explain how they have considered and embraced the five ways of working introduced by the Act (these are long-term, prevention, integration, collaboration and involvement). More information on the Act can be found [here](#).

26. The more detailed set of evaluation criteria would be developed by an Evaluation Panel whose responsibility it is to evaluate bids and make recommendations to Cabinet for the award of funding. A scoring matrix would be developed and used by the panel to evaluate bids received and to provide the basis for making recommendations to Cabinet for decision on the allocation of funding.

Governance, Decision Making and Process

27. The Strong Communities Grant Fund would be coordinated by an Evaluation Panel comprising:

- Leader of the Council
- Cabinet Member with responsibility for Regeneration
- One representative from a Town Council
- One representative from a Community Council
- One representative from each of any donors of recurring third party funding
- One representative from the Voluntary Sector
- One representative from a member organisation of the Public Services Board

28. The Evaluation Panel would meet to evaluate bids made against the fund. The panel would be responsible for identifying innovative uses and combinations of the available funding to maximise the opportunities in order to enable the maximum value to be derived for schemes that meet the criteria. For example, where S106 funds are available, these could be used in place of the grant fund in order to maximise the value of funding available for schemes which may not be appropriate for S106. The panel would also identify opportunities for match funding opportunities, to further enhance the way in which the grant scheme adds value to a range of projects.

29. The panel will be supported by Council Officers to undertake the administration associated with the scheme as well as providing specialist advice and information where required, for example on financial processes, regeneration, S106 and related planning matters.

30. Terms of reference for the Evaluation Panel and its operations would be developed in due course in addition to a standard application form, evaluation criteria and guidance for applicants. It is intended that online applications will be used and a section of the Council’s website developed to provide information about the fund.

31. In addition to any associated elected ward member and/or Cabinet member consultation relating to Section106 funding, the Voluntary Sector Joint Liaison Committee (VSJLC) would promote and monitor the overall operation of the “Strong

Communities Fund” to support the work of the third sector, town and community councils and other community groups to support strong communities in the Vale of Glamorgan. The Committee would receive an update on the fund’s activities as part of the standard reporting against the annual work plan associated with the Voluntary Sector Compact.

32. The fund would seek applications three times each year as per the illustrative timeline below.

Stage 1	Stage 2	Stage 3	Stage 4
Availability <ul style="list-style-type: none"> S106 funding available as per completion of developments and receipt of payments and following consideration by elected members on applicability to this grant fund Advertising of application window on website (static content for applicants’ information) 	Application <ul style="list-style-type: none"> Applicants using a standard application form 	Consultation <ul style="list-style-type: none"> Where required for S106 and/or other schemes 	Evaluation & Decision <ul style="list-style-type: none"> Evaluation by the Panel against the fund’s criteria Decision by Cabinet
On-going	December – January	February	March
	April – May	June	July
	August – September	October	November

33. It is proposed that a report to Cabinet will be presented following the first year of the scheme’s operation to provide an update and assess the need for any changes to be made. That report will also be presented to the Voluntary Sector Joint Liaison Committee to provide Committee Members with the opportunity to comment on the overall operation of the fund after the first year.

Resource Implications (Financial and Employment)

34. As described above, the Council’s grant funding arrangements currently consist of specific “corporate” grants and a series of community grants (comprising Christmas grants, voluntary action scheme, small community grants and the Community Action Self Help scheme). For Cabinet’s information the following table illustrates the expenditure (forecast/actual) on corporate grants in the past three years and the 2017/18 year. It should be noted however, that the proposals contained in this report and the creation of the Strong Communities Grant Fund will have no effect on the corporate grants detailed below.

Scheme	2014/15 (£)	2015/16 (£)	2016/17 (£)	2017/18 (£)
Citizens Advice Bureau	162,000	164,250	159,250	154,250
Bro Radio	24,000	24,000	24,000	24,000
Glamorgan Voluntary Service	116,500	116,500	106,015	95,530
St Donats Arts Centre	35,000	30,000	25,000	20,000
Vale of Glamorgan Festival	11,500	10,000	10,000	10,000
Cowbridge Charter	0	1,320	752	752
YMCA	3,200	3,200	3,200	3,200
Menter Bro Morgannwg	0	0	17,000	34,000
Urdd	0	0	10,000	0
Total	352,200	349,270	355,217	341,732

35. The following illustrates the expenditure (actual/forecast) for the 2016/17 and previous two financial years for the community grants.

Scheme	2014/15 (£)	2015/16 (£)	2016/17 (£)
Christmas Grants	21,041	10,551	10,710
Voluntary Action Scheme	199,000	145,000	41,000
Small Community Grants	44,900	5,850	0
Community Action Self Help Grants	26,000	2,958	23,508
Total Expenditure	290,941	164,359	75,218
Budget	295,000	295,000	200,063
Variance	4,059	130,641	124,645

36. This table shows that there has been a reduction in the allocation of funding, whilst a saving on the overall budget has also been made. This reflects the practice of referring applicants to other sources of funding (e.g. Welsh Church Acts) and the need to deliver savings by the Council. However, upon creation of the Strong Communities Grant Fund, it is proposed that any unallocated funding in year would be placed on an earmarked reserve for future use in line with the grant fund's criteria.

37. Within the 2016/17 financial year, there was a total of £124,845 which remains unallocated. It is proposed that this amount be carried forward and placed in an earmarked reserve for the new financial year and that this approach would be adopted in future years to any amounts unallocated.

38. As such, in 2017/18, the Strong Communities Grant Fund would amount to £266,645, comprising £124,645 carried forward from the 2016/17 year's unallocated funding, £112,000 revenue and £30,000 capital. In addition, any sources of Section 106 funding will (where available and agreed by the Council) be included within the fund plus any other sources of external funding secured.
39. There are no direct employment implications associated with this report. It is intended that the administration and involvement of Council Officers in the scheme will be met from within existing resources.

Sustainability and Climate Change Implications

40. The proposals are consistent with the Well-being of Future Generations (Wales) Act 2015 which requires the Council to contribute to the national Well-being Goals and to work in line with the sustainable development principle. These proposals seek to develop the Council's approach to the five ways of working which support the sustainable development principle, with a particular focus on the collaboration (with community groups and other organisations) and involvement (of the public in decision making) ways of working. The proposals are also consistent with promoting the Council's corporate plan vision and associated Well-Being outcomes.

Legal Implications (to Include Human Rights Implications)

41. There are no direct legal implications arising from this report.

Crime and Disorder Implications

42. There are no direct crime and disorder implications associated with this report.

Equal Opportunities Implications (to include Welsh Language issues)

43. There are no direct equalities implications arising from this report. The scheme will be promoted via the Council's bilingual website. The award criteria and application process will be designed so as to ensure equalities considerations form part of the overall administration of the scheme.

Corporate/Service Objectives

44. The proposals for the Strong Communities Fund are consistent with the Council's vision as articulated in the Corporate Plan. The proposals will also be evaluated against criteria which will include contribution to the Council's Well-being Outcomes and objectives. Working with the Voluntary Sector, Town and Community Councils and community groups is a key project within the Council's transformational change programme, Reshaping Services.

Policy Framework and Budget

45. This is a matter for Executive decision by the Council's Cabinet.

Consultation (including Ward Member Consultation)

46. This report has been provided to the Committee in order to elicit views to be incorporated into a report to Cabinet in due course. The nature of consultation on individual schemes is illustrated in the content of the report above.

Relevant Scrutiny Committee

47. Corporate Performance and Resources Scrutiny Committee.

Background Papers

Reshaping Services Programme - Grants to Community and Voluntary Organisations, Cabinet, 31st October 2016

[http://www.valeofglamorgan.gov.uk/Documents/ Committee%20Reports/Cabinet/2016/16-10-31/Reports/Reshaping-Services-Programme-Grants-to-Community-and-Voluntary-Organisations-Cabinet-Report.pdf](http://www.valeofglamorgan.gov.uk/Documents/Committee%20Reports/Cabinet/2016/16-10-31/Reports/Reshaping-Services-Programme-Grants-to-Community-and-Voluntary-Organisations-Cabinet-Report.pdf)

Strong Communities Grant Fund, Voluntary Sector Joint Liaison Committee, 7th February 2017

http://www.valeofglamorgan.gov.uk/en/our_council/council/minutes,_agendas_and_reports/reports/voluntary_sector_joint_liaison/2017/17-02-08/Strong-Communities-Grant-Fund.aspx

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