

Scrutiny Committee Report



Report of Head of Corporate Strategy

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To: SCRUTINY COMMITTEE

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AGENDA ITEM NO

7

Revenue Grants 2013/14 – 2016/17

Recommendation

1. That the scrutiny committee approves the terms of reference for a scrutiny task group (detailed at appendix 1) to consider the revenue grant applications for 2013/14 - 2016/17 and to make comments to Cabinet.
2. That the scrutiny committee appoints members to the task group and agrees to delegate authority to make any subsequent appointments to the task group to the Chairman of the Scrutiny Committee in consultation with the Head of Corporate Strategy.

Purpose of Report

1. To approve the terms of reference for a scrutiny task group (detailed at appendix 1) to consider the grant applications for 2013/14 - 2016/17 and to make comments to Cabinet and to approve a delegation to the Head of Corporate Strategy to make appointments to the task group.

Strategic Objectives

2. The revenue grant policy will contribute to the council's strategic objective to offer support for communities.

Background

3. The scrutiny committee considered the draft revenue grant policy for 2013/14 – 2016/17 at its meeting on 7 June 2012 and made four specific comments about the scheme. These are listed below with a response from the cabinet member with responsibility for grants.

Scrutiny Committee comment	Cabinet member response
Citizens Advice Bureaux should be excluded from the maximum limit on revenue grants.	Agreed, the Citizens Advice Bureaux grant application will be considered separately. The CAB will be asked to apply using the same process and criteria but Cabinet will determine any grant award to them separately.
A condition should be added that audited accounts are required annually.	Agreed in principle, however some small organisations are not required to have their accounts audited. It will be a requirement to submit accounts annually (audited if they are available).
Do not exclude brand new organisations from funding.	Not agreed, organisations can apply if they can provide six months of bank statements. It would be too much of a risk to fund organisations that have been operating for less than six months.
Not to automatically refuse applications from parish councils but to consider the impact of not funding a project proposed or run by a parish council.	Not agreed, parish councils have the opportunity to raise funds via the parish precept.

4. The new revenue grant policy was approved in July and incorporated the above comments from the cabinet member. A copy of the approved policy is attached at appendix 2 of the report. A report regarding the Citizens Advice Bureau will be considered separately by the scrutiny committee on 30 October 2012.
5. The revenue grant policy for 2013/14 – 2016/17 has been developed in line with the corporate priority to offer grants to voluntary and community organisations who are delivering projects and services that support our objectives or those in need. The grant award period has been extended to four years to offer increased financial security to the organisations the council decides to fund.
6. The policy also includes the addition of specific grant priorities towards provision of advice and/or care services or that help to prevent or reduce anti-social behaviour in the district.
7. The revenue grant scheme opened in July 2012 and closed to applications on 28 September 2012. We received 26 applications requesting more than £1.7m over the four year period. A list of the applications received is attached at appendix 3 of the report.

Matters for consideration

8. The original intention was for the scrutiny committee to consider the revenue grant applications and make comments to inform Cabinet of its views before they are determined in December. Due to the high number of applications officers recommend that a scrutiny task group is created to carry out this work on behalf of the committee. The terms of reference for the scrutiny task group are attached at appendix 1.
9. The Community Investment Fund Panel is unable to consider these revenue grant applications as its remit is only to consider applications for capital grants. However, the scrutiny committee may wish to invite members from the CIF Panel to become a member of the task group as they have experience of reviewing grant applications.

Financial Implications

10. The estimated revenue grant budget in 2013/14 is £444,000 which comprises £20,000 for the council's young achievers scheme and £424,000 for grants to voluntary organisations. This budget includes an allowance for a grant to the Citizens Advice Bureau that is the subject of a separate report.

Legal Implications

11. The council's legal powers for awarding these grants are contained in Section 1 of the Localism Act 2011 that provides a general power of competence for local authorities.

Risks

12. The risks associated in offering these grants has been minimised through the evaluation process. Where high risks have been identified these are included in the officer evaluation of each application.

Conclusion

13. The revenue grant policy for 2013/14 – 2016/17 has been developed in line with the corporate priority to offer grants to voluntary and community organisations who are delivering projects and services that support our objectives or those in need.
14. Awarding these grants will support the continued operation of voluntary organisations who support the council's selected grant priorities towards provision of advice and/or care services or that help to prevent or reduce anti-social behaviour in the district.
15. The committee is asked to approve the terms of reference of the task group as attached at appendix 1 of the report to consider the 26 revenue grant applications for 2013/14 - 2016/17 and make any comments to Cabinet prior to its meeting on 6 December 2012.

Background Papers

- Cabinet member decision on 17 July 2012 to approve the revenue grant policy for 2013/14 – 2016/17.

Appendix 1

Scrutiny Committee task group to evaluate applications for four-year revenue grants.

The council has received 26 applications for revenue grants of between £5,000 and £25,000 per year for four years starting April 2013 requesting a total of over £1.7m.

The requests for funding by year are:

2013/14 - £430,932
2014/15 - £442,266
2015/16 - £443,741
2016/17 - £400,265

The estimated revenue grant budget in 2013/14 is £258,000¹.

The Scrutiny Committee is invited to set up a task group to meet on the dates shown with terms of reference as set out below to make comments on the applications to form part of the officer's report to the December meeting of Cabinet.

Purpose

To evaluate the 26 applications received for financial support from the local voluntary sector for a period of four financial years commencing in 2013/14 towards ongoing running costs such as staffing, heating, administration or rent costs.

The grant scheme will fund organisations that meet at least one of the following grant priorities:

- Advice services – provision of advice services that will improve the quality of life to those in need in South Oxfordshire
- Care services – provision of care services that will improve the quality of life to those in need in South Oxfordshire
- Prevent anti-social behaviour – provision of services that will help to prevent or reduce anti-social behaviour in South Oxfordshire

Remit

- to review the officer recommendations for each application and to make comments to Cabinet
- to review the applications against the council's published Revenue Grant Policy and Procedure Rules 2013/14 to 2016/17
- to hear addresses from representatives of the applicants (where appropriate)

¹ Budget £444,000 minus £20,000 young achievers and minus CAB grant allowance of £165,620 = £258,380.

Number and composition of working group

- up to five members of the scrutiny committee or their named substitutes preferably from a variety of political groups
- quorum of three
- members must attend both meetings to be eligible to make comments to Cabinet
- members of the working group must not have connections with or be members of any of the organisations applying for financial support to avoid the perception that there is bias or unfairness in the process

Meeting dates

Cabinet will determine the revenue grants at its meeting on 6 December. The task group needs to provide comments to Cabinet during November so they have time incorporate the comments into their decisions.

The task group will need to meet in early November and will need **two full days** to allow time for speakers from each organisation to be heard. The following dates are available:

Monday 5 November
Wednesday 7 November
Thursday 8 November
Friday 9 November

Officer support

The Shared Grants Team Leader will organise and minute the task group meetings with appropriate support from Democratic Services.

Admission of the public

- organisations who have applied for revenue grants will be invited to send representatives to address the task group, and their representatives will be permitted to observe the whole or part of the task group meetings
- addresses will be for no longer than five minutes per organisation and all addresses will be heard at the start of the first meeting

Process

The task group will receive officer evaluations and recommendations for each application together with copies of the revenue grant policy and any other relevant documents in advance of the first meeting

Meeting 1

The task group will elect a chairman to facilitate the meeting and to have a casting vote in the event of a tied vote.

The Shared Grants Team Leader will brief the task group on the policy, process, and scoring criteria; and on any specific points to consider for each application.

Representatives of organisations may address the task group for up to five minutes. There will be no opportunity for questions or discussion with the organisations except to clarify points raised during the address.

The task group will review the officer recommendation for each application using the agreed scoring criteria and make comment on any changes to scores or recommended awards.

Meeting 2

Will follow the same format as for Meeting 1 and in addition the task group will:

- review and agree the task group comments regarding the officer evaluations of the grant applications
- consider whether there are any other factors which affect the decision whether to make an award on any application
- agree any other comments the task group may wish to make to Cabinet.

After the meetings

The Shared Grants Team Leader will include the comments agreed by the task group in the report to Cabinet in order to inform their decision when determining these grant awards and these will be published as part of the Cabinet report.

Revenue Grant Policy and Procedures Rules 2013/14 - 2016/17



Introduction

The revenue grant scheme is funded on an annual basis from the council's general revenue account. The council allocates approximately £400,000 each year to this scheme. The priorities for the revenue grant scheme are reviewed every four years (normally the year after the corporate plan is approved).

The council's 2012-2016 corporate plan has a priority to offer grants to voluntary and community organisations who are delivering services that support our objectives or those in need.

The council seeks to offer financial support to the local voluntary sector for periods of up to four financial years (2013/14 - 2016/17). The scheme will provide funding towards ongoing running costs such as staffing, heating, administration or rent costs. The scheme does not intend to fund short one off types of activities.

Applications for capital funding to fund extensions or to purchase equipment should refer to the council's community investment fund capital grant scheme.

Grant priorities

The council has decided its priorities for the scheme from 2013/14 - 2016/17 will be towards services that provide advice and/or care services or that prevent or reduce anti-social behaviour in the district. The scheme will fund those organisations that help people and communities most in need.

The scheme will fund organisations that meet at least one of the following grant priorities:

Advice services – provision of advice services that will improve the quality of life to those in need in South Oxfordshire

Care services – provision of care services that will improve the quality of life to those in need in South Oxfordshire

Prevent anti-social behaviour – provision of services that will help to prevent or reduce anti-social behaviour in South Oxfordshire

Who can apply to the scheme?

Any constituted local voluntary sector organisation may apply. Businesses, individuals and statutory organisations are not eligible to apply for a grant under this scheme. The scheme will not fund projects that are the responsibility of another public body.

The council is committed to promoting equality and diversity and welcomes applications from all sectors of the community, regardless of race, sex, disability, sexual orientation, age, gender reassignment, marital status, religion or belief.

What is the minimum and maximum grant award from the scheme?

There is a minimum grant award of £5,000 and a maximum grant award of £25,000. In exceptional circumstances larger grants may be awarded. Please note that under no circumstances will the council fund the whole costs of an organisation. Application forms will need to demonstrate that funding has been sought and/or obtained from a variety of other sources.

Outcomes

All applications must demonstrate how the outcomes of the service will support at least one of the selected grant priorities for 2013/14 - 2016/17 (as detailed above).

Scheme eligibility criteria

Applications will only be considered if the organisation has:

- a valid constitution (not for profit)
- a bank account
- two years accounts (audited if available) (or six months of bank statements for new organisations)
- a business/development plan including financial forecasts and risk analysis
- evidence that the beneficiaries are residents of South Oxfordshire.

Scoring criteria

All applications will be scored using approved scoring criteria shown at appendix 1.

Decision making

The council's cabinet will determine the grant applications in December 2012. These decisions will be subject to approval of the budget by the council in February 2013. Grant awards for subsequent financial years will also be subject to approval by the council on an annual basis.

Standard conditions of all grant awards

- all grants will be subject to a formal grant agreement
- all necessary insurance will be in place
- compliance with all statutory legislation must be in place
- accounts (audited if available) will be submitted annually
- monitoring information regarding the outcomes will be submitted annually
- the organisation will recognise the grant received in any appropriate literature by using the council's logo and display a plaque, supplied by the council, if requested to do so.

Appendix 1 to the policy

Revenue Grant scoring criteria

Assessment methodology for revenue grant applications

All applications will be assessed using the scoring system shown below. We will score all applications and seek to fund the highest scoring applications.

Demand points **up to 60**

Scores of up to 60 points are available dependent on the evidence of local demand. Applications will need to provide evidence of current demand and of any plans to improve or expand current services. Evidence of consultation with the public and/or stakeholders must be provided.

Beneficiaries to 40 points **up**

Scores of up to 40 points are available dependent on who will benefit. Applications will need to detail who will benefit from the community, whether it will be all of the community, or certain groups of the community? Minority groups or communities identified as an area of deprivation will score higher.

Outcomes points **up to 80**

Scores of up to 80 points are available dependent on how well the outcomes support the selected grant priorities for 2013/14 - 2016/17. Evidence of how the outcomes will be measured must also be provided.

Financial appraisal to 60 points **up**

Scores of up to 60 points are available dependent on how financially stable the organisation receiving the grant is. Evidence of other income streams and other secured funding must be provided.

Summary of scoring system

The maximum score is 240 made up as follows:

Assessment factor	Maximum points available
Demand	60
Beneficiaries	40
Outcomes	80
Financial appraisal	60
Total	240

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