

Cabinet Report



Listening Learning Leading

Report of Head of Corporate Services

Author: Cheryl Reeves

Telephone: 07917 088333

Textphone: 18001 07917 088333

E-mail: Cheryl.reeves@southandvale.gov.uk

Wards affected: All

Cabinet member responsible: Maggie Filipova-Rivers

Tel: 07850 141623

E-mail: Maggie.Filipova-Rivers@southoxon.gov.uk

To: CABINET

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Councillor Community Grant Scheme

Recommendation

That Cabinet approves the revised policy for adopting a ward-based approach for awarding councillor grants, attached at appendix one.

Purpose of Report

1. To seek Cabinet approval to revise the Councillor Community Grant Policy to; introduce a ward-based approach to funding projects that, meet the needs of the council and organisations seeking funding, along with addressing some issues encountered from previous round/s.

Corporate Objectives

2. Through offering financial support to community projects that align with our corporate priorities, the Councillor Community Grant Policy contributes to the following priorities:
 - Protect and restore our natural world
 - Action on the climate emergency
 - Improved economic and community well-being
 - Homes and infrastructure that meets local need

It also supports our equality objectives through funding projects that deliver better outcomes for disadvantaged groups and encourage community cohesion.

Background

3. The council has for many years been in a very fortunate position to provide significant funding towards improving community facilities and activities, the environment and the health and well-being of our residents. The community grants portfolio currently includes budgets for three grant schemes: Revenue (£333,996), Capital (£320,000) and Councillor Community Grants (£180,000).
4. The aim of the Councillor Community Grant scheme is to fund community projects and initiatives that will deliver better outcomes for South Oxfordshire residents as well as contributing to the achievement of the council's Corporate plan priorities. There is a budget of £180,000 available in 2021/22 to run this scheme.
5. Following a review of the scheme to ensure it still meets the needs of the council and those seeking funding for community projects the proposed policy includes a number of improvements to the existing one, which include:
 - a) Moving to a ward-based approach for determining applications for funding where applicants would submit a single application for the relevant ward councillor/s to consider. This would facilitate the pooling of funds to support more expensive projects that could have a greater impact within the community.

The funding allocation would remain as it currently does so £5,000 for each ward member but pooled in multi member wards. The scheme would open with the full budget allocation for each ward, offering a second round with any remaining funds.

This would mean increasing the maximum project cost for capital funding from £10,000 to £15,000.

- b) Opening the scheme from June to February (currently April to February). This would take into account the implications of local elections.
- c) Running two rounds of funding instead of one, to support easier and earlier decision making but still considering the merits of each project. Councillors would have the discretion to respond to community need by either making decisions within four weeks of receiving an eligible application or waiting until each round closes.
- d) Allowing town and parish councils, some of whom are already supporting groups directly, to apply for funding on behalf of unconstituted groups, to support partnership projects that are benefitting the local community. We have seen a real need for this during the pandemic, with informal groups wanting to do more to support their communities.
- e) Allowing not for profit preschools and PTAs for local authority run schools or Academy's, currently not eligible, to apply for non-statutory elements of the education programme.
- f) Allowing applications for one-off salary costs for pilot projects of between 3-6 months in response to a growing demand from groups for revenue funds.

- g) Introducing a minimum threshold of £150 above which the council will request any unspent funding back. Currently grant recipients are required to pay back a proportionate of the grant if the project costs less than expected, or they receive additional funding from other sources towards the project. In comparison, the Capital Grants scheme has a minimum repayment of £500.
- h) Other changes to provide more clarity on the process or eligibility include:
- a. Eligibility documents setting out the need to:
 - Provide income/expenditure/reserves for the most recent complete financial year– or projections for new organisations.
 - Demonstrate they are ‘not for profit’ and the project they are applying for matches the organisations objectives¹.
 - b. Providing clarity that we will consider applications from parish councils for activities that they have the power to deliver, but not a statutory duty to provide.
 - c. Setting out the process for dealing with conflicts of interest and pecuniary interests, when either are declared.
 - d. Setting out the process when there is an unexpected by-election.

Options

6. To continue with the status quo and operate the scheme under the existing policy. However, the council could be criticised for not responding to feedback or providing the clarity needed for effective decision making therefore this option is not recommended.
7. To implement some of the proposed policy changes set out in this paper. However, this option is not recommended, as it would reduce the ability to improve the effectiveness of the policy for the council and applicants.
8. To move to a ward-based approach, which would allow funding to be pooled to fund larger projects that have a greater impact within the relevant ward. Each round would open with their full budget allocation, with any remaining funds to be used for a second one. Splitting the budget equally for each round, would result in a greater number of smaller scale projects and is therefore not recommended.
9. Given the impact of the current pandemic on the council's financial position, as detailed in the financial implications below, a further option would be to reduce or withdraw the funding for the councillor grant scheme. This will support the Corporate Plan priority around rebuilding our financial viability. Conversely it would impact on improving economic and community wellbeing.

¹ Please note officers only request the governance and financial documents for every fifth application and any organisations who have not received council funding in the last 12 months.

Climate and ecological impact implications

10. There are no negative impacts of the proposed changes from a climate or ecological perspective. The scheme criteria supports the Corporate Plan priorities and therefore can fund projects that have positive climate and ecological benefits.

Financial Implications

11. The proposed changes to the policy would not result in any additional costs to the council. There is £180,000 in the 2021/22 budget to fund the scheme. However, the introduction of a minimum threshold for returning underspends on projects, could have a small impact on the amount of funding returned to the council's reserves. This would be offset by the saving in officer time in managing this. In the last two years we have only requested funds back from two organisations. One of which was for £1,800 the other £723. In both cases the proposed changes would not have impacted on these funds being returned.
12. Any council decision that has financial implications must be made with the knowledge of the council's overarching financial position. For South, the position reflected in the council's medium-term financial plan (MTFP) as reported to Full Council in February 2021 showed that the council is due to receive £4.3 million less in revenue funding than it plans to spend in 2021/22 (with the balance coming from reserves including unallocated New Homes Bonus).
13. This funding gap is predicted to increase to over £5 million by 2025/26. As there remains no certainty on future local government funding, following the announcement of a one-year spending review by government, and as the long-term financial consequences of the Coronavirus pandemic remain unknown, this gap could increase further. Every financial decision made needs to be cognisance of the need to eliminate this funding gap in future years.

Legal Implications

14. The proposed changes do not present any legal implications. The proposed amendments will provide better governance and clarity on the process officers will take when a declaration of interest, or pecuniary interest is declared.

Risks

15. The main risks relate to the following changes:
 - Town and parish councils may not wish to collaborate with unconstituted groups, which could lead to community tensions. Communications will be carefully managed to help ensure the risk is mitigated.
 - Some organisations may still not be eligible, despite relaxing some of the current requirements. However, we can still look at this on a case by case basis, support the organisation to get prepared for the next round and/or encourage them to collaborate with their town or parish council if they are not eligible in their own right.

Other implications

16. We have considered our public sector equality duties under the Equality Act 2010 and none of the proposed changes would have a negative impact on those protected by the Act. The policy actively encourages applications from organisations who represent minority or vulnerable groups, particularly that improve outcomes for disadvantaged groups and encourage community cohesion.
17. The criteria for the scheme makes it clear we will not fund applications that do not align with the council's equalities objectives and/or the Equality Act 2010. The standard conditions also refer to the organisations having appropriate policies in place to comply with equalities legislation.

Conclusion

18. The proposed changes to the policy will help to:

- support easier and earlier decision making
- facilitate the pooling of budgets
- encourage collaboration between town/parish councils and unconstituted groups on projects for the benefit of the community
- respond to increasing demand from groups for revenue funds
- provide greater clarity to councillors and applicants on the funding criteria
- provide great clarity to councillors on the processes we will follow for declarations of interest and when there are changes to councillors

Cabinet are asked to approve the revised councillor community grant policy, attached in appendix one.

Background Paper

- N/A

Appendix 1

Councillor Community Grant Scheme – April 2021



Listening Learning Leading

Every South Oxfordshire District Councillor has a budget of £5,000 to award to projects. The aim of the Councillor Community Grant scheme is to fund community projects and initiatives that will deliver better outcomes for South Oxfordshire residents as well as contributing to the achievement of the council's Corporate plan priorities.

Basic rules of the scheme

- Projects must benefit the communities in the councillor's ward
- The minimum grant is £250 and the maximum £5,000 for each councillor (budget permitting)
- For wards with multiple councillors, applications will be considered by all ward members together to determine funding
- The total project cost of applications for capital projects must be £15,000 or less, (revenue projects have no such maximum).
- A councillor can fund up to 100 per cent of the total cost of a project (budget permitting)
- The project must complete within 12 months of the award decision
- Any unallocated budgets at the end of the financial year will return to the council's general reserves
- The scheme will usually be open for two rounds (budget permitting)
- Councillors will make their decision within four weeks of receiving an eligible application from officers, or can hold applications until each round closes, then make their decision within four weeks

Who is eligible?

- Town/parish councils and parish meetings
- Town/parish councils can collaborate with local unconstituted groups and apply on their behalf
- Not for profit preschools and PTAs for local authority run schools or Academy's, can apply for non-statutory elements of the education programme
- Local 'not for profit' organisations, this can include a company limited by guarantee which does not distribute any surplus it makes to its member, whose primary purpose is to **benefit** the residents of South Oxfordshire who can:

- Provide with their application a copy of a recent bank statement in the name of the organisation applying (no more than two months old)
- Provide on request a copy of the organisation's detailed financial records e.g. income/expenditure/reserves for the most recent complete financial year– or projections for new organisations
- Provide on request a copy of their governing document (like a constitution, set of rules, articles of association etc) that demonstrates they are a 'not for profit organisation' and the project they are applying for matches the organisation objectives
- Confirm their organisation has named officers, members or trustees on a management committee/board.

To mitigate against any misuse of a grant or to the council's reputation from this relaxed criterion to apply for a grant, officers will request the governance and financial documents mentioned above for every fifth application, and any organisations who have not received council funding in the last 12 months.

Who is not eligible?

- Other local authorities/public sector bodies (for example Oxfordshire County Council, NHS trusts). Please note: Town/parish councils and parish meetings are eligible to apply
- Groups who raise funds on behalf of or will improve/create facilities that will predominately benefit an ineligible organisation
- Individuals (this includes making any payments to individuals on behalf of community groups)
- Profit-based businesses (private businesses)
- Political and lobbying groups
- Organisations who operate a grant scheme of their own or who budget for giving grants/donations in their annual budget. Please note: Town/parish councils and parish meetings are eligible to apply
- Nationwide organisations (except where they have a local constitution and/or local bank account. We may also make exceptions if a project clearly relates to a local hub/branch of the organisation)

What kind of work/services can we fund?

We will fund projects that deliver better outcomes for South Oxfordshire residents as well as contributing to the achievement of the council's Corporate plan priorities (2020-2024):

- protect and restore our natural world
- action on the climate emergency
- improved economic and community well-being
- homes and infrastructure that meets local need.

Applications should focus on projects that deliver a clear and demonstrable **benefit** to the people and environment of South Oxfordshire, specifically in the ward of the district councillor(s) considering the request.

South Oxfordshire District Council accepts no liability or responsibility for any of the projects funded by this grant scheme or any activities that take place as a result now or in the future.

Appropriate projects could include, but are not limited to:

- Replacement equipment or improvements to community centres/halls
- Initial design/creation of a community newsletter, walking routes/tourist trails, community website or digital archive (but not ongoing publishing, maintenance or hosting costs)
- Improvements to community facilities for older people and minority groups (for example accessibility improvements and hearing loops)
- Buying and installing community play and exercise equipment
- Buying equipment the community can use like anti-flooding equipment, marquees/gazebos, defibrillators, equipment banks or IT equipment. (All equipment must remain the property of the organisation funded)
- Community festivals and event costs, subject to government guidance regarding COVID-19 - <https://www.gov.uk/coronavirus> ([organisations must present the council with a plan on request for how they will manage their event in a COVID safe way](https://www.gov.uk/coronavirus))
- Initiatives to improve the energy efficiency of community buildings, for example of a community centre/hall
- Energy audits
- Improvement of sporting facilities or activities to encourage healthy communities
- Sustainability projects to protect and restore our natural world, such as tree planting projects (with the appropriate permissions in place) or improving biodiversity within your community
- Initiatives to reduce rural loneliness and isolation
- Volunteer training costs, or specialist equipment, that would enable more volunteers help or take on more responsibilities within an organisation
- Personal protective equipment (PPE) for groups (not individuals) to meet the requirements for a community initiative e.g. COVID response
- To support extra circular mental health activities for students and environmental education projects (e.g. forest schools, outdoor planting).
- To purchase equipment for preschools e.g. cycle racks, a defibrillator
- One-off hire costs (for example, excavator hire for a project or coach hire for a specific, one-off trip)
- One-off revenue costs, like feasibility studies, consultancy fees and seed funding for new organisations. Please note we will not fund costs that relate to other council services e.g. planning applications or building regulation fees

- One-off major repairs, like repairing a section of flat roof or major boiler repairs (but not routine servicing) to community buildings

Applicants must make sure they have all necessary permissions in place **before** applying for funding including planning, listed building, licensing, landlords etc.

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

What we will not fund?

- Retrospective funding for work/projects that will complete before our decision is made (We will consider projects that have started; however, we will not be able to fund any retrospective costs.)
- Projects that do not demonstrate a clear benefit to the community in which they are taking place
- Statutory activities/requirements that either the council or another public-sector organisation is responsible for delivering, such as schools, public highways, public rights of way and road safety measures. We will consider activities that a parish council has the powers to deliver, but not a statutory duty to provide
- Recurring revenue costs, like salaries, rent, rates and maintenance (like boiler servicing). We will consider salaries for a one off pilot projects – lasting no longer than 3-6 months.
- Costs that relate to other council services e.g. planning applications or building regulation fees
- Ongoing or regular hire fees (for example, weekly hire of a cricket pitch roller or regular hire/lease of vehicles for a community transport scheme)
- Alcoholic refreshments
- Clothing, including uniforms and sports kit
- Projects that specifically benefit private businesses
- Political activities, lobbying or campaigning
- Projects that don't align with the council's equalities objectives and/or the Equality Act 2010.

Opening and closing dates

The scheme will usually open in June and will have two rounds (budget permitting) the second of which will close in February each year. We will publicise the dates on our website.

In the event there is an unexpected by-election for a district councillor, we will hold any new applications for that vacancy during the pre-election period (as long as the scheme will still be open when the post is filled). If not, applications will be considered (along with any still in progress) by the next elected ward member in the area the project benefits. If

there is only one councillor in the ward, then the Cabinet member will consider the application (s). In these instances, the decision may not be made in 4 weeks.

Application and Award Process

1. Organisations apply using the council's online grants management system ('the system'), accessible from our website www.southoxon.gov.uk/grants. They will select all the wards they wish to apply to when completing their application. Applicants should read the guidance notes on our website before completing an application.
2. Council officers will check the eligibility of the application (including the additional checks if required) and liaise with the applicant, if necessary, to establish eligibility.

If eligible, officers will prepare a short summary of the application for the councillors including key information from the application, concerns and any recommended payment terms and/or special conditions and send it to the councillor's southoxon.gov.uk email address.

If an application is not eligible the community enablement team will discuss the issues with the applicant (if they can be resolved) and return the application to them for resubmission once the issues are resolved. Please note, we can only do this whilst the scheme is open. If the issues cannot be overcome, they will reject the application on eligibility grounds. They will also notify the ward councillors of the reasons why any applications that aren't eligible could not go forward.

3. The district councillor/s will review the summary provided by the community enablement team, and if appropriate (multi member wards), will discuss with the other ward members, to make a decision.
4. Councillors will reply to grants@southandvale.gov.uk using their official council email address confirming:
 - their award decision
 - the reasons behind the decision
 - any pecuniary interests relating to the application – see process below
 - any other conflicts of interests relating to the application – see process below

The councillor/s can request additional information (via the community enablement team) before making their decision if necessary.

Applications can only be considered for the amount requested by the applicant and not based on the remaining ward budget available.

5. Once the community enablement team receive the councillor's decision by email, they will save it on the grants system, publish the decision on the council's website (in summary once the scheme closes) and either;
 - a. send a grant offer letter to the applicant that will include our standard (and any special) conditions and a grant acceptance form they must complete and return
 - b. inform the applicant that they were unsuccessful.

6. The applicant must sign and return the acceptance form to the community enablement team, confirming they will meet all our conditions and give the bank details for their organisation.
7. On receipt of the acceptance form the community enablement team will release the grant payment in line with the offer letter, following agreement from the relevant head of service. **All payments must be made by BACs to an account in the name of the organisation making the grant application.**

Process for dealing with conflicts of interest and changes to councillors

Declaration of interest	When a declaration of interest is declared, officers will consult the service manager and if necessary, the section 151 officer and monitoring officer. If as a result a conflict is confirmed, and there is no other ward councillor who could fund the project, the council will not be able to determine the application. In multi councillor wards, the councillor declaring a conflict of interest, would not take part in the decision making.
Pecuniary interests	When a pecuniary interest is declared, officers will consult the section 151 officer and monitoring officer. If confirmed, and there is no other ward councillor who could fund the project, the council will not be able to determine the application. In multi councillor wards, the councillor declaring the pecuniary interest, would not take part in the decision making.
Changes to funding requests, when the original councillor is no longer in post	Will be considered by the Community Enablement team in line with the policy in consultation with the head of service and/or Cabinet member

Standard conditions

- The organisation must spend the grant on the project listed in their application and within 12 months from the decision to award a grant or they will return the funding
- If requested, the organisation will return a proportionate amount of the grant if the project costs less than expected or they receive additional funding towards the project. The minimum request will be £150.
- The funding is non-transferrable unless agreed by the council in writing in advance of any spending. Any unspent funds will be returned to the council upon request. The minimum request will be £150.
- The organisation will comply with all relevant statutes and regulations related to its status, objectives and delivery of its core activities
- The organisation must have appropriate policies in place to safeguard children, young people and vulnerable adults, and comply with equalities, GDPR, COVID safety, and any other relevant legislation.

- The organisation must consult the community enablement team before making significant changes to the project/work covered by the grant and officers will confirm with the councillor(s) that they agree to these changes before responding to the applicant.
- The organisation will acknowledge the council's support in any press, publicity or promotion of the project.
- The organisation acknowledges the council accepts no responsibility or liability for this project or the facilities it provides now or in the future.

Monitoring the grants

- The grants system will record all applications, decisions and remaining balances. We will publish grants awarded on the council's website.
- The community enablement team will monitor every grant awarded to ensure spending is appropriate.
- If the awarded project has not started by the expiry date (12 months from the award date) and is unlikely to do so in the next three months, the organisation must repay the grant in full to the council. If the project has started but is not complete the councillor(s) can, at their discretion allow a single, three-month extension to the grant, by which time work/spending must be completed.
- If the project experiences delays due to COVID, organisations can request in writing a limited extension which will need to be approved by the Head of Service.
- All grant repayments will return to the council's general reserves.
- Any councillor budget not awarded by 31 March will return to the council's general reserves as carry forwards are not be allowed.
- If repayments are necessary, the community enablement team will liaise with the organisation to recover the funds, keeping the relevant ward councillor informed.
- Future applications to the councillor grant scheme could be at risk if organisations have not completed and submitted the project monitoring form.

For more information about the scheme, advice on potential projects and other possible funding sources please contact the community enablement team on or 01235 422405 or grants@southandvale.gov.uk.