

**REVIEW OF AVDC'S GRANTS PROGRAMME FOR THE VOLUNTARY AND COMMUNITY SECTOR FUNDING FROM APRIL 2017**

**Councillor Mrs Macpherson**

**Cabinet Member for Leisure, Communities and Civic Amenities**

**1 Purpose**

To seek Cabinet approval for the proposed revisions to the council's voluntary and community sector (VCS) grants programme, as outlined in paragraph 6 of the report. The Finance and Services Scrutiny Committee will consider the recommendations at its meeting on 11th July, and any comments will be reported verbally at the Cabinet meeting.

**2 Recommendation**

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| <p>1.1 That Cabinet approve the revisions to the council's voluntary and community sector grants programme, as outlined in paragraph 6 of the report, taking account of any comments from the Finance and Services Scrutiny Committee.</p> |
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**3. Executive Summary**

- 3.1 The council has a long history of supporting the VCS and maintains positive working relationships with organisations providing services to our communities. We currently fund 16 organisations who hold service level agreements with the council. These organisations have been funded by the council for many years, and the grants programme is not currently open to new groups to apply.
- 3.2 The grants programme was last reviewed in 2009 and in light of the ongoing pressure on the council's budget, the changing pressures on the voluntary sector, and the recent introduction of the Vale Lottery, it was considered timely to re-evaluate the programme to ensure it remains fit for purpose, and that funding is allocated in line with the council's priorities and strategic needs, and against a backdrop of rising costs and reducing funding in the present economic climate.
- 3.3 There is a growing demand for advice services, such as those provided by Citizens' Advice, and for services which provide support for an aging population, services which support people with disabilities, and services which support the physical and mental wellbeing of young people. There is also a need for a mix of funding including short term project funds and longer term support costs.
- 3.4. The council's Informal Grants Panel has considered the background to the current grants framework, the current arrangements, and the issues facing the council and the voluntary and community sector. It has identified the need for a flexible grants programme and has made a number of recommendations to update the current grants programme.

## 4. Background

- 4.1 The council's grant funding programme to support voluntary and community sector organisations was last reviewed in 2009 and in light of the ongoing pressure on the council's budget, the changing pressures on the voluntary sector, and the recent introduction of the Vale Lottery, it was considered timely to re-evaluate the programme.

The Informal Grants Panel, which is established to consider grant applications and make recommendations to the Cabinet Member for Leisure, Communities and Civic Amenities, was asked to consider the current issues and make recommendations on a new approach to discretionary grant funding. Its remit was to ensure an open and transparent process, and that funding is allocated in line with the council's priorities and strategic needs and the most critical needs of the sector.

- 4.2 AVDC has a long history of supporting the VCS through funding, advice and information and recognising that the sector provides essential services for residents, particularly those who are vulnerable and disadvantaged. The council signed the original Buckinghamshire Compact in 2004 as a commitment to co-operative working with the VCS. The Compact is an agreement developed jointly between local public sector and voluntary and community sector organisations about how they will work together and sets out codes of practice including principles around funding processes<sup>1</sup>:
- 4.3 The current programme provides grants through funding known as Service Level Agreements (SLAs) and is designed to support the core costs of the organisations it funds (e.g. management, admin and office costs, rent etc.). The council's support also provides important leverage, enabling the organisations to attract additional funding for project work or service provision. However, in light of the changes in demand and the proposed new priorities, the Panel recommended that the funding should be more flexible and support project costs as well as core costs.
- 4.4 The SLAs are long standing arrangements and, although there is an application process every three years, and ongoing monitoring, the organisations currently funded by the council have benefitted from consistent support over many years and have come to rely on the council's funding. The programme is not currently open to new organisations to apply for funding.
- 4.5 AVDC is an outcomes based funder and this means that we are particularly interested to know how each organisation has delivered its service(s) to address need and the specific differences the service and our funding is making to individuals and communities within the Vale. A Service Activity and Performance Schedule forms part of the SLA and we ask for 6-monthly monitoring reports against this framework, agreed with each of the individual organisations.

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<sup>1</sup> <http://www.communityimpactbucks.org.uk/pages/compact.html>

- 4.6 The monitoring arrangements for the SLAs are rigorous, and opportunities for improvements and efficiencies are regularly discussed and explored and as a result there have been changes to funding agreements over time.
- 4.7 Reviews of our grant funding arrangements and grants budget were undertaken in 2001/2 and 2008/9. The outcome of both reviews was to re-focus the council's funding priorities, which subsequently led to a reduction in the grants budget. In addition, as a result of the service prioritisation exercise in 2009/10, the council's project funding budget was reduced over the 2 year period 2010/11–2011/12, and removed completely in 2012/13. This in turn has removed the flexibility of the grants programme to support project based costs, either for SLA holders, or other VCS organisations in the Vale. The grants budget for the SLA programme was £619,672 in 2009/10 and has reduced over the past 6 years to just under £400,000 in this current financial year.
- 4.8 In December 2012, because of the uncertainty at that time about possible reductions in the grants budget, it was agreed that only 2 year's funding could be confirmed for 2013-2015, with the option for AVDC to extend the agreement for a further year. In December 2014, based on the budget available and satisfactory monitoring returns, 15 organisations subsequently had their SLA extended at the previous level of funding for 2015/16. Two grant awarding bodies: Aylesbury Vale Arts Council (AVAC) and the Aylesbury Vale Sports and Activities Network (AVSPAN), held sufficient levels of reserves to meet local demand for the financial year and had their funding reduced.
- 4.9 Since 2013, the grants officer has worked closely with all SLA holders to encourage them to identify and pursue alternative fundraising options. To this end, a sustainability workshop was held in February 2014 and at monitoring meetings discussions have been held about the grants review and the possible funding reductions. Most organisations are therefore prepared for this eventuality, although some have come to rely on the council's funding and may not be viable without it.
- 4.10 In preparation for the review the Grants Officer has been liaising with the local infrastructure organisations such as Community Impact Bucks and Heart of Bucks (formerly Buckinghamshire Community Foundation) about the current and future issues facing the VCS in the district.

## **5 Current position**

- 5.1 For a number of years the following broad list of themes and priorities have formed the basis of the criteria against which all grants to the VCS are assessed. These themes are based on the Sustainable Community Strategy for Aylesbury Vale 2009-2026 and were endorsed during a review of the grants framework in 2009:
- Engaged communities where everyone feels able to participate and belong
  - People are supported and enabled to improve their life choices, skills and access to services.

- A strong and enabled local voluntary and community sector
  - Strong communities where people feel safe
  - Healthier people and more active communities
- 5.2 In November 2015, grant funding was agreed for 16 VCS organisations and lunch clubs, as at Appendix A, providing services across Aylesbury Vale. In light of the intention to review the grants programme, one year SLAs were agreed with each of the organisations.
- 5.3 In total, £393,730 of funding support was agreed. This funding will help to deliver more than £2 million worth of services, which make a significant difference to individuals and our communities.
- 5.4 Almost 16,000 people benefit from the services provided by the SLA holders (this figure does not include the figures from organisations which measure 'interactions' (total visits), instead of the number of individuals, eg: Queen's Park Arts Centre and community centres).
- 5.5 Our current data (September 2015) shows that the SLA holders currently funded employ 215 members of staff and support approximately 750 volunteers, (181 volunteers sit on the various management committees and boards of trustees and there is some overlap). Assuming that each volunteer gives an average of only 1 hour per week, the collective value of volunteers to the SLAs is at least £519,000<sup>2</sup>.
- 5.6 The grants programme currently supports three community organisations to manage community centres owned by the council - Aylesbury Multicultural Centre, Quarrendon and Meadowcroft, and Haydon Hill. The principle of community managed centres has been supported by the council, and the grants help the organisations to meet the shortfall between income and expenditure on running costs. The arrangement is therefore somewhat different from other grants, which are given to community groups delivering community services. This review is an opportunity to address where future funding for these particular centres is managed.
- 5.7 The council currently contributes just under £22,000 from its grants budget to a countywide contract, which enables free infrastructure support services to be offered to all VCS organisations in Bucks, known as the Bucks Infrastructure Contract. These services result in a stronger and more resilient VCS. This is a tendered contract arrangement between the district councils in Buckinghamshire, the County Council and the provider, and is a very different arrangement from the SLAs funded from the grants programme.
- 5.8 In the current decision making process for the grants framework the relevant Cabinet Member makes a decision based upon the recommendations of the Informal Grants Panel. The make-up of the Panel reflects the political proportionality of the council. The recommendations of the Panel are not

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<sup>2</sup> Using average hourly earnings rate of £13.31 - Office of National Statistics Annual Survey of Hours and Earnings UK.  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours>

binding upon the Cabinet Member and may be over-turned, although the necessity for this is rare. Once the Cabinet Member's decision is confirmed, it is subject to the council's Scrutiny process.

- 5.9 We use a scoring system and application form which will need to be revised to reflect the new criteria, i.e. the requirement for organisations to provide information about which priority their service meets and how; strong evidence of need; who the beneficiaries will be; the intended outcomes of the services provided and the robustness of the organisation, both financially and in its governance.
- 5.10 With the ongoing pressures on its budget, the council has recently launched the Vale Lottery, which provides voluntary and community sector organisations with another opportunity to raise funds. At the time of this report, £21,902 has been raised for good causes with projected annualised funds of £60,290. 12 of the 16 current SLA holders have signed up to the Vale Lottery and have raised just over £4,000 between them. In addition, the Vale Lottery Community Fund has raised £15,678 and is designed to subsidise the available grants budget. There is currently no separate method for AVDC to distribute the money raised by the Lottery.
- 5.11 The issues currently facing the VCS are outlined in the *Buckinghamshire Voluntary and Charity Sector Report (October 2015)*<sup>3</sup>, commissioned by Community Impact Bucks. In addition the Buckinghamshire Health and Wellbeing Strategy,<sup>4</sup> Buckinghamshire's Joint Strategic Needs Assessment<sup>5</sup> and the Prevention Matters programme<sup>6</sup> all help to outline the issues facing the community and service providers and were used by the Informal Grants Panel to inform their recommendations.
- 5.12 Within Buckinghamshire an estimated 31,600 adults have a moderate or serious physical disability and this figure is projected to rise.<sup>7</sup> The numbers of people aged 85+ is projected to increase by 84% between 2011 and 2025. The Buckinghamshire Voluntary and Charity Sector Report highlights the ageing population in Buckinghamshire, and the growing demand for services for older people, particularly those that support people with dementia and that help prevent loneliness and isolation. The report also raises awareness of the rise in mental health issues facing vulnerable and at risk young people and that additional resources will be needed to manage this demand. These themes are echoed by the Buckinghamshire Health and Wellbeing Strategy and the Prevention Matters programme.

## **6. Recommendations of the Informal Grants Panel**

In light of the information provided above, the Informal Grants Panel's recommendations for the VCS grants programme are:

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<sup>3</sup> [http://www.communityimpactbucks.org.uk/data/files/VC\\_Sector\\_Report\\_Final\\_October\\_2015\\_HL.pdf](http://www.communityimpactbucks.org.uk/data/files/VC_Sector_Report_Final_October_2015_HL.pdf)

<sup>4</sup> <http://www.buckscc.gov.uk/media/886593/JHW-strategy.pdf>

<sup>5</sup> <http://www.buckscc.gov.uk/media/1174701/JSNA-Exec-Summary.pdf>

<sup>6</sup> <http://www.buckscc.gov.uk/social-care/care-for-adults/prevention-matters/>

<sup>7</sup> <http://www.buckscc.gov.uk/media/1174701/JSNA-Exec-Summary.pdf>

6.1 That the criteria should move away from the very broad themes based on the Sustainable Community Strategy, and focus on priority areas which target the services in greatest demand for vulnerable and disadvantaged residents. Applications should therefore be invited from organisations who can demonstrate that their services prevent or support one of the following priorities across the district.

- Services for older people (particularly those that support dementia sufferers and help prevent loneliness and isolation).
- Services supporting the emotional and mental development and wellbeing of young people (particularly those aged 13 – 19 and up to 25 with disabilities who are vulnerable or at risk).
- Services for people with disabilities (learning, sensory and physical)

Priority should be given to services for which there has been an increasing demand; services that will provide the most impact for the council's investment; and services whose outcomes contribute the most to the council's corporate priorities, assessed by the Panel as part of the application and scoring process.

6.2 That the allocation of the funding should be more flexible and support project costs, as well as the core costs of a few organisations providing key advice services that strongly align with the council's strategic needs. Examples include Citizens' Advice who provide free and independent advice on a range of issues, including debt and welfare benefits, housing, employment, immigration and nationality and Aylesbury Women's Aid, who provide advice and support services to women living with domestic violence.

6.3 That no prescribed limits be set for the amount of funding to be allocated for core funding under a Funding Agreement . This should remain flexible within the grants budget available, and the Panel's funding recommendation should be dependent upon the strength of the applications received and the amount of funding requested.

6.4 That multi-year funding (3-5 years) be awarded under a Funding Agreement to support core costs. This would give VCS organisations some financial security and stability to focus on service provision and provide greater leverage to attract additional funding for project work or enhanced service provision.

6.5 That a percentage reduction be built in across the duration of any multi-year agreement, and there would be no expectation to repeat fund.

6.6 That a project grant funding stream should be introduced and awarded on an annual basis and that these should be one-off grants of up to 50% of project costs and a maximum of £20,000. Organisations will only be able to submit one application at a time and the Council will not repeat fund the same project.

6.7 That AVDC grant funding should not be used to alleviate funding pressures in other statutory areas.

- 6.8 That the eligibility criteria should include a limit on the amount of reserves held by an applicant, in line with the Charity Commission's advice. It is suggested that an organisation holding more than a year's unrestricted reserves would not be eligible to apply (unless the trustees are able to explain and justify the reserves held).
- 6.9 That applications must be supported by a business plan and financial forecast for the duration of any core funding application or a comprehensive project plan for project grant applications.
- 6.10 That the budget for the three community associations currently supported by the grants programme be "lifted out" of the grants programme and transferred to the Commercial AVDC team, to be administered by the Community Leisure Manager, responsible for the AVDC managed centres. Also that the future funding decision be delegated to a senior manager in consultation with the Cabinet Member.
- 6.11 That the budget for the Infrastructure Contract is "lifted out" of the grants programme and the decision delegated to a senior manager in consultation with the Cabinet Member.
- 6.12 That the current decision making process remains in place whereby the Cabinet Member makes the decision about funding based on the recommendations of the Informal Grants Panel.
- 6.13 That the grants officer update the application form, scoring criteria, and other documentation, in consultation with the Cabinet Member.
- 6.14 That the grants officer should inform the VCS organisations currently supported of the likely changes to the grant funding model and confirm the changes as soon as the decision is made by Cabinet in July. This meets the requirements of the Buckinghamshire Compact to give at least 12 weeks notice of changes to the grants programme and level of funding. Also, that the revised grants programme be publicised on the website, through the appropriate media and by contacting organisations on the Council's VCS database.
- 6.15 That monitoring should continue on a six-monthly basis for those organisations in receipt of core funding and that the grants officer should continue to carry out an annual review meeting with each of the organisations funded. For one year project grants, monitoring should be completed at the end of the funding agreement.

## **7. Options considered**

The Panel considered whether or not to provide any grant support; to continue with the current grants programme or to review it.

## **8. Reasons for recommendations**

To introduce a set of clearly defined priorities for funding from April 2017 onwards that are open and transparent and align with the council's current vision and strategic needs and the identified needs within the community.

## **9. Resource implications**

There are no additional resource implications as a result of the recommendations within this report. The recommendation is that the total level of grant funding for 2017/18 be met within the existing grants budget and the money raised through the Vale Lottery Community Fund. Subsequent reductions are anticipated.

Contact Officer	Jan Roffe 585186
	Notes of the Informal Grants Panel meeting (14th April '16)
Background	Buckinghamshire Health & Wellbeing Strategy
Documents	Buckinghamshire Voluntary and Charity Sector Report (Oct '15)
	Buckinghamshire Joint Strategic Needs Assessment



	Name of organisation	AVDC grant funding 16/17	Services provided	Appendix A
	<b>BUDGET</b>	<b>400,000</b>		
	<b>Advice Services</b>			
1	Aylesbury & District Citizens Advice	£83,700	Free, impartial and confidential advice on debt, welfare benefits, housing, employment and immigration for people in greatest need. It is expected that the two centres will merge and submit a joint application for funding in 2017 but as yet we don't know what impact that will have on any grant application.	
2	Buckingham, Winslow & District Citizens Advice	£69,634		
5	Relate (Mid-Thames & Buckinghamshire)	£12,543	Counselling and psychotherapy services for couples, individuals, (irrespective of protected characteristics) and families dealing with relationship breakdown.	
4	Aylesbury Women's Aid	£26,217	AVDC funding funds the Outreach Service, that helps protect women living with domestic violence who are unable to escape their homes.	
5	Aylesbury Vale Rape Crisis	£8,927	Information, advice and counselling services for victims of rape and sexual violence.	
	<b>Services for older people &amp; those with disabilities</b>			
6	Age UK, Buckinghamshire	£10,496	Information & Advice service, Welfare Benefits advice, telephone advocacy, and befriending for older people aged 60 and over.	
7	Lunch clubs	£2,000	The provision of hot, healthy meals in a social setting for older people in Aylesbury Vale.	
	<b>Services for young people &amp; those with disabilities</b>			
8	Youth Concern	£16,100	Core funding for a drop in centre/coffee bar for young people who are at risk providing a safe place to meet, a hot meal and access to free 1:1 counselling and information, advice and support on a range of issues including drugs and alcohol, poverty and homelessness, family breakdown, young parenthood, bereavement and domestic violence.	
9	Aylesbury Youth Action	£11,016	Core funding to provide young people aged 14-25 with positive opportunities to participate in voluntary activities for the benefit of the local community, to develop skills to improve life choices.	
	<b>Play Services</b>			
10	Bucks Play Association	£35,000	Fully inclusive play opportunities for children aged 5-12 through holiday play schemes, with high ratio of 1:1 for SEN children. Supports AVDC Leisure to deliver Play around the Parishes by providing staff and equipment for an agreed number of days.	
11	Southcourt & Walton Court Project	£12,696	Affordable play opportunities for children living in an area of high social and economic deprivation.	
	<b>Music, Arts &amp; Sport</b>			
12	Queens Park Arts Centre	£30,600	Core funding to support the day to day operation of the QPAC to facilitate affordable and accessible creative arts for the community and theatre, music and dance performance opportunities.	
13	Aylesbury Vale Arts Council	£13,500	The Council's grant is used to support local arts, music & dance organisations and events in the district and to promote an appreciation of the arts and the development of artistic projects.	
14	Aylesbury Vale Sports & Physical Activity Network	£1,500	The provision of small bursaries for talented athletes and sports coaches in Aylesbury Vale competing at a regional level or above.	
	<b>Community Centres</b>			
15	Haydon Hill	£9,762	Core funding to support running costs, including salaries.	
16	Quarrendon & Meadowcroft	£18,269		
17	Aylesbury Vale Multicultural Centre	£10,000		
	<b>Other funding</b>			
18	Bucks Infrastructure Contract	£21,770	District Councils countywide fund Community Impact Bucks to provide information, advice, training and development for the VCS.	
	<b>Total</b>	<b>£393,730</b>		