

# WESTMORLAND AND FURNESS COUNCIL

## Cabinet

<b>Report Title</b>	Locality Boards' Community Grants Scheme
<b>Date of Meeting</b>	12 September 2023
<b>Report Authors</b>	Simon Blyth & Karen Johnson
<b>Director</b>	Steph Cordon – Director of Thriving Communities
<b>Lead Cabinet Member</b>	Cllr Virginia Taylor – Cabinet Member for Sustainable Communities and Localities
<b>Why is this a key decision?</b>	<ol style="list-style-type: none"> <li>1. Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates. For these purposes, savings and expenditure are "significant" if they are equal to or greater than £500,000 and/or <b>- NO</b></li> <li>2. Is likely to be significant in terms of its effects on communities living or working in an area comprising one or more wards in the area of the Council – <b>NO</b></li> </ol>
<b>Wards Affected</b>	All
<b>Identify exempt information and exemption category</b>	N/A
<b>Reasons for urgency (<u>only</u> where applicable)</b>	Not applicable
<b>Appendices (if any)</b>	Appendix 1 Locality Board Community Grants Scheme

### 1. Executive Summary

- 1.1 This report requests approval of the Community Grant criteria and scheme for the Locality Boards as a requirement in the Constitution.
- 1.2 The report also updates members on the approach that is being taken to develop a consistent, robust and transparent corporate grant funding policy. The report confirms that Commissioning, Procurement and Social Value development are integral and complementary to this proposed policy. The report highlights the consultation undertaken to date and the intention to consult more widely to ensure the policy is fit for purpose and will help support a sustainable Westmorland and Furness Voluntary, Community, Faith and Social Enterprise (VCFSE) sector.

### 2. Recommendation

**For the reasons set out in this report, Cabinet is recommended to:**

- 2.1 Approve the terms of the Community Grant Scheme as set out in Appendix 1 to be administered by the Locality Boards.

### **3.0 Information: the Rationale & Evidence for the Recommendations**

- 3.1 There are many advantages for the Council in distributing grants, which includes the ability to support the Voluntary, Community, Faith and Social Enterprise (VCFSE) sector and other non-profit organisations to deliver localised services tailored to the needs of a community. It also provides a mechanism through which the Council can support particular activity or invest in a community, which in turn builds community confidence and resilience, adding value in a way which is supportive and developmental. Ultimately, it can lead to voluntary community groups progressing to make the leap to become a social enterprise, providing employment and generating surpluses to be directed back into the community.
- 3.2 Additionally, a strong VCFSE sector is an extremely valuable asset in the prevention and pre-front door work, with the ability to collaborate with us to reach into communities, taking a person-centred approach to improve health outcomes, which is directly linked to the Council plan priorities.

#### **Locality Boards - Community Grants Scheme**

- 3.3 The Terms of Reference for the Locality Boards (part 2, section 5, paragraph 14.12.1(a)) states that Locality Boards will allocate grants within the terms of a Community Grants Scheme to be developed by Cabinet. As an interim measure to enable community activity to be supported, the three Locality Boards met in May and approved the following:
- To establish interim Community Grants Funds to be administered as an interim measure in accordance with a set of agreed interim criteria (Guide to the Application Process and Terms and Conditions of Funding).
  - Delegation to the Senior Manager (Safe & Strong Communities), in consultation with Members, to grant award decisions in respect of the Community Grants Scheme up to a value of £5K.
- 3.4 It is proposed that the criteria in Appendix 1 are adopted as the substantive criteria for the Community Grants Scheme. Cabinet is requested to approve this criteria, process and governance for the Community Grants Scheme in Appendix 1 to enable Locality Boards to continue delivery of this vital community support work.
- 3.5 To support a joined up approach to grant distribution and full awareness, the Town and Parish Councils will be updated on a regular basis on the voluntary and community groups in their area who have been supported with a Community Grant.
- 3.6 The Locality Boards will be required to consider community bus grants as part of the Priority Investment Fund, Local Sustainable Travel and Transport Fund. While the criteria for this is a separate consideration, the Community Grants process and associated good governance requirements, provide the foundation for the robust allocation of all grants distributed by the Locality Boards.

## **For Noting and Future Consideration**

### **3.7 Council Grants Policy Development**

Westmorland and Furness Council will develop targeted programmes that distribute grants to support and invest in local activity, consistent with council priorities, including culture, arts, heritage and sport to name just a few. This activity requires a clear and transparent policy and set of procedures to ensure maximum effectiveness and value for money.

3.8 Consequently officers are developing a Grant Policy that will set out:

- How the council will allocate grants in a consistent, transparent and fair manner.
- The legal, financial and governance requirements it will adhere to when designing and distributing grants programmes.

3.9 The aim of the Grants Policy is to provide strategic, coordinated and targeted grant programmes that deliver on council priorities, support local communities and a sustainable VCFSE sector in Westmorland and Furness.

3.10 Grant funding is a way to support the VCFSE sector, including charities, National Portfolio Organisations (NPOs) and other non-profit organisations such as Town and Parish Councils, to deliver localised services which are tailored to the needs of a particular community, either of geography or interest. Grant funding is a mechanism through which the Council can commission particular activity or invest in a community in a supportive, developmental and collaborative way.

3.11 There are many occasions when the council is required to administer externally funded grant programmes such as Health Action Zones, Lottery funding, DWP Household Support Funding, the Shared Prosperity Fund etc. These funds very often come with attached outline criteria but they will still be subject to the Council's Grants Policy in regard to transparent processes around governance, probity, audit and assurance.

3.12 As the custodian of public funds, the Council will ensure value for money, fairness, probity and transparency in the design of any grant programme. The Grant Policy will provide clear guidance on the requirements of a grant programme administered by the Council including:

- Criteria
- Governance
- Process / systems
- Due Diligence & Probity
- Records and Audit
- Monitoring and Assurance
- Assessments of any conflicts of interest
- Transparency

3.13 All grants from Westmorland and Furness Council should support outcomes clearly aligned to council priorities, be open and transparent, complement

existing council (and other agencies) grants, be legally compliant and avoid duplication.

3.14 The Grant Policy is being developed alongside Commissioning and Procurement strategies and policies as well as in consultation with Legal and Finance and current grant fund managers (for example within Climate and Natural Environment, Safe and Strong Communities, Sustainable Transport and Community Infrastructure). This will ensure the suite of policies deliver a comprehensive and consistent approach to grant funding across the organisation.

3.15 It is highly appropriate to take a co-production approach in developing the Grants Policy and to engage with potential end users of the process. To begin this conversation, a survey of existing and potential council grant recipients (including the voluntary and community sector, social enterprises, charities, NPOs and Town & Parish Councils) is underway to gather their experiences of, and suggestions for, a fair and transparent approach to grant giving. As part of the planned Community Power work, the results of this survey will shape future discussion and areas for further exploration and policy development with the wider sector.

3.16 The Grants Policy will include the following sections:

- Introduction and relevant associated policies
- Council Priorities
- Grants and Contracts (definitions)
- Delivering Council priorities effectively through grant funding
- Setting up a grant fund (Procedure, Governance and Application)
- Templates

3.17 The Council Grants Policy will be presented to Cabinet in February 2024 for consideration.

### **3.18 Transition of legacy grants**

A review of all historic grant allocations of the legacy councils (Barrow, Eden, South Lakeland and Cumbria) is presently being undertaken. This review will provide a comprehensive picture of grant giving and help us to answer a set of fundamental questions: Does the grant clearly support council priorities and deliver outcomes in the best way possible? Is there duplication in grant giving across the council? If the council were to stop a grant, what would be the impact on the service users, the service provider itself and the local community? Should the activity be supported through a grant or a contract? This work will also inform the developing Grants Policy.

3.19 The results of this work will feed into the Council's Strategic Planning and budget setting processes in the Autumn.

## **4. Link to Council Plan Priorities: (People, Climate, Communities, Economy and Culture, Customers, Workforce)**

4.1 The 3 Locality Boards operate within the Council's Strategic Policy Framework and have identified the areas they need to prioritise within their

areas. Therefore, the Community Grants Policy will deliver targeted funding which meets Council priorities across Climate, Communities, Economy and Culture. In particular:

For people:

- We will support everyone to start well, live well and age well.
- We are committed to reducing inequality in Westmorland and Furness

For communities:

- The council wants will work closely with the residents and businesses it serves to enable them to shape their own destiny and thrive
- Effective local representation and a thriving voluntary, community, faith and social enterprise sector are critical

## **5. Consultation Outcomes**

- 5.1 Consultation has included council officers in Safe and Strong Communities, Commissioning and Procurement and Legal, which will remain ongoing. The Communities and Environment Scrutiny Committee were briefed in July on all approach to the Grant Policy development. They are supportive and wish to remain involved as the policy develops.
- 5.2 Externally there have been discussions with local Social Enterprises. A comprehensive survey will be circulated across the VCFSE and independent sector in August/September 2023 to inform the Grants Policy.

## **6. Alternative Options Considered**

- 6.1 There is an option to do without a Grants Policy – however this would mean the council would not have coordinated and strategic oversight of its grant giving.

## **7. Financial Implications and risk**

- 7.1 Cabinet is asked to approve the community grant process for Locality Boards set out in Appendix 1 and in section 3.3 of this report. There is funding of £0.429m within the Locality Board Non-Highways Discretionary budget included in the 2023/24 budget approved by Council in March to support this recommendation. Should Cabinet not agree to the process there is a risk that the Council through its Locality Boards would not be able to provide vital financial community support.

## **8. Legal and Governance Implications**

- 8.1 The Constitution provides that the Locality Board Terms of Reference include allocation of funding grants within the terms of a Community Grants Scheme to be developed by the Cabinet (Part 2, Section 5, paragraph 14.12.1(a) Constitution).

- 8.2 The respective Locality Boards adopted interim criteria for the Community Grants Scheme at their first meetings in May and agreed delegated decision making in respect of grant awards from the Community Grants Scheme.
- 8.3 This report seeks Cabinet approval of the criteria in Appendix 1 in order that they may become the substantive criteria for the Community Grants Scheme to be administered by the Locality Boards.
- 8.4 The Council may distribute grants in accordance with agreed criteria to ensure consistency and transparency across the process. Due weight must be given in terms of equalities duties and fairness. Should the council distribute funds not in accordance with these principles, then it could be at risk of legal challenge.
- 8.5 The Council is under a legal obligation to comply with the Subsidy Control Act 2022. Decisions of the Council may be challenged by judicial review if the subsidy control rules are not followed or not followed completely. Grants or other measures may be suspended, and orders for damages or recovery of any unlawful subsidy made. The Council may suffer reputational damage if an unlawful subsidy is made. Officers should liaise with Legal Services with regard to Subsidy Control compliance.
- 8.6 As set out in Appendix 1, the grant awards will be made subject to the terms and conditions outlined in that document.
- 8.7 Legal Services will provide legal and governance advice with regard to the development of a Council grant policy. Consideration should be given, for example, to appropriate decision-making with regard to grant awards; criteria to award grants; a mechanism for assessment of conflict of interests; constitution of grant panels; transparency of process and decision-making and subsidy control considerations.

## **10. Human Resources Implications**

- 10.1 There are no direct HR implications associated with the recommendations within this report, however, should there be an impact on staff at any point then HR support should be sought.

## **11 Equality and Diversity Implications (including the public sector equality duty, Armed Forces Families, Care Leavers and Health inequalities implications)**

- 11.1 An EIA will be completed with the final draft of the Council Grant Policy.

## **12. Background Documents**

- 12.1 Westmorland and Furness Constitution and Locality Board Terms of Reference.