

## **GRANTS TO VOLUNTARY ORGANISATIONS**

### **1 SUMMARY**

- 1.1 Members are requested to consider a number of changes to the grant making procedures to adhere to other Council adopted policies and best practice.

### **2 INTRODUCTION**

- 2.1 Members previously considered the grants making procedures on 19 January 2006 and decided to leave the process unchanged for the financial year 2006/07. In 2006/07 the Council provided a general fund budget, excluding the grant to the Citizens Advice Bureau, of £30,500.

### **3 CURRENT PROCESS**

- 3.1 Organisations who are currently in receipt of support are invited to apply for a grant for the following year. If they apply their applications are considered together with those from organisations that have approached the Council during the year.
- 3.2 When applications are submitted to Committee a summary report is provided outlining the level of grant requested and the recommendation of officers as to whether the grant should be given. The current criteria is set out below:-

#### **(A) Service Delivery Priority**

- 1 Provide a cost effective, community-focused service that complements the local authority's statutory priorities.
- 2 Provide a cost effective, community focused service that complements the local authority's discretionary priorities.
- 3 Provide a local service either solely or mainly for the following priority groups:

Elderly; People with disabilities; Children; Other groups  
identified through the Council's policies.

#### **(B) Funding Priority**

- 1 Totally dependent on Rochford District Council's funding.
- 2 Rochford District Council's funding represents greater than 50% of total funding.
- 3 Rochford District Council's grant is a valued contribution towards funding, and represents 10% or more of the organisation's total funding.

- 4 Rochford District Council's grant is notional funding towards the service and represents less than 10% of the organisation's total funding.

Applicants are judged solely against these criteria.

#### **4 REVISED PROCESS AND CRITERIA**

- 4.1 The Council agreed to a Rochford Compact in March 2006. Compacts are agreements between the Statutory and Community and Voluntary sectors that set out agreed principles and ways of working. Included within the agreement is a funding code that states the statutory agencies will, inter alia:-

- adopt processes that are non-discriminatory to small voluntary and community groups
- adopt an open, transparent and timely funding process
- adopt the practice of written agreements which set out the objectives being funded in a SMART (Specific, Measurable, Achievable, Realistic, Time-bound) way, the payment arrangements and the monitoring of conditions

- 4.2 Our current grant system has therefore been reviewed in the light of the principles contained in the Compact.

- 4.3 We do not currently advertise or raise awareness of the fund. Members have raised concerns in the past about advertising the fund and potentially raising the expectations of groups seeking funding when the fund is limited. However, It is possible to advertise through the Council for Voluntary Services (CVS) network and not create a heavily over subscribed fund. It is, therefore, felt that it would be appropriate to ensure the process is perceived as open and transparent in line with the principles of the Compact.

- 4.4 Our current criteria also raise two other issues that need to be addressed. Firstly, the fund encourages groups to rely on our funding by giving them a higher score in the evaluation process - this is unsustainable in the long term for community groups and is not best practice. Community and voluntary groups are encouraged to have income from a number of different sources so that should one funding stream cease they have income from other areas to sustain them. In addition, where it makes sense to do so, organisations are encouraged to look for income streams through the activities they provide so that they are not solely reliant on grant funding. Secondly, there is no clear linkage between the Council's corporate objectives and what it seeks to fund community and voluntary groups to deliver. By linking the funding to the delivery of our corporate objectives and being clearer on the application form what outputs and outcomes the group will deliver for the funding provided we

will have a much clearer agreement with groups about what we are funding, and in turn should be able to show better value for money.

- 4.5 Service Level Agreements will be established with organisations receiving significant levels of funding. Service Level Agreements will help the Council manage the performance of funded organisations by agreeing levels of service at the commencement of the funding year.

- 4.6 The proposed new criteria are:-

Organisations will need to show how they contribute to one or more of the Council's Corporate Aims listed below:-

- To work towards a safer and more caring community
- To promote a green and sustainable environment
- To encourage a thriving local economy
- To improve the quality of life for people in the District
- To maintain and enhance the local heritage and culture

In addition, the Council will give priority to organisations that provide a local service either solely or mainly for the following priority groups:-

- Older people.
- People with disabilities or who are disadvantaged.
- Young people.

**What groups will be considered for funding?**

Applications will only be considered from groups meeting all of the following requirements:-

- Groups that are non-statutory organisations.
- Groups that are formally constituted.
- Groups that operate in the not for profit sector.
- Groups that can clearly demonstrate their ability, through a grant award, to deliver benefit to the community within the grant year and to sustain their activities.
- Groups whose activities benefit residents of Rochford.
- Groups whose activities clearly contribute to or support Rochford District Council's Corporate aims

**What groups/activities will not be considered for funding?**

The following will not be considered for funding:-

- Groups whose main aim is campaigning.
- Activities or projects that promote religion.
- Groups that have uncommitted/unrestricted funds that could be used to fund the activity.
- Activities, the full cost of which can be charged for.
- Groups that have failed to conform to the Conditions of Grant Award in previous years.

**5 RISK ASSESMENT**

- 5.1 There is a risk that more groups may apply to the fund than are currently in receipt of funding. Equally, some groups who are currently funded may not be successful under the new criteria if they do not put in an application that shows the same value for money as other applications.
- 5.2 If the Council does not align its funding with the agreement it has signed up to, it risks losing credibility with the Community and Voluntary sector, and other statutory bodies.

**6 RESOURCE IMPLICATIONS**

- 6.1 The level of funding remains unaltered overall.

**7 RECOMMENDATION**

- 7.1 It is proposed that the Committee **RESOLVES**
- (1) To amend the funding process and criteria as set out in the report.
  - (2) To raise awareness of the fund through the CVS network as outlined in paragraph 4.3.

Paul Warren  
Chief Executive

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**Background Papers:-**

None

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