

PART A

Report to: Overview and Scrutiny Committee
Date of meeting: 28th September 2016
Report of: Corporate, Leisure & Community Client Section Head
Title: Small Grants Fund Review 2013 – 2016

1.0 SUMMARY

- 1.1 This report provides Elected Members with a review of the Small Grants Fund (SGF). The grant budget forms part of the Community and Voluntary Sector Commissioning Framework and covers the period from April 2013 to March 2016.
- 1.2 This report is for information only

2.0 RECOMMENDATION

- 2.1 That the report be noted

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Report approved by: Head of Corporate Strategy & Client Services

3.0 Background

Watford has a large and active voluntary sector with organisations providing a diverse range of services often to those who are most vulnerable. The Community and Voluntary Sector Commissioning Framework 2013 - 2016 recognised the importance of maintaining a Small Grants Fund (SGF) programme to allow third sector organisations the opportunity to apply for 100% one-off grants to support their organisations.

A key objective of the small grant fund is to encourage small, grassroots organisations to apply for a grant to enable them to engage with their communities across the borough.

Applicants can apply for grants up to £2000 towards:

- a community initiative or project
- items of equipment

3.1 Governance procedure

The decision process of the Small Grants Fund was delegated to the Head of Corporate Strategy and Client Services, in consultation with the then Portfolio Holder Councillor Derek Scudder and delegated decision meetings would take place on a monthly basis throughout the year from April – February.

The approved criteria for the Small Grants Fund for 2013 – 2016 were that there was a:

- demonstrated need for the community initiative, project and/or item(s) of equipment; and
- demonstrable future benefit for the people of Watford

It is worth noting that repeat applications for the same project are not accepted for 2 years following a successful application. This is to avoid organisations becoming dependant on funding from the small grants fund.

3.2 Headline statistics

Between 2013 – 2016 the small grants fund:

- Awarded £167,561.46 to;
- 142 voluntary and community sector organisations working to engage and benefit the local community by undertaking;
- 111 projects across the borough
- £239,530 match funding

3.3 Items not covered by the Small Grants Fund

Officers responsible for the fund regularly review the guidance notes including the items that the scheme will not fund. The exclusions are:

- Core funding including but not limited to an organisation's baseline service delivery and/or activities, on-going hall hire costs, salaries, utilities, rates, rent, insurance etc.
- Energy efficiency initiatives
- Sports coaching qualifications, first aid and training workshops
- Sports equipment
- Any initiative, project and/or piece of equipment that in the opinion of WBC would be perceived as being for a singular religious aim or political purpose
- The purchase of land, buildings and vehicles
- Capital works to buildings including but not limited to structural work that requires planning permission
- Improvements to buildings/premises (i.e. refurbishments/replacements etc)
- The costs incurred in applying for external funding
- Loans of any description
- Projects or initiatives that have already taken place
- Item(s) of equipment that have already been purchased

3.4 Review of the Small Grant Programme 2013-2016

During 2015-16, the officers undertook a review of the small grants fund over the three year period of the second Voluntary and Community Sector Commissioning Framework 2013-2016.

These areas included:

- A comparison between years 1, 2 and 3 applications and awards
- Mapped the different organisations that had applied for match funding alongside the SGF application
- Geographical maps of the town (Appendix 1) showing ward locations of organisations
- Created a grant application process flow chart and a set of Frequently Asked Questions (FAQs)
- Updated and redesigned the application form and guidance notes
- Developed a case studies and success stories newsletter (Appendix 2) to raise the profile of the scheme but also help new applicants with real examples when they were developing their own application
- Developed a database of other available funding streams to third sector groups
- Organise a funding surgery for local organisations to receive 1-2-1 support and advice on their application. This is scheduled to take place before the end of 2016.
- Undertook a satisfaction survey of previous applicants to the SFG (Appendix 3)

Survey headline results

- 28 out of 48 organisations contacted responded to the survey. 58% response rate
- 55% of responders were Very Satisfied and 44% were Satisfied with how the council managed the SFG
- 100% of the organisations who contacted the small grants team during their application found them Knowledgeable, 95% of responders found the team Approachable and Responsive

3.5 Working with non-constituted groups

During the review the team identified that improvements could be made to the processes for making payments to non-constituted organisations and reduce the barriers to allow them to access funding. The 2015-16 application form stated that non-constituted organisations would have their funding award paid to an intermediary organisation, which had a bank account and would accept the award on their behalf. Some of the issues identified with this process included:

- Organisations unable to provide details of an intermediary organisation who would accept their award
- Additional background checks needed to be undertaken by the Commissioning Officers to verify the validity of the intermediary organisation, causing delays to the funding process
- No secondary process in place outlining how the funded organisation could access their funding award once it was paid to the intermediary organisation

- The process could be potentially open to fraud (intermediary organisation could inadvertently pay the award to an individual, something which was not permitted within our guidance)

The council approached Watford & Three Rivers Trust (W3RT) for advice and guidance to resolve the issue. The authority has an existing commissioning relationship with the Trust and recognised that part of their service was to provide local voluntary and community organisations with support, advice and guidance on a variety of subjects, including good governance.

Officers developed a Volunteer Partnership Agreement which would satisfy the council audit and financial processes for non-constituted organisations, but also provided a link for small organisations in the borough to benefit from the protection of working under the umbrella of an infrastructure organisation like W3RT.

The Volunteer Partnership Agreement ensures that:

- Non-constituted organisations would have their funding award paid to W3RT
- The Volunteer Partnership Agreement would provide a legal framework within which W3RT could support the volunteer partners to deliver their activities
- W3RT could provide the volunteer partners with support, advice and guidance to develop their organisation to become constituted

3.6 Raising the profile of the grants scheme – funding events

Over the years, Hertfordshire County Council have organised an annual funding fair to assist the voluntary and community sector across the county to access funding opportunities and other information around sustainability and appropriate support services. In more recent times, the focus has shifted as a direct result of the reduction of budgets and a move away from grant funding to commissioning. The annual fairs have now become voluntary sector and volunteering conferences with workshops on generating revenue as a social enterprise or community interest company and providing opportunities for networking with a view to making joint bids to commissioners.

From our experience of managing the small grants fund, there is still a considerable need for project support and funding, finding out what statutory and non-statutory organisations have funding programmes, determining eligibility and basic support to assist with application completion.

With this in mind, the council has planned and will be hosting a Watford focused funding event at the Holywell Community Centre in partnership with Watford and Three Rivers Trust before the end of 2016. The event is designed to enable participants to:

- Meet with a range of different funders including the Big Lottery to maximise their chances of successful applications
- Book time to speak on a 1-2-1 basis with the funding officers
- Bring along funding applications to receive bespoke advice and support from experienced bid writers and find out how they might be able to help
- Find out what is involved in making a Stage 1 Big Lottery Application
- Find out what is required before making a funding application to the different funding

streams

The following funders and organisations have confirmed their interest in attending the funding event:

- Watford and Three Rivers Trust
- Watford Borough Council
- Hertfordshire County Sports Partnership
- Hertfordshire Community Foundation
- Three Rivers District Council
- BIG Lottery
- Lloyds Bank
- Tesco Community Fund

3.7 Networking and county wide partnerships

As part of the small grants fund review, officers have created positive working relationships with our neighbouring local authorities and other organisations that provide funding for local voluntary and community sector organisations.

The council have established good links with:

- Three Rivers District Council
- Dacorum Borough Council
- Watford Community Housing Trust
- Watford and Three Rivers Trust

Networking meetings take place 2-3 times per year and cover agenda items such as:

- Current funding programmes
- Information sharing of application processes and paperwork including application forms and guidance notes
- Decision processes
- Budget amounts and annual award actual figures
- Possible projects for cross district and joint working

4.0 Audit report

The SGF was audited by Shared Internal Audit Service – Hertfordshire Partnership in March 2015. The overall audit opinion of the SGF processes provided **full assurance** that there are effective controls in operation for those elements of the risk management processes covered by this review.

5.0 Finance

The budget will be subject to the council's annual budget setting process and any requirements to make savings or provide growth will be dealt with as part of this process.

The SGF has an annual budget of £50,000

2013-2014	2014-2015	2015-2016
<ul style="list-style-type: none"> • The budget for 2013-2014 was £50k with an additional £38,580 carried forward from 2012-2013 giving a total budget of £88,580 • Total awards for 2013-14: £66,508.97 • 57 organisations applied for funding • 43 applications were successful • £28,982 match funding 	<ul style="list-style-type: none"> • The budget for 2014-2015 was £50k • Total awards for 2014-2015: £49,442.59 • 42 organisations applied for funding • 33 applications were successful • £182,176 match funding: <i>the following organisations applied for a small grant which formed part of a larger project – see costs below:</i> <ul style="list-style-type: none"> – <i>Watford Piscators: £58,000</i> – <i>Keech Hospice Care: £23,525</i> – <i>Watford Amateur Boxing Club: £35,000</i> – <i>Herts Pride: £29,270</i> – <i>Nysa Projects: £27,000</i> 	<ul style="list-style-type: none"> • The budget for 2015-2016 was £50k with an additional £2000 returned funding due to a non-completed project • Total awards for 2015-16: £51,609.90 • 43 organisations applied for funding • 35 applications were successful • £28,372 match funding

Appendices

1. GIS maps of the town (A3 Colour) – May 2016
2. Case studies and success stories newsletter – May 2016
3. Previous applicant satisfaction survey results – June 2016
4. Application Table showing 3 years comparison – May 2016
5. Ward Table showing funding per ward per year – August 2016