

## 9. CORPORATE GRANTS REVIEW

REPORT OF: HEAD OF LEISURE & SUSTAINABILITY AND  
HEAD OF ECONOMIC PROMOTION AND PLANNING  
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Wards Affected: ALL  
Key Decision: No  
Report to: Cabinet  
14 March 2016

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### Purpose of Report

1. The purpose of this report is to review the current grant funding programmes criteria and application process and recommend improvements.

### Summary

2. The report outlines the current grant funding programmes and makes a number of recommendations regarding the assessment process and published information with a view to simplifying the application process for applicants.
3. It is proposed that the Small Revenue Grants scheme be subsumed into the Community & Economic Development Grant Fund as the criteria for applications are similar.
4. Applications are currently assessed against the Council's priorities. However in order to increase the robustness of the assessment process, a scoring matrix should be introduced to assist members in prioritising levels of funding.
5. It is proposed that deadlines for applications and meeting dates are agreed annually in advance to reduce the need for applications to be urgently considered under Member delegation.
6. Applications to the grants fund from an organisation should be limited to one successful application per annum.
7. Other minor changes to the schemes are suggested as laid down in paragraphs 29 – 39 in this report.

### Recommendations

8. **Cabinet is requested to note the contents of this report and agree to**
    - (i) **combine the Small Revenue and Community & Economic developments grants, and**
    - (ii) **agree to the suggested improvements to the grants assessment process, guidelines and application form.**
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### Background

9. The Council operates a number of grants streams which give financial assistance to constituted local voluntary organisations to provide or maintain cultural, social, welfare, recreational or sporting facilities, or to promote these activities and to assist community based projects that are in the interests of the local area.

10. There are currently four grant funding schemes:
  - Community and Economic Development: Projects contributing to a prosperous economy. Grants are available in the region of £500-£5,000.
  - Small Revenue: One off grants to community organisations for an activity or piece of equipment. Awards are likely to be in the region of £500-£1,000 but less than £5,000.
  - Spotlight: Each year the Cabinet Grants Panel adopts a theme and invites applications from voluntary groups working in that particular field that may need additional help for one-off projects. Grants of up to £500 (considered once per year in September).
  - Facilities (Capital): Concerning works to buildings or facilities only (funded through Section 106 developer contributions).
11. To be eligible for a grant all applicants must have a not-for-profit status and provide the following supporting information:
  - constitution or set of rules
  - two years annual accounts
  - recent bank statement
  - equal opportunities statement.
12. Applicants for Facility (Capital) grants must also provide two quotes for capital items, proof of ownership of the building / facility and should consult with their Town / Parish Council prior to submitting an application form.

### **Assessment Process**

13. As part of the assessment process, applications are shared with officers across the Council and also with officers from West Sussex County Council and Horsham & Mid Sussex Voluntary Action (where appropriate) to obtain their comments and views.
14. The applications are presented to the Cabinet Grants Panel within a summary report containing details of the applications and officer recommendations.
15. The grants are considered by the Cabinet Grants Panel which is comprised of three Cabinet Members, of Finance & Service Delivery, Health & Community and Leisure & Sustainability which meet three times per year.
16. As part of the Community & Economic Development grants scheme, the Cabinet Member for Economic Development has delegated authority to sign off urgent applications.
17. For monitoring purposes, the successful applicants are requested to complete an End of Grant Form providing information on, how they have used the grant, how the grant has benefited residents of Mid Sussex, how many people has received assistance and what other funding has been received for the project in addition to the Council's contribution. This feedback is reported to the Cabinet Grants Panel on an annual basis.

18. The criteria of all five funding schemes are essentially the same and are detailed within the guidance notes. Applicants must demonstrate that at least 80% of beneficiaries are Mid Sussex residents and that projects meet at least one of the Council's three priorities – Better Environment, Better Lives and Better Services. Officers also consider how the organisation is managed, the need for the project and whether it represents good value for money. A contract included in the application form sets out the terms and conditions of accepting a grant.
19. There is currently a single application for all three grants streams, with various parts for each different funding stream.
20. As other funding opportunities become increasingly limited there is likely to be increased demand and competition for MSDC funding. At present the criteria is very broad and few applicants fail to meet the basic requirements. In order to make the assessment process more robust and transparent it is suggested that a scoring system should be introduced. An improved assessment process will enable members of the Cabinet Grants Panel to prioritise groups most in need and support applications that contribute towards the Council's objectives.
21. It is recommended that applications should be scored against four key criteria:
  - **Council's priorities** – explain how the project meets at least one of the Council's priorities
  - **Evidence of need** - provide information and supporting evidence about the demand and need within the local community that will be addressed through the project / activities
  - **Impact and benefits** – give details of beneficiaries and expected outcomes and explain how the success of the project will be measured and evaluated
  - **Finances** – submit an itemised project budget that is realistic, demonstrates good value for money and includes details of any match funding (with weighting toward applications that have a minimum of 10%, with the exception of Spotlight Grants).
22. The criteria would be scored as follows:
  - *Excellent*: the application meets the criteria and shows outstanding qualities (Score = 3)
  - *Good*: the application meets the criteria and shows strong qualities (Score = 2)
  - *Fair*: the application meets the criteria (Score = 1)
  - *Poor*: the application does not meet the criteria (Score = 0)
23. A set of criteria for each element is set out in an Assessment Matrix. (Appendix A).
24. It is proposed that in general applications scoring less than 4 will not be recommended for agreement by the Cabinet Grants Panel, although Members of the Panel will still take the ultimate decision in whether an application is successful.

### **Proposed amalgamation of the Small Revenue and Community & Economic Development Grants**

25. The criteria for the Small Revenue / Spotlight schemes and Community & Economic Development Grants would be merged to form one stream to deal with applications from third sector organisations seeking support for community projects and activities that contribute to a prosperous local economy. At present, both streams attract the same groups as the criteria overlap and/or complement each other.

26. The upper limit, criteria and deadlines for the Small Revenue and Community and Economic Development grants are currently the same and they are funded from the same budget. Also, the title of the Small Revenue scheme is misleading as it is intended to fund one-off projects rather than ongoing revenue costs.
27. It is therefore suggested that the Small Revenue Projects and the Spotlight round should be merged into the Community and Economic Development grants to create one grants funding stream for awards of £500- £5,000. Amalgamating the grants into one stream should make the process more efficient and less confusing for potential applicants.
28. The Facility Grants scheme funded from S106 will continue as currently.

### **Other proposed changes**

29. The Cabinet Grants Panel currently meets three times per year. In future, it is suggested that the deadlines for receipt of application forms should be fixed at 1 May, 1 September and 10 January for meetings to be held in June, October and February. This will enable the Council to publicise the dates well in advance which will allow applicants to plan ahead.
30. There have been examples of 'multi applications' from single organisations within a single year and this may tend to dilute the impact of the Council's investment and the quality of application. It is suggested that the number of awards that each organisation can receive should normally be limited to one in each financial year which would make the scheme more impactful and equitable although the Panel would retain the flexibility to consider more than one if it were to be of specific need and quality.
31. Organisations that failed to return the End of Grant Form (unless in exceptional circumstances) would be declined future support, and no payments would be made to any organisation that is in payment arrears with the Council.
32. The End of Grants Report form should be made available for completion online.
33. The guidance notes should be updated to make it clear that funds will not be provided for ongoing maintenance, routine repairs and renewals or award grants retrospectively for work that has already taken place.
34. The application form should be updated to include additional questions requiring applicants to clearly demonstrate the need for their project, provide information about the outcomes they aim to achieve, how they will promote, publicise and evaluate the success of their activities
35. The safeguarding, data protection and monitoring information will also be updated.
36. With regards to the process, awards of less than £1,000 should be paid in advance. Awards of over £1,000 to be paid on receipt of invoices, submitted as evidence of expenditure. This could cause cashflow problems for some applicants and it is suggested that pro-forma invoices may be accepted, by agreement.
37. It should be noted that Facility grants for capital improvements are only available if there are Section 106 contributions for the specific locality or project. Where there are no s106 funds available the only funding option is through the Community and Economic Development grants scheme and the maximum grant is limited to £5,000.

38. Given that the grants streams are being merged it is proposed that the delegated member sign off rests with the Chairman of the Panel (current the Deputy Leader and Cabinet Member for Finance and Service Delivery) as this will provide a direct link to the Grants Panel – the normal decision process.
39. Comments have been received over recent times that some of the information required within the single application form is somewhat onerous in relation to the value of grants requested. It is therefore proposed that a more simplified version is provided for grants of a lesser value (e.g.£500 and for the Spotlight applications)

### **Contribution to local economic development**

40. The voluntary and community organisations in Mid Sussex have the potential to generate economic value in a number of ways. They are significant employers and part of a large supply chain, as well as being engaged with the community and supports volunteering. The activities the Sector undertakes, addressing enterprise development, skills and worklessness, social issues and community cohesion are directly linked to a healthy and sustainable economy.

### **Policy Context**

41. The services provided by these organisations support the Council's stated Corporate Plan priorities under the Better Lives theme, and contribute specifically to providing Opportunities and Quality of Life for All and Healthy Lifestyles.

### **Financial Implications**

42. There are no direct financial implications as the recommendations contained within this report will be funded from the current allocations within the Community Services budget.

### **Risk Management Implications**

43. The risks identified with these recommendations are that the funding may not be used in the way stated by the applicant, risk that the outcomes are not delivered, risk that Council funds are allocated to financially unstable organisations, and that over time some organisations have become overly reliant on Council support.
44. These risks will be mitigated by the implementation of the recommendations contained within this report. The proposal to introduce a fair scoring system to assess the applications will ensure that the grants are closely aligned with the Council 's priorities, ensure that the grants are directed towards provision of extra facilities, equipment, services or activities, are of local need and community benefit. Support is available from the Community Services and Culture team to direct organisations that may not qualify for Council support to alternative funding opportunities.

### **Equality and Customer Service Implications**

45. As part of the assessment process all of the organisations that apply for funding from the Council have complied with the required conditions of funding and have the requisite policies and procedures in place, such as Equal Opportunities and Safeguarding Policies, and including any other relevant legislation.
46. These services specifically target key groups aiming to improve the quality of life for local residents, including older people, residents in rural areas, and those on low incomes. Working in partnership with the third sector organisations provides an opportunity for engagement with diverse groups across Mid Sussex.

## Assessment Matrix (max score = 12)

<b>Criteria</b>	<b><i>Excellent:</i></b> the application meets the criteria and shows outstanding qualities <b>(Score =3)</b>	<b><i>Good:</i></b> the application meets the criteria and shows strong qualities <b>(Score = 2)</b>	<b><i>Fair:</i></b> the application meets the criteria <b>(Score = 1)</b>	<b><i>Poor:</i></b> the application does not meet the criteria <b>(Score = 0)</b>
<b>Council's priorities</b>	The application clearly articulates how the project will meet at least one of the Council's priorities	The application states how the project will meet at least one of the Council's priorities	The application states that the project will meet at least one of the Council's priorities	The project will not meet any of the Council's priorities
<b>Evidence of need</b>	The demand / need within the local community is clearly articulated with supporting information i.e. consultations, research, statistics, pilot project.	The applicant has outlined the need within the local community.	A need is identified	The need is not evident.
<b>Impact and benefits</b>	Project clearly describes the beneficiaries, outcomes and measures of success.	Beneficiaries, outcomes and evaluation methods are listed but not detailed.	Limited information has been supplied regarding beneficiaries, outcomes and project evaluation.	Outcomes are not evident.
<b>Finances</b>	The applicant has submitted an itemised balanced realistic budget and good value for money, including 10%+ match funding sources identified or secured.	The applicant has submitted a balanced budget that is realistic and good value for money.	Budgetary information is limited.	Budgetary information is non-existent or incomplete.