

Community Grants Review

**To:**

Cllr Mairead Healy, Executive Councillor for Equalities, Anti-Poverty and Well-being,

Environment & Community Scrutiny Committee 30/06/22

Report by:

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Wards affected:

All

Non-key decision

1. Introduction / Executive Summary

- 1.1 The Community Grants priorities are reviewed periodically to ensure they remain relevant and align with the Councils Corporate Plan and wider objectives. Similarly, the Grant procedures are reviewed annually as part of a continuous improvement process, taking into account feedback from applicants and the experience of the Grants Team.
- 1.2 As reported to Environment and Scrutiny Committee on 27th January 2022, the focus on the next Grants Review will be to ensure it aligns with the Council's future priorities and outcomes as identified through the 'Our Cambridge' transformation programme.
- 1.3 To enable the 'Our Cambridge' work to develop and conversations with community groups to begin, whilst at the same time allowing for continuous improvements as usual, a two-phase Grants Review is proposed.
- 1.4 The Grants Review is not driven by the need to make financial savings, but instead recognises the issues that are facing the community and voluntary sector as the recovery from the impacts of

Covid begins. It will reflect our understanding of the challenges the sector faces in responding to inequalities and prolonged financial hardship, including in relation to long covid and the energy crisis.

- 1.5 The modification proposed in Phase 1 will simplify the funding application process for groups applying for low value grants. Phase 2 will focus on the broader work required to identify how the Council could work alongside communities in future, with the Community Grants process and procedures adjusted accordingly.

2 Recommendations

The Executive Councillor is recommended to:

- 2.1 Approve the changes to the Community Grants programme proposed in Phase 1 of the Community Grants Review, namely:
 - a) The introduction of a 'light touch' small grants application process for awards of £2,000 and under as set out at point 4 below;
- 2.2 Note the broader review work required in Phase 2 which will be developed alongside the 'Our Cambridge' transformation programme.

3 Background

- 3.1 **Corporate Grants Gateway** – Following a review in 2018, the gateway was implemented in 2019 to achieve greater transparency, consistency and accountability of grants to voluntary and community sector organisations for the following major grant funds:
 - Community Grants
 - Area Committee Community Grants
 - Homelessness Prevention Grants
 - Sustainable City Grants
- 3.2 These funds are now managed by one team using the same process and timescale. The awards are considered across the funds at the same time to ensure a consistent and accountable process by experienced officers from the different service areas. The funds remain within their appropriate portfolios for decision making and to ensure alignment to each fund's strategic priorities. There are no

plans to review the Homelessness Prevention or Sustainable City Grant Criteria as part of this Grant Review, although the Grants Team will implement any process improvements identified as a matter of course.

3.3 **The Community Grants** fund was established in 2015-16 following a review of Community and Arts and Recreation Development Grants. In June 2018 an additional funding priority, 'reducing poverty', was added to the priorities listed below.

3.4 **The priorities and outcomes** for the Community Grants fund are as follows:

Priorities - All applications must demonstrate how the funding will reduce social and/or economic inequality, by removing barriers for City residents with the highest need, to enable them to access one or more of the funding priorities:

- Sporting activities
- Arts and cultural activities
- Community development activities
- Reducing poverty activities
- Legal and/or financial advice
- Employment support or
- Capacity building of the voluntary sector to achieve the above

Primary Outcome - Reduce social and/or economic inequality for City residents with the highest need

Strategic Outcomes - As well as the primary outcome, activities must achieve one or more of the following strategic outcomes:

- Improved health and wellbeing
- Communities come together and bring about change
- More people have better opportunities to gain employment
- Stronger voluntary sector in the city

3.5 **Budget** – there is a budget of £1,000,000 available for Community Grants 2023-24 subject to approval of the Council's budget in February 2023.

3.6 £70,000 of the Community Grants budget is allocated to Area Committee Community Grants each year.

4 Community Grants Review – Phase 1

- 4.1 Phase 1 of the Grants Review will see **the introduction of a ‘Small grants’ scheme for applications with a value of £2,000 and under.**
- 4.2 A key driver for change is that groups have mentioned our main Community Grant application form and supporting document requirements are onerous for a small grant or small organisation.
- 4.3 A further driver for our proposed modifications is to encourage a greater number of applications from minority groups. The Grants Team already offers assistance to minority groups in completing the form, but we hope that by making the process simpler, groups will feel more confident to apply.
- 4.4 Comments from Councillors during the 2022-23 grant round requested consideration of a year-round pot for groups not ready to submit an application to the annual grant round deadline date. The pilot will be the first step towards moving to such an approach, as simplifying the process should increase officer capacity and provide an indication as to the potential demand for a permanent year-round small grants scheme. This will be further considered alongside the current Area Committee Grants as part of Phase 2 of the Review.
- 4.5 It is proposed therefore, that we introduce a lighter touch ‘pilot’ application process, with a simpler form and less additional requirements as part of the main grants round for groups wanting to apply for up to £2,000 per organisation for 2023-24. We propose to run this ‘light touch’ application process online using a simple e-form. The Grants Team will promote the ‘small grants’ scheme widely across the City to encourage new applicants.
- 4.6 There are some risks associated with a lighter touch approach, for example less surety that the applicant group conforms to legislation such as GDPR and the Equalities Act. Financial risk will be mitigated to a large extent by the lower value of the awards and the experience already gained administering a ‘lighter touch’ approach for the Platinum Jubilee Grant Fund, the annual Area Committee Grants, Community Chest Awards and Covid Support funding.
- 4.7 Prior to introducing the pilot ‘small grants’ scheme a set of minimum requirements will be agreed which will include:

- The provision of a safeguarding policy for activities for children and young people and vulnerable adults;
- The provision of a risk assessment for events and activities;
- Setting out the minimum requirements around the status of a group to be eligible for funding.

Guidance will also be provided on insurance requirements and what the light touch monitoring arrangements will be.

- 4.8 This pilot, considered alongside other small grant application processes from local authorities across the country, will inform recommendations for future grant rounds, that can enable organisations to access year-round funding more easily from the Council.

5 Community Grants Review – Phase 2

- 5.1 Phase 2 will be part of the wider discussion on community investment and wealth building that will take place within the ‘Our Cambridge’ transformation programme. The conclusions of Phase 2 will be implemented at the earliest available grant round, allowing for Compact compliant consultation (as explained at 7.1) and Committee deadlines.

- 5.2 Phase 2 could include options such as:

- Mapping existing funding to the voluntary sector across the Council;
- Researching what other councils are doing across the Country – building on the case studies provided and appraising the value of those approaches for Cambridge City;
- Liaising with local district and county partners on their approach to grant funding;
- Carrying out data analysis of current grant allocations: including by priority and value;
- Considering Area Committee Grants in terms of their focus (community projects v grant priorities) and the frequent challenge around funding projects that don’t fit the grant priorities. Considering the benefits versus how resource intensive the process is;
- Developing longer term funding arrangements for organisations delivering ongoing essential services and infrastructure support to the voluntary sector.
- Establishing what thematic areas the grants should support. This could include looking at emerging issues for communities, which currently receive limited support through the grants: e.g mental

health, general youth work, family support (such as parenting courses) and the priorities emerging from 'Our Cambridge' and the reviews being carried out in other service areas such as Community Development;

- Exploring external funding opportunities to supplement council budgets and awards: for example, a lottery to contribute to the budget available;
- Considering whether a Discretionary Rate Relief (DRR) policy review is required;
- Considering the option of moving all Grants to an electronic process and how this would impact on communities and Council resources.

6 Implications

- a) **Financial Implications** – there are no financial implications with regards to moving to a simpler application form for awards £2,000 or under as the awards be made from the existing Community Grants budget.
- b) **Staffing Implications** - There are no staffing implications for Phase 1 of the Community Grants Review.
- c) **Equality and Poverty Implications** - Equalities Impact Assessments were carried out as follows:
 - January 2015 on the implementation of the Community Grants Fund
 - June 2018 on the review of funding for anti-poverty projects
 - January 2022 on the current Community Grants Fund

Currently, all funded organisations are expected to have a policy in place which demonstrates the group is aware of its obligations around equality and diversity. Adopting a 'lighter touch' application process for small grants will remove the requirement for applicants to submit such a policy, as the large volume of supporting documents currently required as part of the application process is felt to be disproportionate to the value of small grant awards. Groups applying for over £2,000 will still be required to have or be developing an equal opportunities policy or similar.

The 'small grants' guidelines will contain a statement reminding applicants of their duties around equality and diversity. Although not a requirement, applicant groups will be invited to submit any relevant policies should they have them. The contact details of Cambridge

Council for Voluntary Service will be included to signpost any organisation seeking support to develop an equal opportunities policy or to improve their equalities and diversity practices generally.

A further Equalities Impact Assessment will be carried out during Phase 2 of the Review, incorporating the learning from Phase 1, such as how many groups applying for £2,000 or less submitted an equal opportunities policy regardless of the fact it was no longer a requirement.

d) **Net Zero Carbon, Climate Change and Environmental Implications**

- Currently, funded organisations are expected to have or develop an environmental policy. Adopting a 'lighter touch' application process for small grants will remove the requirement for applicants to submit an environment policy, as the large volume of supporting documents currently required is felt to be disproportionate to the value of the grant award. There is the potential for this approach to conflict with the Councils objective of a net zero carbon Cambridge by 2030, although groups applying for large amounts of funding will still be required to have or be developing an environmental policy.

The 'small grants' guidelines will contain a statement encouraging applicant groups to consider the environmental impact of their proposed activity. The contact details of Cambridge Council for Voluntary Service will be included to signpost any organisation seeking support to develop practices to reduce their carbon footprint.

e) **Procurement Implications** - The Council's approach to grant aid through the Community Grants is via an application process rather than through the direct commissioning of services. This approach will not change during Phase 1 of the Community Grants Review. The Council may choose to move towards offering longer term funding agreements or a commissioning approach as part of the 'Our Cambridge' work on Partnerships and Communities, and if so, this will be considered in Phase 2 of the Community Grants Review.

f) **Community Safety Implications** - Some of the funded projects will have a positive impact on community safety.

7 Consultation and communication considerations

7.1 The City Council is a signatory to the Cambridgeshire Compact. The Compact is an agreement between voluntary and community sector

groups and the statutory sector which allows both sides to work together and understand what to expect from each other. The Cambridgeshire compact:

- makes it clear what both sides should expect
- agrees to work towards 3-year funding
- recommends 12 weeks' notice of changes
- helps problem-solving
- contains 4 Good Practice Codes.
- provides for quality in consulting the voluntary and community sector and others, including providing for a 12-week minimum consultation period wherever possible.

- 7.2 Limited consultation on the Councils grants was recently undertaken via subjective questions by Cambridge Council for Voluntary Service (CCVS) to some community groups.
- 7.3 Phase 1 of the review should have no adverse impact on community groups as the process will be more straightforward for groups applying for small grants and the same as it is currently for groups applying for larger grants. Therefore, there are no plans to run a consultation. However, the proposals have been discussed with the Cambridge Council for Voluntary Service (CCVS) and the Cambridge Ethnic Community Forum (CECF) in the role of 'critical friend'.
- 7.4 Any future consultation as part of Phase 2 of the Review will be Compact compliant as some of the proposals will have the potential to adversely impact some community groups or sectors of society – such as if there are changes to the priorities the Council will fund.
- 7.5 We will broaden the consultation to include a wider group of stakeholders and groups who do not currently receive funding. This will be achieved through a variety of means including a press release, Cambridge Matters, the Council website and social media.
- 7.6 The results of the consultation will inform the final recommendations which will come to Environment and Community Scrutiny Committee for decision by the Executive Councillor as part of the Phase 2 Grants Review.

8 Background papers

No background papers were used in the preparation of this report.

9 Appendices

Appendix 1 - Equality Impact Assessment

10 Inspection of papers

To inspect the background papers or if you have a query on the report please contact Julie Cornwell, Community Funding and Voluntary Sector Manager, Tel: 01223 717855, email: julie.cornwell@cambridge.gov.uk