

Item

COMMUNITY GRANTS 2025-26



To:

Councillor Rachel Wade, Executive Councillor for Communities,
Community & Environment Scrutiny Committee, 16/01/2025

Report by:

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Wards affected: all

Key Decision

1. Executive Summary

- 1.1 This is the annual report for the Community Grants fund for voluntary, community, and not for profit organisations. It provides an overview of the process, eligibility criteria and budget. Appendices 1 and 2 detail the applications received with recommendations for 2025/26 awards.
- 1.2 The report also provides an update on the work of the Grants team carried out to date in 2024/25 and plans for 2026/27.

2. Recommendations

The Executive Councillor is recommended to:

- 2.1 Approve the Community Grants to voluntary and community organisations for 2025/26, as set out in Appendices 1 and 2 of this report, subject to the budget approval in February 2025 and any further satisfactory information required of applicant organisations.

3. Background

3.1 The Community Grant Scheme was reviewed in 2024, with the following changes approved by this Committee in June 2024 for implementation from 2025/26:

- i. The introduction of a twice-yearly Small Community Grants scheme replacing the previous Small Community Grants scheme and Area Committee Grants scheme, for applications with a value of £5,000 or less.
- ii. The continuation of the annual Main Community Grants scheme, for applications with a value over £5,000.
- iii. The introduction of multi-year funding agreements for specific provision within the City.

3.2 All applications must demonstrate how the funding will reduce social and/or economic inequality, by removing barriers for City residents with the highest need.

3.3 The strategic outcomes for the entire Community Funding Programme are:

- 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

4. Annual Community Grants with a value over £5,000

4.1 For 2025/26, the grant scheme priorities are:

- Sporting activities
- Arts and cultural activities
- Community development activities
- Reducing poverty activities
- Employment support

4.2 The 2025/26 Community Grants scheme opened on 1 August 2024 for applications and closed on 18 September 2024. Promotion and publicity of the grant fund included a press release, newsletter articles, emails, posters in areas of the City with the highest levels of deprivation and targeted conversations.

- 4.3 This year we have been able to monitor how information about the Community Grants scheme has been accessed. The Community Grants webpage was viewed 664 times by 375 users between 1 August and 18 September 2024 (the application window). This includes 18 views that were tracked from the physical posters advertising the grants scheme, that were displayed in key locations in the City, following the introduction of a trackable URL. Further posters have just been distributed regarding the £5,000 and under grants scheme, so we expect that number to rise significantly. On that basis, we will continue to invest in a blend of digital promotion and traditional methods, including posters.
- 4.4 A range of activities were undertaken to support organisations to understand the funding criteria and requirements needed for a successful application, including:
- in person 1:1 group advice sessions held jointly with CCVS
 - attending organisation's committee meetings, one-to-one meetings
 - a webinar held jointly with CCVS (29 registered attendees and a further 42 views of the recording)
 - application Guide and Help Notes detailing the priorities, outcomes and eligibility criteria and giving guidance on requirements, question by question
 - funding templates and signposting to other funding providers
- 4.5 All applications were assessed against the same assessment matrix developed around the priorities and outcomes used in previous years, ensuring a consistent approach. These assessments were then moderated by strategy officer meetings informing the award recommendations detailed in Appendix 1 and 2. The Executive Councillor attended a further meeting with officers to review the recommendations.
- 4.6 We received 70 applications for funding with a value of £5,000 or over, 27 of which were for Discretionary Rate Relief (DRR). Comparing like for like, for the 24/25 funding year we received 68 applications, 25 of which were for DRR.
- 4.7 Where no (or reduced) funding is proposed, it will be due to one or more of the following reasons:
- the organisation was ineligible
 - there were concerns about group governance and/or financial diligence
 - there were concerns about the overall quality or viability of the project

- there was poor alignment with the grant scheme priorities and/or outcomes
- identification of need for the activity was not sufficiently evidenced
- there was insufficient evidence about how City residents in greatest need would be targeted to benefit from Council funds
- the proposals were the remit of another service or organisation such as the County Council, Health, Housing etc
- the organisation had high reserves and did not explain why those reserves could not be used to fund the activity
- the group did not explain how they would measure impact and/or the intended impact was unclear

4.8 Those applicants where no award is recommended, will receive feedback and signposting to alternative funding and support.

4.9 Grant awards will be made as deeds or signed underhand (i.e. signed by the recipient and the Community Funding and Voluntary Sector Manager) where appropriate by delegated authority to the Director. This gives the Council the ability to execute grants as deeds where it is felt proportionate to the risk or where particular thresholds were met – such as over a certain financial value. It also allows the majority of grants which are lower risk and of lower value, to be signed underhand.

5. £5,000 and under Community Grants

5.1 For 2025/26 the grant scheme priorities are:

- Helping people be more active
- Improving access to arts and culture
- Bringing communities together
- Reducing poverty
- Reducing loneliness and social isolation

5.2 There are two funding rounds, to encourage smaller and newer groups who are less able to plan so far in advance to apply for funding when it better suits them. The first funding round opened on 26 November 2024 and closed on 14 January 2025. The second funding round opens on 23 April 2025 and closes on 3 June 2025.

5.3 Although officers have delegated authority to approve grants under £5k, the approval of awards will be in discussion with the Exec Councillor for Communities. Ward councillors will be informed of the funding awards for both grant rounds and general reasons for any decisions not to fund.

6. Multi-year Community Grants

6.1 Groups offered three-year, core funding¹ for the period 2025/6 to 2027/28 are groups providing:

- Independent advice and advocacy (including welfare, housing, debt advice)
- Infrastructure support to the voluntary and community sector

The three groups are Cambridge Council for Voluntary Service (CCVS), Cambridge Ethnic Community Forum (CECF) and Cambridge and District Citizens Advice Bureau CCAB).

6.2 We are developing a set of agreed outcomes together, taking a co-production approach as far as possible, beginning with a facilitated workshop with each group to work up a theory of change² (where one didn't already exist) and agree a workplan for the funding period.

6.3 Regular partnership meetings are set for 25/26 to ensure we work collaboratively to maximise the impact of the Councils funding. The meetings will be timed to enable the Council to exercise due diligence prior to releasing the next instalment.

7. 2025/26 Community Grants Funding Position

7.1 There is a total budget of £1,134,113 available for Community Grants for 2025/26, subject to approval of the Council's budget in February 2025. This can be broken down as follows:

- £528,000 for Community Grants with a value over £5,000
- £100,000 for Community Grants with a value of £5,000 or less
- £466,113 for multi-year Community Grants
- £40,000 for Discretionary Rate Relief

¹ Core funding means funding that the organisation can use the funding to best meet the organisations charitable aims. There would still be an expectation that the award was shown separately in the organisation accounts and that the agreed outcomes must be met.

² A Theory of Change is a description and illustration of how and why a desired change is expected to happen. The long-term goals are identified first, working backwards to identify all the outcomes that must be in place for the goals to occur. From that, activities and interventions can be identified which will achieve the long-term goal.

- 7.2 As agreed in June 2024 an inflationary increase³ has been applied to the part of the budget ring fenced for the multi-year Community Grants.
- 7.3 For Community Grants with a value of over £5,000, we received funding requests totalling £1,111,893 against the available budget of £528,000. This illustrates that the demand for Community Grant funding remains very high and not all applications can be successful or funded at the level requested.
- 7.4 If the recommended awards set out in Appendix 1 and 2 are approved, the budget for Community Grants with a value over £5,000 will show an overspend of £10,000, but this is offset by an underspend of £13,000 for DRR. We anticipate the remaining £3,000 to be fully allocated on DRR once the outstanding information has been received.
- 7.5 It is not yet possible to provide a summary of the funding allocation for the first round of Community Grants with a value of £5,000 or less, as the Grants team is still assessing applications. We anticipate that we will award approximately £70,000 of the £100,000 budget in Round 1 as we expect the majority of applications to be received in the first round.
- 7.6 A small events budget has been utilised for appropriate activities enabling the Community Grant fund to cover more projects or for an increased amount. Other budgets have also been utilised where possible to maximize the value of the 2025/26 Community Grants fund. This is highlighted in Appendix 1.
- 7.7 The Grants team was also able to identify one activity which could start in 2024/25. That activity will be funded through an underspend in the 2024/25 Community Grant budget, further alleviating the pressure on the 2025/26 Community Grants budget. This activity is highlighted in Appendix 1.
- 7.8 **Discretionary Rate Relief (DRR)** applications that meet the funding priorities, outcomes and eligibility criteria are also funded by the Community Grants budget. Applications for 25/26 are set out in Appendix 2. The Community Grants budget makes a 40% contribution of any DRR award made under the Business Rate Retention Scheme.

For 2024/25, the Council was able to apply 75% 'retail rate relief' (set by central government) to some eligible organisations, prior to applying the DRR calculation, thus reducing the impact of DRR awards on the

³ CPI rate of 1.7% set Sept 2024.

Community Grants budget. For 2025/26 this has reduced to 40%, thus increasing pressure on the Community Grants budget.

Other factors also influence the cost of the Discretionary Rate Relief element of business rates are:

- i) The multiplier for small and large businesses (for every £1 of rateable value, a ratepayer is required to pay an amount set by central government. For 24/25 it was 54.6p or £49.9p depending on the size of the business, before any relief was taken into account, but this is not set for 25/26).
- ii) Transitional Relief (this limits how much a bill can change each year as a result of business rates revaluation), with changes phased gradually.

The implications of these factors are often not known until into the financial year, therefore making it difficult to predict the exact amount of funding that should be set aside from the grants budget to meet the costs of awarding DRR. However, any underspend from the £40,000 set aside for 25/26 for DRR will be identified as early as possible and the funds reallocated in year to other activities that meet the grant funding criteria.

8. Update for 2024/25

- 8.1 **United with Ukraine Community Grants Scheme** – Following receipt of central government funding starting in 2022, a £500,000 fund for community groups supporting refugees fleeing the war in Ukraine was launched.
- 8.2 The scheme is open 10 months of the year on a rolling basis, enabling groups to apply when it suits them. This approach can be taken as the funding can be spent across a number of financial years and is therefore not restricted by the Councils accounting rules in the way General Fund grants are.
- 8.3 The United with Ukraine grant scheme has 3 Tiers. Community groups or small groups of residents can apply for a grant of up to £2,000 (Tier 1), while constituted not-for-profit organisations with a track record can apply for a grant of up to £5,000 (Tier 2). This manages the risk to the funding pot, whilst being responsive to feedback from local refugee-led groups/stakeholders that higher levels of funding were needed to make an impact on the issues being addressed. In 2024/25 Tier 3 was

introduced for established, constituted not-for-profit groups with a strong connection to the Ukrainian community in Cambridge. These groups can apply for up to £30,000.

8.4 Groups working with Ukrainian refugees are identifying multiple needs that require the delivery of more than one activity. The grant scheme was amended to allow groups with a track record of delivery with the Council to hold more than one grant or access one large grant for a range of projects, thereby increasing their offer to the people they are supporting.

8.5 As of 2 December 2024, a total of £197,008 has been awarded as follows:

Priorities & Funding Total	Bids	Small Grant Offers	Budget Remaining	% Budget
£500,000	£291,927	£197,008	£302,992	60.60% remaining
Navigating life in the UK	£11,108	£8,808		1.76%
Promote community cohesion and integration	£78,650	£70,350		14.07%
Deliver money advice and management	-	-		0.00%
Support access to employment	£23,700	£17,567		3.51%
Increase confidence in speaking English	£55,000	£55,000		11.00%
Enhance wellbeing, including activities for children	£123,469	£45,283		9.06%

46 grant awards were made to 15 community groups to date.

8.6 2023-24 Community Grants Annual Report – The Grants Team has prepared a report summarising the awards that were made for 2023-24, highlighting some of the achievements of funded groups and illustrating the impact of the Community Grants fund. The report can be found here: <https://www.cambridge.gov.uk/media/4fsbnvze/community-grants-annual-report-2023-24.pdf>

On average every £1 of grant funding awarded was combined with a further £4-5 of income raised by the group through additional fundraising, meaning that the total value of grant-funded activities is estimated to have been in excess of £4.5 million.

8.7 The Grants Team has responsibility for managing the ‘**Community Right to Bid**’ process, which has been in place since 2012. Local community and voluntary bodies, along with parish and town councils are able to identify land and buildings that provide an important service in their community. These community organisations can nominate such assets for inclusion on a register of assets of community value, which is maintained by the City Council. If an asset on the register comes up for sale, community organisations may have up to six months in which to raise capital and bid to buy the asset, before it can be sold on the open market. Examples of eligible assets include local shops, pubs, community centres, libraries, playgrounds, swimming pools, and markets.

8.8 In 2024 the Council received five nominations for assets to be added to the ‘List of Assets of Community Value’. One nomination was accepted and therefore the former Library, Mill Road was listed an ‘Asset of Community Value’ (ACV). Four separate nominations were received for buildings on the former Shire Hall site. These were considered by the Councils ACV Panel, and it was decided that these nominations would not be accepted onto the list of ‘Assets of Community Value’.

8.9 The Council also received notification from the owner of the former Library on Mill Road that they intended to dispose of an ‘Asset of Community Value’. This was the second time in recent months that the owner had attempted to sell the asset, following the first attempt falling through. The second notification triggered a moratorium period in which several interested, qualifying groups notified the Council of their intention to bid to purchase the building. Due process was followed, and the moratorium period ended on 12 August 2024, thereby enabling the owner to sell to whomever they chose.

Notification was also received that the owner of the East Barnwell Community Centre intended to dispose of the Asset. This triggered a 6-week interim moratorium in which the Council received no 'notice of intention to bid' notifications from interested community groups. Therefore, the owner was able to dispose of the asset as they wished from 3 June 2024.

9. Plans for 2026/27

- 9.1 **The Community Grant scheme outcomes** will be reviewed and refreshed to ensure they align with Council outcomes such as those set out in the Community Wealth Building Strategy. There will be less emphasis on whether an activity meets a particular priority area, instead whether it meets the outcomes we want delivered and ensuring funded groups can capture the difference the activity made (impact).

We are also considering whether we can offer grant funding to support community groups to develop their business plans/financial strategies, in recognition of the challenges the sector is facing to remain sustainable in the face of considerable financial pressures.

As with previous years, the Grants team will also reflect on any feedback from applicant groups and make continuous improvements where possible.

The wider intention is to ensure the Councils Community Grants programme ties in with other types of Council community investment, such as the social value procurement work, so we have a comprehensive package wrapped around the Community Wealth Building approach.

Any significant changes such as proposed new grant scheme outcomes will be presented to Environment and Community Scrutiny Committee in the spring of 2025 for consideration.

- 9.2 Officers will be reviewing the process for awarding **Discretionary Rate Relief** to ensure it aligns with best practice and remains affordable for the Council.
- 9.3 **The procurement of a Digital Grants Platform (DGP)** is underway, with a preferred supplier now identified. It is expected that the process of moving to the DGP will be piloted in March 2025, with two schemes that are open all year round first, to resolve any teething problems before

the August 2025 launch of the Community Grants, Homelessness Prevention Grants and Sustainable City Grants schemes for 2026-27.

- 9.4 A new grant scheme supporting all refugees and asylum seekers** will be introduced in the spring of 2025, replacing the United with Ukraine Grant scheme.

10. Implications

- a) **Financial Implications** - Set out in section 7 of the report.
- b) **Staffing Implications** - There are no staffing implications.
- 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
 - June 2024 to inform the Community Grant review proposals brought to Committee in June 2024

A further Equality Impact Assessment will be undertaken when the Community Grant priorities are reviewed.

- d) **Environmental Implications** - Organisations funded via the Over £5k Community Grants fund are expected to have or develop an environmental policy.
- 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.
- f) **Community Safety Implications** - Some of the funded projects will have a positive impact on community safety.

11. Consultation and communication considerations

Applicants were notified when this report was published detailing recommended awards, giving an indication of proposed funding from April 2025. This adhered as closely as possible to the Compact framework to give three months' notice of funding changes. Officers will continue the process of award notification, signposting and support, and implementing and monitoring awards.

12. Background papers

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

13. Appendices

Appendix 1 – Over £5k Community Grants 2025-26 Award
Recommendations - Activities

Appendix 2 –Community Grants 2025-26 Award Recommendations -
Discretionary Rate Relief

14. Inspection of papers

If you have a query on the report please contact Julie Cornwell,
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