

Report of: Strategic Director Housing Health and Community

To: Executive Board

Date: 10th September

Item No:

Title of Report: Grants Review

Summary and Recommendations

Purpose of report: To lay out the new process for delivering Grants Programme in 2008/09 and to layout the areas for funding and the allocated

Key decision: Yes

Portfolio Holder: Councillor Altaf-Khan

Scrutiny Responsibility: Community Scrutiny

Ward(s) affected: All

Report Approved by

Portfolio Holder: Councillor Altaf-Khan

Legal: Lindsay Cane

Finance: Sarah Fogden

Strategic Director: Michael Lawrence

Policy Framework:

Recommendation(s):

1. That Executive Board endorse and agrees the Themes (strategic objectives) for the grants programme 2008/09
2. That the Executive Board endorses and agrees the allocation of funding to the themes (strategic objectives) for the grants programme 2008/09
3. That the Executive Board endorses and agrees with the distribution methods for the grants programme 2008/09
4. That Executive Board receives a further report on the implementation of the new process and agrees the establishment of a Member steering group to over see the process with one Member from each Area Committee and appropriate officers from Area Co Ordination and Neighbourhood Renewal.
5. That the Executive Board agrees that there will be no inflation applied to the 08/09 grants budget and that this action will support the 08/09 overall budget challenge.

Background.

1. The Neighbourhood Renewal Business Unit manages the Grants Budget on a corporate basis. This year's suggested allocation is £1,627,063.
- 1.1 In 2006 Executive Board accepted recommendations of a review of the Grants process, designed to make it more open, be seen to be fair, and delivering strategic goals and value for money. The key recommendation was to separate the decision making on the priorities from decisions on which organisations to fund. This was to be achieved by publishing an annual Prospectus setting out what type of activities (by how much) the City Council wants to fund. Grant applications would then be assessed against the Prospectus. The draft Prospectus would enable the community and voluntary sector and the wider public to comment and influence City Council policy in this area. A simplified version was produced in 2006 covering 2007/8.
- 1.2 Historically there have been 3 main draws on the Community Grants budget. About £1,400,000 (85% of the total) goes to support strategic priorities (projects and services core to the Council's core business but not statutory work). About £170,000 (13%) goes to grants up to £20,000, to support initiatives put forward by the community and voluntary sector. About £36,000 (2%) goes to organisations facing unforeseen problems or opportunities.
- 1.3 Consultation has been carried out with the voluntary and Community Sector on the draft prospectus and a number of comments have been received. Area Committees have discussed the prospectus and the Grant process was reviewed by the Cross Party Working Group. Comments have been incorporated within this report.

Report.

2. This report will look at the Themes (strategic objectives) and what they represent, the allocation of grant monies and to what activities that allocation will support. And finally the distribution route for the giving of any grant.

Themes

3. As previously written 85% (£1.4m) of the grants budget is deployed to support strategic Council priorities. The strategic priority areas that make up the 85% of grant funding are suggested to be,
 1. Homelessness
 2. Advice
 3. Arts
 4. Children and Young People
 5. Safer Communities
 6. Community and Voluntary sector Capacity Building
- 3.1 The Homelessness theme is directly linked to the Homelessness Strategy and Oxfordshire Community Plan. And Oxford City Councils

Corporate Plan Having key outcomes delivered by the Voluntary and Community Sector who have the skills, experience and knowledge is producing quality results and is ensuring that BVPI's are met.

- 3.2 The Advice theme is linked into the Oxfordshire Community Plan and is highlighted as "achieving economic well being" within the Children and Young Peoples Plan and the Oxford City Councils Corporate Plan. Advice is also a key aspect of the Social Inclusion Strategy. Using a mixture of locally based provision and city wide services the Voluntary and Community Sector is very well placed to deliver these key services.
- 3.3 The Arts theme is linked to the Arts Strategic Plan and Action Plan, which feeds directly into the Cultural Strategy and Oxfordshire Community Plan. Outcomes of the Strategy are delivered by Arts organisations that are best placed to provide delivery on agreed outcomes as specified in the strategy. This work will be reflected in the new Oxford Cultural Strategy that will cover all aspects of cultural activity for Oxford.
- 3.4 The Children and Young People theme is linked into the Councils Children and Young Peoples Plan and the Oxfordshire Community Plan. And the Oxford City Councils Corporate Plan Local Community and Voluntary organisations are used to deliver the outcomes of the plan because of their key local knowledge and local network.
- 3.5 The Safer Communities theme is linked to the Community Safety Strategy for Oxford the Social Inclusion Strategy the Children and Young Peoples Strategy and the Oxford City Councils Corporate Plan. Once again the Voluntary and Community Sector is most suited with its local knowledge and skills to deliver key outcomes against the Councils strategic objectives.
- 3.6 The Community and Voluntary Sector Capacity Building theme is linked into the Oxfordshire Community Plan the Oxford City Councils Corporate Plan the Oxfordshire Change Up programme and Central Government policy. Oxford has currently a weak infrastructure and investment in this area will build upon the capacity of all of Oxfords Voluntary and Community Sector organisations. Thus enabling an improved delivery of all objectives both of Local Authority, Public and Voluntary/Community sectors.
- 3.7 The open bidding aspect of the grants programme will also follow the above themes. This will provide for a grass roots, bottom up approach to providing services to citizens of Oxford against the objectives of Oxford City Council. Innovation and responsiveness to need at a local level will be sought through this area of the programme.
- 3.8 The Area Committee grants will use the above themes as an umbrella set of objectives and more specifically target the objectives and outcomes from their Local Area Plans.

Allocation

4. The suggested allocation for 2008/09 is based upon the profile of grants given this year and the previous year. There have been

adjustments to reflect both the consultation comments and shifts in strategic priorities expressed by Business Unit Managers and the responsible officers. The following table shows the allocation by theme (strategic objective) and compares the new allocation to previous ones. The tables also include the allocation for open bidding, emergency grants and Area Committee Grants

- 4.1 The budget for the grants programme stands at £1,627,063
It is suggested that this will remain the same for financial year 2008/09 with no increase for inflation

Funding Allocated to Strategic Priorities

THEME	FUNDING ALLOCATED 2007/2008 £	SUGGESTED ALLOCATION 2008/2009 £	VARIANCE (+/-) £	DECISION MAKER
Homelessness	560,128	537,279	-22,849	Executive Board
Arts	271,267	260,000	-11,267	EB
Children & Young People	77,123	11,977		EB
Area Committee to Decide-children & young people by area	0	55,000		Area Committee
<i>Sub Total Children and Young People</i>	<i>77,123</i>	<i>54,100</i>	<i>- 22,123</i>	EB Area Committee
Advice	479,721	479,721	0	EB
Safer Communities	49,100	55,000	+5,900	EB
Capacity Building	29,486	59,486	+30,000	EB
Total	1,466,825	1,403,463		
Unallocated/Efficiency Savings		20,526		Executive Board
	FUNDING ALLOCATED 2007/2008 £	SUGGESTED ALLOCATION 2008/2009 £	VARIANCE (+/-) £	DECISION MAKER
Open Bidding	140,139	80,051	-60,088	Executive Board * (see Note)
Area Committee	n/a	60,000	+60,000	Area Committee
Area Committee to Decide-children & young people	0	43,023	+43,023	Area Committee
Small	5,359	5,000	-359	Portfolio Holder and Business Unit Manager
Emergency	14,740	15,000	+740	Portfolio Holder and Business Unit

				Manager
Total	160,238	160,051		
Grand Total	1,627,063	1,627,063		

**Note Executive Board make decisions on the City wide open bidding, Area Committee would make the decisions on locally based bids.*

Variance

- 4.2 The small reduction in the Homelessness allocation reflects efficiency savings that could be made over the 3 – year commissioning process.
- 4.3 The small reduction in the Arts allocation reflects efficiency saving that could be made over the 3-year commissioning process.
- 4.4 The reduction in the Children and Young People allocation reflects the delivery of services by the County Council and its statutory responsibilities for which this funding is not eligible. Negotiations with the County Council are ongoing to address this issue. Budget for grants to support locally based provision has been placed with Area Committees for decision although the allocation shows within the Strategic Priorities section.
- 4.5 The increase in the Safer Communities allocation reflects the growing need to address key areas.
- 4.6 The increase in the Capacity Building allocation reflects the need to strengthen Oxfords Voluntary and Community Sector and its support organisation. This will allow for greater efficiency saving within the City Council by building capacity of the organisation to deliver services. Resources can be redeployed to address other Council objectives.
- 4.7 The unallocated/efficiency savings are an estimate of the potential saved through intelligent commissioning. The use of this allocation is can be agreed by Executive Board at a later date.
- 4.8 The reduction in the Open Bidding allocation reflects the increased allocations in the Themes (strategic objective) allocation and also the new allocation to Area Committees.
- 4.9 Those elements of Children and Young People that are locally based will be decided by each appropriate Area Committee. This has been moved from the City wide allocation.
- 4.10 The small reduction in the Small and increase in Emergency grants allocation ensures the balance of the overall budget total.

Distribution of Grants

5. The distribution practice of open to all bidding is one which is recognised as unsatisfactory by groups that receive large grants and who work in close partnership with Oxford City Council To improve the process and to maximise the benefits for citizens of Oxford and to reduce time wasted by organisations a refined process is recommended. This process will retain an element of open bidding; it will incorporate commissioning and provide

a simplified application process. There will also be an element of the grants programme specifically for Area Committees for which the design of a process of application is to be finalised. Discussions have been held with the responsible officers in each theme (strategic objective) area and they have identified those organisations for which commissioning would be suitable. Both the commissioning and open bidding processes will run simultaneously.

- **Commissioning-type** process for the bulk of the Community Grants budget will enable significant improvement in value for money. To do this Business units will need a strategic plan for work with the community and voluntary sector, and the commissioning process will need to be developed in parallel with the annual budget process. It will be outcome based and be led by the relevant Business Unit Managers and prioritised during the budget process by members based on achieving strategic outcomes and improving value for money. The commissioned activities will be for a period of three years with the inclusion of review points. (Identified organisations for commissioning are detailed in appendix 1 however this list is not exhaustive or inclusive)
- **Prospectus (open bidding)** giving a clear statement of what will and will not be funded will greatly help reduce the cost of preparing and assessing inappropriate grant applications that are unlikely to be funded. This means that open bidding will still be available but in a very much more focused way it will also make it easier to promote the grant scheme to a wider range of organisations without inviting very large numbers of applications. This will allow for Voluntary and Community groups to bring forward innovations and provided for a “bottom up” approach to delivering outcomes against the Councils strategic objectives. The Prospectus will be issued to the Voluntary and Community Sector by 1st of October 2007 and bids will need to be in by the 9th of November 2007 with reports and recommendations to Executive Board (Area Committees) by the 4th of February 2008.
- **Area Committee grants** Area Plans would need to including clear statements of priorities and budgets to guide potential applicants on the likelihood of success and to tie in with the prospectus (open bidding)

Management

7. Neighbourhood Renewal Business Unit would continue to be responsible for the administration, monitoring and overall management of the programme. Business Unit managers (Neighbourhood Renewal, Leisure, and Housing Strategy) and the responsible officers for each of the theme areas will negotiate their own commissioning requirements with the identified organisations. Area Co Ordinators would be responsible for bids to the Area Grants budget

Recommendations

1. That Executive Board endorse and agrees the Themes (strategic objectives) for the grants programme 2008/09

2. That the Executive Board endorses and agrees the allocation of funding to the themes (strategic objectives) for the grants programme 2008/09
3. That the Executive Board endorses and agrees with the procurement methods for the grants programme 2008/09
4. That Executive Board receives a further report on the implementation of the new process and agrees the establishment of a Member steering group to over see the process with one Member from each Area Committee and appropriate officers from Area Co Ordination and Neighbourhood Renewal.
5. That the Executive Board agrees than there will be no inflation applied to the 08/09 grants budget and that this action will support the 08/09 overall budget challenge

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Background papers: None



