

To: **City Executive Board**
Date: **21st November 2017**
Report of: **Head of Community Services**
Title of Report: **Review of the Community Grants Programme**

Summary and recommendations	
Purpose of report:	To update the City Executive Board on the review of the grants and commissioning programme and propose how it can be further improved
Key decision:	Yes
Executive Board Member(s):	Councillor Dee Sinclair, Culture and Communities and Councillor Susan Brown, Customer and Corporate Services
Corporate Priority:	Strong and Active Communities
Policy Framework:	Oxford City Council Corporate Plan
Recommendation(s):That the City Executive Board resolves to:	
<ol style="list-style-type: none">1. Approve the commissioning funding themes and enter into three year funding agreements with community and voluntary organisations through the commissioning programme from April 2018 (subject to a three year budget being approved by Council).2. Agree that the Community and Voluntary Sector Infrastructure and Inclusive Arts and Culture commissioning themes are put out to open bidding from April 2018 and April 2019 respectively as outlined in paragraphs 20 – 29.3. Agree that the Advice and Money Management commissioning theme retains a similar approach to strategic grant funding as now, but with the creation of a service development fund of £44,918 per annum as set out paragraph 35.4. Approve a three year funding programme for the open bidding grants programme from April 2018 (subject to a three year budget being approved by Council).5. Approve the proposals listed in the report at paragraph 46.	

Appendices	
Appendix 1	Grant Criteria
Appendix 2	Review of commissioning programme and proposals going forward
Appendix 3	Advice commissioning service specification 2018-21
Appendix 4	Equality impact assessment
Appendix 5	CEB report risk register

Introduction

1. There are 3,222 registered charities in Oxfordshire and many more unregistered groups; these groups make a significant difference to the lives of residents and the Council greatly values their work. Work we undertook to coincide with last year's national volunteer day enabled us to demonstrate that volunteers contribute £27.6 million in Oxford.
2. Cuts in public spending have had a significant impact on the community and voluntary sector, most damagingly within the areas of greatest need. For all funded community and voluntary organisations dependent on external fundraising this situation creates real uncertainty about the future of their services.
3. In many cases, demand continues to grow and organisations are being asked to deliver more with fewer resources. Referrals from statutory providers are increasing, and clients often have more complex needs, but when additional support is needed by their service users, there are no statutory services, or a lack of capacity to obtain the support that is required.
4. Community and voluntary organisations are spending more time trying to raise funds which is taking time away from service delivery. Some organisations have created fund raising posts, which does mean that those that don't have the resources to do so have a reduced chance of obtaining funding. Our monitoring has highlighted that increased competition is resulting in organisations having more applications declined. This shows the importance of organisations in the sector working collaboratively to reduce overheads and increase the effectiveness and reach of projects.
5. We know from our recent volunteer survey that more than 55,000 people volunteer regularly in Oxford. The loss of funding for many organisations places a greater demand on volunteers both in terms of numbers and their skills and competences which they need to be supported to develop.
6. In light of the above we have reviewed how the grants programme can maximise its contribution to the sector to support delivery of activities, projects and services that contribute in tackling inequality and cohesion.

Oxford City Council's support for the Community and Voluntary Sector

7. Oxford City Council runs a substantial voluntary and community sector funding programme to support its corporate priorities, these are:-
 - A Vibrant and Sustainable Economy
 - Meeting Housing Needs
 - Strong and Active Communities
 - A Clean and Green Oxford
8. This funding programme is an essential resource for community and voluntary organisations and groups. It supports the survival, reach and sustainability of voluntary and community sector delivered services that address inequalities and community cohesion in Oxford.
9. The base budget for the community grants programme is £1,460,970.
10. £1,315,738 is committed on a three year basis to organisations delivering activities which the Council have identified as making a substantial contribution to the achievement of its corporate goals.
11. The remaining £145,232 is available for organisations to bid for on an annual basis through two programmes: open bidding which has a total fund of £107,500, and small grants which has a total fund of £37,732 for smaller scale projects and activities that meet the Council's corporate priorities.
12. Applications to these funds are assessed by an independent panel of City Council officers, taking additional expert advice from when appropriate. The panel mark the applications against set criteria including evidence of need, targeting, meeting the Council's corporate priorities and evaluation of the project. This ensures equitable assessment for all applications. These criteria can be found at Appendix 1.
13. Short term funding can place an unnecessary strain on limited resources and create problems with long term financial planning and service delivery. From April 2018 we recommend that the City Executive Board agrees a three year funding programme for both the commissioning programme and the open bidding grants programme to help with sustainability and long term security for community and voluntary organisations.
14. For organisations who successfully bid for three year funding, their funding throughout the period will be conditional on ongoing delivery of agreed outcomes.
15. The small grants fund offers smaller sums of money and therefore tends to support shorter term projects and events or is used as 'pump-priming' to set up projects. As such no change is proposed to the annual nature of the small grants programme.

Commissioning Programme

16. The current commissioning programme commenced on 1 April 2015 and ends on 31 March 2018.
17. The commissioned services delivered by organisations fit into the following themes:-
 - Advice and money management
 - Community safety
 - Inclusive arts and culture
 - Community and voluntary sector infrastructure
 - Homelessness
 - Inclusive play and leisure for disabled children and young people
18. Notifications will be sent to all funded organisations to remind them that their funding is coming to an end on 31 March 2018. Appendix 2 provides an overview of each commissioning theme highlighting what's worked well over the last three year programme, issues and how we plan to go forward from April 2018.
19. It is recommended that the City Executive Board approve the commissioning themes from April 2018 as set out above.
20. Both the Inclusive Arts and Culture theme and the Community and Voluntary Sector Infrastructure theme have long term agreements in place and this report recommends changing the funding model for these themes to increase transparency of process.
21. There is a large arts and culture sector in Oxford and over a number of years there have been numerous enquiries about accessing funding through this commissioning theme. Similarly, there are organisations in the community and voluntary sector who would welcome the opportunity to apply for this longer term funding and who may be able to provide an alternative offer. In this environment, giving other organisations the opportunity to bid for this funding is more transparent, gives more organisations the opportunity to apply for longer term funding and potentially increases value for money in terms of service delivery.

Community and Voluntary Sector Infrastructure

22. For voluntary sector infrastructure support our feedback from community and voluntary sector groups shows the areas of focus should be:
 - help and support with fund raising
 - advice and support on governance including working together to increase efficiencies and reduce costs
 - volunteering support
23. The amount currently allocated for this theme is £43,736. It is recommended that we put this theme out for open bidding to enable other support organisations the opportunity to bid for this funding.

24. Through our monitoring additional areas of critical training have been identified such as financial planning and charitable trading. It is proposed that £5,000 of the allocation for this theme is retained by Oxford City Council to commission specialist training for the sector.

25. We also propose that an independent evaluation of the grants programme at the end of the three year programme is undertaken to review social value and provide an evidence base to inform future funding recommendations which could possibly be used to encourage other donors to target inequality and cohesion in Oxford.

Inclusive Arts and Culture

26. During the last three years organisations funded through the inclusive arts and culture theme (allocation £235,262) have offered a wide range of employment and training opportunities for emerging artists. Cultural activities help build a sense of community and pride within communities.

27. The scope of work for organisations applying to the inclusive arts and culture theme would focus on delivery against the Council's Culture Strategy. The key priorities within the Culture Strategy and which organisations would apply against are:

- Support the sustainability of Oxford's cultural sector and improve the skills and diversity of the city's current and future creative workforce
- Improve opportunities for Oxford's diverse range of communities to be inspired by culture and to engage actively in a range of creative activities
- Improve opportunities for young people to access and actively participate in cultural activities

28. Therefore it is recommended that the Arts Council model of grant making is followed allowing organisations to bid for funding to deliver against these priorities over a three year funding programme, but with a one year 'holding over' period for commissioned organisations in 2018/19 to enable more in-depth conversations with them as to how this will best work.

29. It is recommended that the inclusive arts and culture theme to be put out to open bidding.

Advice and Money Management

30. Under the Advice and Money Management theme the Council provides funding and commissions organisations to provide independent advice to support residents facing social and financial problems.

31. The Council commissioned a review of these services this year, to support the work in recommissioning them for 2018 to 2021. The review, undertaken by Advice UK, concluded that funding for advice services has met local needs, and represents good value for money. It recommends maintaining the Council's existing approach of strategic grant funding for the sector.

32. A strategic grant funding approach allows organisations to respond flexibly to uncertain trends in demand. Provision of core funding by the Council allows the advice sector to lever in additional funding.

33. It is recommended that the organisations currently commissioned to deliver advice and money management services, are retained for a further three year period, and that funding for 2018/19 is distributed in a similar manner to the current year, subject to the provision in paragraph 36, below, and to agreement being obtained in the Council's budget setting process. A revised specification for services is shown in Appendix 3. This has been informed by the review referenced above, discussions with existing providers and the Council's revised Financial Inclusion Strategy.

34. The specification focuses services on maximising clients' income, reducing and managing client debt, and improving client's skills in managing income and accessing services online. In order to receive funding existing providers will need to provide a response to the specification outlining how they will deliver the service and achieve the specified outcomes. This will be undertaken as follows.

Date	Action
Week commencing 20 November 2017	Written invitation to organisations to apply for funding
12 January 2018	Deadline for responses
15 January 2018 – 26 January 2018	Council will seek clarification on responses where required
13 February 2018	CEB to consider report including advice organisations funding recommendations

35. The Council recognises the challenge for commissioned services in balancing funding of frontline advice work with that required to develop services. As such it is proposed that a funding pot is made available to support service development. This will be created by making a 5% reduction to the direct funding that goes to organisations, (£24,918 per annum) and adding the £20,000 reserved each year for priorities identified during the year, making a total of £44,918 annually. For the 2018-21 funding cycle, it is proposed that this is available for commissioned services to make partnership bids in order to develop the following areas:

- Work to reduce visits which are not of value to the customer
- Improving the outcomes obtained in the following areas:
 - Removing barriers to employment
 - Improving digital skills
 - Reducing fuel poverty
- Improving access to advice services for areas of the city without local provision
- Developing digital advice services

36. The above include areas of development work recommended in the Advice UK review. The review also identified other areas of development these are not

included because commissioned services, together with other partners, have been successful in obtaining Big Lottery funding to improve the way people in crisis are supported.

Consultation with community and voluntary groups

37. In December 2016 a consultation was carried out with groups that had applied for funding through the open bidding grants programme last year; we received a 51% (17) response rate. The consultation asked groups about:-

- The application and the process
- Significant challenges and risks they faced in the next 3 years
- What would help them with these challenges / risks and how the council could help with these risks and challenges
- Other ways in which the Council could help their organisation.

38. 88% of respondents were satisfied with the process, 100% said the guidance notes were clear, 93% agreed that terms and conditions for funding were clear and easy to understand and 13% felt more detailed feedback was needed on why some applications received only part of what they applied for.

39. For the next three years rising costs and growing demand were identified as the main areas of concern.

40. To help with these challenges groups asked for Council support on free use of rooms in Council run premises, support with long term funding, support on volunteering development, more promotion and publicity of grant funded activities and the impact made.

41. To support the challenge of facilities we are working on an application process for free use of Town Hall rooms. Community groups will need to demonstrate the social benefit and impacts that they deliver to obtain free use.

42. We are also working to develop a consistent policy for reduced room hire rates at Council run community centres for community groups which support the Council priorities.

Social and Financial Impact

43. In 2015/16 the community grants programme funded 71 groups and 268,886 Oxford residents were counted as benefitting (please note that many residents benefited from more than one project/activity or event funded).

44. Grant monitoring information shows that by investing in these themes Oxford City Council makes a vital contribution to organisations who in turn secure an additional £11,015,908 from other funding resources. It is clear that without this investment the amount of additional funding coming to the city would be drastically reduced. There are also further direct financial benefits for residents of Oxford, for example, for every £1 spent by Oxford CAB (which is funded through the commissioning programme) their client's benefited by £10.94, improving the quality of people's lives and supporting people out of debt.

45. For more information on social impact and the difference the grants programme makes to disadvantaged people view the short films recently made of some funded groups.

<https://www.youtube.com/playlist?list=PL40HSZ84zdJYruh2Hr7IW2CVdr5Ko62g>

Proposals

46. Some of our proposals to enhance the community grants programme include:

- To limit the size of groups that can apply to the small grants programme we propose introducing an income ceiling of £200,000 for applicants as part of the criteria
- Lighten reporting and application process so that it's proportionate to the value of grant awarded or being applied for
- Be clearer with organisations about the cash value of subsidies funded through the programme (e.g. rent) and the expectation this brings regarding delivering against Council priorities
- Improve how we work with funded organisations to promote the impact of Council funding

Climate Change / Environmental Impact

47. Funded organisations are made aware of the Council's commitment to reducing its carbon footprint and encouraged to take similar action.

Equalities Impact

48. Some examples of how equality is positively enhanced by the community grants programme at present include funding services for:

- Survivors of rape, sexual abuse and domestic violence
- Lesbian, gay, bisexual and transgender people by funding the Oxford Friend helpline
- People with disabilities, particularly children and young people with disabilities by currently funding Parasol who provide inclusive play
- Older people, through support for specific activities
- BME groups, through funding dedicated work with asylum seekers and refugees.

49. An equalities impact assessment has been used to inform a review of the grants programme offer and is included in Appendix 4.

Level of Risk

50. Please see risk register attached at Appendix 5.

Financial Impact

51. This report sets out the rationale for a 3 year community grants programme to be carried out from April 2018 to March 2021.

52. The community grants programme is funded from Oxford City Council's core budget.

Legal Implications

53. Oxford City Council considers it reasonable and appropriate in exercising its powers pursuant to the provision of s.2 Local Government Act 2000, the Localism Act 2011 and all relevant enabling legislation to offer grant assistance to community and voluntary organisation's through its community grants programme (commissioning and open bidding)

54. There are no legal implications

Report author	Julia Tomkins
Job title	Grant & External Funding Officer
Service area or department	Community Services
Telephone	01865 252685
e-mail	jtomkins@oxford.gov.uk

Background Papers: Advice Services Review June 2017

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