Title: Third Sector and Community Support Funding

Author(s): Stephen Hinds (Director of Finance and Transformation / Section 151 Officer)

1. Introduction

1.1. The Council works with many third sector and community bodies, ranging from contractual agreements to deliver services on behalf of the Council, granting financial support to support third sector bodies such as Age UK, to supporting Town Forums.

1.2. Under the current systems in place, there has been various methods for funding to be applied for, allocated, approved and monitored across the Council, and it is now the time to address any inconsistencies and give a formal structure to these processes that is consistent across the authority.

1.3. It is suggested that this area is now handled under the umbrella term of ‘Third Sector and Community Support’ (“the TSCS area”). This would encompass the following:

- Contractual Funding
- Core Support Funding
- Neighbourhood Forums
- Borough-wide Community Initiatives
- Health and Wellbeing
- Community and Youth Grant Scheme

1.4. The funds that will be included under this umbrella are all discretionary funds (i.e. the Council has full control over the amounts and whether to distribute them or not) except for the Health And Wellbeing funding which is a ring-fenced fund given by the Public Health Commissioner to the Council to deliver their objectives.

2. Recommendation(s)

That Council approve the structure, monitoring and governance arrangements of the ‘Third Sector and Community Support’ (TSCS) area.

3. Organising Structure

3.1. For the ease of monitoring and transparency, all monies relating to these areas (both income and expenditure) would be held under a central budget called ‘Third Sector and Community Support’ which would be clearly identifiable within the Council’s budget, and would be reported accordingly.

3.2. For clarity, within this budget, it would be broken down by each of the aforementioned areas, and by each of the grants/projects/contracts within each area, ensuring transparency and ease of monitoring.

3.3. It is understood that each element of the TSCS area is unique, and the authority needs to ensure that, whilst funds are budgeted under one roof, management,
monitoring, applications, approvals and reporting are to the appropriate places.

3.4. The key elements of this report, and as to how the organisation moves forward, is how funding/contracts are awarded, what criteria must organisations meet and how they are monitored. As part of any application or bidding process, the applicant must not only state what the monies will be spent on, but also what outcomes will be achieved. These must be agreed by both parties prior to any approval of funding. Equally, these agreements must be monitored to ensure that the outcomes are achieved, and that the Council is allocating funding appropriately. The report summarises and gives examples of how this would work, and how it is tailored for the various categories, or the size of the amounts.

3.5. The following details how each area deals with applications including both the application process and how they are approved. The application process can be found in Appendices A and B.

4. Funding Process

Contract Funding

4.1. Contract funding relates to contracts issued with Third Sector and Voluntary Sector bodies that provided services on behalf of the Council. Examples of Contract Funding including contracts with Helping Hands and the Citizen Advice Bureau (CAB). The term application for these types of contract is a misnomer, given that the authority procures this work, rather than organisations applying. However, for the sake of consistency, the term application will still apply for the purpose of this report.

<table>
<thead>
<tr>
<th>Contract Funding</th>
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<tbody>
<tr>
<td><strong>Application Process</strong></td>
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<td>Council procures service. This is by direct approach or by opening to applications. Contract offers are assessed and awarded as per the Council’s procurement guidelines.</td>
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Core Support Funding

4.2. Core funding is support the Council provides to Third Sector and Voluntary Sector bodies to assist them in carrying out their activities. For example, the Council currently contributes to Age UK within the Borough to assist them in providing their services. Whilst this funding does not directly correlate to specific projects, it does enable them to continue to function. Applications for Core Funding should be made for periods of one to three years. This would enable organisations to plan for, and help to secure their medium term futures, enabling improved chances of delivering their organisational goals.
4.3. **Core Support Funding**

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**Residents’ Town Forums**

4.4. Residents’ Town Forums are to be found in Oadby, Wigston and South Wigston and are designed to increase public involvement in public services. They also aim to help shape the Council’s policies for public services, provide challenge and feedback on these services and to promote community cohesion. Each forum has informally adopted additional relevant terms of reference for their specific area, and each forum reports to the relevant committees. The forums have two elements that relate to this paper, with these being Direction of Council spend and Grant Making to Third Parties.

4.5. Direction of Council spend is where forums make suggestions and recommendations for the Council to spend on activities/items within their Forum’s area (e.g. the recommendation that the Council spend monies on an additional waste bins or benches). This funding is provided from existing Council budgets.

4.6. Grant Making to Third Parties is where the Forum wishes to provide an event, service or activity (e.g. if the Forum wished to purchase a waste bin, or hire a marquee, the Forum would apply and recommend that the action is taken) If approved, the funding would be released or if over £500, released upon receipt of invoice.

4.7. As with Contracts, the term application for Direction of Council Spend is a misnomer, given that this a recommendation of Council spend, rather than organisations applying. However, for the sake of consistency, the term application will still apply for the purpose of this report.

4.8. **Residents’ Town Forums: Direction of Council spend**

| Application Process | Applications are to be made to the Policy, Finance and Development Committee via brief business cases that make suggestions, full costings and recommendations. Note that bids of less than £500 taking the form of a short |
application, and bids greater than £500 utilise the same premise as the generic application form (Appendix C)

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Residents’ Town Forums: Grant making to third parties

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Borough-Wide Community Initiatives

4.10. Events or requests for funding that cover a wider remit than a neighbourhood forum (i.e. place shaping) or are a recurring event would be funded from the Community Initiatives budget.

4.11. It is recommended that items such as Christmas Events be budgeted from such a fund and managed by the Town Centre Manager. In this example, not only is the potential duplication of costs minimised, but the central co-ordination could benefit with economies of scale and the expertise of the Town Centre Manager.
4.12. **Borough-Wide Community Initiatives**

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**Health and Wellbeing**

4.13. The Council currently receives grant funding from the Public Health Commissioner (at Leicestershire County Council) in addition to Leicestershire & Rutland Sport.

4.14. The Council’s Health & Leisure Services team produce a locality Action Plan, based on Leicestershire County Council’s criteria and the identified allocation of funding for the Borough. A formal presentation is given to the County Commissioning Group as part of the grant application process, and approval granted or changes made as required by County. The Health & Leisure Team then sub-commission the grant to local deliveries, in order to aid sustainability.

4.15. All funds are spent in line with the approved locality Action Plan. Reports are provided to County regularly via Network meetings and formal visits by Commissioning Group representatives. Quality Assurance of activities takes place regularly by the Council’s Leisure Team to ensure high quality programmes are delivered.

4.16. Formal reporting is also submitted to County every 6 months. This includes equality data, number of participants and attendance figures. These are cross-referenced with the locality Action Plan to ensure they are on track. In addition 6 case studies are submitted to County every 6 months to reflect the difference the funding is making to local groups and individuals. The Local Sports Alliance and the Health & Wellbeing Board act as “check and challenge” groups.

4.17. Therefore, the application, approval and monitoring of these funds are exempt from that of the other discretionary funds. However, as with all of the funds contained within this area, they would be reported to the Policy, Finance and Development Committee.

**Community and Youth Grant Scheme**

4.18. The Community and Youth Grant Scheme aims to provide financial assistance to local groups, youth groups and in exceptional circumstances individuals in order to fund one-off projects. The funding can be used to assist with travel, equipment or costs.
associated with the setting up of a new project, but will not support ‘every day’ expenditure such as rent or room hire.

4.19. The scheme is successful and currently funds approximately £4000 per annum in grant funding, with bids normally being in the region of the low hundreds of pounds. The application process can be found below and criteria for applications, along with the application form, can be found in Appendix D.

4.20. **Community and Youth Grant Scheme**

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5. **Overarching Governance Arrangements**

5.1. There is a number of overarching governance arrangements that would apply to the funding of the discretionary funds. These include:

- A full report at year end should identify all spend to all bodies. This should also identify what the agreed outcomes of the funding were and whether they were achieved;
- A review of actions that may be taken should be carried out if agreed outcomes of funding agreements were not achieved;
- An organisation may only apply once per year to any of the discretionary funds. If an individual is a member of multiple organisations or bodies, then a maximum of two can apply per year;
- Any member involvement with any application will be declared in the first instance; and
- Funding bids would be received on a quarterly basis throughout the year (or until the funding available for the year is fully utilised).

5.2. A dedicated page on the website will be made available for each of the categories of funding to allow applicants to access guidance and download/complete the application forms electronically.

6. **Further Work and Other Areas**

This report does not look at items such as economic development or sponsorship and these areas will be looked into in due course.

**Background Documents:**

Appendix A - Generic <£500 Application Form
Appendix B - Generic >£500 Application Form
Appendix C1 – Residents’ Town Forums’ <£500 Application Form
Appendix C2 – Residents’ Town Forums’ >£500 Application Form
Appendix D - Community and Youth Funding Application Form

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## Implications | Third Sector and Community Support Funding

### Finance

**Stephen Hinds**  
(Director of Finance and Transformation / Section 151 Officer)

Whilst there are no direct financial implications arising from this report, the improved methods of applications, approvals and monitoring will help ensure better value for money is achieved.

### Legal

**Dave Gill**  
(Head of Law and Governance / Monitoring Officer)

This report is satisfactory.

### Corporate Risk(s) (CR)

**Stephen Hinds**  
(Director of Finance and Transformation / Section 151 Officer)

- **Decreasing Financial Resources (CR1)**
  
  Improved controls will allow for better scrutiny and analysis of spend.

- **Reputation Damage (CR4)**
  
  A consistent approach to Third Sector and Community Funding, along with improved transparency will lessen any detrimental effect on the Council’s reputation.

- **Regulatory Governance (CR6)**
  
  Improved governance arrangements arise from the implementation of the recommendations of this report.

### Corporate Priorities (CP)

**Stephen Hinds**  
(Director of Finance and Transformation / Section 151 Officer)

- **An Inclusive and Engaged Borough (CP1)**
  
  By having a thorough and equitable process for allocating funds to the Third Sector and Community Groups, we will ensure that inclusivity is a key driver in administering funds, whilst ensuring that there is access to funding throughout the Borough.

- **Effective Service Provision (CP2)**
  
  Improved governance and consistent approaches to the application for Council funding will minimise officer time currently spent on disputes/queries.

- **Wellbeing for All (CP5)**
  
  The ability to fund groups of all varities across the borough enables the Council to improve wellbeing in areas that it would normally not be able to under its statutory duties.

### Vision & Values (V)

**Stephen Hinds**  
(Director of Finance and Transformation / Section 151 Officer)

- ** “A Strong Borough Together” (Vision)**
  
  The Council can reach more groups of residents by working with the Third Sector and Community Groups than it can alone.

### Equalities & Equality Assessment(s) (EA)

**Stephen Hinds**

- **Not Applicable (EA)**
(Director of Finance and Transformation / Section 151 Officer)