

GRANTS ADVISORY PANEL

MINUTES

30 JULY 2012

Chairman: * Councillor Nana Asante

Councillors:

* Ann Gate (2)	* Joyce Nickolay
* Manji Kara	* Bill Phillips
* Mrs Vina Mithani	* William Stoodley
* Chris Mote	* Sasi Suresh

Adviser: * Deven Pillay, Representative, Voluntary and Community Sector

In attendance: David Perry Minute 108, 109
(Councillors)

* Denotes Member present
(2) Denotes category of Reserve Members

103. Attendance by Reserve Members

RESOLVED: To note the attendance of the following duly constituted Reserve Member:

<u>Ordinary Member</u>	<u>Reserve Member</u>
Councillor Varsha Parmar	Councillor Ann Gate

104. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Items 7 and 8 - Update on Commissioning, Small Grants Applications Form and Draft Timetable

Councillor Ann Gate declared a disclosable non-pecuniary interest in that her husband was a Director at Soul Survivor and on the board of Harrow Citizen's Advice bureau. She would remain in the room whilst these matters were considered and voted upon.

Councillor Nana Asante declared a disclosable non-pecuniary interest in that she was a member of the Voluntary and Community Sector Forum and that she had taken part in the Scrutiny Review regarding Support to the Voluntary and Community Sector. She would remain in the room whilst these matters were considered and voted upon.

Deven Pillay, representative from the voluntary and community sector declared a disclosable non-pecuniary interest in that he was Chief Executive of Harrow MENCAP. He would remain in the room whilst these matters were considered and voted upon.

105. Minutes

RESOLVED: That the minutes of the meeting held on 25 June 2012 be taken as read and signed as a correct record, subject to the following amendment, paragraph 2 of minute 101 on page 103 to read:

The Divisional Director of Community and Culture stated that EHT funds were administered by Harrow Council on behalf of the Trust and that there was £24,237.64 currently available in the fund and the total amount requested by applicants to the fund amounted to £40,678.

106. Public Questions, Petitions and Deputations

RESOLVED: To note that no public questions were put, or petitions or deputations received. The Chairman had received an email from CAB outlining their concerns about the changes to the Grants Programme. The Panel agreed to receive the email when the item was discussed.

RECOMMENDED ITEMS

107. Small Grants Applications form and draft timetable

The Panel received a report of the Corporate Director Community, Health and Wellbeing which set out proposals for amendments to the grants application form and proposed draft timetable for the Small Grants programme 2013-14.

The Divisional Director highlighted the following in relation to the application form:

- amending the current eligibility criteria for small grants in the light of feedback following consultation with the Third Sector in September 2011;
- the equalities monitoring information now included the protected characteristics as described in the Equality Act of 2010;

- the evidence of need question had been simplified;
- the project/activity outcomes section had been simplified into 3 columns instead of 4;
- the question relating to unit had been removed;
- a new question 7e, relating to any additional information to be submitted had been inserted.

Following discussion, the Panel agreed that the requirement for groups to submit professional references, essential policy documents and information relating to financial reserves should be retained.

Panel Members made the following points:

- the question relating to details of a group's financial reserves should be retained and clearer guidance provided as to what was required, as this was a good test of a group's robustness and would play a role in helping organisations to develop;
- the size of the reserve itself was not as important as whether organisations were able to demonstrate that a reserves policy was in place. This information would also prove useful if a cap were to be placed on the maximum amount of small grant funding available.

The Divisional Director stated that, in her view, information relating to a group's reserves could indicate the stability and ability of an organisation to deliver stated outcomes and that supporting documents were not required to be submitted until after notification of grant award.

The Adviser to the Panel stated that a robust assessment and appeals process was key in ensuring a fair and transparent process. Further training should be provided to assessors to reduce any inconsistencies in the result.

An officer advised that the assessment process had the requisite checks and balances to ensure consistency. However, officers were open to suggestions about improving the process. The Portfolio Holder for Community and Cultural Services stated that any assessment process would have some discrepancies due to differences of opinion amongst the scorers and moderators. The Adviser stated that the assessment process was not a precise science, however, in his view, there would be greater consistency in the results if fewer people were involved in the process. The Chairman stated that the scoring of applications during the assessment process was in question, and had resulted in a number of discrepancies and many successful appeals.

A Member stated that she had been informed at a recent meeting of the Overview and Scrutiny Committee that 80% of appeals had been successful.

An officer stated that she was not sure that this figure was correct and undertook to inform the Panel of the exact figure.

The Panel requested that, if possible, the draft timetable for the Small Grants programme 2013/14 be submitted to the Portfolio Holder for Community and Cultural Services at the earliest opportunity to allow information relating to the Grants process to be disseminated to community groups in good time.

Resolved to RECOMMEND: (to the Portfolio Holder for Community and Cultural Services)

That the application form and draft timetable for the Small Grants Programme 2013/14 be approved subject to the following amendment:

the explanatory notes relating to the submission of essential policy documents be clarified and simplified.

Reason for Decision: To prepare for the delivery of the new Small Grants programme 2013/14.

108. Information Report: Update on Commissioning

The Panel received a report of the Corporate Director Community, Health and Wellbeing which set out proposals for commissioning and Small Grants and on the development of plans for moving from the Main Grants Programme to an Outcomes Based Grants and a Small Grants process in 2013/14.

The Chairman of the Panel read out an email from the Chief Executive of Harrow Citizens Advice Bureau (CAB). The email contained a briefing document for Councillors and MPs setting out Harrow CABs concerns relating to proposed changes to the Council's grants process and its possible adverse impact on CABs ability and the ability of other key voluntary sector organisations in Harrow to continue delivering their current level of service provision.

The Divisional Director Community & Culture advised that:

- the number of grant applications received had increased in recent years and the maximum amount of grant funding had been capped;
- there were over one thousand voluntary/community sector organisations operating in Harrow and some of these were delivering services without any grant funding;
- the Grants budget for 2012/13 had been ringfenced.

The Portfolio Holder for Community and Cultural Services made the following points:

- the date of the July meeting of the Panel had been postponed at his request, as in his view, this had been a key opportunity to take on

board feedback from the voluntary and community sector about a commissioning based grants process and added that the Grants budget for 2012/13 was protected;

- although he was pleased that CAB were consulting with the Council, however, he pointed out that a decision to place a £50K cap on the grant as claimed by CAB had not yet been made and that a scaled reduction of funding over the three period had largely been welcomed by organisations at the consultation event. The Council had proposed that grant funding be allocated over a period of 3 years with a tapering in years 2 and 3. It was not possible to predict what level of grant funding would be available in the next few years. He added that the Grants process was a competitive process and therefore no single group's funding could be guaranteed.

The Chairman stated that there could be a sense of entitlement amongst some groups that had been consistently successful in securing grant funding over recent years. However, groups should be aware that success in securing grant funding one year did not guarantee success in subsequent years.

A Member of the Panel stated that some groups could feel that they were entitled to core funding. Some groups might no longer be able to continue operating at the same level if their funding was reduced. She suggested that the grant application form be amended to ask groups whether additional funding was being sought from other sources and if so, whether they had been successful.

Members of the Panel made the following points:

- information provided by groups about match funding should be used to score their grant applications;
- it was important that regular impact assessments be carried out on the new grants process;
- an outcomes based grants process would be more equitable and transparent;
- a purely outcomes-based funding process could lead to difficulties if organisations were able to demonstrate that they could deliver stated outcomes but no funds were available to enable them to do this;
- a commissioning process was akin to a tendering process in that it was competitive.

The Divisional Director stated that consultation results had shown that voluntary and community sector groups were strongly in favour of the commissioning model. Some organisations were fully prepared to undertake a tendering process while others were not yet ready and would require support. She added that the new draft process was based on the delivery of

the Council's draft core outcomes; with the corporate priorities listed as overarching themes. A total of 7 of the draft core outcomes had been identified as the most pertinent for the process to deliver against the corporate priority themes. This draft process had been developed based on discussion and consultation with the Third sector, officers, Members and analysis of other borough models.

The Divisional Director added that the small grants budget should increase from previous years to support smaller organisations. A total of £80k had been awarded to a total of 31 groups in small grants in 2011/12. Officers were suggesting a review of organisations receiving funding from more than one source, which should be taken into consideration when scoring applications. In the future, groups successful in securing grant funding or commissions from one or more department in the Council should have only one relationship manager at the Council in order to ensure consistency.

The Divisional Director added that an outcomes based process would allow for an applications based process, with applications being assessed against the core outcomes, whereas a full commissioning process would require adherence to a detailed tendering process used by the council. She added that the proposal that funding be awarded for a period of three years, with a gradual reduction of the amount in years 2 and 3 had been well received by the Third sector at a recent engagement event. Consortia bids would be encouraged and groups could also bid individually. The proposed timetable for the delivery of the Small Grants Programme would be considered by Cabinet in September 2012.

Members of the Panel made the following points:

- outcome 4 and outcome 6 overlapped in some areas such as mental health, which would lead to duplication;
- some groups could have the ability to deliver more than one outcome;
- limiting groups to applying under a single outcome might make the assessment process more onerous but would encourage groups to focus on areas of strength;
- it would be useful to have a breakdown of how many individuals each group had helped with the grant funding it had received in 2011/12;
- some small groups carried out valuable work in the community with very limited resources and delivering excellence was not limited to large groups;
- previously no group had received 100% of grant funding requested. However, it was important to assess whether a group could deliver its stated outcomes with a lower than expected level of funding;

- the various funding streams for some small groups could come to an end by March 2012, and they could fall below the £50k annual income threshold identified;
- the council had a statutory duty to support the vulnerable and needy members of the community and should support small organisations who supported these groups, and the £50k annual income limit should be reviewed annually in line with inflation;
- if the amount of grant funding awarded to groups was tapered in years 2 and 3, then this could affect a group's ability to deliver its outcomes;
- any method for tapering funding should be clearly defined in order to enable groups to effectively manage their budgets and groups should be asked to take this into consideration when submitting their bids;
- abandoning the appeals process could lead to an increase in the number of complaints received by the Council. However, the recent appeals process had demonstrated inconsistencies in the scoring system and more rigorous monitoring of scoring would be required in the future;
- forward commissioning was common practice in other authorities,
- outcome 5 could lend itself to infrastructure support and should be retained to allow larger groups or consortia to bid for this function. The funding for infrastructure support should be ringfenced in order to ensure the continuity of this essential support mechanism.

The Adviser to the Panel stated that an outcomes based process should not limit groups to only one application. If a group successfully bid for two outcomes, this could help to develop synergies between outcomes. It was important to identify whether the overarching aim for an outcomes based process was either value for money or outcomes delivered. There needed to be clear measurements for whether a bid was entrepreneurial, sustainable and innovative. Commissioning by engagement should emphasise the importance of dialogue with the Third Sector. The Divisional Director advised that any process of evaluation would take the above into consideration. The current policy of monitoring successful groups at six monthly intervals taking into consideration key performance indicators would continue.

The Divisional Director confirmed that 26 successful grant applicants out of the 31 that applied in 2012-13 for small grants were within the proposed income threshold of under £50k. She added that a statistical analysis of how many individuals small groups had supported with the grant funding they had received, would take some time to complete.

The Portfolio Holder for Community and Cultural Services stated that retaining an infrastructure service for the Third Sector was essential and that if a group considered it could deliver multiple outcomes, then it should be encouraged.

The development and training of groups to fully engage with a score based competitive process was essential to the overall success of the process.

The Divisional Director added that the Council would need to make it clear to groups that funding in years 2 and 3 was its best intention, but could not be guaranteed.

The Panel were of the view that:

- groups should be required to demonstrate a maximum income of £50k to be eligible for small grant funding;
- the limit on the number of bids an organisation could make, either individually or as part of a consortium is one per theme;
- funding should be granted for 3 years, with the amount being tapered in years 2 and 3;
- the appeals process for unsuccessful groups should continue. The Panel was of the view that a public appeals process as previously recommended was preferable;
- funding for infrastructure services should be ringfenced.

RESOLVED: That the report be noted.

RESOLVED ITEMS

109. Update on Community Premises

RESOLVED: That this item be deferred until the next meeting of the Panel.

110. Termination of Meeting

In accordance with the provisions of Executive Procedure Rule 48.2 (Part 4D) of the Constitution, it was

RESOLVED: At 9.59 pm to continue until 10.30 pm.

(Note: The meeting, having commenced at 7.30 pm, closed at 10.30 pm).

(Signed) COUNCILLOR NANA ASANTE
Chairman