

GRANTS ADVISORY PANEL MINUTES

13 SEPTEMBER 2011

- Chairman:** * Councillor Nana Asante
- Councillors:** * Sue Anderson * Chris Mote
* Nizam Ismail * John Nickolay (2)
* Manji Kara * Joyce Nickolay
* Kairul Kareema Marikar (2) * Sasi Suresh
- Adviser:** * Deven Pillay, Representative, Voluntary and Community Sector

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

67. Attendance by Reserve Members

RESOLVED: To note the attendance at this meeting of the following duly appointed Reserve Members:-

Ordinary Member

Councillor Krishna James
Councillor Mrs Vina Mithani

Reserve Member

Councillor Kairul Kareema Marikar
Councillor John Nickolay

68. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Item 8 – Draft Funding and Commission Compact Code: Discussion Report

Councillor Nana Asante and Deven Pillay (adviser) declared personal interests in that they had participated in the discussions with the Voluntary

and Community Sector during the updating of the Compact. They would remain in the room whilst the matter was considered and voted upon.

Agenda Item 9 – Update on the Third Sector Investment Plan Proposals

During a discussion on this item:

- (a) Councillor Nana Asante declared a personal interest in that she was a member of the African SANG which belonged to the Raft cooperative. She would remain in the room whilst the matter was considered and voted upon.
- (b) The Deputy Mayor, Councillor Nizam Ismail, declared a personal interest in that he was the Chairman of Harrow Muslim Council.
- (c) Deven Pillay (adviser) stated that he was Chief Executive of Harrow Mencap which belonged to the Raft cooperative. He would remain in the room whilst the matter was considered.

69. Minutes

RESOLVED: That the minutes of the meeting held on 14 July 2011 be taken as read and signed as a correct record, subject to the following amendments under Minute 59, 'Declarations of Interest':

- (i) paragraph (a) to include Councillor Chris Mote's personal interest declared in relation to his membership of 'Harrow Sports Council';
- (ii) paragraph (a), 'Muslim Council' to be replaced with 'Harrow Muslim Council', as Councillor Nizam Ismail's personal interest declared;
- (iii) paragraph (b), 'Weldon Activity Centre' to be replaced with 'Welldon Activity Group', as Councillor Joyce Nickolay's prejudicial interest declared;
- (iv) minor typographical corrections.

70. Public Questions

RESOLVED: To note that the following public question was received to which a summary response was provided by the Chairman in the absence of the questioner with a detailed response to be sent. The detailed written response has also been reproduced below:

Questioner: Steve Porter

Asked of: Councillor Nana Asante, Chair of the Grants Advisory Panel

Question: "Would it be possible for the Grants Advisory Panel meeting to clarify whether companies registered with Companies House as 'not for profit', social enterprises, delivering for the benefit of communities, would be eligible to make an application for a grant under the new

process, and if so, whether the eligibility section on the proposed form could make this clear, by clearly stating this on the proposed form.

As it stands now a not for profit organisation could be interpreted only as a Community or Voluntary Sector group, which may be the correct interpretation. I am just looking to be clear.”

Response: Social Enterprises would be eligible provided they were ‘not for profit’ organisations and met all the criteria. The form(s) would be the subject of further discussion at the meeting.

Written Response: Thank you for the question which was submitted to the Grants Advisory Panel meeting of 13 September 2011. As you could not attend, I undertook to provide you with a written response.

The Grants Advisory Panel is keen to ensure that all application documents are as clear as possible for potential applicants. We are therefore pleased to receive your feedback. The form currently states that all organisations applying for grant funding must meet the first stage assessment. The grant eligibility criteria states that an organisation must be ‘not-for-profit’ delivering projects for the benefit of people living, working or schooling in Harrow. Section 2 of the application form asks applicants to define their organisation and includes options to indicate what sort of ‘not-for-profit’ it is: a company, friendly society, mutual society, registered charity, residents association or other type of organisation.

At Monday’s meeting, the Panel agreed that this means that an organisation registered with Companies House as ‘not for profit’, social enterprise, delivering for the benefit of communities etc. is eligible to make an application if it meets all other criteria stated.

The Grants Advisory Panel is committed to improving the grant application process so will ask Officers to review the guidance notes.

71. Petitions

RESOLVED: To note that no petitions had been received.

72. Deputations

RESOLVED: To note that no deputations were received at this meeting.

RECOMMENDED ITEMS

73. Grant Application Form and Assessment Sheet Update 2012/13

The Panel received a report of the Corporate Director Community and Environment, which proposed revisions to the grant application form and assessment scoring sheet for the administration of the 2012/13 main Grant Programme. The form and the assessment scoring sheet had been revised following the receipt of comments previously provided by the Panel.

An officer informed Members that the revisions proposed had been informed by the results of consultation with officers, Members and the Voluntary and Community Sector representatives. She gave examples of feedback that had not been taken on board, and outlined the changes proposed to the application form, as described in the report.

In response to a question about the rationale behind the introduction of a single application form from the three forms currently in operation, the officer stated that a single form would help simplify the process, that all the questions were relevant to all organisations to answer and that the form had been designed to meet the small grants programme or a regular open process. It would ensure that there was a single set of guidance notes and requirements for all applicants to consider and a single set of assessment criteria to meet.

Members commented and officers responded, as follows:

- whilst the criterion around duplication and track record supported during consultation in order to keep the process accessible to all, including new organisations, this criterion had not been included. It was suggested by a Member that all new organisations ought to have a limit placed on their application. She further added that the eligibility criteria did not rule out any organisation and therefore it was essential that a limit was placed, as the grants process was oversubscribed. A gross turnover limit of an organisation could also be applied but this needed to be explored further and an agreement on a figure would be required based on whether it would be on an organisation's national or local status. Any limit placed would have to be included under the criterion set so that organisations were aware whether or not they would be eligible for a grant from the outset. The information would need to be included at the beginning of the application form;
- a Member questioned the rationale behind the numerous questions about ethnicity but another Member was of the view that the information requested was valuable, as it would prompt organisations

to also consider their client base. The Divisional Director Community and Cultural Services replied that the information would help monitor equality impacts. She added that each application was about funding the organisation's project and not the organisation itself. The application form would provide 'wrap round' information which had previously not been requested, such as a brief description of the project. Whilst such information would not form the basis of an assessment, it would help monitor the project subsequently;

- it was considered that the risks identified were a key factor. In response, the Divisional Director Community and Cultural Services stated that the risks would be mitigated and officers would ensure that the assessment process was transparent and consistent by ensuring that adequate quality measures were in place before and after the assessment process. Officers made every effort to ensure that lessons were learnt year on year and the recommendations made by internal audit on the grants process had been taken on board. Many of the questions in the proposed application form would ensure that all organisations were treated on an equal footing;
- with regard to the purpose of the question relating to partnership with other local organisations, the Divisional Director Community and Cultural Services stated that this question would help identify added value; for example, is the project bringing in more value by attracting volunteering and is the organisation delivering this in partnership with other organisations. Additionally, was the organisation looking at partnership working as a means of delivering outcomes. The question would not preclude organisations that were working on their own from applying for a grant for their project and this would be made clear in the final application form. Umbrella organisations would be able to apply for a grant, including those providing an activity. A Member commented that the grant given was not merely about facilitating the organisation's ethos but the benefit the project provided to the residents of Harrow. Another Member stated that both 'activity' and 'project' needed to be defined and reinforced in the proposed application form. A reference to 'activity' needed to be included in the report;
- the definition of a small, medium and large size grant was needed and it was noted that this had been included in the electronic version of the proposed application form. A Member commented that some organisations needed to examine how they delivered their services in a different way prior to submitting an application. Organisations ought to examine their priorities and positively market themselves in what was a competitive process. However, it was recognised that the situation would alter once commissioning was in place, as each service specification would clearly identify which services were required and therefore organizations would apply accordingly;
- it would be difficult for some organisations to provide references, as required in the proposed application form;

- the question on how the balance of the costs for the project would be funded by the organisation was earmarked for scoring, including whether or not the applicant had shown a clear exit strategy to either continue or cease the project. The Panel was mindful that the scoring of realistic costs was the subject of a previous appeal.

The adviser to the Panel suggested that the following key points ought to be given consideration:

- that the grants process was not a precise science and could not meet the needs of all organisations;
- the criteria set were important and consideration ought to be given on how limited resources could achieve the best outcomes for Harrow residents. It was essential that the eligibility criterion set was clear and explicit and whether limited resources would help take forward the Third Sector Strategy. Understanding the needs of residents was important;
- the Council could move towards a process that would allow for a change to the criteria year on year, and consider which organisation it would be cost effective to fund. A Member agreed with these sentiments and that the application form would also alter as the criteria were changed;
- the numerous questions about ethnicity would help identify gaps on which communities were being catered for, and could be seen as an evolutionary process. The proposed application form ought to make clear the purpose of this section;
- robust scoring and assessment processes were essential. There needed to be greater clarity on whether the information requested would be scored and an explanation on how it would be assessed was also essential;
- questions that would add value needed to be justified. A rationale for including some such questions and not others needed to be defined in the proposed application form;
- definition of what was a partnership, an explanation that the Council could not be a referee were also essential, including why reference to 'sustainability' was included in the proposed application form.

The Chairman read out the contents of a letter she had received from Harrow Women's Centre, which was surprised to see a proposal to return to a single application form for all sizes of grant requests. The Centre considered a single application form to be an onerous process for those organisations that required a small grant, and commented that the consultation carried out in June 2011 had not suggested that a single form would benefit communities and that the opposite was true. The organisation was of the view that the system needed to be as clear as possible if all community groups were to have an equal opportunity in the competitive grant process.

The Divisional Director Community and Cultural Services responded to the points made by the adviser. The Divisional Director considered that sustainability of a funded project was vital information that would help assess the project's viability beyond the 'life' of the funding. She added that financial information provided by organizations was assessed on a unit cost basis with a view to providing a realistic costing. She assured the Panel that the application form would be assessed year on year.

During consideration of the recommendation, Panel Members considered the following aspects of their previous comments:

- whether or not to propose a limit on turnover. A Member suggested that any new applicant ought to be limited to a grant of £10k in its first year. This would help ensure that the grant fund was not oversubscribed and ensure that regular clients received an appropriate level of grant. Another Member proposed that organisations ought to be judged on merit;
- whether it was equitable for large organisations to compete with small ones;
- it was essential that the projects/organisations prioritised Harrow residents. It was understood that this aspect was taken for granted;
- that the application form could be modified to take account of the comments of the Panel, the letter from Harrow Women's Centre and the question received.

RESOLVED: That the Portfolio Holder for Community and Cultural Services approve the revised grant application form and assessment scoring sheet for the administration of the 2012/13 main Grants Programme, subject to officers addressing the issues raised by the Panel.

Reason for Decision: To improve the grant application and assessment process for the administration of the main Grants Programme.

RESOLVED ITEMS

74. Draft Funding and Commission Compact Code: Discussion Report

The Panel considered a report of the Divisional Director Partnership Development and Performance, which invited comments on the draft Harrow Code of Practice on Commissioning and Funding, of the Harrow Compact.

An officer introduced the report, which set out the draft Funding and Commissioning Compact Code and invited the Panel to provide comments. It was noted that the Compact was a mutual agreement between those who had decided to endorse its principle and commitments to action. Its authority was derived mainly from the respect accorded to it by the partners and the extent to which it influenced future decision-making and development.

The officer reported that the Code's aim was to clarify how the Statutory and the Voluntary and Community Sectors could work together to enable a clearer and more effective funding relationship. The Code underpinned the original undertakings within the Harrow Compact first published in 2004. A thorough review had since been undertaken and a draft Code produced and discussed with representatives of the Voluntary and Community Sector prior to it being presented to the Panel for comment and approval on the direction of travel. The officer informed the Panel that the Code was 'owned' by the Harrow Partnership Board, which would give final approval.

The Panel Members and the adviser made the following comments:

- Council representatives ought to be appointed to serve on the Voluntary and Community Sector bodies up until the organisation had bedded-in. The notion that the Voluntary and Community Sector should no longer be required to include provision for a Councillor/Council appointee to serve on the Management Committee/Board was not supported by some Members of the Panel. They were of the view that statutory organisations providing funding should be able to serve on the body being funded for a given period of time. Alternatively, observers who had access to information could be appointed as it would allow the appointee to provide a value judgement on the operation of the body being funded. Moreover, it was essential that Councillors appointed to serve on the Voluntary and Community Sector were trained and diligent in their respective roles. Some Members were of the view that provided robust monitoring and reporting mechanisms were in place, the Voluntary and Community Sector should be able to retain its independence without any interference from the Council;
- clarification on who would provide advocacy support to user groups to engage in the consultative process was essential;
- developing an optimum size of contracts was a good idea and, if possible, two organisations providing a comparable service could be explored;
- there needed to be a distinct link between the 2004 Compact and the Code. The 'Ideal Funding Lifecycle', as set out in the 2004 Compact ought to be included in the new Code and would be particularly relevant when Commissioning was in place. It was essential that there was an established link between the two, as the 2004 Compact was still relevant;
- full consultation was essential prior to the Code being approved by the Harrow Partnership Board. It was essential that after its approval, the Code was adhered to as a tool and that all concerned were fully engaged in what was a 'living' document.

The Chairman thanked the officer for the report and suggested that aspects of the 2004 Compact ought to be documented in the Code. Funding and

Commissioning needed separating and their clarity was essential prior to the Council moving towards the Commissioning process.

RESOLVED: That the Panel's comments on the draft Harrow Code of Practice on Commissioning and Funding be noted.

Reason for Decision: To provide feedback on the Code and ensure engagement.

75. Update on the Third Sector Investment Plan Proposals

The Divisional Director, Community and Cultural Services introduced an information only report updating the Panel on the next steps for the Third Sector Investment Plan following contributions from various workshops and the Panel. The Divisional Director reported on the number of options identified for implementation for commissioning and small grants, which were subject to further discussions. The Plan also encompassed other areas of support provided by the Council to the Voluntary and Community Sector, such as the development of a new Accommodation Strategy and Community Lettings Scheme.

The Panel was briefed on the four options, details of which were set out in the report, including the benefits and risks associated with each of the options. The Divisional Director advised that:

- Option 1 - which involved the introduction of small grants and commissioning for 2012/13, contained more risks than benefits. More time was needed for its development, including the development of service specification;
- Option 2 – relating to the implementation of a phased introduction of commissioning, was the officers preferred option, as it would allow the Council to pilot its approach and bring about a dialogue with the Voluntary and Community Sector on how it could be developed further prior to it being rolled-out;
- Option 3 - proposed delaying the introduction of small grants and commissioning to 2013/14, which would allow time to prepare for the eventual launch but the delay would lead to a great deal of uncertainty going forward;
- Option 4 - which involved the retention of the current grant giving system thereby precluding commissioning, was not supported by the Panel as it did not provide long term certainty of funding. The option would not allow the Council to take a strategic approach to securing services from the Voluntary and Community Sector and in its use of funds.

The Divisional Director also spoke on the new opportunities for the development of a new Accommodation Strategy and identified the projects that were being examined. Officers would facilitate meetings between interested organisations with a view to taking forward various projects,

including advice on how the Infrastructure Fund, provided by the government, could be applied for by the Voluntary and Community Sector. The existing Community Lettings Scheme was considered to be laborious and ought to be streamlined to ensure that the costs to the Council do not rise. A number of alternative arrangements were being explored, including a consortium approach, with a view to its implementation by December 2011.

The Panel Members noted that the report was for information only and commented on the options. A Member of the Conservative Group stated his Group's position on the available options. He stated that options 1 and 4 were not viable and that option 2 was the Group's preferred option, as it involved the taking of less risk than option 3. Option 2 was also achievable and would provide the Voluntary and Community Sector an insight into the process. With regard to the Community Lettings Scheme, there was a proposal put forward on a booking system some five years ago but which had not been looked at.

In response to a question from a Member regarding the Community Lettings Scheme, the Divisional Director replied that the Children's Services Directorate had led on the discussions with schools and academies. The Member concerned asked to be provided with the correspondence in this regard. The Divisional Director stated that academies had decided to make direct bookings with the Voluntary and Community Sector rather than through the Community Lettings Scheme.

The Chairman stated that she preferred option 3 overall, as option 2, which involved a phased introduction, would require a clear rationale to be developed for the specific service area first. However, option 4 should not be ruled out, as the grant giving process through the Panel was transparent and accountable - an aspect that, in her view, did not resonate across other Directorates. She considered a transparent and fair system an essential element to the Council's grant giving function and stated that competition was also an essential ingredient to the allocation of the limited funds available.

The adviser to the Panel was of the view that option 3 would give the Council more time to develop the commissioning process thereby providing the Voluntary and Community Sector time to understand commissioning.

RESOLVED: That the report and the Panel's views be noted.

Reason for Decision: To provide feedback and ensure engagement.

(Note: The meeting, having commenced at 7.31 pm, closed at 9.37 pm).

(Signed) COUNCILLOR NANA ASANTE
Chairman