

**REPORT FOR: GRANTS ADVISORY  
PANEL**

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<b>Date of Meeting:</b>	25 <sup>th</sup> June 2012
<b>Subject:</b>	Update on Grant Appeals
<b>Key Decision:</b>	No
<b>Responsible Officer:</b>	Paul Najsarek, Corporate Director Community Health and Well-Being
<b>Portfolio Holder:</b>	Councillor David Perry, Portfolio Holder for Community and Cultural Services
<b>Exempt:</b>	No
<b>Enclosures:</b>	Appendix 1: Grant application form 2012/13  Appendix 2a: Final grant awards large Appendix 2b: Final grant awards small  Appendix 3: Equality Impact Assessment

## **Section 1 – Summary and Recommendations**

This report provides an update on the process for managing grant appeals and finalising grant awards for the 2012/13 Main Grants Programme.

**Recommendations:**

The Grants Advisory Panel is requested to recommend to the Portfolio Holder that:

1. Organisations awarded grant in 2013/14 and future years should

comply with the requirement to produce essential policy documents and references by the deadline set, and where these are not received by the deadline or a valid explanation is not provided as to why the deadline was missed, the grant should be withdrawn and redistributed to other successful applicants or those on the reserve list.

**Reason: (For recommendation)**

To ensure that organisations successful in being awarded grant funding comply with requirements to produce policy documents and references in a timely manner to prevent the late distribution of funds.

## **Section 2 – Report**

### **2.1 Introductory paragraph**

2.1.1 The allocation of funding through the Main Grants Programme is determined by an open, competitive application process. This invites eligible Third Sector organisations to apply for funding to support a range of projects or activity delivered for the benefit of Harrow residents. The distribution of grant funding aims to support the delivery of the Council's corporate priorities.

2.1.2 This report provides an update on the process for managing appeals and finalising grant awards for the 2012/13 Main Grants Programme.

### **2.2 Options considered**

2.2.1 No options considered.

This approach was approved by Cabinet at its meeting on the 8<sup>th</sup> March 2012.

### **2.3 Background**

2.3.1 The 2012/13 grant application programme opened on the 31<sup>st</sup> October 2011 and closed on the 28<sup>th</sup> November 2011. A total of 78 applications were received by the deadline date and the total funds requested amounted to over £1.5 million. GAP made recommendations for funding which were approved by Cabinet at its meeting on the 8<sup>th</sup> March 2012. Applicants were notified of the outcome of their application to the Main Grants Programme on the 19<sup>th</sup> March 2012.

2.3.2 Cabinet also agreed at this meeting the process for managing appeals:

*Authority be delegated to the Portfolio Holder for Community and Cultural Services and the Divisional Director of Community and Culture to consider and determine appeals, in consultation with an Independent Advisor appointed to advise the Portfolio Holder and Director on those appeals and in the presence of an independent observer nominated from the Harrow Voluntary and Community sector; and the delegation of authority to the Divisional Director of Community and Culture, in consultation with the Portfolio Holder for Community and Culture to vary both the percentage of the grant awarded and the scoring range within which grants are allocated, in the light of decisions on appeals.*

## **2.4 Current situation**

### **2.4.1 Appeals**

Unsuccessful applicants received a copy of their grant assessment sheet, information on other sources of funding, general feedback on grant applications and information about the appeals procedure. Unsuccessful applicants were invited to appeal their decision in writing on no more than 2 sides of A4 paper, within seven working days of receipt of the outcome notification letter. The grounds for appeal are;

*The information presented to the Grants Advisory Panel was incorrect or information was omitted and that this had a material effect on the decision.*

Applicants were also informed that no new information could be taken into account at the appeal stage.

2.4.2 Ten appeals were received by the deadline date. These appeals were considered by the appeals panel which comprised the Portfolio Holder for Community and Cultural Services, the Divisional Director Community and Culture and an independent adviser who was from outside of Harrow. The panel also included an independent observer.

2.4.3 The independent observer was nominated by the Voluntary Sector Forum. The forum was asked to nominate a representative from an organisation that had not submitted a grant application, so that the observer could provide an objective assessment of the process. The observer completed a feedback form and rated the process in terms of overall fairness as excellent. He also rated the process in terms of ensuring that the information provided by each appellant was properly assessed as excellent. His comments on the process were; *“The process by which decisions were made was fair and with careful deliberation to ensure consistency of approach.”*

2.4.4 The panel considered each appeal and adjusted the score awarded against each assessment criteria where it was felt that the appeal was upheld. In some cases the panel agreed with the original score awarded and in other cases the score was adjusted where the panel felt the appeal was upheld. The following table shows how scores were adjusted for each appellant:

<b>Applicant</b>	<b>Original score</b>	<b>Score post appeal</b>
ADHD and Autism support	(25) 83.33%	(26) 86.66%
Afghan Association Paiwand	(26) 86.67%	(28) 93.33%
Age UK Harrow	(21) 70.00%	(24) 80.00%
Asperger's Syndrome Access to Provison (ASAP)	(26) 86.67%	(28) 93.33%
Flash Musicals	(22) 73.33%	(22) 73.33%
Harrow Shopmobility	(24) 80.00%	(28) 93.33%
Middlesex Association for the Blind	(23) 76.66%	(23) 76.66%
South Harrow Christian Fellowship	(25) 83.33%	(28) 93.33%
Special Connection	(13) 43.33%	(15) 50.00%
Usurp Art Gallery and Studios	(19) 63.33%	(26) 86.66%

2.4.5 As a result of the outcome of the appeals process five appellants were successful in meeting the scoring threshold agreed for grant funding by GAP.

2.4.6 Grant appellants were notified of the outcome of their appeal on the 23<sup>rd</sup> April 2012. Applicants successful on appeal were required to submit their policy documents within two weeks of the outcome letter.

#### 2.4.7 Successful applicants

The total number of awards approved for the 2012/13 grants programme was **42** (20 large grants and 22 small grants) compared to 37 (6 small, 14 medium, 17 large) in 2011/12. In accordance with the recommendation made by GAP successful applicants were asked to submit essential policy documents as described in section 9 of the grant application form (Appendix 1) within two weeks of their outcome letter. Applicants were only asked to submit policy documents that were not already held on file. All applicants had received an earlier reminder to have documents ready in preparation for the announcement of grant awards.

## 2.5 Why a change is needed

2.5.1 During the past few years there have been a number of improvements to the grant administration process. For example, changes to the grant application form, detailed guidance notes for applicants and the scoring system have enabled a more transparent decision making process.

2.5.2 To further streamline the process and ensure timely award of funding, GAP recommended that organisations should submit their policy documents by the deadline set. GAP also recommended that delegated authority should be given to the Corporate Director Community Health and Well-being in conjunction with the Portfolio Holder for Community and Culture to withdraw grant offers where organisations did not comply with this requirement.

2.5.3 A few organisations did not submit the required documents (such as Child Protection or Safeguarding Vulnerable Adults Policies, up-to-date insurance documents or references) by the deadline set. Support has been given to some individual organisations to help them understand why documentation is requested. No grant offers have been withdrawn during 2012/13 in recognition that there is still a large amount of capacity building required with the voluntary sector in Harrow in order to equip organisations with the knowledge and information needed. This is especially crucial for organisations seeking funding from other external sources, where such consideration will not be given, if terms and conditions are not complied with.

2.5.4 The Council will continue to review its own processes and requirements to ensure that unnecessary burdens are not required of organisations seeking funding. However, in the current financial environment and with high demand for grant funding, the Council is keen to ensure that funding is distributed in a timely manner to organisations that can demonstrate compliance with the stated requirements. Therefore, where an organisation is awarded grant funding in future years and does not comply with the requirement to produce essential policy documents and references by the deadline set, without a valid explanation as to why the deadline was missed, the grant offer should be withdrawn and redistributed to other successful applicants or those on the reserve list.

## **2.6 Implications of the Recommendation**

### **2.7 Legal comments**

The Council may distribute grants in accordance with its agreed criteria. The distribution of these funds is discretionary. Organisations in receipt of grant funding are expected to comply with grant funding conditions and supply documentary evidence that appropriate policies and procedures are in place before grant funding is released.

## **2.8 Financial Implications**

2.8.1 The total amount of funding available for distribution from the Main Grants was £669,360. Of this £74,000 was set aside to commission a new infrastructure service. The total budget therefore available, within which grant recommendations were made, was £595,360. GAP recommended the distribution of funding as follows;

### Small grants

- Those scoring 70-100% be awarded 90% of the amount requested
- Those scoring 50-69% be awarded 60% of amount requested.

### Large grants

- Those scoring between 93-100% be awarded 80% of the amount they had requested.
- Those scoring between 90-92% be awarded 71% of the amount they had requested.

Following the consideration of appeals, the total amount distributed was £594,948 leaving £412 as follows:

#### Small grants

- Those scoring 70-100% be awarded 90% of the amount requested (**14 applications**), total allocated £57,623.
- Those scoring 50-69% be awarded 60% of the amount requested (**8 applications**), total allocated £22,194.

#### Large grants

- Those scoring between 93-100% be awarded 73% of the amount they had requested (**16 applications**), total allocated £383,576.
- Those scoring between 90-92% be awarded 60% of the amount they had requested (**4 applications**), total allocated £131,555.

(A full list of grant awards is attached at Appendix 2a and Appendix 2b).

## **2.9 Risk Management Implications**

2.9.1 The main risks associated with the provision of grant funding to Third Sector organisations is that the funding is not used as stated by the applicant in their grant application. This risk is mitigated in the following ways;

- (i) The provision of grant funding is subject to the organisation agreeing and signing a standard Council (Service Level Agreement) SLA that sets out the Council's expectations regarding financial and management controls that the organisation should have in place to manage the funds and deliver against the service specification including the outcomes expected for the funding provided.
- (ii) The annual monitoring process aims to ensure that the organisation is complying with the conditions set out in the SLA and delivering the agreed outcomes. The grant recipient is expected to participate in a process of annual monitoring which should highlight any issues or concerns regarding the use of Council grant funding.

## **2.10 Equalities implications**

2.10.1 An equality impact assessment of the appeals process has been undertaken (Appendix 3). This assessment has not identified any potential adverse impact on any of the protected equality characteristics.

## **2.11 Corporate Priorities**

2.11.1 An analysis of successful grant applicants indicates that the following corporate priorities will be supported through grant funding awarded;

- Keeping neighbourhoods clean, green and safe.
- United and involved communities: A Council that listens and leads.
- Supporting and protecting people who are most in need.

### **Section 3 - Statutory Officer Clearance**

Name: ... Roger Hampson.....	<input checked="" type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: ... 8 <sup>th</sup> June 2012.....		
Name: ... Matthew Adams.....	<input checked="" type="checkbox"/>	on behalf of the* Monitoring Officer
Date: ... 11 <sup>th</sup> June 2012.....		

### **Section 4 - Contact Details and Background Papers**

**Contact:** Kashmir Takhar, Head of Service Community Development, 020 8420 9331

#### **Background Papers:**

(1) GAP report: Grant recommendations 2012/13

<http://www2.harrow.gov.uk/ieListDocuments.aspx?CId=255&MId=60682&Ver=4>

(2) Cabinet report: Grant recommendations 2012/13

<http://www2.harrow.gov.uk/ieListDocuments.aspx?CId=249&MId=60646&Ver=4>