

Recommendations of the Grants to External Organisations Review Group

Report No:	CAB/WS/19/042	
Report to and date:	Cabinet	26 November 2019
Leader of the Council:	Councillor John Griffiths Leader of the Council Tel: 01284 757001 Email: john.griffiths@westsuffolk.gov.uk	
Cabinet Member:	Councillor Robert Everitt Portfolio Holder for Families and Communities Tel: 01284 769000 Email: robert.everitt@westsuffolk.gov.uk	
Chair of the Grants to External Organisations Review Group:	Councillor Jim Thorndyke Tel: 01359 250271 Email: jim.thorndyke@westsuffolk.gov.uk	
Lead officer:	Davina Howes Assistant Director (Families and Communities) Tel: 01284 757070 Email: davina.howes@westsuffolk.gov.uk	



Decisions Plan:	It is not a Key Decision.
Wards impacted:	<p>The decision made as a result of this report will usually be published within 48 hours and cannot be actioned until five clear working days of the publication of the decision have elapsed. This item is included on the Decisions Plan.</p> <p>All wards</p>
Recommendations:	<p>It is recommended that, Cabinet approves the recommendations from the Grants to External Organisations Review Group, namely:</p> <ol style="list-style-type: none">(1) A framework setting out West Suffolk's approach to grant funding and rate reliefs (attached as Appendix A) to Report No: CAB/WS/19/042;(2) The changes to future criteria and applications to grant funding and rate reliefs, as set out at paragraphs 2.4 to 2.6 of the report, and at Appendices B and C to Report No: CAB/WS/19/042; and(3) The changes made to the allocation of funding to each grant, as set out at paragraphs 2.7 to 2.8 of Report No: CAB/WS/19/042.



1. Background / Context

- 1.1 On 25 June 2019, Cabinet agreed to establish a group to carry out a review of West Suffolk Council's Grants to External Organisations. The aim of the review is to ensure that locality budgets and grants made from 1 April 2020 and reliefs made from 1 April 2021 are aligned to the Council's strategic objectives and offer value for money. The review covers grant and relief schemes which are entirely discretionary or funded by West Suffolk Council and where the Council is not under any duty to have a scheme or operate the scheme in a certain way. Therefore, the review covers the following existing schemes:
- Locality Budgets
 - Community Chest
 - Economic Development and Growth: Shopfront Painting Scheme and Small Business Grant
 - Environment: West Suffolk Greener Business Grant
 - Leisure and culture: Theatre Royal and Victory Ground
 - District Council Loan Financing
 - Capital Grant Funding
 - Discretionary rate reliefs
- 1.2 Between August and November 2019, the Review Group met on three four occasions. A wide range of information was considered by the Review Group in detail to help inform consideration of how the processes for awarding discretionary grant funding and rate reliefs should be managed in the future.
- 1.3 The Review Group received information on the different funding models used by other local authorities and organisations, the ways in which other organisations can access alternative funding which could be used as complementary funding, consideration of the role and mechanisms West Suffolk currently uses for provide funding and how these could be developed or changed in the future.
- 1.4 Two consultation exercises were undertaken to help inform the work of the Review Group. The first involved a survey of applicants and recipients of discretionary grant funding and rate reliefs so that they could tell us about how the process currently works for them, how it could be changed and any improvements that are needed for the future. Secondly, Councillors were asked to complete a survey asking for their thoughts on the Locality Budget scheme and how it could be improved in the future.
- 1.5 Following detailed discussions that were informed by this information, the Review Group have made a number of recommendations as outlined in this report.



2. Proposals

Framework setting out West Suffolk's approach to grant funding and rate reliefs

- 2.1 The Grants to External Organisations Review Group agreed that a framework setting out West Suffolk's approach to grant funding and rate reliefs be developed. The aim of the framework is to make clear what the Council seeks to achieve by awarding grant funding and rate reliefs and to establish a set of principles that will guide our approach to offering financial support.
- 2.2 The framework has been informed by discussions held by the Review Group. The future direction of the grants and reliefs that are provided by the Council were considered in detail around the following areas:
- (a) role and purpose of grant funding or business rate discretionary relief;
 - (b) relationship between Council and organisation to be funded/offered discount;
 - (c) expected outcomes achieved as a result of the funding;
 - (d) mechanisms for awarding funding;
 - (e) relationship to other funding arrangements;
 - (f) alternatives to grant funding; and
 - (g) financial arrangements in terms of what the overall financial envelope for grant funding or rate relief by West Suffolk Council should be, the size of grants offered and over what time periods.



- 2.3 As a result of these areas that were discussed, a proposed framework was drafted and is attached as **Appendix A. Cabinet is asked to consider and approve this framework** which will then be included on the website so that the Council's approach to grant funding is accessible and transparent.


Changes to future criteria and applications to grant funding and rate reliefs


- 2.4 The Review Group considered the effectiveness of grant schemes and agreed changes to future criteria and applications to each of the funds within the scope of the review, set out at paragraph 2.6 below and in **Appendices B and C** attached to this report.
- 2.5 The changes considered were informed by previous discussions held by the Review Group, feedback from the survey of applicants and recipients of grant funding and reliefs and feedback from the Councillor survey relating to Locality Budgets.
- 2.6 As a result of detailed discussions, the changes set out below are recommended by the Grants to External Organisations Review Group to the future criteria and application processes. **The Cabinet is asked to consider, and approve as appropriate, each of the recommendations in turn**, as follows:

(a) Locality Budgets

- A number of changes have been made to the guidance in light of the feedback to ensure that it is up-to-date, remains relevant and is easier to read. The Group agreed revised criteria which is available for review with the changes detailed at **Appendix B** to this report.
- In terms of budget, it was recommended that each Councillor be allocated £2,800 for their Locality Budget from 2020/21 onwards which is a reduction from £2,812.50.
- The total fund for Locality Budgets would therefore be £179,200 from 2020/21 onwards.
- The Review Group also requested that a pro-forma be made available for completion in reviewing a project if appropriate and where useful to gain learning from projects and best practice. Completion of the pro-forma is optional and not essential for all projects. This will allow Councillors to report on how the Locality Budget funding was spent and what the outcomes were. Photographs could be used as appropriate.

(b) Community Chest

- A number of changes have been made to the guidance in light of the feedback to ensure that it is up-to-date, remains relevant and is easier to read. The changes are detailed at **Appendix C** to this report, full revised criteria is available for review if required.
 - It was agreed that a Grant Working Party be constituted to consider all future Community Chest applications. This Working Party would therefore continue beyond the interim arrangements that have been agreed by Cabinet for the 2020/21 Community Chest funding round.
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- (c) Economic Development: Shop fronts and small business grant**
- Given that it is resource intensive and offers few positive outcomes as a result, the Shop Front Painting Scheme should be discontinued. It was agreed that the £5,000 that had previously been allocated to this fund should be moved to the Small Business Grant.
 - Small Business Grant: if any money is not spent in any given year then it should be ringfenced and available as part of the Small Business Grant for one further year.
- (d) Environment: Greener Business Grants**
- The Greener Business Grant should be considered as part of the Climate Change Task Force to ensure that it is aligned with the priorities that are emerging from the task force.
- (e) Leisure and culture grants:**
Theatre Royal and Victory Ground
- The Review Group noted the current grants to the Theatre Royal and Victory Ground and understood they were historical arrangements that had been established by the former St Edmundsbury Borough Council.
 - It was noted and agreed that the level of funding for 2020/21 has been allocated as follows: Theatre Royal: £61,250, Victory Ground: £25,612.
 - The Review Group agreed that the responsibility of the allocation of funding to these two organisations should remain the responsibility of the Portfolio Holder for Leisure, Culture & Community hubs.
- (f) District Council Loan Funding**
- No changes were recommended to the current scheme. However, it was noted that a review by the finance service was currently in progress.
- (g) Capital Grant Funding**
- It was agreed that a Capital Grant Fund could not be created as no funding is currently available. However, the Group requested that should funding become available then this be revisited in the future.
- (h) Discretionary Rate Relief**
- It was agreed to continue with the Discretionary Rate Relief guidance that is currently operating.
 - Anglia Revenues Partnership are proposing to move to a system where reliefs are going to be awarded for 2 years at a time, rather than annually as is the current practice. The Review Group recommends that West Suffolk Council also moves to this process to give certainty and predictability to recipients, as well as reducing bureaucracy from April 2020.
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Changes to the allocation of funding to each grant

- 2.7 The Review Group considered the amount of funding that should be allocated to each of the grant schemes.
- 2.8 As set out above, it was agreed that:
- The Locality Budget Fund totals £179,200 each year which represents an allocation of £2,800 for each Member.
 - The £5,000 Shop Front Painting Scheme be discontinued and the £5,000 funding be moved to the Small Business Grant.
 - Detail relating to the Greener Business Grant be considered by the Climate Change Task Force.

The Cabinet is asked to consider, and approve as appropriate, each of the above recommendations in turn.

3. Alternative Options

- 3.1 By establishing a Grants to External Organisations Review Group, the Council is ensuring that the way we allocate grant funding and rate reliefs continues to be fair, proportion, in line with the Council's priorities and offering value for money.

4. Consultation and engagement

- 4.1 The work of the Review Group has been informed by consultation responses received in response to a survey for Councillors on Locality Budgets and by a survey for applicants and recipients of grant funding and rate reliefs. The impact of any changes on local groups, organisations and businesses will be carefully considered.

Risks

5.

- That local groups, organisations and places are adversely impacted by the decisions made as a result of this review.
- 5.1

Implications arising from the proposal

6.

6.1 Financial

Any changes to grant funding will be made from 1 April 2020 and to rate reliefs from 1 April 2021. Cabinet has already agreed that funding allocations from Community Chest for 2020/21 will be made by the Grant Working Party.

6.2 Equalities

The West Suffolk Community Chest has provided support to a wide range of organisations who support individuals with protected characteristics.

6.3 Changes to existing policy



Changes in future criteria and applications to grant funding have been set out at paragraphs 2.4 to 2.6.

6.4 Impact on other organisations (e.g. community groups, businesses, partner organisations)

See risks at paragraph 5.1.

7. Appendices

- 7.1 Appendix A: Framework setting out West Suffolk's approach to grants.
Appendix B: Locality Budget: summary of recommended changes to the scheme
Appendix C: Community Chest: summary of recommended changes to the scheme

8. Background documents

- 8.1 Shadow Executive (Cabinet) report on 27 November 2018: [EXC/SA/18/015](#)
Cabinet report on 25 June 2019: [CAB/WS/19/007](#)
Cabinet report on 10 September 2019: [CAB/WS/19/027](#)

