



REPORT FOR DECISION

Item No:- FC23/077

Committee:-	Finance and Governance Committee
Date:-	28 th February 2024
Author:-	Martin Hammond, Clerk
Report Title:-	Review of Grants Policy
Wards Affected:-	All

1. Purpose of Report

To seek member's views on and approval for a change of policy in relation to the voluntary and community sector grants fund.

2. Recommendations

That the committee considers the proposals in section 4 below.

3. Information

3.1. The Council's current grants policy is attached below at Appendix One. It has been in place for two years. The policy is applied by inviting applications for grants of up to £5000 on a range of headings. The headings applied in 2023 were:-

- *Measures which help address the cost of living pressures on local residents*
- *Measures which improve the local environment and help combat climate change*
- *Measures which improve mental health and wellbeing*
- *Measures which improve the capacity and reach of the voluntary sector*

3.2. Applications are considered and determined by committee annually (in practice; in theory, there can be more than one round) and monitored by the clerk for compliance with grant conditions once the receiving organisation has signed a service level agreement and the money has been paid out. Failure to spend the money appropriately or in whole or in part, can trigger part or full repayment.

3.3. There is the potential for a second round to use up unspent monies from the ward initiatives fund.

- 3.4. In its current form, the grants policy is almost entirely demand led and because there are a number of headings under which applications can be made, then it becomes relatively difficult to compare applications for quite different outcomes. In 2022, the number of applications received on time equalled the size of the fund but in 2023, there were lots of applications, which far exceeded the fund and members had to make choices based on the applications in front of them and for projects which were not always familiar or fully outlined. After the last round, there was feedback in respect of some applicants - and one third party - that we had not considered all aspects of an application.
- 3.5. There are overlaps between grant pots - organisations can legitimately apply for funds from the Lottery Fund, the Love Wildlife Fund and the community resilience fund as well as the voluntary sector fund. Some applications are moved between pots when it is felt appropriate. Whilst the opportunity for overlap with the ward initiatives fund is less, organisations can seek help from this fund for the same or similar projects as from the other funds as well, and some do.
- 3.6. Some applications in 2023 came from organisations outside Kettering with whom members were unfamiliar and some came from organisations with whom members were very familiar, which introduced a further challenge in approaching them all impartially.
- 3.7. Whilst the grants pot was not primarily aimed to help organisations with their core running costs, grant awards which do that are approved. (No-one is guaranteed continuing funding year on year)
- 3.8. There are some organisations whose practice is to apply for each and every grants round and their case is usually strong enough to attract funding each time.
- 3.9. Appendix Two shows where money has been allocated since April 2022 from all grants pots.
- 3.10. In summary,
 - the grants fund creates a great deal of benefit for the town and the voluntary sector, and enables projects to be delivered more easily.
 - there seem to be some organisations, delivering one main activity, which members value, whose need for core funding is acute.
 - The range of headings against which applications are judged are quite wide ranging and most applicants can make a connection with one or more of the Town Council's policies/objectives, so this is not much of a filter.
- 3.11. The Council can of course continue its current policy safe in the knowledge that the grants bring many local benefits, but it will be increasingly hard to make impartial and fair judgements if the number of applications rises at the rate seen between 2022 and 2023. Two potential approaches are set out below to address some of the issues above.

4. Policy amendments

4.1. Proposal A

- 4.1.1. That a proportion of the budget for voluntary and community sector grants (e.g.£5000) be set aside to provide core funding for a small number of organisations. They would effectively therefore be commissioned by the Town Council to provide a specific service and this would endure beyond one year (e.g. .for 3 or 4 years, albeit with triggers for review in case of poor performance).
- 4.1.2. Organisations funded this way would not be eligible for any other funding from the Town Council, including the ward initiative fund.
- 4.1.3. The organisations which members have funded for core costs to date might warrant this approach. They could include (examples only)
 - Kettering Food Bank (although there are at least five other, smaller, food banks operating locally)
 - Kettering Homestart
 - Accommodation Concern

4.2. Proposal B

- 4.2.1. That the number of headings be reduced to narrow down the range of applications which can be considered. The four headings listed in 3.1 above could be narrowed down to
 - *Measures which improve mental health and well being*
 - *Measures which support financial inclusion*
- 4.2.2. There are no doubt other valuable causes – e.g. activities for young people – which might warrant an allocation, but the more headings, the less impact any set of grant making will have
- 4.2.3. At the same time, some of the core budget could be broken off and combined with the Love Wildlife fund to create a single bio diversity and sustainability budget of a scale which would warrant a greater range of projects to be funded.
- 4.2.4. NB - NNC grants are available from 2024 for
 - 1. Financial Inclusion
 - 2. Older people
 - 3. Community Transport
 - 4. Low level mental health
 - 5. Equalities and diversity

4.3. **Budgets**

A suggested apportionment of the budget from taking up both these ideas could be

- Core funded organisations	£5000
- A combined bio diversity budget	£8000
- Mental health and well being/affordability	£10000.

5. **Consultation and Engagement**

No consultation has taken place on these ideas as yet.

6. **Finance, Legal and Resource Implications**

There is £20,000 in the 23/24 budget for grants to voluntary and community sector grants. In addition, there is about £5000 available annually from the Town Lottery fund, £3000 in Love Wildlife grants, up to £7500 in the community resilience budget (this is not a grants budget per se) and £10,000 in the ward initiatives fund.

7. **Climate change implications**

The proposals above help create a definable budget for bio-diversity outcomes and all grant applications can be tested against climate changes objectives.

8. **Policy Implications**

The Council's policy is make best use of its resources.

Background Papers

Grants awarded in 2022 and 2023.

APPENDIX ONE VOLUNTARY AND COMMUNITY SECTOR GRANTS POLICY

ADOPTED 23/03/2022

1. INTRODUCTION

- 1.1. The purpose of this policy is to govern the making of grants to local groups and organisations for the benefit of the community of Kettering Town.
- 1.2. The Council is committed to distributing available funding fairly, efficiently and effectively. This policy outlines the Council's approach to Small Grant making to support community activities. These awards can be made to Community and Voluntary Organisations, Registered Charities, Charitable Incorporated Organisations, (CIOs) and to other bodies or individuals.
- 1.3. Funding awards are made at the discretion of the Council and will be dependent on the availability of funding, which is determined in the annual budget. Activities funded must be consistent with the strategic aims, objectives and priorities of the Council. All funding applications will be determined on their objective merits. No organisation is entitled to funding because it may have been granted funding in the past or for any other reason. The Council must ensure proper, prudent and effective use of public money; and eligibility for grants is aligned with specified criteria. This allows the Council to focus on supporting organisations to achieve their best and to meet clearly identified needs.
- 1.4. The Council will aim to keep the process straightforward, transparent and accessible.

2. ALIGNMENT WITH TOWN COUNCIL POLICIES

- 2.1. The Council's corporate plan sets out its objectives and policies. This grants policy has therefore identified the following categories of spending that the Council wishes to support, and against which it will invite bids from local organisations.

Economic development – supporting sustainable growth; support for the town centre through encouraging and delivering events and markets, or making the town centre safe, attractive, interesting and varied.

Health and Community- measures to improve physical and mental health wellbeing, particularly in the light of the impacts of covid 19.

Armed Forces – initiatives which support the objectives of the Armed Forces Covenant

Sustainability – measures which encourage and support sustainable habits and opportunities including widening the scope and opportunities for recycling, and bio-diversity, optimising sustainable methods of travel, and which protect, restore and enhance our local biodiversity

Community resilience – measures which support volunteering, community involvement, neighbourhood and community led activities; enable voluntary youth action and the development of services for young people; prevent homelessness, improve social mobility, tackle inequality; and promote social inclusion

Sporting or artistic excellence –supporting measures which improve sporting or artistic achievement for local people.

Twinning activities which promote international understanding, provide cultural learning opportunities and which engage the wider community including young people and those with limited life experience.

2.2. Applications should demonstrate that funding will be used to support one or more of these priorities.

2.3. We invite applications which. • target resources to meet identified needs; • maximise leverage (for example match funding); • maximise sustainability (economic, environmental and social); • achieve greater accountability and openness

3. WHO CAN APPLY

3.1. Charities, CIOs, community and voluntary groups, clubs, and not for profit organisations are eligible to apply for funding. Schools, School Parent Teacher Associations, Friends of groups, religious bodies and health charities can apply for funding which evidence programmes or projects that benefit the wider community.

3.2. Applications will not be accepted from private businesses, for-profit organisations where funding would contravene local government Subsidy Control or any other legislation, Statutory bodies or political parties, or from religious bodies where the money will be used primarily for religious purposes or religious buildings or facilities.

3.3. Advice on completing the application forms will be available from the Voluntary Sector Network. Forms will be available through the Council's website or on request from the clerk. The Council will endeavour to advertise the availability of grants as widely as possible, including through the local Voluntary Sector Network.

3.4. Subsequent applications from the same organisation will not be entertained until the previous ones have been determined.

4. WHAT WILL BE FUNDED

4.1. The following costs are allowable

- Core running costs including employee costs
- Programme or activity costs which are directly relevant to the application;
- Travel and transport costs associated with events in Kettering
- Hire or purchase of equipment for meeting project needs, including sports equipment;
- Venue hire (excluding hire of group's own premises) relating to the application;
- Technical assistance;
- Events within Kettering
- Publicity, marketing;
- Volunteer expenses.

4.2. The following costs are not allowable:-

- Projects or activities primarily delivered outside the Council's area
- Activities which are discriminatory, political, or religious
- Where there is statutory funding provision available
- Capital costs
- Costs that can be claimed back from elsewhere e.g. VAT
- Costs towards banking charges or repayment of debt
- Retrospective costs e.g. activities completed
- Gifts and prizes
- Alcohol
- Works to facilities that are/should be subject to an insurance claim

4.3. This grants fund expects to make payments of between £500 and £5000 only.

5. DECISION MAKING AND GRANTS

5.1. This policy will be approved and amended from time to time by full Council. Decisions to make grants are delegated to the Finance and Governance Committee, which will meet in public.

5.2. Grant rounds will be open three times a year, with closing dates of 31st May , 30th September and 31st January . The Committee will meet within 6 weeks of a closing date to make decisions, and within four weeks of the January deadline. The availability of the third bidding round will depend on the availability of funds after the first two rounds. Money to support a third bidding round may also come from any unspent monies allocated to the members' ward initiative fund.

5.3. The Committee will be provided with a report summarising each eligible bid and a copy of the application form.

5.4. Grant payment will usually be made by bank transfer within one week of the decision being communicated to the applicant.

5.5. Organisations in receipt of funding are required to comply with terms and conditions set out in any offer letter. They will be asked to report in writing on how the grant has been used within six months of the spending having been completed, providing whatever data has been collected about the impact of the spending or reporting against any criteria agreed at the point of a grant being awarded.

5.6. The Council gives no undertaking that grant funding under this scheme will be available in future financial years.

5.7. If an application is unsuccessful there is no right of appeal

6. DATA PROTECTION

6.1. A Data Protection Impact Assessment (DPIA) is a process to help identify and minimise the data protection risks of a project. The council is required to undertake a DPIA for processing that is likely to result in a high risk to individuals.

6.2. The council has considered the data protection implications of processing community grants. This processing is compliant with the provisions in the Data Protection Act 2018 and the UK General Data Protection Regulations (UK GDPR). The council has considered the data protection implications of processing. Further details of how personal data is processed and kept securely can be found in the Privacy Notice on the council's website.
