

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 8 February 2016

Portfolio:	Policy & Resources
Subject:	Community Funding Review
Report of:	Director of Finance & Resources
Strategy/Policy:	Grants policy
Corporate Objective:	All corporate objectives apply

Purpose:

To seek agreement for changes to the criteria for Community Funding and the administration of the grants awarded by the Council.

Executive summary:

A review of Community Funding has been undertaken to ensure that the grant continues to meet the needs of local residents, community groups and the Council.

Recommendations have been put forward for changes to the criteria for Community Funding and the administration of the grants awarded by the Council.

The Executive is now being asked to consider the recommendations and to determine the required actions to conclude the review.

Recommendation/Recommended Option:

That the Executive considers the following changes to Community Funding:

- (a) increase the time, from one year to two that successful applicants have to wait before being able to submit another Community Fund bid;
- (b) allow applicants setting up a new project, to apply for a one off grant payment covering revenue costs, for a specific period of time agreed with the Council;
- (c) amend the Community Fund Use Agreement to make it more robust: and
- (d) audit 10% of all applicants who receive funding of less than £10,000 and every applicant who receives £10,000 or more.

Reason:

To ensure that the grant continues to meet the needs of local residents, community groups and the Council.

Cost of proposals:

Nil

Background papers:

- Reference papers:**
- Review of Discretionary Grants (3 March 2010)
 - Grant Review Update (10 May 2010)
 - Grant Review Update (11 November 2011)
 - Delegated Approval for Community Fund Applications (10 February 2014)
 - Community Action Team (CAT) Review (1 December 2014)

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Executive Briefing Paper

Date:	8 February 2016
Subject:	Community Funding Review
Briefing by:	Director of Finance and Resources
Portfolio:	Policy & Resources

INTRODUCTION

1. The purpose of this report is to outline the results of the community funding review and propose changes to the criteria for Community Funding and how it is administered in the future.
2. **Background**
3. Fareham Borough Council operates a Community Funding grant scheme to support and assist voluntary groups, clubs and organisations in actively providing opportunities to benefit the residents and environment of the Borough whilst supporting the achievement of the Council's objectives.
4. Up until 2010 there were a number of separate Council grants available to community and voluntary organisations in the Borough. On 8 March 2010, the Executive agreed that the community grants budget, CATs Neighbourhood Initiative fund, Clean and Tidy fund and Sustainable Development Strategies budget be combined into a single Community Action Team (CAT) Fund pot from the 2010/11 financial year onwards. The Matched Funding pot remained and applications were reported to the Executive on a quarterly basis.
5. On 17 May 2010, the Executive received a further report setting out the administrative arrangements for dealing with community funding bids and it was agreed that the CAT Fund and Matched Funding be processed by the Corporate Services Team. It was also agreed that the Executive Leader would have delegated authority to make individual decisions on all grant applications up to a maximum of £5,000.
6. The Executive received a report on 7 November 2011, proposing to streamline and simplify the processes for dealing with grant applications. The Matched Funding and CAT pots were combined into a single fund known as the Community Fund.
7. Applications for more than £5,000 would require the applicant to contribute at least 50% of the total project costs, unless there were exceptional circumstances agreed by the Executive.

8. It was agreed on 28 January 2014, that the consideration of applications for sums up to £4,999 would be delegated from the Executive Leader to the Executive Member for Leisure and Community. Applications are considered by the Executive Member, following consultation with the relevant ward Councillors
9. On 10 February 2014, the Executive agreed to delegate approval for Community Funding Applications of £100 or less to the Director of Community and Head of Corporate Services.
10. It was agreed by the Executive, on the 1 December 2014 that as part of the Community Action Team review the processing of Community Fund bids would be transferred from the CAT Officers to the Customer Services Manager.
11. Matched funding reports for requests of funding of £5,000 and above are presented to the Executive for consideration, following consultation with the relevant ward Councillors.
12. Community Funding has been operating successfully for a number of years, however, the Council, local charities and community groups are all experiencing an increasingly constrained fiscal environment. It is therefore apparent that the criteria for and administration of the fund could be changed to meet the changing needs of both the Council and potential applicants.

13. Funding Review

14. Officers in consultation with the Executive Member for Leisure and Community and the Executive Leader for the Council, have undertaken a review of the current criteria for Community Funding and considered potential options for administering the fund in a more effective way. During discussions the following issues emerged:
 - The current funding criteria and what was expected of organisations when making an application may not reflect the Council's tighter budgetary environment.
 - More could be done to encourage established community groups and charities to become independent and reduce their reliance on regular community funding applications.
 - The current criteria could be made more flexible to encourage and support the establishment of a broader range of projects that would not normally take place in the Borough.
 - The audit arrangements could be made more robust.
15. The feedback that was gained from these discussions forms the basis of the recommendations made in the review.

16. Proposed changes to criteria and administration

17. It is proposed, that the following changes to the Community Funding criteria and administration are applied:
 - (a) Increase the time from one year to two that successful applicants have to wait before being able to submit another community fund bid. However, bids can be submitted for projects that last longer than a year e.g. for major building works.

- (b) Allow applicants looking to set up a new project in the Borough, to apply for a one off grant payment to help pay for revenue costs that cover a specific period of time agreed with the Council.
- (c) Work with the Legal Team to ensure that the Community Fund Use Agreement is robust enough to allow the Council to recover assets should the applicant's project cease to operate within a specific timeframe.
- (d) Build on the audit checks that are currently carried out by officers, by auditing 10% of all applicants who received funding of less than £10,000 and every applicant who received £10,000 or more.

18. FINANCIAL IMPLICATIONS

- 19. The proposals in the report would not change the annual Community Funding budget of £145,300.

20. RISK ASSESSMENT

- 21. Risks are considered as part of the approval process for individual grant applications.

22. CONCLUSION

- 23. This report outlines the results of the Community Funding review and proposes changes to the grant's criteria and administration in the future.

Enquiries:

For further information on this report please contact Roy Brown. (Ext 4409)