

Grants Determination Sub-Committee	 TOWER HAMLETS
6 November 2019	
Report of: Sharon Godman, Divisional Director Strategy, policy and performance	Classification: Unrestricted
Small Grants Programme	

Lead Member	John Biggs, the Mayor Councillor Candida Ronald, Cabinet Member for Resources
Originating Officer(s)	David Freeman, VCS Strategy Manager
Wards affected	All wards
Key Decision?	No
Forward Plan Notice Published	
Reason for Key Decision	N/a
Strategic Plan Priority / Outcome	All

Executive Summary

This report provides the Sub-Committee with an update on the progress of the council's Small Grants Programme administered by the East End Community Foundation including the results of Round One of the programme.

The report also includes details of the two new small grants themes agreed by the Mayor in Cabinet on 31st July 2019 as part of the proposals to mitigate negative impact identified in the Local Community Fund Equality Analysis.

Recommendations:

The Grants Determination Sub-Committee is recommended to:

1. Note the progress in implementing the Small Grants Programme and the outcome of the first round of the programme
2. Note the details of the two new small grants Themes agreed by the Mayor in Cabinet as part of the proposals to mitigate negative impact identified in the Local Community Fund Equality Analysis, and
3. Agree the eligibility criteria for the whole of the small grants programme be amended to restrict the programme to voluntary and community organisations with an income of less than £250,000 per annum.

1. REASONS FOR THE DECISIONS

- 1.1 The Mayor in Cabinet agreed on 31st October 2018 that the Small Grants Programme should be administered through an external provider and that the funding decisions made by the external provider should be reported on a regular basis as and when decisions are made and that a more detailed monitoring report be presented annually. This report presents the first of these updates of decisions made.
- 1.2 The Mayor in Cabinet agreed on 31st July 2019 to a programme of funding for voluntary and community sector (VCS) organisations from 1st October 2019, a number of transitional arrangements for organisations currently funded under MSG that will not be funded under the LCF and an action plan to mitigate the impact of the change in funding from MSG to LCF on people with protected equalities characteristics.
- 1.3 This report presents to the Sub-Committee the detail of the new small grants themes agreed as part of the programme of mitigation.
- 1.4 In the light of discussions with VCS organisations regarding the new small grants themes, the Sub Committee is also asked to consider introducing an overall upper income limit for eligible organisations that can apply to the scheme.

2. ALTERNATIVE OPTIONS

- 2.1 The council could decide to allow the external body which administers the Small Grants Programme to make decisions without reporting them back to the council. If the council pursued this option it would not be able to monitor the Small Grants Programme or assess its impact.

3. DETAILS OF THE REPORT

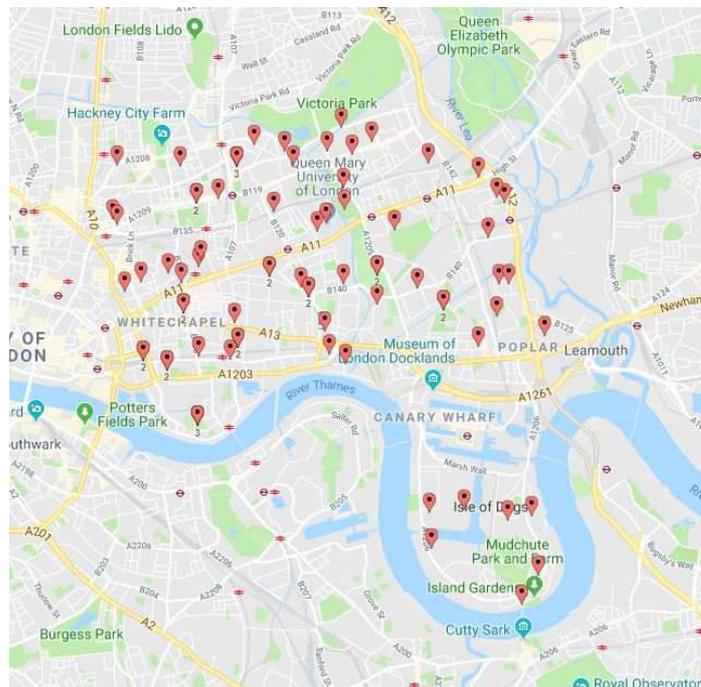
Small Grants Programme Round One

- 3.1 The first round of the small grant programme opened on 1st May and closed on 24th June. 76 applications were received in total requesting £354,627.

Theme	No. of Applications	Total Requested £
Innovation	6	24,934
Prevention	14	65,917
Neighbourhood Action	4	13,840
Community Cohesion	50	239,936
Partnership	2	10,000
Total	76	354,627

- 3.2 Applications were received from a wide range of projects, though, as illustrated above, the majority focussed on the community cohesion theme. This may be explained in part by specific promotion by the council of small grants to support Black History Month projects that might previously have been funded through the events fund. A more detailed analysis of the applications to the programme will be carried out for the annual report which will be presented to Members in July 2020.
- 3.3 Applications were received from organisations based across the borough. This is illustrated in figure 1 below.

Figure 1



- 3.4 13 projects were awarded funding amounting to £42,309 as set out in appendix A and summarised below.

Theme	No. of Grants	Total Awarded
Innovation	1	5,000
Prevention	2	8,900
Neighbourhood Action	2	5,000
Community Cohesion	8	23,409
Partnership	0	0
Total	13	42,309

3.5 There is a diversity of the recommendations, across different community needs, issues and themes. The geographic spread is illustrated at figure 2.

Figure 2



3.6 The majority of projects recommended are delivered by smaller organisations, 6 organisations have an income of under £30k, 2 organisations have an income of under £50k, 3 have an income of under £200k and 2 have an income over £200k.

3.7 Of the 13 grants awarded:

- Nine are to organisations which were not successful with their LCF bids (two are part of successful consortia but not directly funded);
- Four are from Bangladeshi led organisations;
- One is from a Somali led organisation;
- Four focus on young people;

3.8 The new projects commenced on 1st October. They are confirmed for one year and, subject to satisfactory performance, may be extended for a further year.

Small Grants Programme Round Two

- 3.9 The second round of the Small Grants Programme closed on 24th September. The East End Community Foundation is in the process of assessing the bids and it is anticipated the results will be available at the end of November for new projects to commence on 1 January 2020. As set out in the table below, a smaller number of applications have been made in round two than were made in round one with a smaller overall total of £293,899 requested against the £47,700 remaining in the small grants budget for the current financial year.

Theme	No. of Applications	Total Requested £
Innovation	8	37,258
Prevention	11	47,315
Neighbourhood Action	4	15,960
Community Cohesion	30	181,123
Partnership	4	12,243
Total	57	293,899

- 3.10 The closing date for the third round will be in the spring of 2020 for projects commencing in May 2020.

Small Grants Programme New Themes

- 3.11 The Mayor in Cabinet on 31st July 2019 agreed two further themes for the Small Grants Programme as part of the actions to mitigate potential negative impact identified in the Local Community Fund equality analysis. These new themes were:
1. Access and Participation - Establishing access and participation schemes to provide referral gateways for people from BAME communities, and
 2. Community Support Services for Older People - Combatting social isolation of older people through the provision of community based support services
- 3.12 Following discussions with VCS organisations and internal discussions within the council, the attached detailed schemes for each theme have been drafted. They set out the priorities and outcomes for each theme to reflect the agreed mitigating actions and are attached at appendix B for the Sub-Committee to note.
- 3.13 One of the key points in the discussion with the VCS was restricting eligibility for the new themes by including an upper income threshold for applicant organisations. Three of the existing small grants programme themes have specific income thresholds to help ensure the funds are targeted at smaller

community organisations. It was therefore suggested that specific income thresholds should be included in the criteria for each of the new themes, £50,000 for the Access and Participation theme and £100,000 for the Community Support Services for Older People theme.

- 3.14 However, it was noted in the discussion that in the first round of the small grant awards two of the 13 awards were to organisations with an income in excess of £250,000. When the grants policy was being discussed in 2018 there was a concern that restricting eligibility to organisations with an income below a particular level of income could be unnecessarily restrictive, particularly where a larger organisation might be acting as an accountable body for an unconstituted group.
- 3.15 It is therefore proposed that the general eligibility criteria for the Small Grants Programme be amended so that it is explicit that eligibility will be restricted to projects to be delivered by organisations with an income below £250,000. This may be reviewed in the light of further funding rounds as part of the annual evaluation.

4. EQUALITIES IMPLICATIONS

- 4.1 The new Small Grants Programme themes set out in this report have been developed in response to the Equality Analysis of the report to Cabinet on 31st July 2019 'Local Community Fund'.
- 4.2 This analysis identified potential negative impact resulting from the change in VCS funding from the Mainstream Grants Programme to the Local Community Fund. This included the wider issue of access and participation as a consideration in relation to race. There are services which have been provided by organisations led by members of the communities they serve such as the Somali and travellers of Irish heritage communities. While alternative services may be available through the LCF to meet the needs of these service users, some may choose not to use them for a range of reasons. The new small grants theme 'Access and Participation' agreed at Cabinet will provide the opportunity for VCS groups run for and led by smaller and isolated BME communities to seek funding for activities that address issues around access and participation.
- 4.3 The Equality Analysis also highlighted that, in the longer term there is the potential that by not supporting some of the older peoples' services which are community led, particularly those led by people from BAME communities, services may close and an important contribution to the council's developing strategy for older people's day care could be lost. The new small grants theme 'Community Support Services for Older People' agreed at Cabinet seeks to address this and to combat social isolation of older people through the provision of community based support services.

5. OTHER STATUTORY IMPLICATIONS

5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

5.2 Best Value

Recent legislation, particularly the Localism Act 2010, has emphasised the role of communities working in partnership with local authorities to help achieve more effective and less costly services to local people. The process of co-production of services delivered by local voluntary and community organisations is a tool now widely recognised as a means to achieving this outcome.

5.3 Risk Management

a. There is a risk that, by not publishing the outcome of applications to the Small Grants Programme, the council could leave itself open to challenge that it is not fulfilling previous commitments to openness and transparency. This report is one of a series that will provide updates on funding decisions made in the Small Grants Programme and the VCS Annual Report will provide more detailed analysis.

5.4 Crime Reduction

There are no specific crime reduction considerations arising from this report.

5.5 Safeguarding

There are no specific safeguarding implications arising from this report. However, ensuring appropriate consideration is given to safeguarding will be addressed in the development of the Small Grants Programme, both through governance requirements and in the capacity building programme for the sector proposed.

6. COMMENTS OF THE CHIEF FINANCE OFFICER

6.1 The costs of the Small Grants Programme, including the two new small grants themes, will be funded within existing Council revenue budget.

7. COMMENTS OF LEGAL SERVICES

- 7.1 The Council has applied the application criteria to all applications in a fair and non-discriminatory way and therefore has complied with its legal duty in this regard.
- 7.2 The introduction of the eligibility cap has been done in such a way as to exclude large organisations that are responsible for the delivery of the activity. This means that where larger groups are representing smaller groups who provide the delivery of activity, those smaller groups will not be excluded. Therefore, it is unlikely that the introduction of the cap will have a discriminatory effect on organisations who have already submitted applications. This is also in the spirit of the scheme as previously advertised
- 7.3 Also, given the low number of effected applicants from the introduction of the cap, consideration of the effect on persons with a protected characteristic showed that it is unlikely that that there will be a significant extra impact on such persons
- 7.4 It is the intention that the small grants will be regularly monitored against the purposes for which the grants have been given. This will assist the Council to demonstrate that expenditure on the grants represents Best Value
-

Linked Reports, Appendices and Background Documents

Linked Report

NONE

Appendices

Appendix A Small Grant Awards (Round One)

Appendix B Schemes for new small grants programme themes

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

David Freeman, VCS Strategy Manager
david.freeman@towerhamlets.gov.uk