
Report To: Education & Communities Committee **Date:** 21 January 2014

Report By: Corporate Director: Education,
Communities and Organisational
Development **Report No:**
EDUCOM/17/14/MP

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Subject: Review of procedures for Grant to Voluntary Organisations

1.0 PURPOSE

The purpose of this report is to:

- 1.1 Advise Committee of the initial findings of a review of processes associated with the disbursement of Grants to Voluntary Organisations (GTVO) funding;
- 1.2 Seek approval for proposals to improve the effectiveness and impact of resources associated with Grants to Voluntary Organisations.

2.0 SUMMARY

- 2.1 The GTVO budget comprises two types of funding regime. The first funds a process of 'discretionary' year on year funding available to mainly small voluntary organisations. In 2012-2013 the average grant paid through this strand was £1,700. A second regime of 3 year awards was established in 2011-2012 and the awards to the first recipients come to and end on 31 March 2014. 19 organisations are currently supported by this funding, with awards ranging from £650 to £50,000.
- 2.2 The current funding available for Grants to Voluntary Organisations is £381,430. This will reduce to £331,430 in 2014-2015 and to £281,430 in 2015-2016. The purpose of the review outlined below was to explore options and bring forward proposals which will ensure that GTVO funding:
 - has the maximum impact possible on the well-being of the people of Inverclyde
 - secures best value for the public pound
 - is fairly and transparently disbursed.

3.0 RECOMMENDATIONS

It is recommended that Committee:

- 3.1 Note the review of processes associated with the disbursement of Grants to Voluntary Organisations funding;
- 3.2 Approve in principle the proposals that:
 - All organisations requesting grant assistance be required to register with the Council.
 - Registered organisations in receipt of recurring grants of under £5,000 per annum are awarded grants on a 3 year basis, subject to a satisfactory end of year report for each of the 3 years.
 - Organisations in receipt of 3 year funding of £5,000 or above per annum be required to enter into a Service Level Agreement with the Council.
 - Where appropriate and where an organisation receives significant other funding from the Council, GTVO funding, if continued, is consolidated within a single funding

package.

- Where cross-subsidy has been identified, GTVO funding is discontinued.
- The option to extend the level of funding disbursed by other organisations on behalf of the Council is explored further with a view to bringing forward recommendations for implementation in 2015-2016 as appropriate.

4.0 BACKGROUND

4.1 The GTVO budget comprises two types of funding regime. The first funds a process of 'discretionary' year on year funding available to mainly small voluntary organisations. 135 applications were received in 2012-2013 and the average grant paid through this strand was £1,700. A second regime of 3 year awards was established in 2011-2012 and the awards to the first recipients come to an end on 31 March 2014. 19 organisations are currently supported using this funding, with awards ranging from £650 to £50,000.

4.2 The current funding available for Grants to Voluntary Organisations is £381,430. This will reduce to £331,430 in 2014-2015 and to £281,430 in 2015-2016. The purpose of the review outlined below was to explore options and bring forward proposals which will ensure that GTVO funding:

- has the maximum impact possible on the well-being of the people of Inverclyde
- secures best value for the public pound
- is fairly and transparently disbursed.

4.3 Officers associated with the assessment and administration of the annual grants have reviewed the processes associated with these grants and the number and range of applications. See Annexe 1. A desk review of 3 year grant recipients has commenced. A summary is attached as Annexe 2.

5.0 PROPOSALS

5.1 Plans to initiate a process of registering sports groups are already in development and it is proposed that this is extended to all organisations funded through GTVO and to the granting of waivers or reductions in letting costs. This will help the Council to confirm compliance with all relevant legislation (Health and Safety, Child Protection etc) and to follow the public pound.

This process will also inform decisions about the level of funding to be awarded. Through securing more robust information about the purpose of the grant and the number of people who will benefit directly (and in some cases indirectly) from the grant, it will be possible to vary the level of funding to more accurately reflect the level of activity and impact anticipated. For example, historically all bowling clubs have received £2000 per annum towards running costs, although the clubs vary considerably in membership. The more detailed information associated with registration would also allow funding to community groups to be varied in line with their membership and their purpose and avoid potential duplication where organisations are in receipt of funding from other agencies.

5.2 Many recipients of a yearly grant from the 'discretionary' element of the fund have received a similar level of funding for many years. It is proposed to extend the opportunity of 3 year funding to more organisations on the condition that they participate in the registration process. Although the registration will be resource intensive at first, the process will reduce the burden on organisations to make yearly applications and on officers to assess them. While organisations need not apply on an annual basis, they would be required to submit an end of year report confirming that the grant was used for the purposes for which it had been allocated and that governance and arrangements for financial accountability remained robust.

5.3 It is proposed that current recipients of 3 year awards with levels of funding under £5,000 (5) be included within the above process. Organisations in receipt of £5,000 and above (14) will be required to enter into a service level agreement with the Council

submitting a monitoring report on an annual basis.

- 5.4 Of these 14 organisations in receipt of £5,000 and above, 6 are in receipt of funding from other services within the Council/CHCP. In two of these cases, it is possible that our grant could be interpreted as state aid. It is recommended that these be looked at in greater detail with the relevant departments and services. Where appropriate and where an organisation receives significant other funding from the Council, it is proposed that GTVO funding, if continued, is consolidated within a single funding package. Where cross-subsidy has been identified, it is proposed that GTVO is discontinued.
- 5.5 Currently Sport Inverclyde disburse grants to sports organisations and Arts for Inverclyde to arts organisations on behalf of the Council. There is potential to extend the level of funding disbursed by these organisations so that all Arts and Sports grants were mediated through them. There is also the potential to identify umbrella organisations to disburse other categories of grant, examples would include community associations and voluntary organisations.

It is proposed that this option be explored further with a view to bringing forward recommendations for implementation in 2015-2016 as appropriate.

6.0 IMPLICATIONS

- 6.1 Financial Implications - One off Costs none

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments

Financial Implications - Annually Recurring Costs/ (Savings) none

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if applicable)	Other Comments

- 6.2 Human Resources: None
- 6.3 Legal: None
- 6.4 Equalities: None
- 6.5 Repopulation: None

Annexe 1

Review of 1 year grants

	2010-2011	2011-2012	2012-13
Number of grant applications received	205	190	150
Number of awards made	117	122	110
Average level of awards	£1,777.31	£1,659.38	£1,572.92
Number of organisations in receipt of year on year grants 2010-2013	55		
Number of awards to:			
Arts groups	7	11	11
Bowling clubs	12	10	12
Care groups	3	5	6
Community groups	34	41	32
National/Regional Groups	0	1	0
Older People's Groups	4	0	3
Pre-school groups	4	4	3
Sports Groups	35	30	20
Uniformed Groups	3	3	1
Voluntary Groups	9	11	16
Youth Groups	1	3	3
Summer Playschemes	5	3	3

Annexe 2

Review of 3 year grants

Organisation	Amount	Comments
Uniformed Organisations		
Girl Guiding Greenock Division	7,000	
Inverclyde & District Battalion Boys Brigade	7,000	
Greenock & District Scout Council	7,000	Still repaying debt though free use of Everton Scout Camp
Greenock & District Sea Cadets Corp	3,000	
49F Greenock Air Training Corps	3,000	
Sports Organisations		
Gourock Youth Athletic Club	5,000	In receipt of free pitch hire
St Andrews Boys Club	5,000	In receipt of free pitch hire
Port Glasgow Boys Club	5,000	In receipt of free pitch hire
Sport Inverclyde	5,000	No council oversight of award decisions
Arts Organisations		
Greenock Arts Guild	50,000	Beacon funding
Inverclyde Music Festival Association	2,000	
Arts for Inverclyde	3,000	No council oversight of award decisions
Social Services Organisations		
Inverclyde Autistic Support Group	9,000	Passported to Enterprise Childcare (Included in review of Enterprise Childcare autistic support services)
Inverclyde Council on Disability	10,000	In receipt of other Council/CHCP funding
Victim Support	5,000	
Voluntary Transport		
Inverclyde Voluntary Council of Social Services	56,800	In receipt of other Council/CHCP funding, possible issue of state aid
Port Glasgow Voluntary Transport	9,000	In receipt of other Council/CHCP funding, possible issue of state aid. No grant awarded in year 3 because of substantial reserves.
Others		
Gourock Garden Party Committee	6,000	Gourock Garden Party Committee
Gourock Business Club	650	Gourock Business Club
Total	198,450	