

Approach for Reviewing Grants

LEAD OFFICER: Joanne Wagstaffe, Corporate Director Resources & Transformation
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Summary and Recommendation:

This report lays out the draft approach for reviewing the grants that the Council currently is involved in administering and distributing. The approach consists of 5 sections and scoring of the grant against these sections. A final score will determine whether or not the Council continues to support the grant or not.

It is recommended that Resource Planning Working Group approve the approach.

1. Background

As a result of the budget cuts the Council is required to reduce its budget by £1.5m during 2011/12.

Councils are finding themselves under increasing financial pressure. At the same time as having to cut expenditure, their customers are becoming more demanding both in the quality of the service they expect and the amount of service that they consume.

Given the current climate, it is crucial that the Council understands what its priorities are and how its resources are deployed. This project will review the current grant relationships that the Council has and make recommendations on whether or not the grant assistance should be maintained, changed or stopped.

2. Methodology and Roles and Responsibilities

Meetings have taken place with Heads of Service in post regarding creating grant assessment criteria. They (and relevant managers) have also been involved in checking over a spreadsheet containing information on grant assistance being given, value of the grant in this financial year and the next etc.

In order to identify whether existing grant recipients should continue to receive their grants a draft approach for reviewing them has been put together. The approach will be to consider and score the grant against the following areas;

Section 1. The eligibility of the grant.

Section 2. Links to the Council Plan. The project will be given a score of between 1 and 5 depending how closely it supports the Council Plan (2011/12) objectives.

Section 3. Impact on the Community. The project will be given a score of between 1 and 5 depending on how the removal of the grant would impact on the community.

Section 4. Finances. Looking at

- a) the organisation's need for support and dependency on grant assistance and
- b) the organisation's financial need (measured by how effectively the organisation is being run)

Section 5. Running Efficiency will look at whether or not the project has a project plan in place, what aims and objectives the project work has and if they are SMART or not, what outputs and outcomes have been achieved and are they SMART, a breakdown of how the grant has been spent and the expected spend profile until the end of the project/grant assistance, information on the set up of the organisation, monitoring and reporting of the use of the grant assistance. A score of between 1 and 5 will be given for the completeness of the documents and information in support of the headings above.

An overall score will be calculated by adding together the scores from the five sections and the resultant score will mean that the assistance will fall into one of the three following categories:

- Stop supporting the grant assistance
- Continue to support but at a reduced rate to be negotiated at a later date
- Continue to support the grant at the same rate

It is proposed that Policy and Transformation set up a panel that will use the criteria to score all the existing grants and feed the results into RPWG. RPWG will then score the grants again and it will then be up to RPWG to decide on any grant conditions and/or end date for any ongoing assistance.

The results will then be communicated to the recipients which will indicate the commencement of a consultation period (12 weeks long) before a final decision is made as to the future of the grant assistance.

Roles and responsibilities:

RPWG – agree approach; conduct second scoring exercise; set any conditions of grant and where applicable set an end date to grant assistance.

Performance and Transformation – conduct the first stage of the review; feed results into RPWG with initial scoring results; write to grant recipients with outcome of RPWG scoring exercise and indicate start of consultation period; collate any consultation feedback and take to RPWG if necessary; inform recipients of final decision.

Finance Team – conduct financial assessment part of scoring criteria; feed results into overall scoring process.

3. Grant Review Criteria

Below are the draft assessment criteria. The review consists of 5 sections which will be used to produce a scored recommendation on whether the grant should be continued.

Section 1. Eligibility

Two fundamental questions will be asked in this section:

- Q. Are there any documented grant criteria?
- Q. Is the application eligible under the relevant grant criteria?

Evidence will need to be provided of the grant criteria and how the application meets the criteria.

If the application does not meet the relevant criteria it will not be funded.

Section 2. Link to Council Plan

- Q. Is there clear evidence of need for the project and does it clearly support the Council Plan objectives?

| Score | Comments |
|-------|--|
| 1 | Broadly supports the Council Plan |
| 2 | Moderately supports the Council Plan |
| 3 | Strongly supports the Council Plan |
| 4 | Totally supports the Council Plan but is not unique i.e. there is something else being delivered which is very similar |
| 5 | Totally supports the Council Plan and is unique |

Section 3. Impact on the community

- Q. What impact will the removal of the grant have on the local community

| Score | Comments |
|-------|--|
| 1 | Low impact |
| 2 | Low/Medium impact |
| 3 | Medium impact |
| 4 | Medium/high impact |
| 5 | High impact e.g. it addresses a specific issue in the local area |

Section 4. Finance

Q. Does the project need Copeland Borough Council financial support?

This section is split into two areas;

a) The project's need for financial support

| Score | Comments |
|-------|--|
| 1 | Making a profit and not dependent on the Council assistance |
| 2 | Not making a profit and not totally dependent on Council assistance |
| 3 | Dependent |
| 4 | Mostly dependent |
| 5 | Totally dependent and the project carries out a function the Council would otherwise be delivering |

b) How efficiently the project is being run

| Score | Comments |
|-------|---------------------------|
| 1 | No evidence is provided |
| 2 | Not being run efficiently |
| 3 | Efficient |
| 4 | Mostly efficient |
| 5 | Totally efficient |

The Accountancy Service will review 2-3 yrs of accounts as part of assessing the financial need.

Section 5. Running Effectively

Q. Is there evidence of a project plan in place; what aims and objectives does the project work have and if they are SMART or not; what outputs and outcomes have been achieved and are they SMART; is there a breakdown of how the grant has been spent and the expected spend profile until the end of the project/grant assistance; is there any information on the set up of the organization; what measures are in place to monitor

and report the use of the grant assistance? One score will be given covering these questions.

| Score | Comments |
|--------------|--|
| 1 | Nothing in place |
| 2 | Something in place i.e. project plan, but not delivered and not adequate (less than 50%) |
| 3 | Something in place i.e. only partly delivered (more than 50%) |
| 4 | Adequate but not fully delivered |
| 5 | All in place, adequate and fully delivered. Relevant. |

4. Scoring and Condition of Grant

The thresholds for scoring to indicate the outcome of the review is proposed as follows:

| Score | Outcome |
|--------------|--|
| 5-11 | Stop supporting the grant assistance |
| 12-18 | Continue to support but at a reduced rate to be negotiated at a later date |
| 19-25 | Continue to support the grant at the same rate |

Once the scoring has taken place it would be recommended that a number of conditions be attached to the continuing grant support e.g. achievement of agreed outputs and outcomes, agreed methods of audit and monitoring. These conditions would be tailored to the nature of the organisation receiving the grant; the quantity of grant being given out and in some cases may give detail of the date that the grant assistance ends.

5. Programme of Work

| Date | Action |
|----------------|--|
| WC 18/7 | Policy & Transformation (P&T) test the review criteria and request information from Officers for section 1 of the review. |
| 11/8 | Resource Planning Working Group agrees approach and scoring criteria at their meeting on 11th August |
| WC 15/8 | Accountancy Services review Organisation's accounts to assess the financial need (section 4 in the criteria) |
| WC 15/8 | First stage panel conducts review (P & T Team). Collate results and recommendations. |

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|--------------------------------------|---|
| September | Results presented to RPWG for agreement in September. |
| Mid Sept | Letter to grant recipients with outcome of review. Start of 12 weeks consultation period (in line with The Cumbria Compact Agreement - Commitments for the Public Sector). |
| Mid Dec | Recipients informed of final decision. |
| 1st April 2012 | New financial arrangements in place. |

6. Grants in the Future

Grants in the future will be subject to the same review assessment and there will be a commitment to monitoring grants on an ongoing basis.

Appendix A – The list of current grants can be found in appendix A.

Consultees:

Cllr E Woodburn

Keith Parker, Head of Neighbourhoods

Julie Betteridge, Head of Regeneration and Community

Alison Walton, Equalities Officer

| Head of Service | Contact | Department / Section | Grant Recipient | What the Department/Organisation does | Does the grant align with the Corporate Plan | Classification i.e. SLA, Commission or Grant | Do we just pass the grant on or are there other checks in place? | Is a financial statement available (on the internet?) | Is the Organisation funded from other sources? | How would the removal of grant affect the Organisation's viability? | Other suggestions if funding is withdrawn eg Council Tax rate relief | 2010/11 Current Revenue Budget | Amount Payable in 2010/11 | Amount Payable in 2011/12 | Amount Payable in 2012/13 | One-off / Annual | Grant Conditions (Brief Description) | Cost Centre | Included in Base Budget (Yes / No) | Agreed with Organisations as Part of the Overall Budget Process (Yes / No) | Discretion? (Yes / No) | For info | Letter sent to Organisation by JW (March) advising of review |
|------------------|---|----------------------|---|--|--|--|--|---|---|--|--|--------------------------------|---------------------------|---------------------------|---------------------------|------------------|---|-------------|------------------------------------|--|--|---|--|
| Julie Betteridge | Simon Walker | Joint Neighbourhood | CCC who then re-distribute to Local organisations and individuals via the Joint Neighbourhood Forum. Currently under review by CCC, CBC is to yet to respond. | Currently Local Organisations/ Individuals make bids to the Joint Neighbourhood Forums (of which there are 6 in Copeland) each having a budget of approx £10-12k in total. Staffing (Johnathan Marriot and 2 part time staff) to be reduced by CCC and a new method of grant distribution is expected. | 1.4 | GRANT | Yes - to CCC | Yes - http://www.cumbria.gov.uk/Finance/finance/accounts09.asp | All Cumbrian Districts have Forums (over 60 in total) and CCC contributes. | The Organisation is about to undergo drastic revision anyway. In future it may align with localities but there maybe just 3 in Copeland. May in future be designed more for County Council consultation. Concerns that each Forum has written its own guidelines and therefore not worked strategically. Also certain applicants may have known how to work the system! The Forums have been costly to run but have been capable of a 3 week turnaround to provide funds to successful applicants. | | 13,905 | 13,500 | 13,500 | 13,500 | A | Local organisations make bids to the Joint Neighbourhood Forum, and if successful, conditions of the grant are set out in a signed document as to delivery and outputs on an individual basis | 22206 | Yes | Yes | Yes, although always supported | | Y |
| Julie Betteridge | Chris Davidson | Cultural Services | Millom Recreation Centre | Sports hall and fitness centre for schools & outreach | 1.1,1.4, 2.3, 2.4 | GRANT | Yes | SLA requests audited annual accounts are provided | Yes, the centre has been awarded funding from the town council, Sport England and other grant bodies. But these are not guaranteed. | The removal of the grant would probably mean that the centre would close and return to CBC ownership. In 2010-11 they only made a very small surplus, but incurred heavy maintenance costs. | | 11,447 | 11,447 | 11,447 | 11,447 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 43020 | Yes | Yes | | | Y |
| Julie Betteridge | Chris Davidson | Cultural Services | Egremont Swimming Pool | Fully open to public | 1.1,1.4, 2.3, 2.5 | GRANT | Yes | SLA requests audited annual accounts are provided | Yes, the centre has been awarded funding from sport England and other grant bodies. But these are not guaranteed. | The removal of the grant would probably mean that the centre closed. In 2010-11 they made a deficit of £200. | | 15,000 | 15,000 | 15,000 | 15,000 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 43020 | Yes | Yes | | | Y |
| Julie Betteridge | Chris Davidson | Cultural Services | Egremont Market Hall | Hall used for activities eg table top sales, meetings and dog classes. | 1.4, 2.3, 2.4 | GRANT | Yes | SLA requests audited annual accounts are provided | Yes, the centre has been awarded funding from other grant bodies and also generate income from other town council activities (eg grave yard etc). But these are not guaranteed. | The removal of the grant would probably mean that the centre struggled to operate fully, but as it is part of the town council offices possibly this could be off-set? | | 12,885 | 12,885 | 12,885 | 12,885 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 43020 | Yes | Yes | | | Y |
| Julie Betteridge | Chris Davidson | Cultural Services | Cumbria Sports Academy | Stadium in Hensingham used by the public, schools and sporting events | 1.1,1.4, 2.3, 2.4 | GRANT | Yes | SLA requests audited annual accounts are provided | Yes, the centre has been awarded funding from coalfields, NMP, sport England and other grant bodies. But these are not guaranteed. | The removal of the grant would probably mean that the centre closed. | | 5,000 | 5,000 | 5,000 | 5,000 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 43020 | Yes | Yes | | | Y |
| Julie Betteridge | Now Sue Palmer (Info from Chris Davidson) | Arts Development | Rosehill Theatre | An intimate theatre offering a diverse range of arts and entertainment. Also works with the community through the Arts Development Team, to attract new audiences. SLA-developing outreach | 1.4, 2.3, 2.4 | SLA but operates more like a grant, which needs strengthening (JB 13/6/11) | Yes | SLA requests audited annual accounts are provided | Rosehill Theatre is subsidised by Rosehill Arts Trust Limited, a non-profit making organisation and a registered charity, which receives grants from Arts Council England, Copeland Borough Council and Cumbria County Council, as well as financial support from sponsors, trusts and through individual giving. | provide gap funding as the facility is borderline | | 12,000 | 12,000 | 12,000 | 12,000 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 32560 | Yes | Yes | | | Y |
| Julie Betteridge | Now Sue Palmer (Info from Chris Davidson) | Arts Development | Moore Arts Millom | Commercial Theatre & visual arts covering South Copeland and also Barrow. Has also taken over The Beggar Theatre in Millom. SLA - Community focus. The Company is established to promote and advance involvement, participation and access to the performing arts and associated art forms, especially for young people, in the North West of England but primarily in Cumbria and in particular, Millom and it's surrounding areas. | 1.4, 2.3, 2.4 | SLA but operates more like a grant, which needs strengthening (JB 13/6/11) | | SLA requests audited annual accounts are provided | Lottery Funded: Arts Council England, Awards For All. Media Box, Aim Higher & CGP | | | 10,000 | 10,000 | 10,000 | 10,000 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 32560 | Yes | Yes | Yes but can depend on funding arrangements with Arts Council | Y | Y |
| Julie Betteridge | Now Sue Palmer (Info from Chris Davidson) | Arts Development | Arts Out West | Copeland & Allerdale rural touring scheme providing high quality arts to village halls | 1.4, 2.3, 2.4 | SLA/COMMISSION | | SLA requests audited annual accounts are provided | Was funded by Allerdale BC who didn't fund last year. Arts Out West obtained additional funding to cover the loss of Allerdale grant but still provided a service to Allerdale. | | | 5,761 | 5,761 | 5,761 | 5,761 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 32560 | Yes | Yes | | | Y |
| Julie Betteridge | Now Sue Palmer (Info from Chris Davidson) | Arts Development | Soundwave | Was the Youth Music Action Zone. Project by project basis | 1.4 | SLA/COMMISSION | | SLA requests audited annual accounts are provided | | | | 5,000 | 6,416 | 5,000 | 5,000 | A | Service Level Agreement in place setting conditions of grant in relation to outputs, working with the community etc. If do not deliver and supply monitoring information they will not get paid | 32560 | Yes | Yes | | Currently no payments 2011/12 as we are changing the way we work with them to being more project based. | n/a |

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|------------------|---|--------------|--|---|---------------|------------|---|---|---|---|--|-------|-------|-------|-------|-------|---|--|-------|-----|-----|-----|
| Julie Betteridge | | | | Worklessness | | COMMISSION | Most of money funds initiatives. 3 organisations commissioned to work for CBC, 1 of which has an SLA in place (WISE Enterprise Coaching). | | | | | | | | | | | | | | | |
| Julie Betteridge | Diane Ward | Regeneration | | Regeneration Strategy Development including Haverigg Lighthouse | | GRANT | Grant of £35k paid from CBC budget to Lighthouse. Accountable body for BEC funding. | | NDA,WCDF, CWMET, NMP, Sellafield, BEC, CCC, CCF. Match funding amounts to £1,252,875 | | | | | | | | | | | | | |
| Julie Betteridge | Sue Palmer Info from Simon Walker (Lowes Gallery Treasurer) | TIC | Lowes Gallery | Dual art gallery and Tourist Information | 2,3, 2.4, 4.2 | SLA | Yes | Yes - http://www.charitycommission.gov.uk/cannedAccounts/Ends21%5C0000500621_ac_20090331_e_c.pdf | NWDA, Market Town Initiative and a trust in Liverpool funded recent modernisations. Fundraising will fund future capital projects. No other revenue funding is available but the Gallery makes 85% of its income from commission on sales | Yes, even with the £8k (£3k TIC Assistant and £5k Regeneration Grant for rent and building maintenance) grant funding, the Charity just breaks-even. Kathleen Cook has written to Don Taylor to request help with the £3k for the TIC Assistant | Lowes Court is a listed building owned by CBC and we charge £3.5k rent pa. | 5,000 | 3,000 | 3,000 | 3,000 | A | to support a TIC Assistant post in Egremont | 32202 | Yes | Yes | Yes | y |
| | | | Information posters across the Borough | | | | COMMISSION | | | | | | | 2,000 | 2,000 | 2,000 | A | Where to stay, how to contact coastguard, local attractions etc. | 32202 | Yes | No | Yes |

CBC ARE THE ACCOUNTABLE BODY ONLY FOR THE FOLLOWING:

| | | | | | | | | | | | | | | | | | | | | | | |
|------------------|------------|--------------|---|--|-------------------|------------|--|--|--|--|--|--|--|--|--|--|--|---|---------------------|--|--|---|
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | | 1,4,2,1,2,2,3,2,4 | COMMISSION | Yes, this is the last year of the LABGI money and must be spent by 31/03/2012. | | | | | | | | | | | No formal applications. CBC Economic Dev give out at their discretion | | | | Y |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Cumbria Business Environmental Network | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | Application process | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Place Marketing | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Low Carbon Grant | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Enterprise Development | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Whitehaven Regeneration | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Business Networks | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Retail Sector | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Shopfronts scheme | | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | Application process | | | |
| Julie Betteridge | Don Taylor | Regeneration | CBC from Local Authority Business Growth Initiative (LABGI) | Business Support Grants. Discretionary grant scheme to fund business growth. Several commitments are all ready in place. | 1,4,2,1,2,2,3,2,4 | COMMISSION | Yes, part of LABGI monies. | | | | | | | | | | | | | | | |

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|------------------|----------------|----------------|----------------|----------------|
| GRANT | 70,237 | 92,054 | 72,054 | 72,054 |
| SLA | 101,382 | 149,288 | 125,761 | 125,761 |
| COMMISSION | 135,000 | 144,500 | 732,769 | 158,713 |
| TOTAL | 306,619 | 385,842 | 930,584 | 356,528 |
| ACCOUNTABLE BODY | 238,000 | | | |