**LEISURE, WELLBEING AND HEALTH COMMITTEE**

 **29 JUNE 2016**

**PART I - DELEGATED**

**6.** **REVIEW OF GRANTS PROCESS**

 (CED)

1. **Summary**

1.1 This report reviews the current grants process and provides the Committee with several options and recommendations in relation to:

* Whether applications should be accepted one or two times per year;
* Whether there should there be an overall limit on the amount of funding granted to any one project or the number of grants that can be given to an organisation in the same financial year;
* How applications are assessed including how points are taken away from the project score if the project reaches a low proportion of Three Rivers residents and how funding decisions are made against the Strategic Plan;
* How applicants are invited / encouraged to attend Committee;

and

* How an application for a project or service that is already commissioned using public funds should be considered.

2. **Details**

2.1 At its March 2016 meeting the Leisure, Wellbeing & Health Committee raised the points listed in 1.1 and requested that officers review these aspects of the grants process and provide them with alternative options going forward.

2.2 Officers have also considered how to deal with applications for projects/services that are already commissioned using public funds.

* 1. This report highlights the potential advantages and disadvantages of making changes to the grants process as well as officer recommendations.
	2. Appendix A contains a diagram of the current grants process for information.
	3. **Frequency of application rounds**

2.5.1 Currently applications are welcomed 4 times per financial year in line with the Committee meeting cycle.

2.5.2 Two potential new systems considered by officers are as follows:

1 Application Round / Year

2.5.3 Applicants submit their application before a set deadline in a financial year. Officers then work towards presenting a report of all applications received (that meet minimum criteria) at the next Leisure committee.

2 Applications Rounds / Year

2.5.4 Applicants submit an application before one of 2 set deadlines in a financial year. Officers then work towards presenting a report of all applications received (that meet minimum criteria) at the next Leisure, Wellbeing & Health Committee.

2.5.5 The only exception to the above would be for grants where the amount recommended is up to £300 and therefore within officers’ remit to agree funding. Currently these applications can be submitted all year round. Within the past 2 financial years there have only been 5 of these small grants agreed.

2.5.6 Officers have considered the advantages and disadvantages of the 2 systems against the current system.

1 Application Round / Year

2.5.7 The potential advantages are:

* Large capital applications can be compared against one another;
* Less officer time spent on administering applications as well as preparing for and attending Committee meetings each year;
* Less Member time spent considering applications each year.

2.5.8 The potential disadvantages are:

* There are likely to be too many applications to administer and consider at one Committee meeting;
* The budget is not fully allocated and therefore in danger of being reduced in future years;
* Some worthwhile projects do not have the chance to apply for funds because there is only one window of opportunity per year to apply.

2 Application Rounds / Year

2.5.9 The potential advantages are:

* Large capital applications may be compared against one another;
* Less officer time spent on administering applications as well as preparing for and attending Committee meetings each year;
* Less Member time spent considering applications each year.

2.5.10 The potential disadvantages are:

* There may be too many applications to administer and consider at the Committee meetings.

2.6 **Limit on the amount of grant given to any one project**

2.6.1 There has never been a limit or cap on the amount of funding that can be applied for within a single application for a specific project.

2.6.2 Officers found out that the following neighbouring districts have the following caps in place within their grants programmes:

* Watford, £2,000 (for both revenue and capital grants)
* Dacorum, £5,000 generally (£10,000 in exceptional cases and for both revenue and capital grants)
* Hertsmere, £3,000 (for both revenue and capital grants)

2.6.3 Officers have carried out some analysis of the previous three years’ Leisure & Community (L&C) & Capital grants agreed by Committee. This does not include the handful of grants agreed by officers that are up to £300 and therefore within officers’ remit to approve.

* The 14 L&C grants agreed ranged from £500 to £6,670 with an average of £2,430 and a median value of £2,250;
* The 17 Capital grants agreed ranged from £1,000 to £25,000 with an average of £8,860 and a median value of £5,470.

2.6.4 Two potential new options considered by officers are as follows:

Option 1

2.6.5 Based on the 2015/16 averages and median values, a cap of £3,000 could be introduced for L&C applications and £10,000 for Capital applications.

 Option 2

2.6.6 Based on the value of grants awarded in 2015/16 which scored highly against set criteria, a cap of £5,000 could be introduced for L&C applications and £15,000 for Capital applications.

2.6.7 Officers have considered the effects as well as the advantages and disadvantages of the two systems.

Option 1

2.6.8 The potential advantages are:

* If maximum cap amounts are agreed then at least 14 different projects could benefit from a grant (8 L&C and 6 Capital).

2.6.9 The potential disadvantages are as follows:

* Limiting the Capital funding amount possible would remove the possibility of a medium to large capital project being supported;
* If the proposed caps had been in place between 2013/14 and 2015/16 then 4 out of 14 L&C applications and 5 out of 17 Capital applications would not have been granted to the same value.

 Option 2

2.6.10 The potential advantages are:

* If the proposed caps had been in place between 2013/14 and 2015/16, only 1 out of 14 L&C applications agreed would not have been granted to the same value.

2.6.11 The potential disadvantages are:

* If maximum cap amounts then only 9 projects would benefit from a grant (5 L&C and 4 Capital);
* Limiting the Capital funding amount possible would remove the possibility of a medium to large capital project being supported;
* If the proposed caps were in place between 2013/14 and 2015/16 then 4 out of 17 Capital applications would not have been granted to the same value.

2.6.12 Furthermore, officers suggest that the Committee may wish to limit an organisation to a maximum of 1 L&C and 1 Capital application in any one financial year.

2.7 **How applications are assessed, how points are taken away from the project score if the project reaches a low proportion of Three Rivers residents and how funding decisions are made against the Strategic Plan**

2.7.1 Applications are currently scored against the scoring sheet within Appendix B. There are scores assigned for relevance to Community Need (up to 20 points) and the Strategic Plan (up to 5 points) and these are multiplied to give an overall score (up to 100).

2.7.2 Officers find evidence from the application form to enable them to assign points within each category.

2.7.3 Appendix C contains a proposed new scoring matrix based on the potential changes detailed below:

* Introduction of a Match Funding score;
* Removal of sections focusing on working with ‘young people and families’, ‘elderly’ people and shifting the focus to supporting projects that:
* are aligned with the Council’s Physical Activity Strategy
* seek to support and provide opportunities for under-represented groups;
* Introduction of a points deduction if a project reaches less than 50% of Three Rivers residents;
* Updating the ‘areas of deprivation’ section.

2.7.4 Based on the new scoring system and considering the L&C and Capital grants awarded in 2015/16:

* 2 of the applications would have scored fewer points; these were the ones with a Three Rivers residents project participation of under 50%;
* The remaining applications would have scored more points with an average of between 10 and 15 more points awarded per application.

2.8 **Detailed other changes**

 Project Score to amount of Funding Recommended Table

2.8.1 At present the amount of funding recommended by officers is based on its total score using the table as follows:

|  |  |
| --- | --- |
| **Score** | **% Recommended** (of total project cost) |
| 45 – 50 points | 100 % grant |
| 40 – 44 points | 85 % grant |
| 35 – 39 points | 70 % grant |
| 30 – 34 points | 55 % grant |
| 25 – 29 points | 40% grant |
| 20 – 24 points | 25% grant |
| Under 20 points | No funding |

2.8.2 For example if a project scored 45 this enabled officers to recommend a grant of up to 100% of the total project cost.

2.8.3 In 2015/16 the scores achieved by L&C and Capital applications that received funding ranged from 20 to 45. If the new scoring system (in Appendix C) were to be approved then application scores would range from 20 to 60.

2.8.4 Consequently officers propose changing the ‘score to percentage of funding recommended’ table to the following to acknowledge the higher scores that would be achieved by projects:

|  |  |
| --- | --- |
| **Score** | **% Recommended** (of total project cost) |
| 61 to 100 points | 85 % grant |
| 51 to 60 points | 70 % grant |
| 41 to 50 points | 55 % grant |
| 31 – 40 points | 40% grant |
| 26 – 30 points | 25% grant |
| Under 25 points | No funding |

2.8.5 Based on the 2015/16 agreed grants, only those projects that targeted a low proportion of Three Rivers residents would be radically affected by the new table. In such cases the amount of funding that officers could recommend was significantly reduced with at most 25% of total project cost being recommended.

2.8.6 A further benefit of introducing the new table is that officers would no longer be able to recommend an award of 100% of total project costs with 85% the highest amount that could be recommended.

 Exclusion of Projects for Services that are already Commissioned

2.8.7            Applications have previously reached Committee where officers have stated that the project/service, for which funding is being applied for, is already being delivered by either applicant or another organisation using public funds.

2.8.8            Officers could insert a sentence within the guidance notes stating that ‘applications for a project or service that is already funded using public funds will only be considered for a grant in exceptional circumstances’.

2.9 **How applicants are invited / encouraged to attend the Committee**

2.9.1 Currently officers write to applicants to make them aware that they are welcome to attend Committee and that they have the opportunity to speak about their project for up to three minutes before a final decision is made by the Committee.

2.9.2 In 2015/16 there were 6 applications (out of 17 in total) that were not approved for a funding award at Committee.

2.9.3 In at least 3 of these cases the Committee stated that they required more information and deferred a final decision. In all cases the applicant had not taken up the opportunity to speak for three minutes about their project.

2.9.4 Officers could in future make it clear to grant applicants that speaking for three minutes about their project would help the Committee make a more informed decision and avoid a deferred or declined final decision.

2.9.5 Officers have been made aware that the timing of committee meetings may not be suitable for someone with caring responsibilities to attend.

3. **Options/Reasons for Recommendation**

3.1 The reasons for changing the frequency of application rounds are as follows:

* Large capital applications can be scored / compared against one another;
* Officer and Committee time could be saved in administering and considering applications.

3.2 The reason for introducing a cap on the amount of L&C funding that can be applied for is because larger applications use up a big proportion of the budget thus reducing the number of projects / organisations that can be supported.

3.3 Officers suggest allowing for an award greater than the L&C cap of £3,000 in exceptional circumstances based on the fact that there were some very highly scoring projects (against set criteria) granted over £3,000 in 2015/16.

3.4 Officers do not recommend a cap on the amount of Capital funding that can be applied for because it could remove the possibility of a medium to large capital project being supported.

3.5 The reason for introducing a limit on the number of applications that an organisation can be granted in any 1 year is to spread funding around a number of projects / organisations rather than to a few who submit multiple applications.

3.6 The reasons for changing the scoring system for applications and ‘score to amount of funding recommended’ table are as follows:

* To benefit applicants who apply for other match funding rather than apply to the Council for most or all of the funding required;
* To limit the maximum amount of total project costs that could be recommended for award by officers to 85% (from 100%);
* To ensure that projects are aligned to the Council’s Physical Activity Strategy and not just the Community Strategy;
* To benefit applicants whose projects seek to involve and engage previously under-represented groups;
* To benefit applicants whose projects reach a high proportion of Three Rivers residents;
* To update the ‘areas of deprivation’ section to bring it in line with the Indices of Multiple Deprivation 2015 scores.

3.7 The reason for changing the wording of invitations sent to applicants whose projects are to be considered at Committee is to make it clear to applicants that speaking for the three minutes available to them will enable the Committee to make a more informed decision and avoid a deferred or declined final decision.

3.8 The reasons for excluding applications for projects that are already commissioned using public funds are as follows:

* to avoid double funding
* as well as saving applicant, officer and committee time.

4. **Policy/Budget Reference and Implications**

4.1 The recommendations in this report are within the Council’s agreed policy and budgets. The relevant policy is entitled the Strategic Plan 2016-2019.

5. **Financial Implications**

5.1 For information the table below details the current annual budgets for the Leisure, Community and Capital Grants along with the existing SLA commitments for 2016/17.

|  |  |  |
| --- | --- | --- |
|  | Leisure & Community | Capital |
| Annual Budget | £35,000 | £60,000 |
| SLA Commitments | £12,800 | £0 |
| Total Remaining | £22,200 | £60,000 |

6. **Risk Management and Health & Safety Implications**

6.1 The Council has agreed its risk management strategy which can be found on the website at http://www.threerivers.gov.uk. In addition, the risks of the proposals in the report have also been assessed against the Council’s duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

6.2 The subject of this report is covered by the Community Partnerships service plan***.*** Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

6.3 The following table gives the risks if the recommend changes are made across all areas, together with a scored assessment of their impact and likelihood:

|  |  |  |
| --- | --- | --- |
| Description of Risk | Impact | Likelihood |
| 1 | Grants budget undersubscribed leading to a reduced budget in future years | II | E |

6.4 The following table gives the risks that would exist if none of the suggested changes are made, together with a scored assessment of their impact and likelihood:

|  |  |  |
| --- | --- | --- |
| Description of Risk | Impact | Likelihood |
| 2 | Grants budget oversubscribed leading to poor publicity | II | D |

6.5 Of the risks above the following are already included in service plans:

|  |  |
| --- | --- |
| Description of Risk | Service Plan |
| 2 | Grants budget oversubscribed leading to poor publicity | Community Partnerships |

6.6 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood, detailed definitions of which are included in the risk management strategy. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require a treatment plan.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Likelihood** | A |  |  |  |  |  | Impact | Likelihood |
| B |  |  |  |  |  | V = Catastrophic | A = >98% |
| C |  |  |  |  |  | IV = Critical | B = 75% - 97% |
| D |  | 2 |  |  |  | III = Significant | C = 50% - 74% |
| E |  | 1 |  |  |  | II = Marginal | D = 25% - 49% |
| F |  |  |  |  |  | I = Negligible | E = 3% - 24% |
|  | I | II | III | IV | V |  | F = <2% |
| **Impact** |  |  |

6.7 In the officers’ opinion the risk above, were it to come about, would not seriously prejudice the achievement of the Strategic Plan and is therefore an operational risk.

7. **Legal, Equal Opportunities Implications, Staffing, Environmental, Community Safety, Public Health, Customer Services Centre and Communications & Website**

7.1 None specific.

8. **Recommendation**

8.1 For the Committee to agree to the following changes:

1. Frequency of Application rounds
	* Two per year
2. Whether there should there be an overall limit on the amount of funding granted to any one organisation
	* Leisure & Community cap of £3,000 (more in exceptional circumstances)
	* Capital applications, no cap
3. Whether there should be a limit on the number of grants that can be given to an organisation in the same financial year
	* An organisation can only receive a maximum of one Leisure & Community and one Capital grant in a financial year
4. How applications are assessed including how points are taken away from the project score if the project reaches a low proportion of Three Rivers residents and how funding decisions are made against the Strategic Plan
	* Adopt new scoring system (Appendix C) and ‘project score to amount of funding recommended’ table in 2.8.4
5. How applicants are invited / encouraged to attend Committee
	* For officers to make it clear to applicants that it would be beneficial to attend committee and tell the Committee about their project for the 3 minutes available to them
6. Exclusion of applications to deliver services that are already commissioned using public funds

- To insert a sentence within the grants guidance notes stating that ‘applications for a project or service that is already commissioned using public funds will only be considered for a grant in exceptional circumstances’

 Report prepared by: Karl Stonebank, Community Partnerships Officer

 **Data Quality**

Data sources: Committee Reports from 2013/14, 2014/15 and 2015/16

 Grant Applications from 2013/14 to 2015/16

 Dacorum Borough Council Website

 Watford District Council Website

 Hertsmere Borough Council Website

Data checked by: Andy Stovold, Head of Community Partnerships

 Data rating:

|  |  |  |
| --- | --- | --- |
| 1 | Poor |  |
| 2 | Sufficient | **✓** |
| 3 | High |  |

 **APPENDICES**

A - Current Grants Process Diagram

B - Current Prioritisation Scoring Matrix

C - Proposed New Prioritisation Scoring Matrix

**Appendix A Current Grants Process Diagram**

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**Appendix B**

**Current Prioritisation Scoring Matrix**

The overall priority score is made up by the Community Need score multiplied by the Strategic Plan score. See below for further information.

Scoring Chart

|  |  |  |  |
| --- | --- | --- | --- |
| **Relevant to** | **Description** | **Score** | **Max** |
| Non profit organisation, charity or grant/NNDR application (NPOCA) | Predominantly based on unpaid volunteers | +2 | +4 |
| Contributes to educating the community | +1 |
| Fully accessible to all community / not exclusive to its members | +1 |
| Recurrent Funding Applications  | New initiative, with no previous Three Rivers Grant funding  | +3 | +3 |
| Project has received 1 years previous funding within past 3 yrs | -1 |
| Project has received 2 years previous funding within past 3 yrs | -2 |
| Project has received 3 years previous funding within past 3 yrs | -3 |
| working with young people/ families | Supports young people experiencing domestic violence | +1 | +5 |
| Increases parental awareness of the dangers of alcohol | +1 |
| Enables/ has mechanisms for vulnerable young children to be involved in decision making | +1 |
| Assisting young people to provide constructive use of leisure time | +1 |
| Increases feelings of safety to young people | +1 |
| work with elderly people | Contributes to their welfare | +2 | +2 |
| work with people with disabilities | Contributes to their welfare | +2 | +2 |
| works with residents living in areas of deprivation | Residents predominately live in the wards of Northwick, Hayling, Ashridge, Maple Cross/Mill End or Langleybury wards | +3 | +3 |
| Benefits the residents of Three Rivers | 80% of people benefiting from the project are Three Rivers residents | +1 | +1 |
| **Total Community Need Max Score** |  +20 |
|  |
| Little / negligible link to Safety & Well-being, Clean and Green and Economic opportunities | 1 |  |
| An indirect link to Safety & Well-being, Clean and Green and Economic opportunities | 2 |  |
| A link to an aim in the Strategic Plan\* | 3 |  |
| A link to an objective in the Strategic Plan\* | 4 |  |
| More than one objective in the Strategic Plan\* is achieved  | 5 |  |
| **Link to Strategic Plan Max Score** | +5 |
|  |  |

**Total Priority Score = Community Need Score (max. 20) x Strategic Plan Score (max. 5) = 100**

\*Strategic Plan 2015 - 2018 Aims

1.1 Work with partners to the make the district a safe place.

1.2 Provide a safe and healthy environment

1.3 Reduce health inequalities; promote healthy lifestyles, support learning & community organisations

2.1 Maintain a high quality local environment and reduce the eco-footprint of the district.

\*Strategic Plan 2015 - 2018 Objectives

1.1.1 Reduce anti-social behaviour and crime.

1.2.1 Ensure the safety of people in the district.

1.3.1 Improve and facilitate access to leisure and recreational activities for adults

1.3.2 Contribute to partnership working to reduce health inequalities.

1.3.3 Provide a range of supervised leisure activities and facilities for young people.

2.1.5 Minimise energy and water consumption, reduce CO2 emissions and increase the use of renewable energy

**Appendix C**

**Proposed New Prioritisation Scoring Matrix**

Scoring Chart

|  |  |  |  |
| --- | --- | --- | --- |
| **Relevant to** | **Description** | **Score** | **Max** |
| Non profit organisation, charity or grant / NNDR application (NPOCA) | Predominantly based on unpaid volunteers | +2 | +4 |
| Contributes to educating the community | +1 |
| Fully accessible to all community / not exclusive to its members | +1 |
| Recurrent Funding Applications  | New initiative, with no previous Three Rivers Grant funding  | +3 | +3 |
| Project has received 1 years previous funding within past 3 yrs | -1 |
| Project has received 2 years previous funding within past 3 yrs | -2 |
| Project has received 3 years previous funding within past 3 yrs | -3 |
| **Match funding** | **The applicant has secured at least 50% match funding (including from their own resources) towards the project** | **+2** | **+2** |
| **Project is aligned with Council Strategies** | **The project can demonstrate evidence that it is aligned the Council’s Physical Activity Strategy** | **+2** | **+2** |
| **Work with unrepresented groups** | **The project can demonstrate it is engaging or supporting a group of people who had not previously taken part of benefited from the project or service** | **+2** | **+2** |
| **Work with people with disabilities** | **Contributes to their wellbeing including physical activity, mental health and social isolation** | **+2** | **+2** |
| **Works with residents living in areas of deprivation** | **Residents predominately live in Lower Super Output Areas (LSOAs) that are within the top 50% most deprived according to the Indices of Multiple Deprivation 2015 (LSOAs within the wards of South Oxhey, Carpenders Park, Oxhey Hall & Hayling, Gade Valley and Chorleywood South & Maple Cross)** | **+4** | **+4** |
| **Benefits the residents of Three Rivers** | 80% or more of people benefiting from the project are Three Rivers residents | +1 | +1 |
| **Under 50% of people benefiting from the project are Three Rivers residents** | **-2** |  |

|  |  |
| --- | --- |
| **Total Community Need Max Score** |  +20 |

|  |
| --- |
|  |
| Little / negligible link to Safety & Well-being, Clean and Green and Economic opportunities | 1 |  |
| An indirect link to Safety & Well-being, Clean and Green and Economic opportunities | 2 |  |
| A link to an aim in the Strategic Plan\* | 3 |  |
| A link to an objective in the Strategic Plan\* | 4 |  |
| More than one objective in the Strategic Plan\* is achieved  | 5 |  |

|  |  |
| --- | --- |
| **Link to Strategic Plan Max Score** | +5 |

|  |  |
| --- | --- |
|  |  |

**Total Priority Score = Community Need Score (max. 20) x Strategic Plan Score (max. 5) = 100**

\*Strategic Plan 2016 - 2019 Aims

1.1 Work with partners to the make the district a safe place.

1.2 Provide a safe and healthy environment

1.3 Reduce health inequalities; promote healthy lifestyles, support learning & community organisations

2.1 Maintain a high quality local environment and reduce the eco-footprint of the district.

\*Strategic Plan 2016 - 2019 Objectives

1.1.1 Reduce anti-social behaviour and crime.

1.2.1 Ensure the safety of people in the district.

1.3.1 Improve and facilitate access to leisure and recreational activities for adults

1.3.2 Contribute to partnership working to reduce health inequalities.

1.3.3 Provide a range of supervised leisure activities and facilities for young people.
2.1.5 Minimise energy and water consumption, reduce CO2 emissions and increase the use of renewable energy